

## **ECap Equities Limited**

**(formerly known as Edel Land Limited)**

**Corporate Identity Number: U74900MH2008PLC287466**

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

## Independent Auditors' Report

### To the Members of Ecap Equities Limited (Formerly known as Edel Land Limited) Report on the Audit of the Ind AS Standalone Financial Statements

#### Opinion

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

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

#### Basis for Opinion

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS Standalone Financial Statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the Ind AS Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS Standalone Financial Statements.



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Key audit matters	How our audit addressed the key audit matter
<p><b>Expected Credit Loss (ECL) Model</b> Loans are measured at amortised cost less impairment charges.</p> <p>Loan impairment charges represent Management's best estimate of expected losses on loans at the balance sheet date.</p> <p>The expected credit loss method is subjective and based on various indicators of past default rates, forward looking macro-economic factors, future recoveries to the loss given parameter, credit risk ratings and statistical models.</p> <p>The impairment provision policy is presented in note 4.6 under significant accounting policies in the Ind AS standalone financial statement.</p>	<p>Our audit procedure included an assessment of the impairment model applied by the Company.</p> <p>We assessed and tested the Company's calculation of impairment charges including assessment of Management's determination and adaptation of ECL model variables.</p> <p>The Company assessed and tested the principles applied for the determination of impairment scenarios and for the measurement of collateral values of assets.</p> <p>We performed test of details, on a sample basis and inspected the repayment and collections made on the due dates which forms the basis of staging of financial assets.</p> <p>Performed analytical procedures by determining various ratios or percentage-based measures to review overall reasonableness of the estimate determined by the management.</p> <p>We reviewed the relevant disclosures made in the Ind AS Standalone Financial Statements in accordance with the requirements of the Ind AS 109 and Ind AS 107</p>

#### Other Information

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

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

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



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

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

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

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

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

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

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

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



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

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

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

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


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

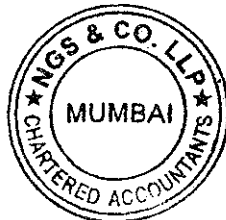
1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Ind AS standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:



- i. The Company does not have any pending litigations which would impact its financial position;
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
- iv. a) The management has represented to us that, to the best of its knowledge and belief, as disclosed in the note 65(ii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiary") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiary;
- b) The management has represented to us that, to the best of its knowledge and belief, as disclosed in the note 65(iii) to the standalone 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;
- 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; and
- v. No dividend has been declared or paid during the period by the Company.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

  
**R. P. Soni**  
Partner  
Membership No.:104796



UDIN: 23104796BGWDNN7066

Place: Mumbai  
Date: May 22, 2023

**Annexure A to the Auditors' Report**

**The Annexure referred to in our Independent Auditors' Report to the members of Ecap Equities Limited (Formerly known as Edel Land Limited) ('the Company') on the standalone financial statements for the year ended March 31, 2023, we report that:**

- (i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) As explained to us, the Company has a regular programme of physical verification of its property, plant and equipment by which all the property, plant and equipment are verified in a phased manner over a period of three years. In our opinion this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 8 and 9 to the standalone financial statements included in property, plant and equipment and investment in property are held in the name of the Company. Certain title deeds of the immovable Properties, in the nature of freehold land and buildings which were acquired pursuant to a Scheme of Amalgamation approved by National Company Law Tribunal's (NCLT) Order dated 10<sup>th</sup> January 2022, are individually held in the name of the demerged business.
- (d) According to the information and explanations given by the management, the Company has not revalued its Property, Plant and Equipment (including Right of use assets) and intangible assets during the year ended March 31, 2023.
- (e) According to the information and explanations given by the management, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company has conducted physical verification of inventory on the basis of vault register in respect of commodities held as inventory, at reasonable intervals during the year. No material discrepancies have been noticed on such physical verification.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.



- (iii) (a) During the year the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies as follows:

(Rs in million)

	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/provided during the year to				
-Subsidiary	Nil	Nil	550.00	Nil
-Others	1,753.88	1,052.24	13,772.54	Nil
*Balance outstanding as at balance sheet date in respect of				
-Subsidiary	Nil	Nil	-	Nil
-Others	1,753.88	1,052.24	1,560.10	Nil

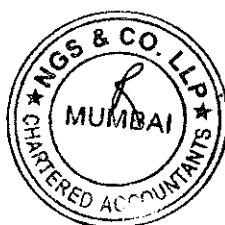
- (b) According to the information and explanations given by the management and on the basis of our examination of the records of the Company, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided during the year to companies, firms, Limited Liability Partnerships and other parties are not prejudicial to the Company's interest.
- (c) According to the information and explanations given by the management and on the basis of our examination of the records of the Company, the Company has granted loans and advance in the nature of loans during the year to companies, firms, Limited Liability Partnerships and to individual borrowers where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular except as stated below:

Name of the Entity	Amount (in million)	Due date	Remarks
Various parties	4,684.37	Various	Provision made amounting to Rs. 3,788.21 million

- (d) The following amounts are overdue for more than ninety days from companies, firms, Limited Liability Partnerships and to individual borrowers and reasonable steps have been taken by the Company for recovery of the overdue amount of principal and interest.

Name of the Entity	Amount (in million)	Due date	Remarks
Various parties	4,684.37	Various	Provision made amounting to Rs. 3,788.21 million

- (e) In our opinion and according to the information and explanations given to us, there were no loans or advance in the nature of loan granted to companies which was fallen due during the year that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.





- (iv) In our opinion and according to the information and explanations given to us, there are no loans to directors including companies in which they are interested in respect of which the provisions of section 185 of the Companies Act 2013 are applicable and hence not commented upon. In our opinion and according to the information and explanations given to us, provisions of section 186 of the Companies Act 2013, in respect of loans and advances given and investments made have been complied with by the Company.
- (v) According to the information and explanations given by the management, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) To the best of our knowledge and as explained by the management of the Company, the Company is not in the business of sale of any goods or provision of such services as prescribed u/s 148 (1) of Companies Act, 2013. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, value added tax, service tax, goods and service tax, cess and other statutory dues, applicable to it, have been regularly deposited during the year by the Company with the appropriate authorities. The provisions relating to employees' state insurance, duty of excise, duty of custom, sales tax and cess are currently not applicable to the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, value added tax, service tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, there are no dues of provident fund, value added tax, service tax, goods and sales tax and cess which have not been deposited with the appropriate authorities on account of any dispute. The provisions relating to employees' state insurance, duty of excise, duty of custom, sales tax and cess are currently not applicable to the Company. The dues outstanding in respect of income tax on account of dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In millions)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	30.02	A.Y. 2012-13	Hon. High Court
Income Tax Act, 1961	Income Tax	1.2	A.Y. 2014-15	CIT(A)
Income Tax Act, 1961	Income Tax	1.33	A.Y. 2014-15	CIT(A)
Income Tax Act, 1961	Income Tax	1.67	A.Y. 2017-18	CIT(A)
Income Tax Act, 1961	Income Tax	76.08	A.Y. 2017-18	CIT(A)
Income Tax Act, 1961	Income Tax	4.03	A.Y. 2017-18	CIT(A)
Income Tax Act, 1961	Income Tax	7.07	A.Y. 2015-16	CIT(A)
Income Tax Act, 1961	Income Tax	24.41	A.Y. 2017-18	CIT(A)



- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company
- (d) On an overall examination of the financial statements of the Company, the Company has used funds raised on short-term basis aggregating to Rs. 4,069.82 millions for long-term purposes representing investments in securities.
- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, during the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clauses 3(xii)(a) to 3(xii)(c) of the Order is not applicable to the Company.




- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) According to the information given to us the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) According to the information given to us the Company has not conducted Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) Based on our examination, the Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) According to the information and explanations given by the management, the Group has one Core Investment Company as part of the Group.
- (xvii) The Company has incurred cash losses amounting to Rs. 680.30 million in the current year and amounting to Rs. 1,369.73 million in the immediately preceding financial year respectively.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 65(iv) to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no unspent amounts in respect of other than ongoing projects, that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 50.2(c) to the standalone financial statements.



- (b) According to the information and explanations given to us, there are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 50.2(c) to the standalone financial statements.
- (xxi) The Report is part of standalone financials of the Company hence the requirement to report on clause 3(xxii) of the Order is not applicable to the Company.

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

  
**R. P. Soni**  
Partner  
Membership No.: 104796



UDIN: 23104796BGWDNN7066

Place: Mumbai  
Date: May 22, 2023

**Annexure B to the Auditors' Report**

**Annexure B the Independent Auditor's report of even date on the standalone financial statements of Ecap Equities Limited (Formerly known as Edel Land Limited) ("the Company")**

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

We have audited the internal financial controls over financial reporting of **Ecap Equities Limited (Formerly known as Edel Land Limited) ("the Company")** as of March 31, 2023 in conjunction with our audit of standalone 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

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

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

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



### **Meaning of Internal Financial Controls over Financial Reporting**

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

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

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

### **Opinion**

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

**For NGS & Co. LLP**

Chartered Accountants

Firm Registration No.: 119850W



**R. P. Soni**

Partner

Membership No.: 104796



UDIN: 23104796BGWDNN7066

Place: Mumbai

Date: May 22, 2023

**Ecap Equities Limited**  
(formerly Edel Land Limited)

**Standalone Balance Sheet**

(Currency : Indian rupees in millions)

	Note	As at 31 March 2023	As at 31 March 2022
<b>ASSETS</b>			
<b>Non current assets</b>			
(a) Property, Plant and Equipment	8	606.33	613.31
(b) Investment property	9	943.22	1,018.21
(c) Goodwill	10	60.94	60.94
(d) Other intangible assets	11	7.90	0.77
(e) Financial assets			
(i) Investments	12	27,498.71	9,968.79
(ii) Bank balances other than cash and cash equivalents	13	0.27	0.22
(iii) Loans	14	-	779.20
(iv) Other financial assets	15	8.72	6.46
(f) Current tax assets (net)	16	285.00	319.56
(g) Deferred tax assets (net)	17	1,217.42	837.98
(h) Other non-current assets	18	0.95	1.03
		<b>30,629.46</b>	<b>13,606.47</b>
<b>Current assets</b>			
(a) Financial assets			
(i) Stock in trade	19	7,787.42	7,969.37
(ii) Investments	20	428.60	9,035.99
(iii) Trade receivables	21	54.35	687.56
(iv) Cash and cash equivalents	22	1,435.55	122.67
(v) Bank balances other than cash and cash equivalents	23	3.24	3.15
(vi) Loans	24	2,496.04	3,812.72
(vii) Derivative financial instruments	25	548.42	295.46
(viii) Other financial assets	26	709.02	0.08
(b) Current tax assets (net)	27	108.79	106.74
(c) Other current assets	28	179.11	207.29
		<b>13,750.54</b>	<b>22,241.03</b>
<b>TOTAL ASSETS</b>		<b>44,380.00</b>	<b>35,847.50</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	29	184.49	184.49
(b) Instruments entirely equity in nature	30	9,600.00	9,600.00
(c) Other equity	31	(4,813.40)	(4,810.30)
		<b>4,971.09</b>	<b>4,974.19</b>
<b>LIABILITIES</b>			
<b>Non current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	32 (a)	20,229.76	15,387.30
(ii) Other financial liabilities	33	123.83	64.43
(b) Provision	34	17.53	8.64
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Derivative financial instruments	25	587.70	1,396.30
(ii) Borrowings	32 (b)	16,967.73	13,504.89
(iii) Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	35	-	1.93
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	35	210.73	190.38
(iv) Other financial liabilities	36	1,161.22	265.16
(b) Other current liabilities	37	41.18	51.59
(c) Provisions	38	15.47	2.69
(d) Current tax liabilities (net)	39	53.76	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>44,380.00</b>	<b>35,847.50</b>

Significant accounting policies and notes forming part of the financial statements.

1 - 68

This is the Balance Sheet referred to in our report of even date.

For NGS & Co. LLP

Chartered Accountants

Firm Registration No.: 119850W

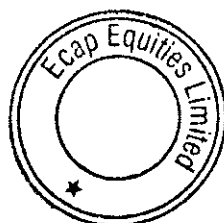
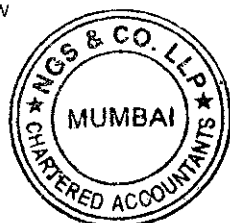
R. P. Soni

Partner

Membership No.: 104796

Mumbai

22 May 2023



For and on behalf of the Board of Directors

Mayank Toshniwal  
Executive Director  
DIN: 07030634

Ritesh S Jain  
Chief Financial Officer  
Mumbai  
22 May 2023

Hari Ram Misra  
Director  
DIN: 07599248

Swadesh Agrawal  
Company Secretary

**Ecap Equities Limited**  
(formerly Edel Land Limited)

**Standalone Statement of Profit and Loss**

(Currency : Indian rupees in millions)

	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Revenue from operations</b>			
Fee and commission income	40	2.28	3.68
Net gain on fair value changes	41	3,905.44	3,173.16
Dividend income	42	6.57	11.39
Interest income	43	1,521.41	1,430.39
Rental income	44	167.87	120.03
Sale of commodities		5,439.01	5,089.77
Other operating revenue	45	62.30	23.32
<b>Total revenue from operations</b>		<b>11,104.88</b>	<b>9,851.74</b>
<b>Other income</b>	46	<b>18.31</b>	<b>33.58</b>
<b>Total income</b>		<b>11,123.19</b>	<b>9,885.32</b>
<b>Expenses</b>			
Purchases of commodities		5,435.71	5,088.30
Employee benefits expense	47	658.63	173.67
Finance costs	48	3,933.20	4,243.91
Depreciation and amortisation		84.66	77.97
Impairment on financial instruments	49	173.37	382.96
Other expenses	50	1,221.89	1,054.49
<b>Total expenses</b>		<b>11,507.46</b>	<b>11,021.30</b>
<b>Loss before tax</b>		<b>(384.27)</b>	<b>(1,135.98)</b>
<b>Tax expenses:</b>			
<b>Current tax</b>		<b>4.80</b>	<b>(0.03)</b>
Current tax		-	-
Short provision for earlier years		4.80	(0.03)
<b>Deferred tax</b>		<b>(379.24)</b>	<b>215.59</b>
MAT credit entitlement		-	139.61
Deferred tax (net)		(379.24)	75.98
<b>Loss for the year</b>		<b>(9.83)</b>	<b>(1,351.54)</b>
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement gain on defined benefit plans (OCI)		0.77	0.36
Fair value gain / loss - OCI - equity		-	-
Tax effect on remeasurement gain on defined benefit plans (OCI)		(0.19)	(0.09)
<b>Other Comprehensive Income</b>		<b>0.96</b>	<b>0.45</b>
<b>Total comprehensive income</b>		<b>(8.87)</b>	<b>(1,351.09)</b>
<b>Earnings per equity share: (Face value of Rs 10 each):</b>			
Basic (In Rs.)	53	(0.16)	(38.53)
Diluted (In Rs.)		(0.16)	(38.53)

Significant accounting policies and notes forming part of the financial statements.

1 - 68

This is the Statement of Profit and Loss referred to in our report of even date.

For NGS & Co. LLP

Chartered Accountants

Firm Registration No.: 119850W

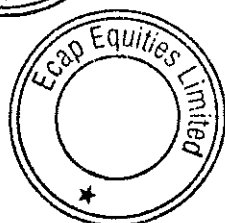
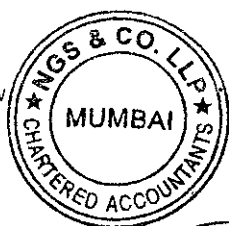
R. P. Soni

Partner

Membership No.: 104796

Mumbai

22 May 2023



For and on behalf of the Board of Directors

*Mayank Toshniwal*

Mayank Toshniwal

Executive Director

DIN: 07030634

*Hari Ram Misra*

Hari Ram Misra

Director

DIN: 07599248

*Ritesh S Jain*

Ritesh S Jain

Chief Financial Officer

Mumbai

22 May 2023

*Swadesh Agrawal*

Swadesh Agrawal

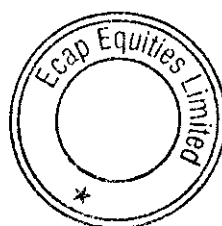
Company Secretary



**Ecap Equities Limited**  
(formerly Edel Land Limited)

**Standalone Cash flow statement**  
(Currency : Indian rupees in millions)

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>A. Cash flow from operating activities</b>		
Loss before taxation	(384.27)	(1,135.98)
<b>Adjustments for</b>		
Depreciation, amortisation and impairment expenses	84.66	77.97
Impairment on financial instruments	173.37	382.96
Provision for gratuity and compensated absences	1.34	1.76
Loss/(Profit) on sale of fixed assets	0.16	0.61
Expense on employee stock option scheme	5.77	13.54
Loss/(profit) on sale of investment	(705.37)	(77.77)
Share of (profit) / loss from partnership firm	0.07	(4.19)
Fair value of financial instruments	(549.27)	(694.71)
Interest income	(617.10)	(607.93)
Interest expense	3,928.98	4,216.80
Income distribution from fund	(222.17)	(437.41)
<b>Operating cash flow before working capital changes</b>	<b>1,716.16</b>	<b>1,735.65</b>
<b>Add / (Less): Adjustments for working capital changes</b>		
Decrease / (Increase) in non financial liability	(10.41)	22.73
Decrease in other financial liability	954.50	(54.43)
Decrease in trade payable	18.44	113.76
(Decrease) / Increase in Provisions	21.09	0.05
(Increase) / Decrease in Derivative financial instruments	88.10	1,375.73
Increase in stock in trade	714.25	3,044.42
(Increase) / Decrease in trade receivable	627.22	(554.26)
Decrease in other financial assets	(711.20)	704.20
Decrease/(increase) in other non financial assets	28.45	46.52
<b>Cash generated from / (used in) operations</b>	<b>3,446.60</b>	<b>6,434.37</b>
Income tax paid	81.50	128.53
<b>Net cash generated from / (used in) operating activities - A</b>	<b>3,528.11</b>	<b>6,562.90</b>
<b>B. Cash flow from investing activities</b>		
(Purchase) / Sale of investments	(8,022.44)	(1,913.98)
Sale/(purchase) of fixed assets	(10.00)	(38.90)
Loan (given)/repaid (refer note 2)	1,811.67	1,903.64
Income received from AIF funds	222.17	437.41
Interest received	621.29	348.45
<b>Net cash generated from / (used in) investing activities - B</b>	<b>(5,377.31)</b>	<b>736.62</b>



**Ecap Equities Limited**  
(formerly Edel Land Limited)

**Standalone Cash flow statement**  
(Currency : Indian rupees in millions)

**C. Cash flow from financing activities**

Repayment of debt borrowing (refer note 2)	731.14	5,850.41
Proceeds from issue of Compulsorily convertible debentures	-	5,000.00
Proceeds from borrowings (other than debt securities) (refer note 2)	7,356.15	(13,552.61)
Repayment of deposits (refer note 2)	(45.63)	(83.05)
Interest paid	(4,885.33)	(4,676.39)
Increase in bank balances other than cash and cash equivalents	5.75	27.79
<b>Net cash (used in) / generated from financing activities - C</b>	<b>3,162.08</b>	<b>(7,433.85)</b>

**Net (decrease) / increase in cash and cash equivalents (A+B+C)**

Cash and cash equivalents as at the beginning of the year	122.67	257.00
Cash and cash equivalent as at the end of the year	1,435.55	122.67

For the year ended  
31 March 2023

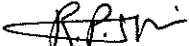
For the year ended  
31 March 2022

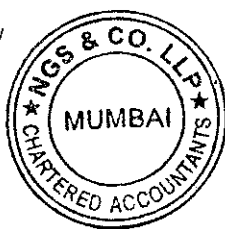
**Notes:**

- Cash and cash equivalents include the following:  
Balances with banks: In current accounts
- Net figures have been reported on account of volume of transactions.
- The cashflow statement has been prepared under the indirect method as set out in Ind AS 7 prescribed under the Companies Act (Indian Accounting Standard) Rules, 2015 under the Companies Act, 2013.

This is the Cash flow statement referred to in our report of even date.


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

  
**R. P. Soni**  
Partner  
Membership No.: 104796  
Mumbai  
22 May 2023

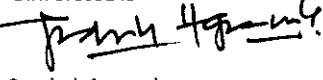


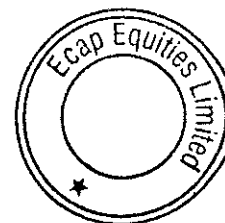
**For and on behalf of the Board of Directors**

  
**Mayank Toshniwal**  
Executive Director  
DIN: 07030634

  
**Hari Ram Misra**  
Director  
DIN: 07599248

  
**Ritesh S Jain**  
Chief Financial Officer  
Mumbai  
22 May 2023

  
**Swadesh Agrawal**  
Company Secretary



**Ecap Equities Limited**  
(formerly Edel Land Limited)  
**Standalone Statement of Changes in Equity**

(Currency : Indian rupees in millions)

**(A) Equity share capital**

	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	184.49	183.89
Changes in equity share capital	-	0.60
<b>Balance at the end of the year</b>	<b>184.49</b>	<b>184.49</b>

**(B) Instruments entirely equity in nature- Compulsorily Convertible Debentures**

	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	9,600	4,600
Changes in Compulsorily convertible debentures	-	5,000
<b>Balance at the end of the year</b>	<b>9,600</b>	<b>9,600</b>

**(C) Other Equity**

Particulars	Capital Redemption Reserve	Capital Reserve	Securities Premium	ESOP reserve	Debenture redemption reserve	Shares issued pending allotment	Revaluation reserve	Retained earnings	Total
Balance at 1 April 2021	67.00	184.58	1,637.38	22.00	1,051.41	0.61	325.61	(6,760.72)	(3,472.13)
Loss for the year	-	-	-	-	-	-	-	(1,351.54)	(1,351.54)
Other comprehensive income	-	-	-	-	-	-	-	0.45	0.45
<b>Total comprehensive income for the year</b>	-	-	-	-	-	-	-	<b>(1,351.09)</b>	<b>(1,351.09)</b>
ESOP reversal	-	-	-	-	-	-	-	13.53	13.53
Issue of shares	-	-	-	-	-	(0.61)	-	-	(0.61)
Transfers to / from retained earnings	-	-	-	-	-	-	(20.05)	20.05	-
<b>Balance at 31 March 2022</b>	<b>67.00</b>	<b>184.58</b>	<b>1,637.38</b>	<b>22.00</b>	<b>1,051.41</b>	<b>-</b>	<b>305.56</b>	<b>(8,078.23)</b>	<b>(4,810.30)</b>
Loss for the year	-	-	-	-	-	-	-	(9.83)	(9.83)
Other comprehensive income	-	-	-	-	-	-	-	0.96	0.96
<b>Total comprehensive income for the year</b>	-	-	-	-	-	-	-	<b>(8.87)</b>	<b>(8.87)</b>
ESOP reversal	-	-	-	-	-	-	-	5.77	5.77
Transfers to / from retained earnings	-	-	-	-	-	-	(20.05)	20.05	-
<b>Balance at 31 March 2023</b>	<b>67.00</b>	<b>184.58</b>	<b>1,637.38</b>	<b>22.00</b>	<b>1,051.41</b>	<b>-</b>	<b>285.51</b>	<b>(8,061.27)</b>	<b>(4,813.40)</b>

**1 Capital redemption reserve:**

As per Companies Act, 2013, capital redemption reserve is created when Company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

**2 Capital reserve:**

It represents reserve created on account of merger.

**3 Securities premium:**

Securities premium is used to record the premium on issue of shares and the reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

**4 ESOP reserve:**

Certain employees of the Company have been granted options to acquire equity shares of the Parent Company (Edelweiss Financial Services Limited). This reserve represents the cost of these options based on their fair value at the grant dates as recognised over the vesting period of such options, to the extent that the Parent Company has not recovered such cost from the Company.

**5 Debenture redemption reserve:**

The Companies Act 2013 requires companies that issue debentures to create a debenture redemption reserve from annual profits until such debentures are redeemed. The Company is required to transfer a specified percentage (as provided in the Companies Act, 2013) of the outstanding redeemable debentures to debenture redemption reserve. The amounts credited to the debenture redemption reserve may not be utilised except to redeem debentures. On redemption of debentures, the amount may be transferred from debenture redemption reserve to retained earnings.

**6 Revaluation reserve:**

The Company decided to move to revaluation model from cost model for accounting a class of asset (i.e. flats and building) as at 31st March 2020. The management approved revaluation of owned land and buildings classified under property plant and equipment after assessing the valuation made by duly appointed independent valuer. The difference between valuation amount and the carrying value of land and buildings is accounted under Revaluation Reserve through other comprehensive income.

This is the Statement of Changes in Equity referred to in our report of even date.

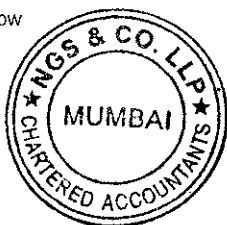
For NGS & Co. LLP

Chartered Accountants

Firm Registration No.: 119850W

For and on behalf of the Board of Directors

R. P. Soni  
Partner  
Membership No.: 104796  
Mumbai  
22 May 2023

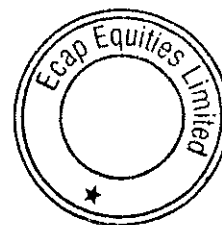


Mayank Toshniwal  
Executive Director  
DIN: 07030634

Hari Ram Misra  
Director  
DIN: 07599248

Ritesh S Jain  
Chief Financial Officer  
Mumbai  
22 May 2023

Swadesh Agrawal  
Company Secretary



# **Ecap Equities Limited (formerly Edel Land Limited)**

## **Notes to the financial statements**

**for the year ended 31 March 2023**

### **1. Background**

Ecap Equities Limited ('the Company') was incorporated on 08 October 2008 as a public limited company and is a wholly owned subsidiary of Edelweiss Financial Services Limited.

### **2. Basis of preparation of financial statements**

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

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

### **3. Presentation of financial statements**

The Company presents its balance sheet in compliance with the Division II of the Schedule III to the Companies Act, 2013.

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 legally 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

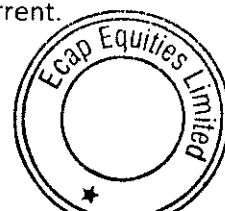
All assets and liabilities are classified into current and non-current.

#### **Assets**

An asset is classified as current when it is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle or it is held primarily for the purpose of being traded or it is expected to be realized within 12 months after the reporting date or it is cash or cash equivalent unless it is restricted from being exchanged or expected to be used to settle a liability for at least 12 months after the reporting date. Current assets include the current portion of non-current assets. All other assets are classified as non-current.

#### **Liabilities**

A liability is classified as current when it is expected to be settled in the company's normal operating cycle or it is held primarily for the purpose of being traded or it is due to be settled within 12 months after the reporting date or the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. Current liabilities include current portion of non-current liabilities. All other liabilities are classified as non-current.



# **ECap Equities Limited (formerly Edel Land Limited)**

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

**for the year ended 31 March 2023**

### **4. Significant accounting policies**

#### **4.1 Revenue recognition**

**4.1.1** Fee income including advisory fees for services rendered is accounted over the period as the customer simultaneously receives and consumes the benefits, as the services are rendered.

**4.1.2** Interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost and debt instrument measured at FVTOCI. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the financial asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

For purchased or originated credit-impaired (POCI) financial assets, the Company calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortised cost of the asset. The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortised cost of the POCI assets.

**4.1.3** Dividend income is recognised in statement of profit and loss when the Company's right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity, and the amount of the dividend can be measured reliably.

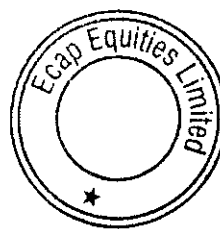
**4.1.4** Brokerage income is recognised as per contracted rates at the time of execution of transactions on behalf of the customers on the trade date.

**4.1.5** Profit / loss from share in partnership firm is accounted once the amount of the share of profit/ loss is ascertained and credited / debited to the Company's account in the books of the partnership firm.

**4.1.6** Income from training centre is recognised on accrual basis.

**4.1.7** Commodities sales are accounted as per the terms of agreement with parties.

**4.1.8** Rental income is recognised on accrual basis in accordance with the agreements entered.



# ECap Equities Limited (formerly Edel Land Limited)

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

for the year ended 31 March 2023

### 4.2 Financial Instruments

#### 4.2.1 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. The Company recognises borrowings when funds are available for utilisation to the Company.

#### 4.2.2 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 statement of profit and loss.

#### 4.2.3 Day 1 profit or loss

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

### 4.3 Classification of financial instruments

#### 4.3.1 Financial assets:

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:

- Amortised cost
- Fair value through other comprehensive income [FVTOCI]
- Fair value through profit or loss [FVTPL]

The Company measures debt financial assets that meet the following conditions at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets 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.

Sale that occur for below reason are considered as consistent with business model whose objective is to hold financial assets in order to collect contractual cash flows

- if those sales are infrequent (even if significant in value) or insignificant in value both individually and in aggregate (even if frequent).



# ECap Equities Limited (formerly Edel Land Limited)

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

for the year ended 31 March 2023

- If such sales are made close to maturity of financial asset and proceeds from sale approximate the collection of the remaining contractual cashflow.
- Selling a financial asset because of significant increase in credit risk.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the financial asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the 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.

Other than above classification of amortised cost and FVOCI, all other financial assets are initially measured at fair value and subsequently measured at FVTPL.

### 4.3.1.1 Amortized cost and Effective interest rate method (EIR)

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.

### 4.3.1.2 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.

### 4.3.1.3 Financial asset measured at FVOCI

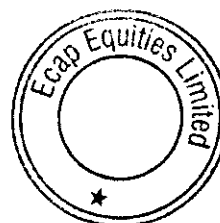
Unrealised gains or losses on debt instruments measured at FVOCI are recognised in other comprehensive income, and on derecognition of such instrument accumulated gains or losses are recycled to statement of profit and loss. Interest income on such instrument is recognised in statement of profit and loss as per EIR method.

### 4.3.1.4 Investment in equity instruments

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

### 4.3.2 Financial liabilities

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



# ECap Equities Limited (formerly Edel Land Limited)

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

for the year ended 31 March 2023

### 4.3.2.1 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 instrument.

The Company issues benchmark linked non-convertible debentures, the return of which is linked to performance of specified indices over the period of the debenture. Such debentures have a component of an embedded derivative which is fair valued at a reporting date. The resultant 'net unrealised loss or gain' on the fair valuation of these embedded derivatives is recognised in the statement of profit and loss. The debt component of such debentures is measured at amortised cost using yield to maturity basis.

### 4.3.2.2 Financial assets and financial liabilities at fair value through profit or loss

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

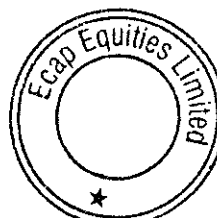
- The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis; or
- The liabilities are part of a group of financial liabilities, which are managed and 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 balance sheet at fair value. Changes in fair value are recorded in statement of 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.

### 4.3.2.3 Financial guarantee:

Financial guarantees are contracts that require the Company to make specified payments to reimburse to holder for loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of a debt instrument.

Financial guarantee issued or commitments to provide a loan at below market interest rate are initially measured at fair value and the initial fair value is amortised over the life of the guarantee or the commitment. Subsequently they are measured at higher of this amortised amount and the amount of loss allowance.





# **ECap Equities Limited (formerly Edel Land Limited)**

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

**for the year ended 31 March 2023**

### **4.3.2.4 Loan commitment**

Undrawn loan commitments are commitments under which, the Company is required to provide a loan with pre-specified terms to the customer during the duration of commitment.

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

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

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

### **4.3.4 Derivatives**

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and interest rate swaps.

Company has designed a risk strategy based to cover exposure on issuance of Benchmark Linked Debentures, by entering into a derivative contracts either to minimise the loss or to earn a minimum committed income by entering into a combination of derivative contracts (say for example purchased call and put options) with a wide range of strike prices. Above strategy has been approved by the risk committee and ensures that risk is fully or partially covered, hence supports to reduce the risk exposure.

Derivatives are initially recognised at fair value and are subsequently re-measured at fair value through profit or loss. The resulting gain or loss is recognised in statement of profit and loss immediately.

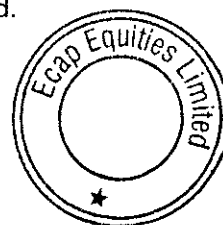
#### **Embedded derivatives**

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, foreign exchange rate, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract.

Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in statement of profit and loss, unless designated as effective hedging instruments.

### **4.4 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. Financial liabilities are never reclassified.



# **ECap Equities Limited (formerly Edel Land Limited)**

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

**for the year ended 31 March 2023**

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

#### **4.5.1 Derecognition of financial assets due to substantial modification of terms and conditions**

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised financial asset are classified as Stage 1 for ECL measurement purposes, unless the new financial asset is deemed to be POCL.

When assessing whether or not to derecognise a financial assets, amongst others, the Company considers the following factors:

- Change in currency of the loan
- Introduction of an equity feature
- Change in counterparty

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

#### **4.5.2 Derecognition of financial assets other than due to substantial modification**

A financial asset (or, where applicable, a part of a financial asset or 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:

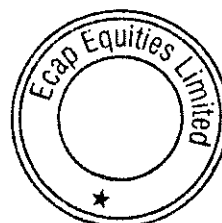
- The Company has transferred its contractual rights to receive cash flows from the financial asset; or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

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

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

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

A transfer qualifies for derecognition if either:



# ECap Equities Limited (formerly Edel Land Limited)

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

for the year ended 31 March 2023

- 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.

### 4.5.3 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 financial liability and the consideration paid, including modified contractual cash flow recognised as new financial liability, is recognised in the statement of profit and loss.

### 4.6 Impairment of financial assets

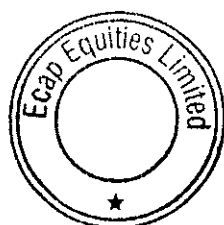
The Company records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with loan commitment and financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and lease 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. However, if receivables contain a significant financing component, the Company chooses as its accounting policy to measure the loss allowance by applying general approach to measure ECL.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk (SICR) since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses (12m ECL). The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default (EAD), for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be



# **ECap Equities Limited (formerly Edel Land Limited)**

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

**for the year ended 31 March 2023**

drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

If a financial instrument includes both a loan (i.e. financial asset) and an undrawn commitment (i.e. loan commitment) component and the Company cannot separately identify the ECL on the loan commitment component from those on the financial asset component, the ECL on the loan commitment have been recognised together with the loss allowance for the financial asset. To the extent that the combined ECL exceed the gross carrying amount of the financial asset, the ECL have been recognised as a provision. Also, for other loan commitments and all financial guarantee contracts, the loss allowance has been recognised as a provision.

### **4.7 Collateral valuation**

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the balance sheet. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a periodical basis. However, some collateral, for example, cash or securities relating to margining requirements, is valued daily.

To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models.

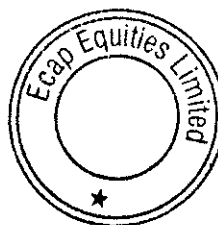
### **4.8 Collateral repossessed**

The Company's policy is to determine whether a repossessed asset can be best used for its internal operations or should be sold. Assets determined to be useful for the internal operations are transferred to their relevant asset category at the lower of their repossessed value or the carrying value of the original secured asset. Assets for which selling is determined to be a better option are transferred to assets held for sale at their fair value (if financial assets) and fair value less cost to sell for non-financial assets at the repossession date in, line with the Company's policy.

In its normal course of business, the Company does not physically repossess properties or other assets in its retail portfolio, but engages external agents to recover funds, generally at auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors.

### **4.9 Write off**

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



# ECap Equities Limited (formerly Edel Land Limited)

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

for the year ended 31 March 2023

### 4.10 Forborne and modified loan

The Company sometimes makes concessions or modifications to the original terms of loans as a response to the borrower's financial difficulties, rather than taking possession or to otherwise enforce collection of collateral. The Company considers a loan forborne when such concessions or modifications are provided as a result of the borrower's present or expected financial difficulties and the Company would not have agreed to them if the borrower had been financially healthy. Indicators of financial difficulties include defaults on covenants, or significant concerns raised by the Credit Risk Department. Forbearance may involve extending the payment arrangements and the agreement of new loan conditions. Once the terms have been renegotiated, any impairment is measured using the original EIR as calculated before the modification of terms. It is the Company's policy to monitor forborne loans to help ensure that future payments continue to be likely to occur. Derecognition decisions and classification between Stage 2 and Stage 3 are determined on a case-by-case basis. If these procedures identify a loss in relation to a loan, it is disclosed and managed as an impaired Stage 3 forborne asset, until it is collected or written off.

### 4.11 Determination of fair value

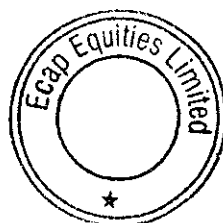
The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

- Level 1 financial instruments –Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access 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



# **ECap Equities Limited (formerly Edel Land Limited)**

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

**for the year ended 31 March 2023**

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.

### **4.12 Operating leases**

The Company has elected not to recognise right of use asset and lease liabilities for short term leases of property that has lease term of 12 months or less. The Company recognises lease payment associated with these leases as an expense on a straight line basis over lease term.

### **4.13 Earnings per share**

Basic 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 outstanding for 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 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.

### **4.14 Foreign currency transactions**

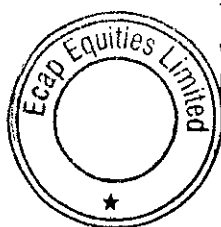
The financial statements are presented in Indian Rupees. Transactions in currencies other than Indian Rupees (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies 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 translated.

Exchange differences on monetary items are recognised in statement of profit and loss in the period in which they arise.

### **4.15 Retirement and other employee benefit**

#### **4.15.1 Provident fund and national pension scheme**

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



# ECap Equities Limited (formerly Edel Land Limited)

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

for the year ended 31 March 2023

### 4.15.2 Gratuity

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted. The present value of the obligation under such benefit plan is determined based on independent actuarial valuation using the Projected Unit Credit Method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

### 4.15.3 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.

### 4.15.4 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services that are granted by the ultimate parent Company are measured by reference to the fair value of the equity instruments at the grant date.

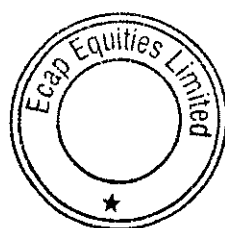
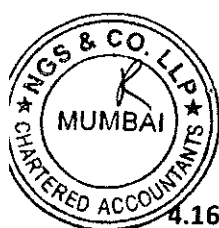
The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the 'ESOP reserve'. In cases where the share options granted vest in instalments over the vesting period, the Company treats each instalment as a separate grant, because each instalment has a different vesting period, and hence the fair value of each instalment differs.

### 4.16 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 amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

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

Depreciation is recognised 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



# ECap Equities Limited (formerly Edel Land Limited)

## Notes to the financial statements (continued)

for the year ended 31 March 2023

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.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its tangible assets recognised as of 1 April 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

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

Estimated useful lives of the assets are as follows:

Class of assets	Useful Life
Building (Other than factory building)	60 years
Plant and Machinery	15 years
Furniture and fittings	10 years
Vessel	13 years
Motor vehicles	8 years
Office equipments	5 years
Computers and data processing units - Servers and networks	6 years
Computers and data processing units - End user devices, such as desktops, laptops, etc.	3 years

### Change in accounting policy for land and buildings from 31st March 2020:

Land and buildings are subsequently shown at fair value based on periodic valuations by external independent valuers, less subsequent depreciation for buildings. Valuations will be carried out on a regular basis, unless the management consider it appropriate to have an earlier revaluation, such that the carrying amount of property does not differ materially from that which would be determined using fair values at the end of the reporting period. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

### Subsequent measurement of land and building under revaluation model:

Increases in the carrying amount arising on revaluation of land and buildings are credited to other comprehensive income and shown as a revaluation reserve in shareholders' equity. An exception is a gain on revaluation that reverses a revaluation decrease (impairment) on the same asset previously recognised as an expense. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against the revaluation reserve directly in equity; all other decreases are charged to profit or loss. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

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





# ECap Equities Limited (formerly Edel Land Limited)

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

for the year ended 31 March 2023

between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### 4.17 Intangible assets

The Company's intangible assets mainly include the value of computer software. 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 assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets with finite lives are amortised over the useful economic life.

### 4.18 Investment property

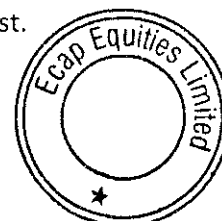
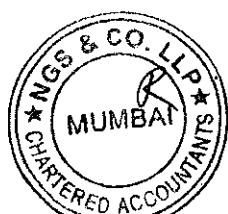
Properties, including those under construction, held to earn rentals and/or capital appreciation are classified as investment property and are measured and reported at cost, including transaction costs.

Depreciation is recognised using written down value basis so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013 or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognised in the Statement of Profit and Loss in the same period.

### 4.19 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.



# ECap Equities Limited (formerly Edel Land Limited)

## Notes to the financial statements (continued)

for the year ended 31 March 2023

### 4.20 Business Combination :

The acquisition method of accounting is used for business combinations by the Company. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values with certain limited exceptions. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

#### Business combination under common control:

Common control business combinations includes transactions, such as transfer of subsidiaries or businesses, between entities within a group. Company has accounted all such transactions based on pooling of interest method, which is as below:-

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities.
- The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

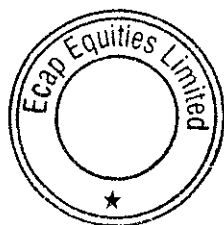
The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor. The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor shall be transferred to capital reserve.

### 4.21 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

### 4.22 Provisions and 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. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate



# **ECap Equities Limited (formerly Edel Land Limited)**

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

**for the year ended 31 March 2023**

that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

### **4.23 Income tax expenses**

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

#### **4.23.1 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.

#### **4.23.2 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.



# ECap Equities Limited (formerly Edel Land Limited)

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

for the year ended 31 March 2023

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

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

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.

### 4.23.3 Minimum Alternative Tax (MAT) credit

MAT paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes unused MAT credit as a deferred tax asset only to the extent that it is probable that the Company will be able to utilise during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognises deferred tax asset (MAT credit) as an asset, the said asset is created by way of credit to the statement of profit and loss. The Company reviews the MAT asset at each reporting date and writes down the asset to the extent that it is not probable that the Company will be able to utilise it during the specified period.

## 5 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

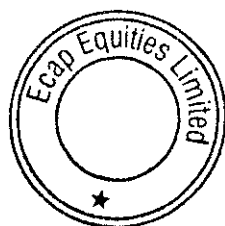
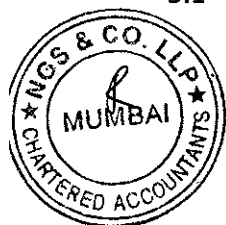
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### 5.1 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

#### a. Business model assessment

Classification and measurement of financial assets depends on the results of the sole payments of principal and interest (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



# **ECap Equities Limited (formerly Edel Land Limited)**

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

**for the year ended 31 March 2023**

evaluated and their performance is measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the quantum, the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

### **b. Significant increase in credit risk**

ECL is measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

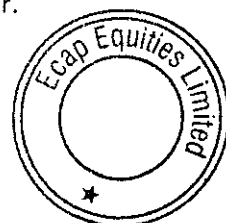
### **c. Consolidation of structured entities**

A structured entity is 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. In the context of the Company, structured entities comprise securitisation trusts in asset reconstruction business, mutual fund schemes and alternative investment funds / schemes thereof. The Company consolidates the structured entities that it controls. When making this judgement, the Company also considers voting and similar rights available to itself and other parties, who may limit the Company's ability to control, including rights to appoint, reassign or remove members of the structured entity's key management personnel who have the ability to direct the relevant activities, the exposure to variability of returns and whether the Company has the ability to use its power to affect the amount of the Company's returns i.e. the variability of returns in relation to the total returns of the investee entity.

## **5.2 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 stand-alone financial statements are 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.

### **a. Fair value of financial instruments**



# ECap Equities Limited (formerly Edel Land Limited)

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

for the year ended 31 March 2023

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.

For Investments made into Security receipts (SRs), Company uses discounted cash flow model, given that the SRs are less liquid instruments. Expected cash flow levels including timing of cash flows are estimated by using quantitative and qualitative measures regarding the characteristics of the underlying assets including default rates, nature and value of collaterals, manner of resolution and other economic drivers. For any valuation which are based on models, Judgements and estimates are applied, which include considerations of liquidity, credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

### b. Impairment of financial assets

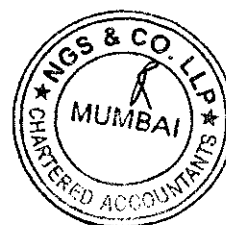
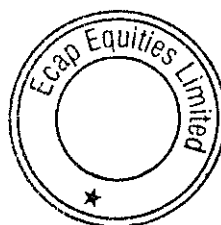
The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- PD calculation includes historical data, assumptions and expectations of future conditions.
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life-time expected credit loss and the qualitative assessment.
- The segmentation of financial assets when their ECL is assessed on a collective basis.
- Development of ECL models, including the various formulas and the choice of inputs.
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EAD and LGD.
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

It is Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

### c. Effective interest rate method



# ECap Equities Limited (formerly Edel Land Limited)

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

for the year ended 31 March 2023

The Company's EIR methodology recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of characteristics of the product life cycle

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes fee income/expense that are integral parts of the instrument.

### d. Accounting for deferred taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has recognised deferred tax assets on carried forward tax losses where the Company believes that the said deferred tax assets shall be recoverable based on the estimated future taxable income which in turn is based on approved business plans and budgets. The losses are allowed to be carried forward to the years in which the Company expects that there will be sufficient taxable profits to offset these losses.

### e. Estimating the incremental borrowing rate:

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. Incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

## 6. Standards issued but not yet effective

The Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to to amend the following Ind AS which are effective from 01 April 2023.

### (i) Amendment to Ind AS 8 - Definition of Accounting Estimates

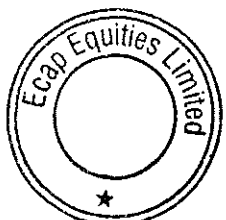
The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the Company's financial statements.

### (ii) Amendment to Ind AS 1- Disclosure of Accounting Policies

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding



# **ECap Equities Limited (formerly Edel Land Limited)**

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

**for the year ended 31 March 2023**

guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

Consequential amendments have been made in Ind AS 107.

The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

(iii) Amendment to Ind AS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

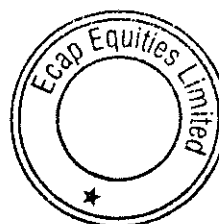
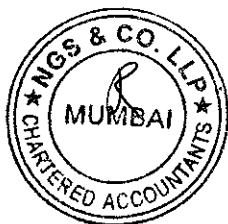
Consequential amendments have been made in Ind AS 101.

The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023.

The Company is currently assessing the impact of the amendments.

## **7. Merger Note**

Pursuant to the composite scheme of arrangement and amalgamation under section 230 to 232 of the Companies Act, 2013 as sanctioned by National Company Law Tribunal (NCLT), Hyderabad on 9th February, 2022 and as sanctioned by National Company Law Tribunal (NCLT), Mumbai on 10th January, 2022, ECap Equities Limited (formerly Edel Land Limited ('Amalgamated or Resulting Company')), ECap Securities and Investments Limited (formerly ECap Equities Limited ('Demerged Company' – defined in the scheme as demerged undertaking and thereby entire activities, business, operations and undertakings of the Demerged Company forming part of the Trading and Capital Markets business)) and EC Commodity Limited ('Amalgamating Company') has been amalgamated with effect from 01 April 2020 ('the Appointed date'). Accordingly, the standalone financial statements of ECap Equities Limited (formerly Edel Land Limited) have been prepared taking into account the effect of the composite scheme of arrangement and amalgamation and the said orders. The NCLT Mumbai merger order has been filed with Registrar of Companies (ROC) on 03rd March 2022 and NCLT Hyderabad order has been filed with ROC on 25th March 2022.





**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency : Indian Rupees in millions)

**8 Property, plant and equipment**

Description of assets	Gross block			Depreciation			Net block	
	As at 1 April 2022	Additions during the year	Disposals during the year	As at 31 March 2023	As at 1 April 2022	Charge for the year	Disposals during the year	As at 31 March 2023
Land *	41.05	-	-	41.05	-	-	-	41.05
Building *	577.30	-	-	577.30	71.11	29.36	-	476.83
Plant and Equipment	5.23	0.04	-	5.27	2.87	0.43	-	1.97
Furniture and fittings	63.69	36.34	0.46	99.57	13.35	13.37	0.41	73.26
Motor vehicles	2.44	-	2.01	0.43	1.76	0.42	1.77	0.02
Office equipments	57.65	2.02	8.52	51.15	51.42	0.94	8.26	7.05
Vessel	4.84	-	-	4.84	2.33	0.45	-	2.06
Computers	34.15	1.32	13.62	21.85	30.20	0.91	13.35	4.09
<b>Total</b>	<b>786.35</b>	<b>39.72</b>	<b>24.61</b>	<b>801.46</b>	<b>173.04</b>	<b>45.88</b>	<b>23.79</b>	<b>195.13</b>
								<b>606.33</b>

\*Note : The Company has created first and exclusive mortgage/ charge on the immovable properties in favour of State Bank of India for credit facilities availed by group companies, namely, ECL Finance Limited, Nido Home Finance Limited (formerly Edelweiss Housing Finance Limited) and Edelweiss Retail Finance Limited.



**Ecap Equities Limited**  
(formerly Edel Land Limited)

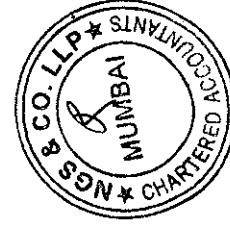
**Notes to the financial statements (continued)**

(Currency : Indian Rupees in millions)

**8 Property, plant and equipment**

Description of assets	Gross block			Depreciation			Net block	
	As at 1 April 2022	Additions during the year	Disposals during the year	As at 31 March 2023	As at 1 April 2022	Charge for the year	Disposals during the year	As at 31 March 2023
Land *	41.05	-	-	41.05	-	-	-	41.05
Building *	577.30	-	-	577.30	71.11	29.36	-	476.83
Plant and Equipment	5.23	0.04	-	5.27	2.87	0.43	-	1.97
Furniture and fittings	63.69	36.34	0.46	99.57	13.35	13.37	0.41	73.26
Motor vehicles	2.44	-	2.01	0.43	1.76	0.42	1.77	0.02
Office equipments	57.65	2.02	8.52	51.15	51.42	0.94	8.26	7.05
Vessel	4.84	-	-	4.84	2.33	0.45	-	2.06
Computers	34.15	1.32	13.62	21.85	30.20	0.91	13.35	4.09
<b>Total</b>	<b>786.35</b>	<b>39.72</b>	<b>24.61</b>	<b>801.46</b>	<b>173.04</b>	<b>45.88</b>	<b>23.79</b>	<b>195.13</b>
								<b>606.33</b>

\*Note : The Company has created first and exclusive mortgage/ charge on the immovable properties in favour of State Bank of India for credit facilities availed by group companies, namely, ECL Finance Limited , Edelweiss Housing Finance Limited and Edelweiss Retail Finance Limited.



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

(Currency : Indian Rupees in millions)

**9 Investment property**

Description of assets	Gross block			Depreciation			Net block	
	As at 1 April 2022	Additions during the year	Disposals during the year	As at 31 March 2023	Charge for the year	Disposals during the year	As at 31 March 2023	As at 31 March 2023
Building * #	983.69	-	-	983.69	38.06	-	260.59	723.10
Land #	228.35	-	36.93	191.42	-	-	-	191.42
Property	28.70	-	-	28.70	-	-	-	28.70
<b>Total</b>	<b>1,240.74</b>	<b>-</b>	<b>36.93</b>	<b>1,203.81</b>	<b>38.06</b>	<b>-</b>	<b>260.59</b>	<b>943.22</b>

# Fair value of the Investment Property is Rs. 2,380 millions

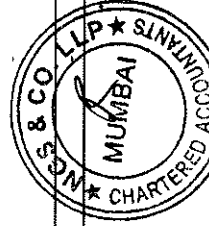
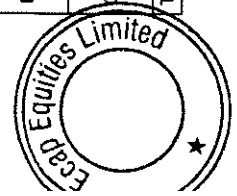
\*Note : The Company has created first and exclusive mortgage/ charge on the immovable properties in favour of trustees of holders of non-convertible debentures issued by its Group Company Edelweiss Investment Advisors Limited

**10 Goodwill**

Description of assets	Gross block			Depreciation			Net block	
	As at 1 April 2022	Additions during the year	Disposals during the year	As at 31 March 2023	Charge for the year	Disposals during the year	As at 31 March 2023	As at 31 March 2023
Goodwill	60.94	-	-	60.94	-	-	-	60.94
<b>Total</b>	<b>60.94</b>	<b>-</b>	<b>-</b>	<b>60.94</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>60.94</b>

**11 Other intangible assets**

Description of assets	Gross block			Depreciation			Net block	
	As at 1 April 2022	Additions during the year	Disposals during the year	As at 31 March 2023	Charge for the year	Disposals during the year	As at 31 March 2023	As at 31 March 2023
Computer software	30.65	7.86	-	38.52	0.73	-	30.61	7.90
<b>Total</b>	<b>30.65</b>	<b>7.86</b>	<b>-</b>	<b>38.52</b>	<b>0.73</b>	<b>-</b>	<b>30.61</b>	<b>7.90</b>



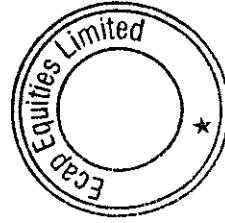
**Ecap Equities Limited**  
(formerly Edel Land Limited)  
**Notes to the financial statements (continued)**

(Currency : Indian Rupees in millions)

**8 Property, plant and equipment**

Description of assets	Gross block			Depreciation			Net block	
	As at 1 April 2021	Additions during the year	Disposals during the year	As at 31 March 2022	Charge for the year	Disposals during the year	As at 31 March 2022	As at 31 March 2022
Land *	41.05	-	-	41.05	-	-	-	41.05
Building *	577.30	-	-	577.30	31.17	-	71.11	506.19
Plant and Equipment	4.07	1.16	-	5.23	0.33	-	2.87	2.36
Furniture and fittings	28.81	44.05	9.17	63.69	2.12	8.46	13.35	50.34
Motor vehicles	2.78	0.43	0.77	2.44	0.31	0.47	1.76	0.68
Office equipments	57.24	0.61	0.20	57.65	0.97	0.18	51.42	6.23
Vessel	4.84	-	-	4.84	0.63	-	2.33	2.51
Computers	35.74	-	1.59	34.15	2.24	1.48	30.20	3.95
<b>Total</b>	<b>751.83</b>	<b>46.25</b>	<b>11.73</b>	<b>786.35</b>	<b>37.77</b>	<b>10.59</b>	<b>173.04</b>	<b>613.31</b>

\*Note : The Company has created first and exclusive mortgage/ charge on the immovable properties in favour of State Bank of India for credit facilities availed by group companies, namely, ECL Finance Limited, Nido Home Finance Limited (formerly Edelweiss Housing Finance Limited) and Edelweiss Retail Finance Limited.



**Ecap Equities Limited**  
(formerly Edel Land Limited)  
**Notes to the financial statements (continued)**

(Currency : Indian Rupees in millions)

**9 Investment property**

Description of assets	Gross block			Depreciation			Net block	
	As at 1 April 2021	Additions during the year	Disposals during the year	As at 31 March 2022	Charge for the year	Disposals during the year	As at 31 March 2022	As at 31 March 2022
Building #	983.69	-	-	983.69	40.06	-	222.53	761.16
Land #	228.35	-	-	228.35	-	-	-	228.35
Property	28.70	-	-	28.70	-	-	-	28.70
<b>Total</b>	<b>1,240.74</b>	<b>-</b>	<b>-</b>	<b>1,240.74</b>	<b>40.06</b>	<b>-</b>	<b>222.53</b>	<b>1,018.21</b>

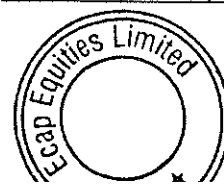
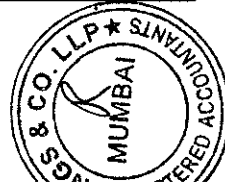
# Fair value of the Investment Property is Rs. 2,330 millions

**10 Goodwill**

Description of assets	Gross block			Depreciation			Net block	
	As at 1 April 2021	Additions during the year	Disposals during the year	As at 31 March 2022	Charge for the year	Disposals during the year	As at 31 March 2022	As at 31 March 2022
Goodwill	60.94	-	-	60.94	-	-	-	60.94
<b>Total</b>	<b>60.94</b>	<b>-</b>	<b>-</b>	<b>60.94</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>60.94</b>

**11 Other intangible assets**

Description of assets	Gross block			Depreciation			Net block	
	As at 1 April 2021	Additions during the year	Disposals during the year	As at 31 March 2022	Charge for the year	Disposals during the year	As at 31 March 2022	As at 31 March 2022
Computer software	61.74	0.68	31.77	30.65	0.14	24.29	29.88	0.77
<b>Total</b>	<b>61.74</b>	<b>0.68</b>	<b>31.77</b>	<b>30.65</b>	<b>0.14</b>	<b>24.29</b>	<b>29.88</b>	<b>0.77</b>



# Ecap Equities Limited

(formerly Edel Land Limited)

Notes to the financial statements (continued)

(Currency : Indian Rupees in millions)

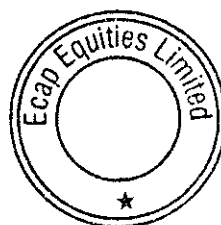
## 12 Investments

As at 31 March 2023

Particulars	At amortised cost	At fair value through P&L	Subtotal	At cost (subsidiaries, fellow subsidiaries, associates, and joint ventures)	Total
	(1)	(2)	3 =(1+2)	(4)	(5) = (3+4)
<b>Investments in other companies</b>					
Equity	-	6,992.99	6,992.99	-	6,992.99
Preference shares		316.56	316.56	-	316.56
<b>Investments in subsidiaries</b>					
Equity	-	-	-	2,047.14	2,047.14
Units of Alternative Investment Funds	-	7,398.04	7,398.04	-	7,398.04
Debentures	3,250.01	-	3,250.01	-	3,250.01
<b>Investments in group companies</b>					
Equity #	-	-	-	1,052.24	1,052.24
<b>Investments in units of fund (refer note 12.1)</b>					
Units of Alternative Investment Funds	-	4,202.57	4,202.57	-	4,202.57
<b>Investment in partnership firm*</b>					
	-	-	-	0.05	0.05
<b>Investment in Warrants</b>					
	-	52.50	52.50	-	52.50
<b>Investments in debentures and bonds</b>					
Debentures	2,517.16	91.15	2,608.31	-	2,608.31
<b>Total - Gross (A)</b>	<b>5,767.17</b>	<b>19,053.81</b>	<b>24,820.98</b>	<b>3,099.42</b>	<b>27,920.40</b>
(i) Investments outside India	-	-	-	-	-
(ii) Investment in India	5,767.17	19,053.81	24,820.98	3,099.42	27,920.40
<b>Total (B)</b>	<b>5,767.17</b>	<b>19,053.81</b>	<b>24,820.98</b>	<b>3,099.42</b>	<b>27,920.40</b>
Less: Allowance for impairment (C)	0.27	421.43	421.69	-	421.69
<b>Total Net (A-C)</b>	<b>5,766.90</b>	<b>18,632.38</b>	<b>24,399.29</b>	<b>3,099.42</b>	<b>27,498.71</b>

# Of the above equity shares, investment in Edelweiss Asset Reconstruction Company Limited amounting to Rs. 1,052.24 million is pledged by the Company for the funds borrowed by the holding company Edelweiss Financial Services Limited

Partnership firm	Total Capital Rs. 100,000	As at 31 March 2023
Edelweiss Multi Strategy Fund Advisors LLP		
Share of profit/loss	Edelweiss Rural & Corporate Services Limited	50.00%
	Ecap Equities Limited (formerly Edel Land Limited)	50.00%



**Ecap Equities Limited**  
(formerly Edel Land Limited)  
**Notes to the financial statements (continued)**  
(Currency : Indian Rupees in millions)

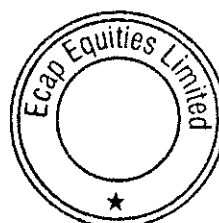
**12 Investments (continued)**

As at 31 March 2022

Particulars	At amortised cost	At fair value through P&L	Subtotal	At cost (subsidiaries, fellow subsidiaries, associates, and joint ventures)	Total
	(1)	(2)	3 = (1+2)	(4)	(5) = (3+4)
<b>Investments in other companies</b>					
Equity	-	1,381.50	1,381.50	-	1,381.50
Preference shares		149.96	149.96	-	149.96
<b>Investments in subsidiaries</b>					
Equity	-	-	-	1,660.89	1,660.89
Units of Alternative Investment Funds	-	389.73	389.73	-	389.73
<b>Investments in group companies</b>					
Preference shares	378.15	-	378.15	-	378.15
Equity #	-	-	-	1,052.24	1,052.24
<b>Investments in units of fund (refer note 12.1)</b>					
Units of Alternative Investment Funds	-	5,090.71	5,090.71	-	5,090.71
<b>Investment in partnership firm *</b>	-	-	-	0.05	0.05
<b>Investment in Warrants</b>		52.50	52.50	-	52.50
<b>Investments in debentures and bonds</b>					
Debentures	398.96	85.60	484.56	-	484.56
<b>Total - Gross (A)</b>	<b>777.11</b>	<b>7,150.00</b>	<b>7,927.12</b>	<b>2,713.17</b>	<b>10,640.28</b>
(i) Investments outside India	-	-	-	-	-
(ii) Investment in India	777.11	7,150.00	7,927.11	2,713.17	10,640.28
<b>Total (B)</b>	<b>777.11</b>	<b>7,150.00</b>	<b>7,927.11</b>	<b>2,713.17</b>	<b>10,640.28</b>
<b>Less: Allowance for impairment (C)</b>	0.07	671.42	671.49	-	671.49
<b>Total Net (A-C)</b>	<b>777.04</b>	<b>6,478.58</b>	<b>7,255.63</b>	<b>2,713.17</b>	<b>9,968.79</b>

# Of the above equity shares, investment in Edelweiss Asset Reconstruction Company Limited amounting to Rs. 1,052.24 million is pledged by the Company for the funds borrowed by the holding company Edelweiss Financial Services Limited

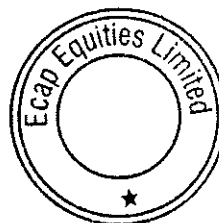
Partnership firm	Total Capital	As at 31 March
Edelweiss Multi Strategy Fund Advisors LLP	Rs. 100,000	2022
Share of profit/loss	Edelweiss Rural & Corporate Services Limited	50.00%
	Ecap Equities Limited (formerly Edel Land Limited)	50.00%



**Ecap Equities Limited****(formerly Edel Land Limited)****Notes to the financial statements (continued)**

(Currency : Indian Rupees in millions)

		As at 31 March 2023			As at 31 March 2022		
		Face Value	Quantity	Amount	Face Value	Quantity	Amount
12.1	Investments						
	Investments in equity shares of companies (fully paid up)						
	Investments in equity instruments of subsidiaries - Unquoted						
	Edelcap Securities Limited.	10	3,89,25,000	912.24	10	3,00,000	525.99
	Edelweiss Retail Finance Limited	10	96,91,667	1,134.89	10	96,91,667	1,134.89
	Investments in equity instruments of group companies - Unquoted						
	Edelweiss Asset Reconstruction Company Limited	10	2,09,64,082	1,052.24	10	2,09,64,082	1,052.24
	Investments in equity instruments of other companies - Quoted						
	Quoted						
	Panyam Cements & Mineral Industries Limited	10	1,64,397	-	10	1,64,397	-
	Future Retail Limited	-	-	-	10	1,28,441	960.00
	Tamilnad Mercantile Bank	10	36,072	14.70	-	-	-
	Rediff.Com India Ltd	5	15,23,000	263.72	5	15,23,000	263.72
	Less : Diminution in value of investments			(263.72)			(513.72)
	Investments in equity instruments of other companies - Unquoted						
	Peak Minerals and Mining Private Limited	10	1,45,000	-	10	1,45,000	-
	Tamilnad Mercantile Bank	-	-	-	10	36,072	2.51
	Metropolitan Stock Exchange of India Limited	-	-	-	1,000	3,70,20,000	65.59
	Nuvama Wealth Management Limited	10	29,87,740	6,690.88	-	-	-
	Gentrust Consumer Durables Private Limited	2	2,913	5.29	2	2,913	12.52
	FLFL Lifestyle Brands Limited	10	9,200	18.40	10	9,200	18.40
	Less : Diminution in value of investments			(18.40)			(18.40)
	Investments in preference shares of Group companies - Unquoted						
	14.265% Edelweiss Rural & Corporate Services Limited	-	-	-	10	1,95,05,000	378.15
	Investments in preference shares of other companies - Unquoted						
	Mapoline Realtors Consultancy Private Limited	10	1,592	-	10	1,592	-
	0.01% Compulsorily Convertible Non-Cumulative Preference shares (Mangal Buildhome Private Limited)	10	85,000	76.50	10	55,555	50.00
	0.01% Compulsorily Convertible Non-Cumulative Preference shares (Karni Tradepack Private Limited)	10	49,265	99.96	10	39,004	99.96
	0.01% Compulsorily Convertible Non-Cumulative Preference shares (Red Events India Private Limited)	10	750	50.00	-	-	-
	0.01% Compulsorily Convertible Non-Cumulative Preference shares (Finmen Advisors & Consultants Private Limited)	10	140	30.10	-	-	-
	8.75% Non-Cumulative Optionally Convertible Preference Shares (Gujar Gems Private Limited)	100	6,00,000	60.00	-	-	-
	Bright Lifecare Private Limited	-	-	-	10	5,219	58.77
	Investments in optionally convertible debenture - Unquoted						
	Retra Ventures Pvt. Limited	10,000	8,200	91.15	10,000	8,200	85.60
	Investments in compulsorily convertible debenture						
	Edelcap Securities Limited	10	32,50,00,000	3,250.01	-	-	-
	Edel Investments Limited	10	7,50,00,000	750.00	-	-	-
	Investments in bonds						
	10.25% ECL Finance Limited Perpetual Bonds	-	-	-	10,00,000	320	259.95
	10.25% ECL Finance Limited Perpetual Bonds	-	-	-	10,00,000	130	139.01
	10.18% Edel Finance Company Limited NCD	10,00,000	1,640	1,767.16	-	-	-
	Investments in warrants (partly paid-up)	100	10,00,000	52.50	100	10,00,000	52.50
	Less : Diminution in value of investments			(52.50)			(52.50)





## Ecap Equities Limited

(formerly Edel Land Limited)

Notes to the financial statements (continued)

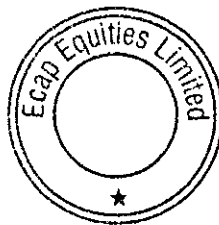
(Currency : Indian Rupees in millions)

### 12.1

#### Investments

##### Investments in units of fund - Unquoted

	As at 31 March 2023			As at 31 March 2022		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Edelweiss Stressed and Troubled Assets Revival Fund 1	10,000	3,000	1.53	10,000	3,000	2.06
Paragon Partners growth fund-I	-	-	-	100	8,96,694	157.06
Edelweiss Real Estate Opportunities Fund	10,000	5,000	49.84	10,000	5,000	48.36
Edelweiss Private Equity Tech fund	1,00,000	158	30.84	1,00,000	1,778	389.73
Edelweiss Special Opportunities Fund	10,000	5,000	48.78	10,000	5,000	49.93
Edelweiss India Real Estate Fund	10,000	5,000	49.95	10,000	5,000	49.08
Edelweiss Credit Opportunities Fund	1,000	50,000	-	1,000	50,000	49.70
Edelweiss Value and Growth Fund	1,00,000	438	51.49	1,00,000	2,208	242.25
Faering Capital India Evolving Fund II	-	-	-	1,000	45,457	104.55
EC Special Situations Fund	-	-	-	10,000	2,780	33.39
Edelweiss Infrastructure Yield Plus Fund	10,000	1,04,680	1,325.52	10,000	1,10,625	1,481.34
Edelweiss India Special Situations Fund	-	-	-	10,000	13,096	102.43
EREF Onshore Fund	10,000	5,000	51.95	10,000	5,000	51.51
Edelweiss Commercial Assets Fund	-	-	-	1,00,000	432	43.17
RE Opportunities Fund	1,00,000	290	28.98	1,00,000	350	34.97
Real Estate Credit Opportunities Fund	10,000	8,618	107.67	10,000	8,677	86.77
Real Estate Credit Opportunities Fund II	10,000	55,200	380.45	10,000	55,200	547.83
Kae Capital Fund	-	-	-	1,00,000	41	17.45
Kae Capital Fund II	-	-	-	1,00,000	116	340.71
India Credit Investment Fund II	10,000	4,00,000	2,024.35	10,000	4,00,000	1,598.14
India Credit Investment Fund I	10,000	5,000	51.22	10,000	5,000	50.00
India Credit Investment Fund III	10,000	8,56,804	7,398.04	-	-	-
Expected credit loss			(86.81)			(86.81)
Expected credit loss - Bonds			(0.27)			(0.06)
<b>Investments in partnership firms</b>						
Capital account	-	-	0.05	-	-	0.05
			<u>27,498.71</u>			<u>9,968.79</u>



**Ecap Equities Limited**  
(formerly Edel Land Limited)

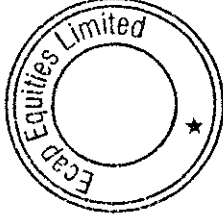
Notes to the financial statements (continued)

(Currency : Indian Rupees in millions)

**12.2 Investments**

**Unconsolidated structured entities**

Particulars	31 March 2023		31 March 2022	
	Alternative investment funds	Maximum exposure	Alternative investment funds	Maximum exposure
Investments at fair value	11,600.61	11,600.61	4,860.66	4,860.66
<b>Total Assets</b>	<b>11,600.61</b>	<b>11,600.61</b>	<b>4,860.66</b>	<b>4,860.66</b>
Off-balance sheet exposure	19,988.74	NA	3,476.13	NA
Size of the structured entities	84,562.54	NA	80,651.68	NA
Income from the structured entities	222.17	NA	437.41	NA



**Ecap Equities Limited****(formerly Edel Land Limited)****Notes to the financial statements (Continued)**

(Currency : Indian Rupees in millions)

	As at 31 March 2023	As at 31 March 2022
<b>13 Bank balances other than cash and cash equivalents</b>		
Term deposits with banks (Refer note 13.1)	0.25	0.21
Accrued interest on fixed deposits	0.02	0.01
	<u>0.27</u>	<u>0.22</u>

**13.1 Encumbrances' on fixed deposits held by the Company**

The Company has pledged fixed deposits aggregating to Rs. 0.25 million (Previous year: Rs. 0.21 million) with sales tax authorities for meeting deposit requirements.

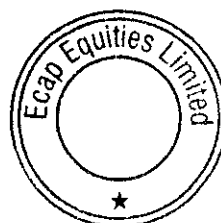
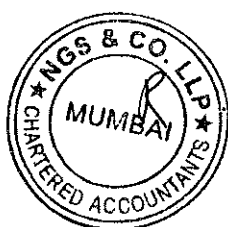


**Ecap Equities Limited**  
**(formerly Edel Land Limited)**  
**Notes to the financial statements (Continued)**  
(Currency : Indian Rupees in millions)

**14 Loans**  
**at amortised cost:**

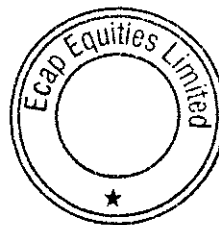
Particulars	As at 31 March 2023	As at 31 March 2022
<b>Term Loans *</b>		
Corporate credit	-	775.89
<b>Others</b>		
Corporate credit	-	2,221.80
<b>Total Gross</b>	-	2,997.69
Less: Impairment loss allowance	-	2,218.49
<b>Total (Net)</b>	-	779.20
Secured by tangible assets ( Property including land , building & securities)	-	775.89
Unsecured	-	2,221.80
<b>Total Gross</b>	-	2,997.69
Less: Impairment loss allowance	-	2,218.49
<b>Total (Net)</b>	-	779.20
<b>Loans in India</b>		
Public Sectors	-	-
Others	-	2,997.69
<b>Total Gross</b>	-	2,997.69
Less: Impairment loss allowance	-	2,218.49
<b>Total (Net)</b>	-	779.20

*\*Disclosure under section 186(4) of the companies Act, 2013 for loans and guarantee : Term Loan has been given for general business purpose*



**Ecap Equities Limited**  
**(formerly Edel Land Limited)**  
**Notes to the financial statements (Continued)**  
(Currency : Indian Rupees in millions)

	As at 31 March 2023	As at 31 March 2022
<b>15 Other financial assets</b>		
<i>Unsecured considered good</i>		
Deposits placed with exchange	5.11	3.11
Deposits- others	3.61	3.35
Dividend receivable	-	0.00
	<b>8.72</b>	<b>6.46</b>
<b>16 Current tax assets (net)</b>		
Advance income taxes (net of provision for tax)	285.00	319.56
	<b>285.00</b>	<b>319.56</b>
<b>17 Deferred tax assets (net)</b>		
<b>Deferred tax assets</b>		
<b>Loans</b>		
Provision for standard and credit impaired assets - ECL provision	309.88	265.61
<b>Employee benefit obligations</b>		
Provision for leave accumulation	0.99	0.70
Disallowances under section 43B of the Income Tax Act, 1961	4.36	2.15
<b>Unused tax losses</b>		
Accumulated losses	1,267.09	979.11
Others	25.81	25.89
	<b>1,608.15</b>	<b>1,273.46</b>
<b>Deferred tax liabilities</b>		
<b>Property, plant and equipment and intangibles</b>		
Difference between book and tax depreciation (including intangibles)	155.93	232.35
<b>Investments and other financial instruments</b>		
Unrealised gain on derivatives	14.01	17.78
Fair valuation of investments and stock in trade	220.79	185.35
	<b>390.73</b>	<b>435.48</b>
	<b>1,217.42</b>	<b>837.98</b>



**Ecap Equities Limited**  
(formerly Edel Land Limited)  
**Notes to the financial statements (Continued)**  
(Currency : Indian rupees in millions)

**17.1 Income tax**

(a) The components of income tax expense for the years ended 31 March 2023 and 31 March 2022 are:

Particulars	31 March 2023	31 March 2022
Current tax	-	-
Adjustment in respect of current income tax of prior years	4.80	(0.03)
Deferred tax relating to origination and reversal of temporary differences	(667.22)	(357.70)
Deferred tax asset recognised on unused tax credit or unused tax losses	287.98	573.29
<b>Total tax charge</b>	<b>(374.44)</b>	<b>215.56</b>
Current tax	4.80	(0.03)
Deferred tax	(379.24)	215.59

(b) Reconciliation of total tax charge :

Particulars	31 March 2023	31 March 2022
Accounting loss before tax as per financial statements	(384.27)	(1,135.98)
Tax rate (in percentage)	25.17%	25.17%
Income tax expense calculated based on this tax rate	(96.72)	(285.93)
Adjustment in respect of current income tax of prior years	4.80	(0.03)
Effect of income not subject to tax:		
Others	(27.71)	(26.05)
Effect of non-deductible expenses:		
Others - bonus reversal and other disallowable	0.01	0.50
Others - Group	-	27.11
Effect of non-recognition of deferred tax asset on current-period losses	-	113.85
Effect of utilisation of tax losses on which deferred tax asset earlier not recognised OR deferred tax assets on losses earlier recognised now considered not recoverable	(194.13)	-
Recognition of available tax credits (for example, Minimum Alternate Tax credit)	-	139.61
Impact of tax rate changes	(61.80)	255.57
Others	1.11	(9.07)
<b>Tax charge for the year recorded in statement of profit and loss</b>	<b>(374.44)</b>	<b>215.56</b>

\* 0.00 represents amount less than Rs. 5,000



**Ecap Equities Limited**  
(formerly Edel Land Limited)  
**Notes to the financial statements (Continued)**  
(Currency : Indian rupees in millions)

**17.1 Income tax**

(c) The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense:

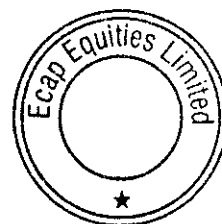
	Opening deferred tax asset / (liability) as per Ind AS	Movement for the period (2022-23)			Closing deferred tax asset / (liability) as per Ind AS
		Recognised in statement of profit and loss	Recognised in other comprehensive income	Total movement	
<b>Deferred taxes in relation to:</b>					
Property, plant and equipment	(210.99)	57.05	-	57.05	(153.95)
Intangible assets	(21.36)	19.37	-	19.37	(1.99)
Fair valuation of stock in trade	(74.99)	92.94	-	92.94	17.95
Other investments (equity instruments)	(2.14)	(746.42)	-	(746.42)	(748.56)
Other investments (AIF Funds)	(108.22)	635.99	-	635.99	527.77
Loans and investments	257.97	50.44	-	50.44	308.41
Trade receivable	7.63	(6.17)	-	(6.17)	1.46
Employee benefits obligations	(0.18)	5.53	-	5.53	5.35
Fair valuation of derivatives	(17.78)	(14.19)	-	(14.19)	(31.97)
Unused tax losses (including but not limited to business losses, unabsorbed depreciation)	979.11	287.99	-	287.99	1,267.10
Others	28.93	(3.28)	0.19	(3.09)	25.84
<b>Total</b>	<b>837.98</b>	<b>379.24</b>	<b>0.19</b>	<b>379.44</b>	<b>1,217.42</b>

	Opening deferred tax asset / (liability) as per Ind AS	Movement for the period (2021-22)			Closing deferred tax asset / (liability) as per Ind AS
		Recognised in statement of profit and loss	Recognised in other comprehensive income	Total movement	
<b>Deferred taxes in relation to:</b>					
Property, plant and equipment	(169.31)	(41.69)	-	(41.69)	(210.99)
Intangible assets	(21.30)	(0.06)	-	(0.06)	(21.36)
Fair valuation of stock in trade	(0.26)	(74.73)	-	(74.73)	(74.99)
Other investments (equity instruments)	(2.14)	-	-	-	(2.14)
Other investments (AIF Funds)	(108.22)	-	-	-	(108.22)
Loans	107.20	150.77	-	150.77	257.97
Trade receivable	7.63	-	-	-	7.63
Employee benefits obligations	7.45	(7.63)	-	(7.63)	(0.18)
Fair valuation of derivatives	2.73	(20.50)	-	(20.50)	(17.78)
Unused tax losses (including but not limited to business losses, unabsorbed depreciation)	1,041.67	(62.56)	-	(62.56)	979.11
Unused tax credits (including but not limited to Minimum Alternate Tax credit) *	139.61	(139.61)	-	(139.61)	-
Others	48.42	(19.58)	0.09	(19.49)	28.93
<b>Total</b>	<b>1,053.48</b>	<b>(215.59)</b>	<b>0.09</b>	<b>(215.49)</b>	<b>837.98</b>

\* 0.00 represents amount less than Rs. 5,000

Break-up of recognition of current tax	31 March 2023	31 March 2022
In statement of profit and loss	4.80	(0.03)

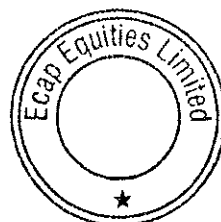
Break-up of income tax recorded in OCI	31 March 2023	31 March 2022
Deferred tax		
Employee benefits obligations	(0.19)	(0.09)



**Ecap Equities Limited****(formerly Edel Land Limited)****Notes to the financial statements (Continued)**

(Currency : Indian Rupees in millions)

	As at 31 March 2023	As at 31 March 2022
<b>18 Other non-current assets</b>		
Prepaid expenses	0.95	1.03
	<u>0.95</u>	<u>1.03</u>
<b>19 Stock in trade</b>		
At fair value through profit and Loss		
<b>Particulars</b>		
Mutual fund	376.42	1,177.12
Debt securities	7,388.20	6,425.58
Equity instruments	22.80	366.67
<b>Total - Gross (A)</b>	<u>7,787.42</u>	<u>7,969.37</u>
Stock in trade outside India	-	-
Stock in trade in India	7,787.42	7,969.37
<b>Total (B)</b>	<u>7,787.42</u>	<u>7,969.37</u>
Less: Allowance for impairment ( C)	-	-
<b>Total Net (A-C)</b>	<u>7,787.42</u>	<u>7,969.37</u>



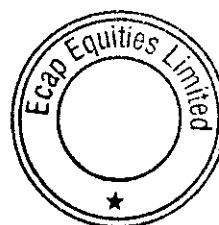


**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency : Indian Rupees in millions)

	As at 31 March 2023			As at 31 March 2022		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
<b>19.1 Stock in trade</b>						
<b>Equity shares (quoted)</b>						
Arshiya Limited	-	-	-	2	49,04,472	141.74
HDFC Bank Ltd*	-	-	-	1	1	0.00
CG Power and Industrial Solutions Ltd	-	-	-	2	10,506	1.99
BANK OF INDIA	-	-	-	10	20,812	0.95
BSE Limited	-	-	-	2	2,119	2.00
ITC LTD.	-	-	-	1	6,400	1.60
Bharat Dynamics Ltd	-	-	-	10	3,632	2.00
INGERSOLL-RAND (INDIA) LTD.	-	-	-	10	603	0.96
Capri Global Capital Limited	-	-	-	2	1,623	1.00
Sharda Cropchem Ltd	-	-	-	10	3,566	2.19
Butterfly Gandhimathi Appliances Ltd	-	-	-	10	12,343	17.15
CENTURY PLYBOARDS (I) LTD.-\$	-	-	-	1	2,863	2.05
Adani Green Energy Ltd	-	-	-	10	1,039	1.99
Narayana Hrudayalaya Ltd	-	-	-	10	2,709	2.02
SUN TV NETWORK LTD.	-	-	-	5	7,500	3.67
Linde India Limited	-	-	-	10	545	2.06
Schaeffler India Ltd	-	-	-	2	1,039	2.02
FEDERAL-MOGUL GOETZE (INDIA) LTD.	-	-	-	10	56,459	15.00
Five Core Exim Ltd*	-	-	-	2	11,500	0.00
TATA ELXSI LTD.	-	-	-	10	221	1.95
SHRIRAM CITY UNION FINANCE LTD.	-	-	-	10	18	0.03
VARDHMAN TEXTILES LTD.	-	-	-	2	4,398	1.92
TV18 BROADCAST LTD.	-	-	-	2	27,165	2.01
Sheela Foam Ltd	-	-	-	5	578	2.01
K.P.R.MILL LTD.	-	-	-	1	3,257	2.03
Adani Transmission Ltd	-	-	-	10	728	1.72
Gujarat Fluorochemicals Limited	-	-	-	1	709	1.94
KPIT Technologies Limited	-	-	-	10	3,353	2.02
Hitachi Energy India Limited	-	-	-	2	574	2.02
RHI MAGNESITA INDIA LIMITED	-	-	-	1	3,263	2.00
Escorts Limited	-	-	-	10	80,416	135.97
KANNUR INTERNATIONAL AIRPORT LIMITED	-	-	-	100	88	0.01
ANHEUSER BUSCH AB INBEV	-	-	-	10	14	0.01
MAYASHEEL RETAIL INDIA LIMITED	-	-	-	10	1,639	0.11
ONE MOBILWIK SYSTEMS LIMITED	-	-	-	2	188	0.13
STERLITE POWER TRANSMISSION LIMITED	-	-	-	2	215	0.21
MOHAN MEAKIN LIMITED	-	-	-	5	255	0.29
TATA TECHNOLOGIES LIMITED	-	-	-	10	200	1.17
GOA SHIPYARD LTD*	-	-	-	5	9	0.00
NCL Buildtek Limited	-	-	-	10	1,395	0.38
ARICENT TECHNOLOGIES (HOLDINGS) LIMITED	-	-	-	10	1,350	0.84
ESL STEELS LTD	-	-	-	10	10,550	0.61
FINO PAYTECH LIMITED	-	-	-	10	667	0.22
MERINO INDUSTRIES LIMITED	-	-	-	10	125	0.41
RELIANCE RETAIL LIMITED	-	-	-	10	179	0.58
INDIA CARBON LIMITED	-	-	-	10	1,255	2.13
HDB FINANCIAL SERVICES LIMITED	-	-	-	10	50	0.04
CHENNAI SUPER KINGS	-	-	-	0	9,302	1.99
HERO FINCORP LIMITED	-	-	-	10	261	0.25
FINO PAYTECH LIMITED	-	-	-	10	65	0.02
HDB FINANCIAL SERVICES LIMITED	-	-	-	10	100	0.08
MAYASHEEL RETAIL INDIA LIMITED	-	-	-	10	1,100	0.07
MOHAN MEAKIN LIMITED	-	-	-	5	141	0.16
RELIANCE RETAIL LIMITED	-	-	-	10	171	0.56
WELSPUN ENTERPRISES LIMITED	10	243	0.03	-	-	-
		<b>243</b>	<b>0.01</b>		<b>52,03,730</b>	<b>366.29</b>
<b>Equity shares (Unquoted)</b>						
SHRIRAM LIFE INSURANCE CO. LTD	10	1,100	0.42	10	1,100	0.39
NATIONAL STOCK EXCHANGE OF INDIA LIMITED	1	7,000	22.36	-	-	-
		<b>8,100</b>	<b>22.79</b>		<b>1,100</b>	<b>0.39</b>
<b>Mutual funds (quoted)</b>						
SBI Overnight Fund Direct Plan Growth - Regular	10	74,632	272.35	10	1,83,364	634.69
HDFC Overnight Fund - Growth	10	31,266	104.07	10	1,65,459	522.43
Birla Overnight Fund - Dir - Growth	-	-	-	10	17,397	20.00
		<b>1,05,898</b>	<b>376.42</b>		<b>3,66,220</b>	<b>1,177.12</b>

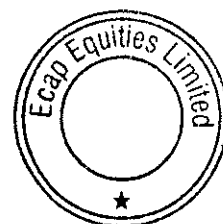
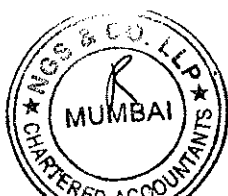


**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency : Indian Rupees in millions)

	As at 31 March 2023			As at 31 March 2022		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
<b>19.1 Stock in trade (continued)</b>						
<b>Debentures and bonds (Quoted)</b>						
ECLFINANCE LTDINE804I08817	-	-	-	1,00,000	4,954	753.02
EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITEDINE01SLO7535	-	-	-	1,00,000	20	2.94
EDELWEISS FINANCE & INVESTMENTS LIMITEDINE918K07FL7	1,00,000	4	0.54	1,00,000	4	0.48
EDELWEISS FINANCE & INVESTMENTS LIMITEDINE918K07FJ1	-	-	-	1,00,000	10	1.28
ECLFINANCE LTDINE804I073E1	1,00,000	14	2.52	1,00,000	14	2.31
EDEL FINANCE COMPANY LIMITEDINE241O07EE4	1,00,000	1,000	106.80	-	-	-
EDEL FINANCE COMPANY LIMITEDINE836K08013	1,00,000	5,499	553.58	-	-	-
EDEL FINANCE COMPANY LIMITEDINE836K08013	1,00,000	11,484	1,153.93	-	-	-
EDEL FINANCE COMPANY LIMITEDINE241O07937	1,00,000	2,000	201.21	-	-	-
ECLFINANCE LTDINE804I08825	1,00,000	7	1.16	-	-	-
ECLFINANCE LTDINE804I08817	1,00,000	6	1.00	-	-	-
EDELWEISS FINANCIAL SERVICES LIMITEDINE532F07BJ9	1,00,000	714	87.79	-	-	-
EDELWEISS FINANCIAL SERVICES LIMITEDINE532F07BJ9	1,00,000	1,000	122.98	-	-	-
EDELWEISS FINANCIAL SERVICES LIMITEDINE532F07BR2	1,00,000	226	27.29	-	-	-
EDELWEISS FINANCIAL SERVICES LIMITEDINE532F07BJ9	1,00,000	30	3.69	-	-	-
2.00% Edelweiss Asset Reconstruction Company Limited 27.04.2027 NCD	-	-	-	7,97,118	393	272.26
2.00% EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED 20.11.2027 BONDS	1,000	178	0.30	1,000	178	0.30
2.00% EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED 23.07.2028 BONDS	-	-	-	5,00,319	257	189.67
2.00% EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED 23.07.2029 BONDS	45,258	10	0.66	54,378	10	0.78
10.20% ECL FINANCE LIMITED 23.08.2022 BONDS	-	-	-	1,000	679	0.68
9.60% SREI EQUIPMENT FINANCE LIMITED 25.05.2028 BONDS	1,000	4,23,117	111.28	1,000	4,23,117	106.03
2.00% EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED 28.08.2027 BONDS	7,16,624	300	209.47	8,41,654	980	821.19
10.65% EDELWEISS RURAL & CORPORATE SERVICES LIMITED 07.04.2022 BONDS	-	-	-	10,00,000	3,960	4,034.71
10.65% EDELWEISS RURAL CORPORATE SERVICES LIMITED 18.04.2022 BONDS	-	-	-	10,00,000	100	100.45
11.00% EDELWEISS FINVEST PRIVATE LIMITED 29.07.2025 BONDS	10,00,000	70	77.94	10,00,000	70	81.88
9.77% EDELWEISS RURAL & CORPORATE SERVICES LIMITED 04.05.2024 BONDS	10,00,000	1,381	1,446.17	-	-	-
10.34% EDELWEISS RURAL & CORPORATE SERVICES LIMITED 09.05.2025 BONDS	10,00,000	2,750	2,900.21	-	-	-
09.80% EDELWEISS FINANCIAL SERVICES LIMITED 08.01.2026 BONDS ANNUAL	1,000	5,762	5.94	1,000	2,286	2.43
09.55% EDELWEISS FINANCIAL SERVICES LIMITED 29.04.2026 BONDS ANNUAL	1,000	13,662	15.06	1,000	2,807	3.18
09.39% EDELWEISS FINANCIAL SERVICES LIMITED 08.01.2026 BONDS	1,000	15,486	15.74	1,000	12,418	12.88
09.10% EDELWEISS FINANCIAL SERVICES LIMITED 29.04.2024 BONDS ANNUAL	1,000	15,685	17.03	1,000	6,274	7.04
09.10% EDELWEISS FINANCIAL SERVICES LIMITED 29.04.2024 BONDS CUMULATIVE	1,000	2,297	2.50	1,000	1,371	1.30
09.35% EDELWEISS FINANCIAL SERVICES LIMITED 08.01.2024 BONDS CUMULATIVE	1,000	4,089	4.67	1,000	1,764	1.76
09.16% EDELWEISS FINANCIAL SERVICES LIMITED 29.04.2026 BONDS	1,000	5,121	5.19	1,000	5,002	5.21
09.35% EDELWEISS FINANCIAL SERVICES LIMITED 08.01.2024 BONDS ANNUAL	1,000	17,413	17.76	1,000	10,217	10.77
09.55% EDELWEISS FINANCIAL SERVICES LIMITED 29.04.2026 BONDS CUMULATIVE	1,000	2,759	2.62	1,000	1,270	1.03
09.80% EDELWEISS FINANCIAL SERVICES LIMITED 08.01.2026 BONDS CUMULATIVE	1,000	4,449	4.44	1,000	2,216	1.88
09.10% EDELWEISS FINANCIAL SERVICES LIMITED 28.12.2024 BONDS ANNUAL	1,000	11,547	11.83	1,000	858	0.91
09.15% EDELWEISS FINANCIAL SERVICES LIMITED 28.12.2026 BONDS	1,000	1,567	2.44	1,000	720	0.74
08.75% EDELWEISS FINANCIAL SERVICES LIMITED 28.12.2023 BONDS ANNUAL	1,000	10,649	10.86	1,000	1,056	1.11
08.75% EDELWEISS FINANCIAL SERVICES LIMITED 28.12.2024 BONDS	1,000	15,210	15.45	1,000	477	0.50
09.55% EDELWEISS FINANCIAL SERVICES LIMITED 28.12.2026 BONDS CUMULATIVE	1,000	17,019	18.31	1,000	60	0.06



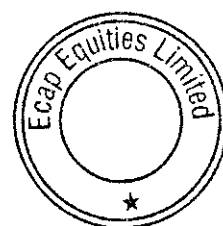
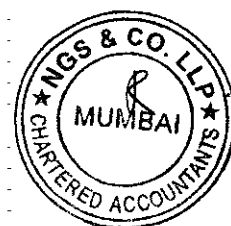
**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency : Indian Rupees in millions)

	As at 31 March 2023			As at 31 March 2022		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
<b>19.1 Stock in trade (continued)</b>						
<b>Debentures and bonds (Quoted) (continued)</b>						
08.75% EDELWEISS FINANCIAL SERVICES LIMITED						
28.12.2023 BONDS CUMULATIVE	1,000	1,063	1.17	1,000	135	0.14
09.10% EDELWEISS FINANCIAL SERVICES LIMITED						
28.12.2024 BONDS CUMULATIVE	1,000	3,154	3.46	1,000	598	0.62
09.55% EDELWEISS FINANCIAL SERVICES LIMITED						
28.12.2026 BONDS ANNUAL	1,000	8,911	9.29	1,000	389	0.42
09.55% EDELWEISS FINANCIAL SERVICES LIMITED						
10.09.2026 BONDS ANNUAL	1,000	4,619	4.88	-	-	-
09.15% EDELWEISS FINANCIAL SERVICES LIMITED						
10.09.2026 BONDS	1,000	327	0.33	-	-	-
09.10% EDELWEISS FINANCIAL SERVICES LIMITED						
10.09.2024 BONDS	1,000	1,217	1.27	-	-	-
09.30% EDELWEISS FINANCIAL SERVICES LIMITED						
10.09.2031 BONDS	1,000	12,387	12.76	-	-	-
ECLF 04JAN2024 CUMULATIVE	1,000	5,675	11.19	-	-	-
10.00 EHFL 19JUL2026	1,000	3,034	3.29	-	-	-
10.40 ECLF 23MAY2029	1,000	957	1.11	-	-	-
09.10 EFSL 10SEP2024 CUMULATIVE	1,000	3,554	3.62	-	-	-
09.95 EFSL 08JAN2031 ANNUAL	1,000	334	0.35	-	-	-
10.40 ECLF 04JAN2024	1,000	3,637	3.75	-	-	-
08.88 ERFL 22MAR2028	1,000	7,974	8.03	-	-	-
9.65 ECLF 06AUG2023	1,000	4,215	4.48	-	-	-
08.50 EHFL 29APR2024 ANNUAL	1,000	1,963	2.11	-	-	-
09.05 EHFL 29APR2025 ANNUAL	1,000	7,774	8.43	-	-	-
08.75 EFSL 10SEP2024	1,000	733	0.73	-	-	-
09.30 EFSL 28DEC2031	1,000	30,427	32.07	-	-	-
09.30 EFSL 29APR2031	1,000	943	0.99	-	-	-
10.40 ECLF 28NOV2029	1,000	1,532	1.67	-	-	-
09.70 EFSL 29APR2031 ANNUAL	1,000	125	0.14	-	-	-
10.40 ECLF 28NOV2024	1,000	11,067	11.68	-	-	-
09.55 EFSL 10SEP2026 CUMULATIVE	1,000	10,437	9.25	-	-	-
10.40 ECLF 23MAY2024	1,000	9,761	10.77	-	-	-
08.70 EHFL 29APR2025	1,000	1,609	1.62	-	-	-
08.85 EFSL 20OCT2024 CUMULATIVE	1,000	160	0.15	-	-	-
09.25 EFSL 20OCT2025 ANNUAL	1,000	1,126	1.18	-	-	-
09.70 EFSL 28DEC2031 ANNUAL	1,000	5,266	5.66	-	-	-
ECLF 28NOV2024 CUMULATIVE	1,000	645	1.14	-	-	-
09.05 EHFL 29APR2025 CUMULATIVE	1,000	308	0.28	-	-	-
09.70 EHFL 29APR2032 ANNUAL	1,000	161	0.18	-	-	-
10.00 EHFL 19JUL2026 CUMULATIVE	1,000	503	0.95	-	-	-
08.50 EHFL 29APR2024 CUMULATIVE	1,000	1,268	1.26	-	-	-
09.55 EHFL 29APR2027 CUMULATIVE	1,000	180	0.14	-	-	-
09.55 EHFL 29APR2027 ANNUAL	1,000	343	0.38	-	-	-
09.25 EFSL 20OCT2025 CUMULATIVE	1,000	83	0.07	-	-	-
915EHFL29APR2027	1,000	670	0.69	-	-	-
930EHFL29APR2032	1,000	5	0.01	-	-	-
885EFSL20OCT2024ANNUAL	1,000	2,133	2.21	-	-	-
975EFSL20OCT2027ANNUAL	1,000	435	0.47	-	-	-
925ECLF06AUG2023	1,000	3,594	3.63	-	-	-
00ECLF06AUG2023	1,000	4,686	9.30	-	-	-
995ECLF23MAY2024	1,000	5,354	5.45	-	-	-
ECLF23MAY2024	1,000	1,293	2.43	-	-	-
995ECLF28NOV2024	1,000	3,852	3.94	-	-	-
9.25% EDELWEISS RETAIL FINANCE LIMITED						
22.03.2028 BONDS	1,000	9,756	9.93	-	-	-
995ECLF23MAY2029	1,000	4,041	4.35	-	-	-
995ECLF28NOV2029	1,000	19,839	21.45	-	-	-
8.90% EFSL 20 Oct 2025	1,000	2,943	2.98	-	-	-
9.53% EFSL 08 Jan 2031	1,000	125	0.13	-	-	-
9.95% ECLF 04 Jan 2024	1,000	657	0.67	-	-	-
9.35% EFSL 20 Oct 2027	1,000	408	0.42	-	-	-
10.10% EFSL 20 Oct 2032	1,000	1,666	1.87	-	-	-
09.57% EHFL 19 Jul 2026	1,000	16	0.02	-	-	-
09.70% EFSL 10 Sep 2031	1,000	17	0.02	-	-	-
09.75% EFSL 20 Oct 2027	1,000	3	0.00	-	-	-
09.65% EFSL 20 Oct 2032	1,000	37	0.04	-	-	-
0% ECL Finance Limited Bond	-	-	-	1,000	4,110	5.62
			<u>7,388.20</u>			<u>6,425.58</u>
			<u>7,764.63</u>			<u>7,968.99</u>

\* 0.00 represents amount less than Rs. 5,000



**Ecap Equities Limited**  
(formerly Edel Land Limited)  
Notes to the financial statements (continued)  
(Currency : Indian Rupees in millions)

**20 Investments**

As at 31 March 2023

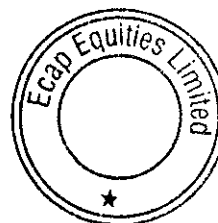
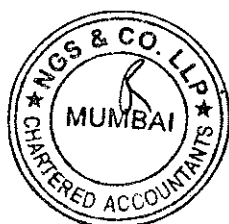
Particulars	At amortised cost	At fair value through P&L	Subtotal	At cost (subsidiaries, fellow subsidiaries, associates, and joint ventures)	Total
	(1)	(2)	3 = (1+2)	(4)	(5) = (3+4)
Investments in group companies					
Preference shares	406.68	-	406.68	-	406.68
Investment in partnership firm *	-	-	-	2.70	2.70
Investments in debentures and bonds					
Debentures	22.67	-	22.67	-	22.67
<b>Total - Gross (A)</b>	<b>429.35</b>	<b>-</b>	<b>429.35</b>	<b>2.70</b>	<b>432.05</b>
(i) Investments outside India	-	-	-	-	-
(ii) Investment in India	429.35	-	429.35	2.70	432.05
<b>Total (B)</b>	<b>429.35</b>	<b>-</b>	<b>429.35</b>	<b>2.70</b>	<b>432.05</b>
Less: Allowance for impairment (C)	3.45	-	3.45	-	3.45
<b>Total Net (A-C)</b>	<b>425.90</b>	<b>-</b>	<b>425.90</b>	<b>2.70</b>	<b>428.60</b>

Partnership firm	Total Capital Rs. 100,000	As at 31 March 2023
Edelweiss Multi Strategy Fund Advisors LLP		
Share of profit/loss	Edelweiss Rural & Corporate Services Limited	50.00%
	Ecap Equities Limited (formerly Edel Land Limited)	50.00%

As at 31 March 2022

Particulars	At amortised cost	At fair value through P&L	Subtotal	At cost (subsidiaries, fellow subsidiaries, associates, and joint ventures)	Total
	(1)	(2)	3 = (1+2)	(4)	(5) = (3+4)
Investments in subsidiaries					
Preference shares	4,133.13	-	4,133.13	-	4,133.13
Investments in group companies					
Preference shares	3,858.36	-	3,858.36	-	3,858.36
Investment in partnership firm*	-	-	-	2.77	2.77
Investments in debentures and bonds					
Debentures	1,041.74	-	1,041.74	-	1,041.74
<b>Total - Gross (A)</b>	<b>9,033.22</b>	<b>-</b>	<b>9,033.22</b>	<b>2.77</b>	<b>9,035.99</b>
(i) Investments outside India	-	-	-	-	-
(ii) Investment in India	9,033.22	-	9,033.22	2.77	9,035.99
<b>Total (B)</b>	<b>9,033.22</b>	<b>-</b>	<b>9,033.22</b>	<b>2.77</b>	<b>9,035.99</b>
Less: Allowance for impairment (C)	-	-	-	-	-
<b>Total Net (A-C)</b>	<b>9,033.22</b>	<b>-</b>	<b>9,033.22</b>	<b>2.77</b>	<b>9,035.99</b>

Partnership firm	Total Capital Rs. 100,000	As at 31 March 2022
Edelweiss Multi Strategy Fund Advisors LLP		
Share of profit/loss	Edelweiss Rural & Corporate Services	50.00%
	Ecap Equities Limited (formerly Edel Land Limited)	50.00%



**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency : Indian Rupees in millions)

**20.1 Investments**

**Investments in preference shares of Subsidiary companies - Unquoted**  
Edelcap Securities Limited

As at 31 March 2023

Face Value      Quantity      Amount

As at 31 March 2022

Face Value      Quantity      Amount

-      -      -      10      4,86,25,000      4,133.13

**Investments in preference shares of Group companies - Unquoted**

7% Edelweiss Rural & Corporate Services Limited

-      -      -      10      10,00,000      918.36

14.265% Edelweiss Rural & Corporate Services Limited

10      1,95,05,000      406.68

Edel Investments Limited

-      -      -      10      3,00,000      2,940.00

**Investments in bonds - Quoted**

Kohinoor CTNL Infrastructure Company Private Limited NCD

100      75      22.67

100      75      80.43

GMR Enterprises Private Limited NCD

-      -      -

10,00,000      812      961.30

Expected credit loss - Bonds

(3.45)

**Investments in partnership firms**

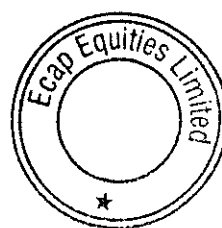
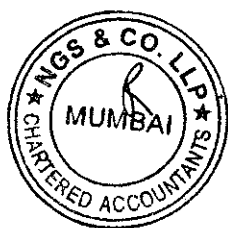
Current account

-      -      2.70

-      -      2.77

428.60

9,035.99



**Ecap Equities Limited****(formerly Edel Land Limited)****Notes to the financial statements (Continued)**

(Currency : Indian Rupees in millions)

**21 Trade receivables**

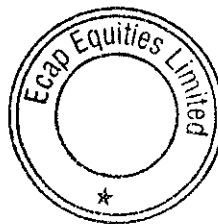
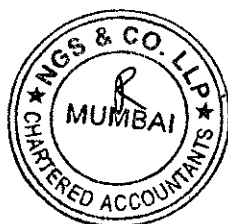
Particulars	31 March 2023	31 March 2022
Receivables considered good - unsecured	57.61	691.96
Receivables - credit impaired	2.56	0.63
	<b>60.17</b>	<b>692.59</b>
Less : Allowance for expected credit losses	5.82	5.03
	<b>54.35</b>	<b>687.56</b>

Reconciliation of impairment allowance on trade and lease receivables:

Particulars	31 March 2023	31 March 2022
Impairment allowance measured as per simplified approach		
Impairment allowance - Opening balance	5.03	21.84
Add/ (less): asset originated or acquired (net)	0.79	(16.81)
Impairment allowance - Closing balance	<b>5.82</b>	<b>5.03</b>

Ageing of Trade receivables

Trade receivables days past due	Less than 6 months	6 months -1 year	1-2 years	Total
<b>As at March 31, 2023</b>				
Undisputed Trade receivables – considered good	57.61	-	-	57.61
Undisputed Trade receivables – considered doubtful	-	0.25	2.31	2.56
ECL provision	(3.32)	(0.19)	(2.31)	(5.82)
<b>Net carrying amount</b>	<b>54.29</b>	<b>0.06</b>	<b>-</b>	<b>54.35</b>
<b>As at March 31, 2022</b>				
Undisputed Trade receivables – considered good	691.96	-	-	691.96
Undisputed Trade receivables – considered doubtful	-	-	0.63	0.63
ECL provision	(4.40)	-	(0.63)	(5.03)
<b>Net carrying amount</b>	<b>687.56</b>	<b>-</b>	<b>-</b>	<b>687.56</b>



**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency : Indian Rupees in millions)

	As at 31 March 2023	As at 31 March 2022
<b>22 Cash and cash equivalents</b>		
Cash on hand	-	0.03
Balances with banks		
- in current accounts	1,435.55	122.64
	<b>1,435.55</b>	<b>122.67</b>
<b>23 Bank balances other than cash and cash equivalents</b>		
Term deposits with banks (Refer note 23.1)	-	3.12
Long term bank deposits with banks	3.20	-
Accrued interest on fixed deposits	0.04	0.03
	<b>3.24</b>	<b>3.15</b>

**23.1 Encumbrances' on fixed deposits held by the Company**

The Company has pledged fixed deposits aggregating to Rs. 3.20 million (Previous year: Rs. 3.08 million) with Indusind bank for obtaining the bank guarantee provided to mandi for license requirements.

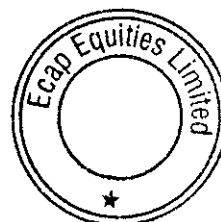
The Company has pledged fixed deposits aggregating to Rs. NIL (Previous year: Rs. 0.04) with sales tax authorities for meeting deposit requirements.

**24 Loans**

**At amortised cost**

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Term Loans *</b>		
Corporate credit	157.43	139.26
<b>Others</b>		
Corporate credit	6,143.07	5,422.38
<b>Total Gross</b>	<b>6,300.50</b>	<b>5,561.64</b>
Less: Impairment loss allowance	3,804.46	1,748.92
<b>Total (Net)</b>	<b>2,496.04</b>	<b>3,812.72</b>
Secured by tangible assets (Property including land, building & securities)	1,601.74	345.91
Unsecured	4,698.76	5,215.73
<b>Total Gross</b>	<b>6,300.50</b>	<b>5,561.64</b>
Less: Impairment loss allowance	3,804.46	1,748.92
<b>Total (Net)</b>	<b>2,496.04</b>	<b>3,812.72</b>
<b>Loans in India</b>		
Public Sectors	-	-
Others	6,300.50	5,561.64
<b>Total Gross</b>	<b>6,300.50</b>	<b>5,561.64</b>
Less: Impairment loss allowance	3,804.46	1,748.92
<b>Total (Net)</b>	<b>2,496.04</b>	<b>3,812.72</b>

\*Disclosure under section 186(4) of the companies Act, 2013 for loans and guarantee : Term Loan has been given for general business purpose



**Ecap Equities Limited**  
(formerly Edel Land Limited)  
**Notes to the financial statements (Continued)**  
(Currency : Indian Rupees in millions)

**25 Derivative financial instruments**

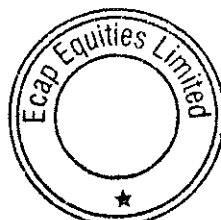
(a) The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

31 March 2023						
Particulars	Notional		Fair value of asset (INR in millions)	Notional		Fair value of liability (INR in millions)
	Unit	Notional amount*		Unit	Notional amount*	
<b>(i) Commodity linked derivatives</b>						
-Futures	Number of units	-	-	Number of units	21,100	0.27
			-			0.27
Less: amounts offset			-			0.27
<b>Sub total (i)</b>			-		-	-
<b>(ii) Equity linked derivatives</b>						
-Stock Futures	Number of shares	62,68,025	74.39	Number of shares	41,98,400	46.47
-Options purchased	Number of shares	-	-	Number of shares	-	-
-Options sold (written)	Number of shares	-	-	Number of shares	2,25,000	1.88
			74.39			48.34
Less: amounts offset			74.39			46.47
<b>Sub total (ii)</b>			-		-	1.88
<b>(iii) Index linked derivatives</b>						
-Index Futures	Number of index units	52,325	16.62	Number of index units	21,700	6.74
-Options purchased	Number of index units	30,73,290	73.28	Number of index units	-	-
-Options sold (written)	Number of index units	-	-	Number of index units	16,32,085	282.11
			89.89			288.85
Less: amounts offset			16.62			6.74
<b>Sub total (iii)</b>			73.28		-	282.11
<b>(iv) Currency linked derivatives</b>						
-Currency Futures	Number of currency units	-	-	Number of currency units	-	-
-Options purchased	Number of currency units	-	-	Number of currency units	-	-
-Options sold (written)	Number of currency units	-	-	Number of currency units	2,12,52,000	1.85
			-			1.85
Less: amounts offset			-			-
<b>Sub total (iv)</b>			-		-	1.85
<b>(v) Embedded derivatives</b>						
-In market linked debentures	Number of index units	-	475.14	Number of index units	-	301.86
<b>Sub total (v)</b>			475.14		-	301.86
<b>Total Derivative Financial Instruments</b>			<b>548.42</b>			<b>587.70</b>

\* Notional amount represents quantity in case of equity linked and index linked derivatives

31 March 2022						
Particulars	Notional		Fair value of asset (INR in millions)	Notional		Fair value of liability (INR in millions)
	Unit	Notional amount*		Unit	Notional amount*	
<b>(i) Interest rate derivatives</b>						
-Futures	Number of units	13,000	0.00	Number of units	800	0.02
			0.00			0.02
Less: amounts offset			0.00			0.02
<b>Sub total (i)</b>			-			-
<b>(ii) Equity linked derivatives</b>						
-Stock Futures	Number of shares	96,97,540	47.70	Number of shares	60,87,136	39.09
-Options purchased	Number of shares	10,87,825	71.97	Number of shares	-	-
-Options sold (written)	Number of shares	-	-	Number of shares	15,49,875	15.15
			119.67			54.24
Less: amounts offset			47.70			39.09
<b>Sub total (ii)</b>			71.97			15.15
<b>(iii) Index linked derivatives</b>						
-Index Futures	Number of index units	35,750	39.38	Number of index units	9,150	0.24
-Options purchased	Number of index units	8,73,700	202.69	Number of index units	-	-
-Options sold (written)	Number of index units	-	-	Number of index units	11,16,650	312.68
			242.08			312.92
Less: amounts offset			39.38			0.24
<b>Sub total (iii)</b>			202.69			312.68
<b>(iv) Embedded derivatives</b>						
-In market linked debentures	Number of index units	-	20.80	Number of index units	-	1,068.47
<b>Sub total (iv)</b>			20.80			1,068.47
<b>Total Derivative Financial Instruments</b>			<b>295.46</b>			<b>1,396.30</b>

\* Notional amount represents quantity in case of equity linked and index linked derivatives





**Ecap Equities Limited**

(formerly Edel Land Limited)

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

(Currency : Indian Rupees in millions)

**25 Derivative financial instruments****(b) Offsetting of financial assets and liabilities****Financial assets subject to offsetting 31 March 2023**

	Offsetting recognised in the balance sheet		
	Gross asset before offset	Amount offset	Net asset recognised in balance sheet
Derivative financial assets	639.42	91.00	548.42

**Financial liabilities subject to offsetting 31 March 2023**

	Offsetting recognised in the balance sheet		
	Gross liability before offset	Amount offset	Net liability recognised in balance sheet
Derivative financial liabilities	641.17	53.47	587.70

As at the reporting date, the amount of gross derivative assets & liabilities that has been offset against the cash margin is Rs. 91.00 millions and Rs. 53.47 millions respectively.

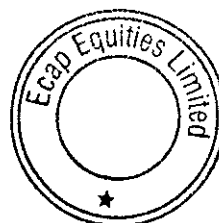
**Financial assets subject to offsetting 31 March 2022**

	Offsetting recognised in the balance sheet		
	Gross asset before offset	Amount offset	Net asset recognised in balance sheet
Derivative financial assets	382.54	87.08	295.46

**Financial liabilities subject to offsetting 31 March 2022**

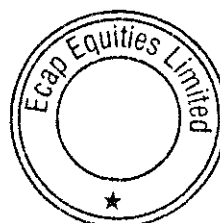
	Offsetting recognised in the balance sheet		
	Gross liability before offset	Amount offset	Net liability recognised in balance sheet
Derivative financial liabilities	1,435.65	39.35	1,396.30

As at the reporting date, the amount of gross derivative assets & liabilities that has been offset against the cash margin is Rs.87.08 millions and Rs 39.35 millions respectively.



**Ecap Equities Limited**  
**(formerly Edel Land Limited)**  
**Notes to the financial statements (Continued)**  
(Currency : Indian Rupees in millions)

	As at 31 March 2023	As at 31 March 2022
<b>26 Other financial assets</b>		
<i>Unsecured considered good</i>		
Margin placed with broker	356.78	-
Advance for purchase of shares	342.48	-
Dividend receivable	-	0.07
Advances recoverable in cash or in kind or for value to be received	9.76	0.01
	<b>709.02</b>	<b>0.08</b>
<b>27 Current tax assets (net)</b>		
Advance income taxes (net off provision for tax)	108.79	106.74
	<b>108.79</b>	<b>106.74</b>
<b>28 Other current assets</b>		
Input tax credit	151.12	181.22
Other deposits	0.03	0.03
Prepaid expenses	1.71	2.31
Vendor Advances	25.58	6.64
Advances recoverable in cash or in kind or for value to be received	0.12	17.07
Advances to employees	0.55	0.02
	<b>179.11</b>	<b>207.29</b>



**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency : Indian Rupees in millions)

**29 Equity share capital**

**Authorised :**

5,20,50,000 (Previous year: 5,20,50,000) equity shares of Rs. 10 each  
37,25,000 (Previous year: 37,25,000) preference shares of Rs. 10 each  
12,50,000 (Previous year: 12,50,000) preference shares of Rs. 1 each

**Issued, subscribed and paid up:**

1,84,49,240 (Previous year: 1,84,49,240) equity shares of Rs. 10 each

**a. Movement in share capital :**

Outstanding at the beginning of the year

Shares issued during the year

**Outstanding at the end of the year**

**b. Terms/rights attached to equity shares :**

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

**c. Shares held by holding Company, Promoter**

Edelweiss Financial Services Limited, the holding company and its nominees

As at  
31 March 2023

As at  
31 March 2022

520.50	520.50
37.25	37.25
1.25	1.25
559.00	559.00

184.49	184.49
184.49	184.49

31 March 2023		31 March 2022	
No. of shares	Amount	No. of shares	Amount
1,84,49,240	184.49	1,83,88,500	183.89
-	-	60,740	0.60
1,84,49,240	184.50	1,84,49,240	184.49

31 March 2023

31 March 2022

No. of shares	%	No. of shares	%
1,84,49,240	100.00	1,84,49,240	100.00
1,84,49,240	100.00	1,84,49,240	100.00



**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency : Indian Rupees in millions)

**30 Instruments entirely equity in nature**

0.01% Compulsorily Convertible Debentures (CCDs) of Rs.1000 each.

	31 March 2023	31 March 2022
	96,00,000	96,00,000
	96,00,000	96,00,000

**a. Movement in instruments during the year :**

0.01% Compulsorily Convertible Debentures (CCDs)

Outstanding at the beginning of the year

Issued during the year

Outstanding at the end of the year

	31 March 2023	31 March 2022
	No of CCDs	No of CCDs
	Amount	Amount
	96,00,000	46,00,000
	-	50,00,000
	96,00,000	96,00,000

**b. Terms/rights attached to Instruments entirely equity in nature :**

The interest rate is 0.01% per annum and CCDs will be convertible into equity shares within period not exceeding 10 years from the date of issue.

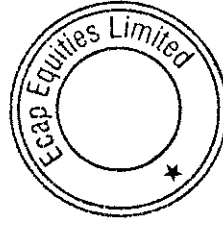
**c. Details of holders holding more than 5%**

Edelweiss Rural and Corporate Services Limited

Edel Finance Company Limited

Allium Finance Private Limited

	31 March 2023	31 March 2022
	No. of CCD's	No. of CCD's
	%	%
	66,00,000	66,00,000
	20,00,000	20,00,000
	10,00,000	10,00,000
	96,00,000	96,00,000



**Ecap Equities Limited**  
**(formerly Edel Land Limited)**  
**Notes to the financial statements (Continued)**  
(Currency : Indian Rupees in millions)

	As at 31 March 2023	As at 31 March 2022
<b>31 Other equity</b>		
<b>Capital Reserve - Opening balance</b>	<b>184.58</b>	<b>184.58</b>
Add : Additions during the year	-	-
	<u>184.58</u>	<u>184.58</u>
<b>Capital redemption reserve</b>	<b>67.00</b>	<b>67.00</b>
Add : Reserves transfer on account of merger	-	-
	<u>67.00</u>	<u>67.00</u>
<b>Securities premium</b>	<b>1,637.38</b>	<b>1,637.38</b>
Add : Reserves transfer on account of merger	-	-
	<u>1,637.38</u>	<u>1,637.38</u>
<b>Debenture redemption reserve</b>	<b>1,051.41</b>	<b>1,051.41</b>
Add : Reserves transfer on account of merger	-	-
	<u>1,051.41</u>	<u>1,051.41</u>
<b>Deemed capital contribution - ESOP</b>	<b>22.00</b>	<b>22.00</b>
Add : Reserves transfer on account of merger	-	-
	<u>22.00</u>	<u>22.00</u>
<b>Shares issued pending allotment</b>		
Opening balance	-	0.61
Less: Shares allotted during the year	-	0.61
	<u>-</u>	<u>-</u>
<b>Revaluation reserve</b>		
Opening balance	305.56	325.61
Less: Transfer to Retained Earnings	(20.05)	(20.05)
	<u>285.51</u>	<u>305.56</u>
<b>Retained Earnings</b>		
Opening Balance	(8,078.23)	(6,760.72)
Add: Transferred from revaluation reserve -OCI (net)	20.05	20.05
Add: Loss for the year	(9.83)	(1,351.54)
Add: Other comprehensive income for the year	0.96	0.45
Add: ESOP reversal on lapse of vesting period	5.77	13.53
	<u>(8,061.28)</u>	<u>(8,078.23)</u>
	<u>(4,813.40)</u>	<u>(4,810.30)</u>



32 Borrowings

32 (a) Non current borrowings  
at amortised cost:

Particulars	31 March 2023	31 March 2022
<b>Secured:</b>		
Non-convertible debentures <sup>1&amp;5</sup>	18,179.75	10,502.58
<b>Unsecured:</b>		
Non-convertible debentures <sup>5</sup>	-	2,834.71
Term Loans from related parties <sup>2</sup>	2,050.00	2,050.00
Preference share capital <sup>6</sup>	0.01	0.01
<b>Total</b>	<b>20,229.76</b>	<b>15,387.30</b>

32 (b) Current borrowings  
at amortised cost:

Particulars	31 March 2023	31 March 2022
<b>Secured:</b>		
Non-convertible debentures <sup>1&amp;5</sup>	7,632.58	11,439.45
<b>Unsecured:</b>		
Term Loans from related parties <sup>3</sup>	9,318.90	2,049.84
Inter corporate deposits <sup>4</sup>	16.25	15.60
<b>Total - Gross (A)</b>	<b>16,967.73</b>	<b>13,504.89</b>

Note:-

- The debentures issued under Debenture Trust Deed dated 26 May 2017, 10 May 2019, 09 September 2021, 30 August 2022 and 23 February 2023 are secured by a pari passu charge on the immovable property, property, plant and equipment, trade receivables, loans, investments, cash and cash equivalents, other bank balances and stock in trade to the extent equal to the principal and interest amount i.e. redemption value of debentures. The debentures issued under Debenture Trust Deed dated 26 March 2021 are secured by charge on investments made in Edelweiss Infrastructure Yield Plus Fund to the extent equal to 1.74 times the principal and interest amount i.e. redemption value of debentures. The debentures issued under Debenture Trust Deed dated 24 November 2021 are secured by charge on investments made in Edelweiss Asset Management Limited by the holding company Edelweiss Financial Services Limited and fellow subsidiary company Edel Finance Company Limited. The debentures issued under Debenture Trust Deed dated 19 September 2022 are secured by charge on investments made in Nuvama Wealth Management Limited.
- At interest rate of 11.75% p.a. (Previous year interest rate of 11.75% p.a.)
- At interest rate ranging from 9.66% to 15.28% p.a. (Previous year interest ranging from 11.80% to 16.80% p.a.)
- Unsecured, inter-corporate deposits repayable on demand, at interest rate 6.55% p.a. (Previous year 6.55% p.a.)
- Following is the repayment schedule of Debt Securities

Debt Securities as at 31 March 2023

Maturities	<1 years	1-3 years	> 3 years	Total
8.00 - 8.99%	-	-	-	-
9.00 - 9.99%	-	-	-	-
Various (benchmark linked)	7,632.58	12,655.30	5,524.45	25,812.33
<b>Total</b>	<b>7,632.58</b>	<b>12,655.30</b>	<b>5,524.45</b>	<b>25,812.33</b>

Debt Securities as at 31 March 2022

Maturities	<1 years	1-3 years	> 3 years	Total
8.00 - 8.99%	-	-	-	-
9.00 - 9.99%	-	-	-	-
Various (benchmark linked)	11,439.45	9,965.35	3,371.94	24,776.74
<b>Total</b>	<b>11,439.45</b>	<b>9,965.35</b>	<b>3,371.94</b>	<b>24,776.74</b>

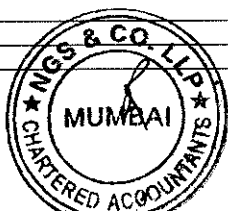
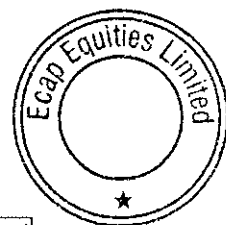
6 Terms and conditions related to subordinated liabilities

Subordinated liabilities as at 31 March 2023

Maturities	<1 years	1-3 years	> 3 years	Total
0.01%	-	-	0.01	0.01
<b>Total</b>	<b>-</b>	<b>-</b>	<b>0.01</b>	<b>0.01</b>

Subordinated liabilities as at 31 March 2022

Maturities	<1 years	1-3 years	> 3 years	Total
0.01%	-	-	0.01	0.01
<b>Total</b>	<b>-</b>	<b>-</b>	<b>0.01</b>	<b>0.01</b>



**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

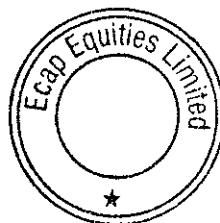
(Currency : Indian Rupees in millions)

	As at 31 March 2023	As at 31 March 2022
<b>33 Other financial liabilities</b>		
Rental Deposits	123.83	64.43
	<u>123.83</u>	<u>64.43</u>
<b>34 Provisions</b>		
Provision for employee benefits		
Gratuity	14.25	7.14
Compensated leave absences	3.27	1.50
	<u>17.53</u>	<u>8.64</u>
<b>35 Trade payables</b>		
Trade payables from non-related parties	197.51	27.68
Trade payables from related parties	13.22	164.63
	<u>210.73</u>	<u>192.31</u>
<b>Outstanding for less than 1 year from due date of payment *</b>		
(i) Undisputed dues-MSME	-	1.93
(ii) Undisputed dues-Others	210.73	190.38
(iii) Disputed dues-MSME	-	-
(iv) Disputed dues-Others	-	-
	<u>210.73</u>	<u>192.31</u>

\* Unbilled amount is due for Rs. 51.48 millions as at 31 March 2023 and Rs. 29.04 millions as at 31 March 2022

**35.1 Details of dues to micro and small enterprises**

Trade payables includes Rs. Nil (Previous year: Rs. 1.93 millions) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid/is payable by the Company during the year to "Suppliers" registered under this act. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said act.

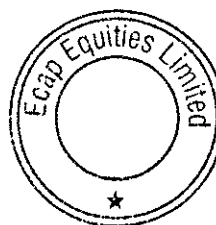


**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency : Indian Rupees in millions)

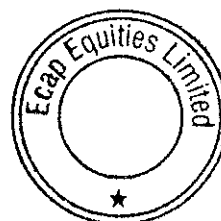
	As at 31 March 2023	As at 31 March 2022
<b>36 Other financial liabilities</b>		
Other payables	170.26	3.03
Accrued salaries and benefits	577.82	121.49
Payable to exchange / clearing house (net)	-	84.72
Retention money payable	8.94	9.03
Provision for short sale	-	40.09
Interest accrued on debt securities	0.86	0.39
Advance received from customers	403.35	-
Unclaimed debentures	-	6.41
	<b>1,161.22</b>	<b>265.16</b>
<b>37 Other non-financial liabilities</b>		
Revenue received in advance	0.65	0.65
Other advances	8.03	11.35
Other payable	0.28	1.06
Withholding taxes, Goods and service tax and other taxes payable	32.22	38.53
	<b>41.18</b>	<b>51.59</b>
<b>38 Provisions</b>		
<i>Provision for employee benefits</i>		
Gratuity	3.09	1.42
Compensated leave absences	0.67	1.27
Provision for capex	11.71	-
	<b>15.47</b>	<b>2.69</b>
<b>39 Current tax liabilities (net)</b>		
Provision for taxation (net of advance tax)	53.76	-
	<b>53.76</b>	<b>-</b>





**Ecap Equities Limited**  
**(formerly Edel Land Limited)**  
**Notes to the financial statements (Continued)**  
(Currency : Indian rupees in millions)

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Revenue from operations</b>		
<b>40 Fee income</b>		
Guarantee commission and advisory fee income from Group	0.13	0.06
Advisory and other fees	2.15	3.62
	<u>2.28</u>	<u>3.68</u>
<b>40.1 Fee income</b>		
Service transferred at a point in time	2.28	3.68
Service transferred over time	-	-
	<u>2.28</u>	<u>3.68</u>
<b>Total revenue from contract with customers</b>		
	<u>2.28</u>	<u>3.68</u>
<b>41 Net gain on fair value changes</b>		
Loss on trading of securities (net)	(894.74)	123.63
Profit on equity derivative instruments (net)	3,897.67	2,512.98
Profit on commodity derivative instruments (net)	(15.55)	17.17
Loss on trading in currency derivative instruments (net)	(9.41)	-
Profit/(loss) on interest rate derivative instruments (net)	-	0.01
Profit/(loss) on sale of long term investment	705.37	77.77
Income distribution from Fund	222.17	437.41
Share of loss in partnership firm	(0.07)	4.19
	<u>3,905.44</u>	<u>3,173.16</u>
<b>Fair value changes:</b>		
Realised gain	3,356.17	2,478.44
Unrealised (loss)/gain	549.27	694.72
	<u>3,905.44</u>	<u>3,173.16</u>
<b>Total net gain on fair value changes</b>		
	<u>3,905.44</u>	<u>3,173.16</u>
<b>42 Dividend income</b>		
Dividend on stock in trade	6.03	11.39
Dividend on long term investment	0.54	-
	<u>6.57</u>	<u>11.39</u>
<b>43 Interest Income</b>		
<b>Interest income on Loans - amortised cost</b>		
On loans to fellow subsidiaries	388.82	393.24
On Loan to subsidiary companies	0.19	48.60
On intercorporate deposits	5.67	21.21
On credit substitutes	106.31	13.48
<b>Interest income from financial instruments - amortised cost</b>		
Interest income on debt instrument (for non-finance company) - amortised cost	0.05	-
Interest Income - preference capital	110.17	103.50
<b>Interest income from financial instruments - fair value through profit and loss</b>		
On Debt instrument	901.30	821.46
<b>Interest on deposits with bank - amortised cost</b>		
On fixed deposits	5.90	27.88
<b>Other interest income - amortised cost</b>		
On margin with brokers	3.01	1.00
	<u>1,521.41</u>	<u>1,430.39</u>



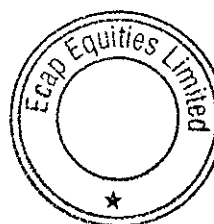
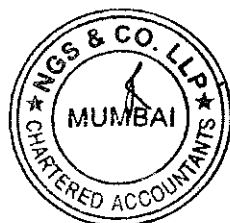
**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency : Indian rupees in millions)

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>44 Rental income</b>		
Rental income	167.87	120.03
	<b>167.87</b>	<b>120.03</b>
<b>45 Other operating revenue</b>		
Income from Training Centre	62.30	23.32
	<b>62.30</b>	<b>23.32</b>
<b>46 Other income</b>		
Liabilities written back	(0.05)	0.82
Foreign exchange gain*	-	0.00
Others	7.66	0.02
Interest on income tax refund	10.70	32.74
	<b>18.31</b>	<b>33.58</b>

\* 0.00 represents amount less than Rs. 5,000



**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency : Indian rupees in millions)

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>47 Employee benefit expenses</b>		
Salaries and wages	633.54	158.55
Contribution to provident and other funds	4.59	2.34
Expense on employee stock option scheme (ESOP)	2.94	3.46
Staff welfare expenses	2.99	1.35
Expense on Employee Stock Appreciation Rights	14.57	7.97
	<b>658.63</b>	<b>173.67</b>

**47.1 Employee stock option plans**

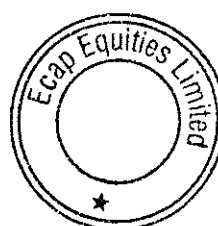
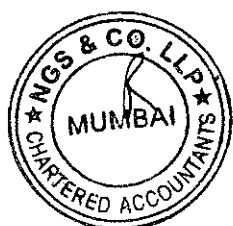
The Holding Company (Edelweiss Financial Services Limited ("EFSL")) has Employee Stock Option Plans in force. Based on such ESOP schemes, parent entity has granted an ESOP option to acquire equity shares of EFSL that would vest in a graded manner to Company's employees. Based on group policy / arrangement, EFSL has charged the fair value of such stock options, Company has accepted such cross charge and recognised the same under the employee cost

**48 Finance costs**

<b>Interest on deposits - amortised cost</b>		
Interest on Inter-corporate deposits	46.28	2.64
<b>Interest on borrowings - amortised cost</b>		
Interest on loan from fellow subsidiaries	1,013.43	1,884.57
Interest on loan from subsidiaries	20.72	57.97
<b>Interest on debt securities - amortised cost</b>		
Cost of benchmark linked debentures	1,762.11	1,636.19
Interest on debentures	268.59	85.20
<b>Other interest expense - amortised cost</b>		
Financial and bank charges	817.85	550.23
Interest - others	0.01	23.12
Interest on SLBM trades	4.21	3.99
	<b>3,933.20</b>	<b>4,243.91</b>

**49 Impairment on financial instruments**

<b>At amortised cost</b>		
Non performing assets written off	585.00	40.70
Bad- debts and advances written off	(3.11)	6.11
Provision for non performing assets	(409.31)	495.40
Provision for doubtful debts	0.79	(19.08)
<b>At fair value through profit and loss</b>		
Provision for non performing assets	-	(140.16)
	<b>173.37</b>	<b>382.96</b>



**Ecap Equities Limited**  
(formerly Edel Land Limited)

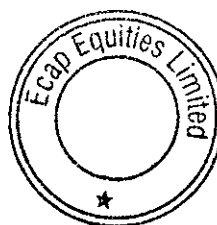
**Notes to the financial statements (Continued)**  
(Currency : Indian rupees in millions)

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>50 Other expenses</b>		
Advertisement and business promotion	0.32	5.31
Auditors' remuneration (refer note below)	4.10	2.24
Commission and brokerage	255.04	50.32
Communication	1.05	2.27
Computer expenses	17.96	0.84
Computer software	1.26	6.57
Clearing and custodian charges	46.94	215.40
Dematerialisation charges	0.25	0.27
Directors' sitting fees	0.70	0.38
Electricity charges	13.40	11.85
Foreign exchange loss (net)	0.02	0.05
Insurance	1.07	1.05
Legal and professional fees	235.01	222.59
Loss on sale of of fixed assets	0.16	0.61
Membership and subscription	40.67	6.23
Office expenses	39.04	42.33
Postage and courier	(0.02)	-0.09
Printing and stationery	0.22	0.36
Rates and taxes	7.18	7.12
Rating support fees	-	0.02
Rent	7.40	1.93
Repairs and maintenance	27.77	21.19
ROC expenses	0.01	0.06
Securities transaction tax	161.96	321.47
Goods and service tax expenses	166.09	66.19
Stamp duty	33.66	31.87
Stock exchange expenses	137.92	5.40
Transportation charges	0.14	0.07
Travelling and conveyance	2.88	1.71
Warehousing charges*	0.00	(0.00)
Training Centre Expenses (Fountainhead)	10.11	9.24
Housekeeping and security charges	9.58	19.64
	<b>1,221.89</b>	<b>1,054.49</b>

\* 0.00 represents amount less than Rs. 5,000

**50.1 Auditors' remuneration:**

As Auditors	3.97	2.24
Others	0.09	-
Towards reimbursement of expenses	0.04	-
	<b>4.10</b>	<b>2.24</b>



**Ecap Equities Limited**  
**(formerly Edel Land Limited)**

**Notes to the financial statements (Continued)**  
(Currency : Indian rupees in millions)

**50.2 Other expenses**

**(a) Foreign currency transaction**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<u>Expenses</u>		
Professional fees	1.82	1.60
Membership & Subscription charges	0.06	-
<u>Income</u>		
Fee income*	-	0.00

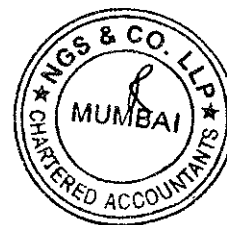
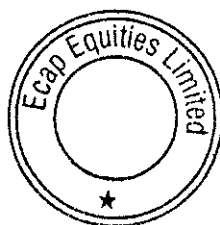
\* 0.00 represents amount less than Rs. 5,000

**(b) Cost sharing:**

Edelweiss Financial Services Limited, being the holding company along with fellow subsidiaries incurs expenditure like Group mediclaim, insurance, rent, electricity charges etc. which is for the common benefit of itself and its certain subsidiaries, fellow subsidiaries including the Company. This cost so expended is reimbursed by the Company on the basis of number of employees, area occupied, actual identifications, etc. On the same lines, costs like rent, electricity charges incurred by the Company for the benefit of fellow subsidiaries and associate companies are recovered as reimbursement by the Company from the subsidiaries and associate companies on similar basis. Accordingly, and as identified by the management, the expenditure heads include reimbursements paid and are net of reimbursements received based on the management's best estimate.

**(c) Corporate social responsibility (CSR)**

As per the provisions of Section 135 of the Companies Act, 2013, the Company is not required to spend any amount during the year



**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency : Indian rupees in millions)

**51. Segment reporting**

The Company's business is organised and the management reviews the performance, based on the business segments as mentioned below:

Segment	Activities covered
Capital based business	Interest Income on loans and other capital based activities
Training and Leadership Centre	Income from Training centre
Treasury	Income from treasury operations, income from investments, interest income on debt instruments and dividend income
Agency business	Broking and referral services

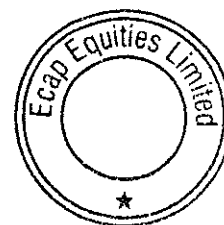
Income for each segment has been specifically identified. Expenditures, assets and liabilities are either specifically identified with individual segments or have been allocated to segments on a systematic basis.

Based on such allocations, segment disclosures relating to revenue, results, assets and liabilities have been prepared.

Since the business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

The following table gives information as required under the Ind AS -108 - Operating Segment Reporting:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Segment revenue</b>		
I a) Capital based business	1,514.29	767.64
b) Agency business	2.15	3.68
c) Training and Leadership centre (Fountain head)	62.29	23.70
d) Treasury	4,090.53	3,969.26
e) Unallocated	18.22	32.74
<b>Total</b>	<b>5,687.48</b>	<b>4,798.02</b>
<b>II Segment results</b>		
a) Capital based business	(1,836.05)	(2,265.87)
b) Agency business	(2.43)	18.49
c) Training and Leadership centre (Fountain head)	(41.79)	(86.07)
d) Treasury	1,608.04	1,164.79
e) Unallocated	(112.04)	32.68
<b>Total</b>	<b>(384.27)</b>	<b>(1,135.98)</b>
<b>Loss before taxation</b>	<b>(384.27)</b>	<b>(1,135.98)</b>
Less : Provision for taxation	(374.44)	215.56
<b>Loss after taxation</b>	<b>(9.83)</b>	<b>(1,351.54)</b>
<b>III Segment assets</b>		
a) Capital based business	28,814.19	19,502.56
b) Agency business	0.05	0.38
c) Training and Leadership centre (Fountain head)	491.03	530.94
d) Treasury	12,002.03	14,306.73
e) Unallocated	3,072.70	1,506.89
<b>Total</b>	<b>44,380.00</b>	<b>35,847.50</b>
<b>IV Segment liabilities</b>		
a) Capital based business	27,040.51	17,401.96
b) Agency business	0.89	0.89
c) Training and Leadership centre (Fountain head)	41.95	26.14
d) Treasury	12,239.73	13,399.49
e) Unallocated	85.83	44.83
<b>Total</b>	<b>39,408.91</b>	<b>30,873.31</b>
<b>V Capital expenditure (Including capital work-in-progress)</b>		
a) Capital based business	2.45	7.18
b) Agency business	-	0.03
c) Training and Leadership centre (Fountain head)	38.50	2.59
d) Treasury	6.63	37.13
<b>Total</b>	<b>47.58</b>	<b>46.93</b>
<b>VI Depreciation and amortisation</b>		
a) Capital based business	42.23	43.48
b) Agency business	0.01	-
c) Training and Leadership centre (Fountain head)	31.16	31.76
d) Treasury	11.27	2.73
<b>Total</b>	<b>84.67</b>	<b>77.97</b>
<b>VII Significant non-cash expenses other than depreciation</b>		
a) Capital based business	165.72	307.98
b) Agency business	4.28	(14.47)
c) Training and Leadership centre (Fountain head)	0.27	0.12
d) Treasury	4.44	92.46
<b>Total</b>	<b>174.71</b>	<b>386.09</b>



**Ecap Equities Limited**  
(formerly Edel Land Limited)

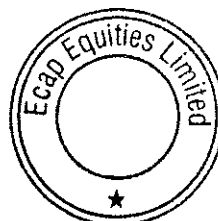
**Notes to the financial statements (continued)**

(Currency: Indian Rupees in millions)

**52 Disclosure as required by Indian Accounting Standard 24 - Related Party Disclosure**

**i. List of related parties and relationship:**

Name of related party by whom control is exercised	Edelweiss Financial Services Limited (Holding company)
Name of related parties over whom control is exercised	Edelcap Securities Limited Edelweiss Retail Finance Limited
Fellow subsidiaries (with whom transactions have taken place)	ECL Finance Limited Edelweiss Rural & Corporate Services Limited Nido Home Finance Limited (formerly Edelweiss Housing Finance Limited) Edel Investments Limited Edelgive Foundation Edelweiss Alternative Asset Advisors Limited Edelweiss Tokio Life Insurance Company Limited Edelweiss Investment Adviser Limited Edelweiss Asset Management Limited Edelweiss Asset Reconstruction Company Limited Edel Finance Company Limited Allium Finance Private Limited Edelweiss Interantional (Singapore) Pte Limited ZUNO General Insurance Limited (formerly Edelweiss General Insurance Company Limited) Ecap Securities and Investments Limited Edelweiss Global Wealth Management Limited Edelweiss Securities And Investments Private Limited Edelweiss Value and Growth Fund Edelweiss Private Equity Tech fund (from 01-Oct-22)
Fellow associates (upto 30-Mar-23) (with whom transactions have taken place)	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited) Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited) Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited) Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited) Nuvama Asset Management Limited (formerly ESL Securities Limited)
Name of related parties over whom significant influence is exercised	Edelweiss Multi Strategy Fund Advisors LLP India Credit Investment Fund II India Credit Investment Fund III Edelweiss Private Equity Tech fund (upto 30-Sep-22)
Key Managerial Personnel	Mayank Toshniwal (from August 1, 2022) Ritesh Jain (from August 1, 2022) Swadesh Agrawal (from May 26, 2022) Deepak Puligadda (upto May 26, 2022) Rujan Panjwani (from May 26, 2022 to September 9, 2022) Vinitha Singh (upto July 31, 2022)



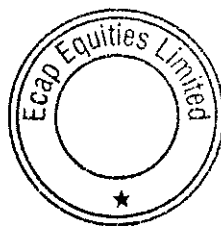
**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency: Indian Rupees in millions)

52 ii. Transactions with related parties :

Sr. No.	Nature of transaction	Related party name	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
	<b>Capital account transactions during the year</b>			
1	Investment in equity shares of	Edelcap Securities Limited	386.25	-
2	Investment in units of fund	Edelweiss Value and Growth Fund	-	7.78
		Edelweiss Private Equity Tech fund	-	11.38
		India Credit Investment Fund II	2,172.71	238.32
		India Credit Investment Fund III	8,568.04	-
3	Investment in preference shares of	Edelcap Securities Limited	-	4,133.13
		Edel Investments Limited	-	6,640.00
4	Investment in debt instruments of	Edel Finance Company Limited	1,640.00	-
5	Investment in compulsorily convertible debentures of	Edelcap Securities Limited	3,250.00	-
		Edel Investments Limited	750.00	-
6	Issue of compulsorily convertible debentures to	Edelweiss Rural & Corporate Services Limited	-	2,000.00
		Allium Finance Private Limited	-	1,000.00
		Edel Finance Company Limited	-	2,000.00
7	Purchase of equity shares from	Edelweiss Financial Services Limited	3,714.72	-
8	Sale of investments in equity shares to	ECL Finance Limited	78.48	-
9	Redemption of preference shares of	Edelcap Securities Limited	4,133.13	4,376.25
		Edel Investments Limited	2,940.00	2,950.00
		Edelweiss Rural & Corporate Services Limited	1,000.00	-
10	Purchase of units of funds from	Edelweiss Global Wealth Management Limited	206.23	-
11	Redemption of units of fund	India Credit Investment Fund II	771.52	150.59
		Edelweiss Value and Growth Fund	-	93.20
12	Sale of units of funds to	Edelweiss Retail Finance Limited	634.95	-
		ECL Finance Limited	747.37	839.49
		Edelweiss Asset Management Limited	-	128.27
		Edelweiss Securities And Investments Private Limited	-	200.13
		Edelweiss Alternative Asset Advisors Limited	246.37	-
13	Sale of loans to	Edelweiss Investment Adviser Limited	-	1,594.00
14	Sale of preference shares to	Edelcap Securities Limited	-	750.00
		Edel Investments Limited	-	1,593.00
		ECL Finance Limited	81.67	-
15	Sale of debt instruments to	ECL Finance Limited	1,990.90	-
		Edel Finance Company Limited	492.28	-





**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency: Indian Rupees in millions)

ii. Transactions with related parties (continued)

Sr. No.	Nature of transaction	Related party name	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
	<b>Current account transactions during the year</b>			
16	Short term loans taken from	Edelweiss Rural & Corporate Services Limited	6,881.57	98,064.93
		Edelweiss Retail Finance Limited	1,270.00	-
		Nido Home Finance Limited	3,600.00	-
		Edelcap Securities Limited	-	2,514.04
		ECL Finance Limited	5,840.00	-
		Edelweiss Financial Services Limited	12,076.22	7,619.20
		Edel Finance Company Limited	4,961.10	5,791.06
17	Long term loans taken from	Edelweiss Financial Services Limited	-	2,050.00
18	Short term loans repaid to	Edelweiss Rural & Corporate Services Limited	7,280.75	95,372.44
		Edelcap Securities Limited	-	2,514.04
		ECL Finance Limited	3,240.00	-
		Nido Home Finance Limited	3,000.00	-
		Edelweiss Retail Finance Limited	970.00	-
		Edelweiss Financial Services Limited	6,988.04	8,403.16
		Allium Finance Private Limited	-	2.90
		Edel Finance Company Limited	5,793.95	12,594.10
19	Short term loans given to	Edelweiss Rural & Corporate Services Limited	6,133.35	32,089.58
		Edelweiss Investment Adviser Limited	-	224.08
		Edelcap Securities Limited	-	5,757.09
		Edelweiss Securities And Investments Private Limited	1,134.13	200.00
		Edelweiss Retail Finance Limited	550.00	-
		Edelweiss Financial Services Limited	-	152.15
		Edel Finance Company Limited	1,400.00	-
		Nido Home Finance Limited	-	500.00
		ECL Finance Limited	4,180.00	1,300.00
		Ecap Securities and Investments Limited	825.06	2,895.67
20	Short term loans repaid by	Edelweiss Rural & Corporate Services Limited	4,673.25	17,154.17
		Edelweiss Investment Adviser Limited	112.56	112.04
		Edelcap Securities Limited	-	8,129.54
		Edelweiss Securities And Investments Private Limited	1,134.13	200.00
		Edel Finance Company Limited	1,400.00	-
		Edelweiss Retail Finance Limited	550.00	-
		Edelweiss Financial Services Limited	-	1,304.30
		ECL Finance Limited	4,180.00	1,300.00
		Nido Home Finance Limited	-	500.00
		Ecap Securities and Investments Limited	3,720.73	-
21	Margins placed with	Nuvama Clearing Services Limited	54,906.78	43,088.95
		Nuvama Wealth and Investment Limited	-	480.01
		Edel Investments Limited	399.46	305.48
22	Margins withdrawn from	Nuvama Clearing Services Limited	54,360.66	43,812.13
		Edel Investments Limited	399.61	306.64
		Nuvama Wealth and Investment Limited	-	479.48
23	Security deposits accepted from	Nuvama Clearing Services Limited	-	64.43
		ECL Finance Limited	20.52	-
		Nido Home Finance Limited	13.68	-
		ZUNO General Insurance Limited	25.21	-
24	Security deposits placed received back	Edelweiss Rural & Corporate Services Limited	-	100.00



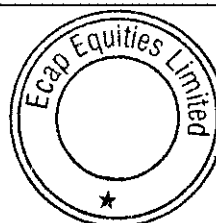
**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency: Indian Rupees in millions)

ii. Transactions with related parties (continued)

Sr. No.	Nature of transaction	Related party name	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
25	Security deposits accepted returned to	Edelweiss Tokio Life Insurance Company Limited	-	29.17
		Nido Home Finance Limited	-	80.00
		ECL Finance Limited	-	100.00
26	Amount paid to broker for Cash segment	Nuvama Wealth Management Limited	-	35,155.94
		Edel Investments Limited	50,360.98	13,186.47
27	Amount received from broker for Cash segment	Nuvama Wealth Management Limited	138.26	35,468.70
		Edel Investments Limited	48,855.40	14,573.31
28	Purchase of debt securities from	Edelweiss Asset Reconstruction Company Limited	-	3.32
		Edelcap Securities Limited	341.34	1,461.52
		Edel Investments Limited	1,203.98	2,010.94
		Edelweiss Securities And Investments Private Limited	-	1,655.20
		Edelweiss Asset Management Limited	-	1,806.89
		Edelweiss Investment Adviser Limited	-	312.92
		Edelweiss Rural & Corporate Services Limited	5,500.00	-
29	Sale of debt securities to	ECL Finance Limited	1,339.11	240.79
		Nuvama Wealth Finance Limited	-	2,926.38
		Edelweiss Asset Reconstruction Company Limited	-	111.39
		Edelcap Securities Limited	1,757.38	657.96
		Edel Investments Limited	-	2,895.41
		Edelweiss Rural & Corporate Services Limited	-	2,750.00
		Edel Finance Company Limited	476.64	3,292.35
		Edelweiss Securities And Investments Private Limited	-	1,650.20
		Edelweiss Investment Adviser Limited	157.00	1,211.00
		Edelweiss Asset Management Limited	-	5.57
		Edelweiss Tokio Life Insurance Company Limited	1,153.89	-
		ZUNO General Insurance Limited	96.90	-
30	Redemption of nifty link debentures - (SIT)	Edelweiss Asset Reconstruction Company Limited	25.26	2,836.51
		Nuvama Wealth Finance Limited	167.09	214.24
		Edel Finance Company Limited	3,077.38	1,026.38
31	Redemption of Non-convertible debentures - (SIT)	Edelweiss Asset Reconstruction Company Limited	157.10	75.58
		Edelweiss Rural & Corporate Services Limited	4,440.10	-
		ECL Finance Limited	25.27	-
		Edelweiss Retail Finance Limited	8.04	-
32	Redemption of Non-convertible debentures held by	Edel Investments Limited	1,120.17	-
		Edelcap Securities Limited	638.78	-
		Edelweiss Investment Adviser Limited	375.45	-
33	Redemption / buyback of nifty link debentures held by	Edelweiss Rural & Corporate Services Limited	5,275.62	5,159.28
		Edel Finance Company Limited	3,810.32	2,735.35
		Nuvama Wealth Finance Limited	138.49	1.03
		Edelweiss Asset Management Limited	-	215.51
		Nuvama Wealth and Investment Limited	8.11	-
34	Issue of nifty linked debentures to	Edel Finance Company Limited	-	68.63
		Nuvama Wealth and Investment Limited	-	504.19
		Nuvama Asset Management Limited	422.17	64.63
35	Issue of non-convertible debentures to	Edelweiss Rural & Corporate Services Limited	-	2,750.00



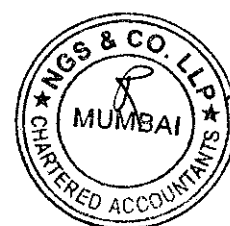
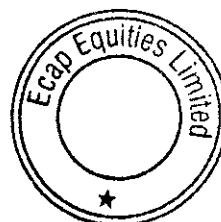
**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency: Indian Rupees in millions)

ii. Transactions with related parties (continued)

Sr. No.	Nature of transaction	Related party name	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
36	Rent income from	Nido Home Finance Limited	16.61	1.80
		Edelweiss Asset Management Limited	0.20	-
		Edelweiss Gallagher Insurance Brokers Limited	-	7.75
		ECL Finance Limited	27.32	7.52
		Nuvama Clearing Services Limited	75.53	72.91
		Edelweiss Tokio Life Insurance Company Limited	3.57	20.36
		ZUNO General Insurance Limited	27.29	2.03
		Edel Investments Limited	1.21	-
		Nuvama Wealth and Investment Limited	0.09	-
37	Interest income on preference shares of	Edelweiss Rural & Corporate Services Limited	110.17	103.50
38	Interest income on margins placed with	Nuvama Clearing Services Limited	3.00	1.00
39	Interest income on debt instrument of	Edelweiss Retail Finance Limited	0.72	-
		ECL Finance Limited	35.61	46.36
		Nuvama Wealth Finance Limited	-	20.83
		Edelweiss Rural & Corporate Services Limited	477.56	400.44
		Edelweiss Asset Reconstruction Company Limited	172.33	996.37
		Edel Finance Company Limited	135.08	275.16
		Edelweiss Financial Services Limited	40.72	1.21
		Nido Home Finance Limited	0.49	-
40	Interest income on compulsorily convertible debentures of	Edelcap Securities Limited	0.01	-
		Edel Investments Limited*	0.00	-
41	Interest expenses on debt instrument of	Edelweiss Rural & Corporate Services Limited	14.48	863.06
		Edel Investments Limited	168.36	54.13
		Edelcap Securities Limited	44.58	2.41
		Edelweiss Investment Adviser Limited	36.90	3.50
42	Interest expense on compulsorily convertible debentures issued to	Edelweiss Rural & Corporate Services Limited	0.66	0.46
		Allium Finance Private Limited	0.10	0.03
		Edel Finance Company Limited	0.20	0.00
43	Interest income on loans given to	Edelweiss Investment Adviser Limited	10.60	13.64
		Edel Finance Company Limited	1.67	-
		Edelweiss Securities And Investments Private Limited	10.72	0.08
		Edelcap Securities Limited	-	48.60
		Edelweiss Retail Finance Limited	0.19	-
		Edelweiss Financial Services Limited	-	1.99
		ECL Finance Limited	7.54	20.67
		Nido Home Finance Limited	-	0.61
		Edelweiss Rural & Corporate Services Limited	19.78	267.10
		Ecap Securities and Investments Limited	338.50	1.11



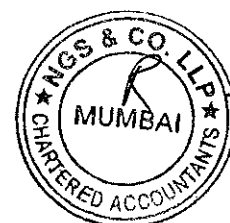
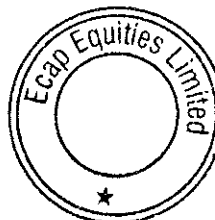
**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency: Indian Rupees in millions)

ii. Transactions with related parties (continued)

Sr. No.	Nature of transaction	Related party name	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
44	Cost reimbursements recovered from	Nuvama Wealth Management Limited	-	1.60
		Edelweiss Financial Services Limited*	-	0.00
		Nuvama Wealth Finance Limited	0.01	0.07
		Nido Home Finance Limited	1.52	0.06
		Edelcap Securities Limited	-	1.43
		Edelweiss Rural & Corporate Services Limited *	3.14	0.00
		Edelweiss Asset Management Limited*	0.00	0.00
		Edelweiss Gallagher Insurance Brokers Limited	-	0.26
		ECL Finance Limited	3.20	3.05
		Edelweiss Global Wealth Management Limited*	-	0.00
		Nuvama Wealth and Investment Limited	0.01	0.37
		Nuvama Clearing Services Limited	3.71	3.07
		Edel Investments Limited*	0.02	0.00
		Edelweiss Tokio Life Insurance Company Limited	2.05	1.97
		Edelweiss Asset Reconstruction Company Limited	-	0.18
		Edelweiss Retail Finance Limited	-	0.41
		Edelgive foundation*	-	0.00
		Nuvama Asset Management Limited*	0.00	0.00
		ZUNO General Insurance Limited	2.04	1.02
		Edelweiss Capital Services Limited*	-	0.00
45	Interest expense on loans taken from	Edelcap Securities Limited	-	57.97
		Nuvama Wealth Finance Limited	-	-
		Edelweiss Rural & Corporate Services Limited	70.76	1,195.97
		Edelweiss Securities And Investments Private Limited	-	-
		ECL Finance Limited	90.27	-
		Edelweiss Retail Finance Limited	20.72	-
		Edelweiss Financial Services Limited	538.81	493.50
		Allium Finance Private Limited	-	0.34
		Edel Finance Company Limited	232.85	194.76
		Nido Home Finance Limited	80.75	-
46	Interest expense on security deposits accepted from	ECL Finance Limited	-	11.74
		Nido Home Finance Limited	-	9.39
47	Reimbursements paid to	Edelweiss Rural & Corporate Services Limited	-	0.05
48	Cost reimbursements paid to	Edelweiss Financial Services Limited	-	11.50
		Nuvama Wealth Management Limited	0.94	2.35
		Edelweiss Rural & Corporate Services Limited	11.11	17.69
		Nuvama Wealth and Investment Limited	0.01	-
		Edel Investments Limited	11.78	7.39
		Nuvama Asset Management Limited	7.70	-
		Nuvama Wealth Finance Limited	0.02	-
49	Management fees paid to	Edelweiss Alternative Asset Advisors Limited	47.69	48.91
50	Share of loss in partnership firm	Edelweiss Multi Strategy Fund Advisors LLP	0.07	-
51	Share of profit from Partnership Firm	Edelweiss Multi Strategy Fund Advisors LLP	-	4.19
52	Shared Premise cost paid to	Edelweiss Rural & Corporate Services Limited	4.82	2.28
53	Clearing charges paid to	Nuvama Clearing Services Limited	39.57	6.17
54	Trade Exposure Charges	Nuvama Clearing Services Limited	-	176.40



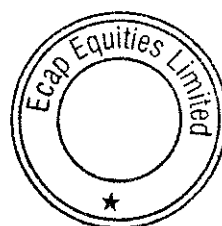
**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency: Indian Rupees in millions)

ii. Transactions with related parties (continued)

Sr. No.	Nature of transaction	Related party name	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
55	Brokerage paid to	Edel Investments Limited	44.23	27.55
		Nuvama Wealth and Investment Limited	0.06	2.07
		Nuvama Wealth Management Limited	0.03	11.04
56	Financial charges paid to	Nuvama Wealth and Investment Limited	702.36	444.07
		Edelweiss Global Wealth Management Limited	-	94.08
		Nuvama Wealth Management Limited	47.35	-
		Nuvama Asset Management Limited	47.82	-
57	Commission and brokerage paid to	Nuvama Wealth and Investment Limited	-	2.47
		Nuvama Wealth Management Limited	0.02	7.59
		Edel Investments Limited	-	0.11
58	Rating support fees paid to	Edelweiss Rural & Corporate Services Limited	-	0.02
59	Corporate Guarantee support fee paid to	Edelweiss Financial Services Limited	2.10	7.57
60	Professional fees paid to	ECL Finance Limited	149.50	98.74
		Edelweiss Rural & Corporate Services Limited	0.78	-
61	Referral fees paid	Nuvama Wealth and Investment Limited	189.15	51.67
		Nuvama Wealth Management Limited	0.30	-
62	Research fees paid	Nuvama Wealth and Investment Limited	18.00	-
		Nuvama Wealth Management Limited	16.50	-
63	ESOP expenses paid	Edelweiss Financial Services Limited	17.51	-
64	Guarantee commission income from	Nido Home Finance Limited	0.03	0.03
		ECL Finance Limited	0.02	0.02
		Edelweiss Retail Finance Limited*	-	0.00
		Edelweiss Investment Adviser Limited	0.07	-
65	Advisory Fees Income	Edelweiss International (Singapore) Pte Limited*	-	0.00
66	Sale of Fixed Asset to	ECL Finance Limited*	-	0.00
		Edelcap Securities Limited*	0.00	0.03
		Edelweiss Asset Management Limited*	-	0.00
		Nuvama Wealth and Investment Limited	-	0.01
		Nuvama Wealth Management Limited	-	7.50
		Edelweiss Rural & Corporate Services Limited	-	0.03
		Edel Investments Limited*	0.00	0.01
		Comtrade Commodities Services Limited*	-	0.00
67	Purchase of Fixed Asset from	ECL Finance Limited	0.03	-
		Edelweiss Rural & Corporate Services Limited	1.81	0.07
		Nuvama Wealth Management Limited*	0.00	0.01
		Nuvama Wealth and Investment Limited	-	-
		Nuvama Wealth Finance Limited	-	0.43
		Edel Investments Limited	0.20	-
		Edelweiss Financial Services Limited*	0.00	-
		Edelcap Securities Limited	0.43	0.03
		Nuvama Clearing Services Limited	-	0.04



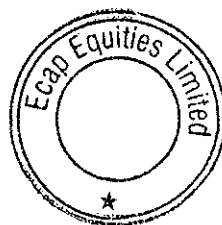
**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency: Indian Rupees in millions)

ii. Transactions with related parties (continued)

Sr. No.	Nature of transaction	Related party name	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
68	Income from Training Centre	ECL Finance Limited	0.16	0.35
		Edelweiss Rural & Corporate Services Limited	0.80	0.41
		Edelweiss Tokio Life Insurance Company Limited	1.16	0.22
		Edelweiss Financial Services Limited	0.13	0.48
		Nuvama Wealth Management Limited	0.03	0.02
		Edelweiss Gallagher Insurance Brokers Limited	-	0.02
		Edelweiss Asset Management Limited	0.39	0.02
		Nuvama Wealth and Investment Limited	0.84	0.24
		Nido Home Finance Limited	0.25	0.04
		Edelweiss Retail Finance Limited	-	0.04
		Nuvama Clearing Services Limited	-	0.03
		Edelweiss Asset Reconstruction Company Limited	0.14	-
		Nuvama Asset Management Limited	0.03	-
		ZUNO General Insurance Limited	0.18	-
		Edelgive Foundation	0.28	-
		Edelweiss Alternative Asset Advisors Limited	0.32	-
		Nuvama Wealth Finance Limited	0.16	-
69	Remuneration paid to	Rujan Panjwani	2.64	-
		Ritesh Jain	3.19	-
		Swadesh Agrawal	5.63	-
		Mayank Toshniwal	5.07	-
		Deepak Puligadda	1.17	10.97
70	Sitting fees paid to	Bharat Bakshi	0.35	-
		Vinod Juneja	0.35	-



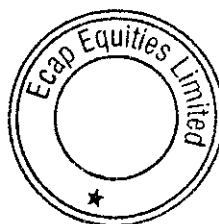
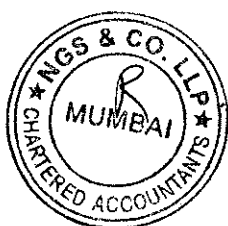
**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency: Indian Rupees in millions)

ii. Transactions with related parties (continued)

Sr. No.	Nature of transaction	Related party name	As at 31 Mar 2023	As at 31 Mar 2022
	<b>Balances with related parties</b>			
71	Short term loans given to (refer note below)	Edelweiss Investment Adviser Limited	-	112.56
		Edelweiss Rural & Corporate Services Limited	1,460.10	-
		Ecap Securities and Investments Limited	-	2,895.67
72	Short term loans taken from (refer note below)	Edelweiss Retail Finance Limited	300.00	-
		Edelweiss Rural & Corporate Services Limited	-	399.18
		ECL Finance Limited	2,600.00	-
		Edel Finance Company Limited	643.80	1,476.65
		Edelweiss Financial Services Limited	5,094.22	6.04
		Nido Home Finance Limited	600.00	-
73	Long term loans taken from (refer note below)	Edelweiss Financial Services Limited	2,050.00	2,050.00
74	Stock in trade - debentures and bonds	ECL Finance Limited	101.03	761.62
		Nido Home Finance Limited	19.35	-
		Edelweiss Asset Reconstruction Company Limited	210.43	1,287.14
		Edelweiss Rural & Corporate Services Limited	4,346.38	4,135.16
		Nuvama Wealth Finance Limited	-	1.77
		Edel Finance Company Limited	2,093.44	81.88
		Edelweiss Financial Services Limited	487.78	51.99
		Edelweiss Retail Finance Limited	17.96	-
75	Nifty linked debentures held by	Edel Finance Company Limited	45.70	2,733.70
		Nuvama Wealth Finance Limited	-	158.20
		Edelweiss Rural & Corporate Services Limited	105.90	1,649.50
		Nuvama Wealth and Investment Limited	-	550.00
76	Non-convertible debentures held by	Edel Investments Limited	-	1,764.00
		Edelweiss Rural & Corporate Services Limited	-	500.00
		Edelcap Securities Limited	-	201.00
		Edelweiss Investment Adviser Limited	-	285.00
77	Long term deposits payable to	ZUNO General Insurance Limited	25.21	-
		ECL Finance Limited	20.52	-
		Nido Home Finance Limited	13.68	-
		Nuvama Clearing Services Limited	-	64.43
78	Subordinated liabilities	Edelweiss Financial Services Limited	0.01	0.01
80	Compulsorily convertible debentures held by	Edelweiss Rural & Corporate Services Limited	6,600.00	6,600.00
		Allium Finance Private Limited	1,000.00	1,000.00
		Edel Finance Company Limited	2,000.00	2,000.00
81	Trade payables to	Nuvama Wealth Management Limited	-	7.51
		Edel Investments Limited	1.06	-
		Edelweiss Financial Services Limited	0.41	0.41
		Edelweiss Rural & Corporate Services Limited	3.63	2.36
		Edelweiss Alternative Asset Advisors Limited	2.80	3.75
		Nuvama Wealth and Investment Limited	-	150.89
		Edelweiss Retail Finance Limited*	0.00	-
		ECL Finance Limited	5.32	-



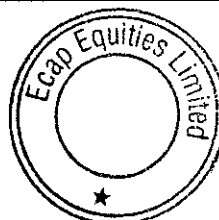
**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency: Indian Rupees in millions)

ii. Transactions with related parties (continued)

Sr. No.	Nature of transaction	Related party name	As at 31 Mar 2023	As at 31 Mar 2022
82	Other payable to	Edelcap Securities Limited	-	0.03
		Edelweiss Financial Services Limited	14.04	2.75
		Edel Investments Limited	-	0.03
		Edelweiss Rural & Corporate Services Limited	156.18	0.21
83	Other receivable from	Edelweiss International (Singapore) Pte Limited	0.01	0.01
		Edel Finance Company Limited*	0.00	-
		Edelcap Securities Limited	2.71	-
		Edelweiss Rural & Corporate Services Limited	0.61	-
		Edelweiss Financial Services Limited	0.50	-
		Edel Investments Limited	5.93	-
		Ecap Securities and Investments Limited	-	16.42
		Edelweiss Global Wealth Management Limited	-	0.29
84	Payable to clearing house	Nuvama Clearing Services Limited	-	190.92
85	Interest payable on loans taken from	Edelweiss Rural & Corporate Services Limited	0.17	127.93
		Nido Home Finance Limited	8.39	-
		ECL Finance Limited	1.24	-
		Edelweiss Retail Finance Limited	0.33	-
		Edelweiss Financial Services Limited	56.99	30.59
		Edel Finance Company Limited	13.76	9.45
86	Interest payable on compulsorily convertible debentures issued to	Edelweiss Rural & Corporate Services Limited	0.59	0.36
		Allium Finance Private Limited	0.09	0.03
		Edel Finance Company Limited*	0.18	0.00
87	Interest payable on non-convertible debentures held by	Edelcap Securities Limited	-	6.19
		Edel Investments Limited	-	54.34
		Edelweiss Rural & Corporate Services Limited	-	15.40
		Edelweiss Investment Adviser Limited	-	8.78
87	Investments in equity shares of	Edelcap Securities Limited	912.24	525.99
		Edelweiss Retail Finance Limited	1,134.89	1,134.89
		Edelweiss Asset Reconstruction Company Limited	1,052.24	1,052.24
88	Investments in preference shares of	Edelcap Securities Limited	-	4,133.13
		Edel Investments Limited	-	2,940.00
		Edelweiss Rural & Corporate Services Limited	406.68	1,296.51
89	Investments in venture funds of	Edelweiss Private Equity Tech fund	30.84	389.73
		Edelweiss Value and Growth Fund	51.49	242.25
		India Credit Investment Fund II	2,024.35	1,598.14
		India Credit Investment Fund III	7,398.04	-
90	Investment in partnership firm	Edelweiss Multi Strategy Fund Advisors LLP	0.05	0.05
91	Investment in debt instruments of	ECL Finance Limited	-	398.96
		Edel Finance Company Limited	1,767.16	-
92	Investment in compulsorily convertible debentures of	Edelcap Securities Limited	3,250.00	-
		Edel Investments Limited	750.00	-
93	Partner's current account - receivable from	Edelweiss Multi Strategy Fund Advisors LLP	2.70	2.77





**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency: Indian Rupees in millions)

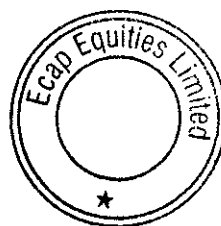
**ii. Transactions with related parties (continued)**

Sr. No.	Nature of transaction	Related party name	As at 31 Mar 2023	As at 31 Mar 2022
94	Trade receivables from	Nido Home Finance Limited	4.91	1.43
		ECL Finance Limited	9.09	39.07
		Edelweiss Asset Reconstruction Company Limited	-	0.02
		ZUNO General Insurance Limited	6.23	0.33
		Nuvama Clearing Services Limited	-	6.83
		Edelweiss Tokio Life Insurance Company Limited	1.03	0.53
		Edelweiss Retail Finance Limited*	-	0.00
		Edelgive foundation*	0.00	0.00
		Edelweiss Investment Adviser Limited	0.08	-
		Edel Investments Limited	13.95	223.65
		Edelcap Securities Limited	-	0.03
		Edelweiss Asset Management Limited*	0.04	0.00
		Nuvama Wealth Finance Limited*	-	0.00
		Edelweiss Rural & Corporate Services Limited	0.80	-
95	Interest receivable on loans given to	Edelweiss Retail Finance Limited	0.17	-
		Edel Finance Company Limited	0.50	-
		Edelweiss Investment Adviser Limited	-	1.24
		Edelweiss Securities And Investments Private Limited	9.65	-
		ECL Finance Limited	6.79	18.60
		Nido Home Finance Limited	-	0.54
		Edelweiss Rural & Corporate Services Limited	4.74	121.11
		Ecap Securities and Investments Limited	3.06	1.00
96	Interest receivable on compulsorily convertible debentures of	Edelcap Securities Limited	0.01	-
		Edel Investments Limited*	0.00	-
97	Margins placed with	Nuvama Wealth and Investment Limited	-	0.52
		Edel Investments Limited	0.05	100.00
	<b>Off balance sheet item</b>			
98	Corporate guarantee given for	Nido Home Finance Limited	412.64	280.22
		ECL Finance Limited	141.24	242.01
		Edelweiss Retail Finance Limited	-	31.57
		Edelweiss Investment Adviser Limited	1,200.00	-
99	Corporate guarantee received from	Edelweiss Financial Services Limited	6,523.30	1,209.10

\* 0.00 represents amount less than Rs. 5,000

**Note**

- Interest income on preference share is reported as part of Ind AS Compliance.
- Loan given/taken to/from related parties and margin money placed / refund received with/ from related parties are disclosed based on the total of debit and credit of transaction amount given/taken and placed/refund received during the reporting period.
- As part of fund based activities, intergroup company loans and advances activities undertaken are generally in the nature of loans repayable at any time before maturity. Such loans and advances, voluminous in nature, are carried on at arm's length and in the ordinary course of business. Pursuant to Ind AS 24 – Related Party Disclosures, sum of loans given and repaid are disclosed above as in the view of the management it provides meaningful reflection of such related party transactions on the financial statements. Interest income and expenses on such loans and advances are disclosed on the basis of full amounts of such loans and advances given and repaid.
- Information relating to remuneration paid to key management personnel mentioned above excludes provision made for gratuity, leave encashment and deferred bonus which are provided for group of employees on an overall basis. These are included on cash basis. The variable compensation included herein is on cash basis.
- Disclosure under section 186(4) of the Companies Act, 2013 for loans and guarantee: Loans have been given for general business purpose.



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

(Currency : Indian rupees in millions)

**53 Earnings per share**

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

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

Particulars	31 March 2023	31 March 2022
(a) Loss after tax (as per statement of profit and loss)	(9.83)	(1,351.54)
Add: Interest expense on compulsorily convertible debentures	-	0.49
Net loss for the year attributable to equity shareholders	(9.83)	(1,351.05)
(b) Calculation of weighted average number of equity Shares of Rs. 10 each		
Number of shares outstanding at the beginning of the year	1,84,49,240	1,83,88,500
Number of Shares issued during the year	-	60,740
Number of shares on conversion of Compulsorily Convertible Debentures (CCDs) = 0.24 Equity shares)	4,22,58,000	4,22,58,000
Total number of equity shares outstanding at the end of the year	6,07,07,240	6,07,07,240
Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	6,07,07,240	3,50,68,915
Number of dilutive potential equity shares	-	-
(c) Basic and diluted earnings per share (in rupees) (a)/(b)	(0.16)	(38.53)

**54 Contingent liabilities and commitments**

**Contingent liabilities**

The Company has pending taxation matters of Rs. 1.02 millions as at balance sheet date (Previous year: Rs. 1.02 millions).

The Company alongwith its holding company Edelweiss Financial Services Limited has given guarantee to trustees of holders of non-convertible debentures issued by its Group Company Edelweiss Investment Advisors Limited amounting to Rs. 1,200 millions (Previous year: NIL).

Corporate/other guarantee of Rs. 553.80 millions (Previous year: Rs. 553.80 millions) was given by the Company on behalf of its group companies namely, ECL Finance Limited, Nido Home Finance Limited (formerly Edelweiss Housing Finance Limited) and Edelweiss Retail Finance Limited.

**Commitments**

The Company has capital commitments of Rs. NIL towards fixed assets as at the balance sheet date (Previous year: Rs. NIL)

Company has capital commitment towards undrawn commitments for Alternative Investment Funds (refer note 57 D)

The Company has received demand notices from tax authorities on account of disallowance of expenditure for earning exempt income under Section 14A of Income Tax Act 1961 read with Rule 8D of the Income Tax Rules, 1962. The company has filed appeal/s and is defending its position. Based on the favourable outcome in Appellate proceedings in the past and as advised by the tax advisors, company is reasonably certain about sustaining its position in the pending cases, hence the possibility of outflow of resources embodying economic benefits on this ground is remote

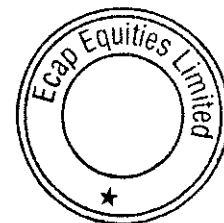
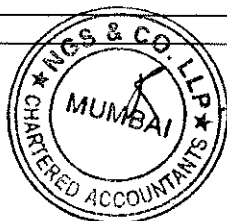
**55 Approach to capital management**

Company objectives, when managing capital, are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Company's capital management, capital includes issued capital, reserves and all instruments that are entirely equity in nature.

Company monitors capital using debt-equity ratio, which is total debt divided by total equity.

Particulars	31 March 2023	31 March 2022
Total Debt	37,197.49	28,892.19
Equity	4,971.09	4,974.19
Net Debt to Equity	7.48	5.81



## Ecap Equities Limited

(formerly Edel Land Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

### 56 Risk Management

#### 56.1. Introduction and risk profile

The Company provides a broad range of financial products and services to a substantial and diversified client base that includes corporations, institutions and individuals. The Company's products and services span multiple asset classes and consumer segments across domestic and global geographies. The Company's key lines of business can broadly be classified as below

- o Credit (Retail Credit, Corporate Credit and Distressed Credit)
- o Capital Markets

The Company's diversified businesses acts as an inherent risk management mechanism. However, the prevailing market environment exposes the Company to various risks like credit, market, liquidity, compliance, technology amongst others.

#### 56.2. Risk management strategy:

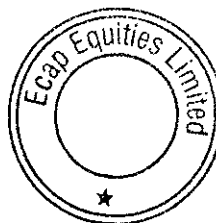
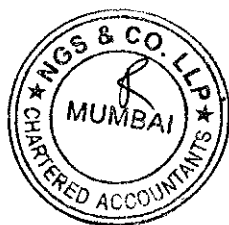
The strategy at an execution level is supported by -

- 1 Risk Management Committee
- 2 Risk Management framework to ensure each risk the Group is exposed to is given due importance and managed through a well-defined framework and guidelines
- 3 Defined exposure limits and thresholds for businesses to operate
- 4 Well-defined Standard Operating Procedures and Product approval framework to ensure risks are mitigated at operational level
- 5 Adequate segregation of duties to ensure multi-layered checks and balances
- 6 Exception reporting framework to ensure process and policy deviations are adequately addressed

#### 56.3. Risk management structure

To support the risk strategy and effective risk management, the Company has a Risk Management Committee to oversee the risk management framework.

- o To devise process / framework for management of operational risk,
- o Identifying concerns & risks,
- o Evaluating risks as to consequences & likelihoods,
- o Assessment of options for Risk Management, Investment and Credit Committees
- o Prioritizing the Risk Management efforts,
- o Development of Risk Management Plans,
- o Authorization for the implementation of the Risk Management Plans,
- o Tracking the Risk management efforts and manage accordingly,
- o Follow on Budgeting-Variance Analysis; and
- o Design, develop and implement various measures for cyber security as may be required.



**Ecap Equities Limited**  
(formerly Edel Land Limited)  
**Notes to the financial statements (Continued)**  
(Currency : Indian rupees in millions)

**Risk management framework**

The Company has a Risk Framework, which describes the risk management approach and provides clear accountability for managing risk across the Company. The framework is subject to continuous evaluation based on existing internal as well external environment.

The current "Eleven risk framework" covers the following vectors of risks

- o Business Risk
- o Credit Risk
- o Market Risk
- o Liquidity Risk
- o Regulatory Risk
- o Reputation Risk
- o Technology Risk
- o Operational and Process Risk
- o Fraud Risk
- o People Risk
- o Physical and Infrastructure Risk

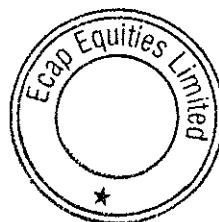
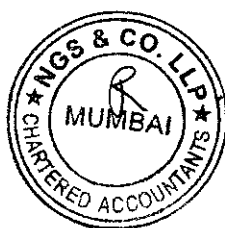
The Company uses different types of tools and techniques for mitigating risk, depending upon the type of risk and quantum. For example:

- o Financial risks are mitigated through thorough counterparty, client assessment before any exposure is taken, and defined product/program level risk limits to ensure exposure does not exceed risk appetite. Committee based approval mechanism is adopted to ensure high exposures are approved with adequate representation and there is no bias in approvals.
- o Non-financial risks viz technology, operational, fraud, etc are mitigated through process documentation defining clear ownership for each activity, having adequate system/process level controls like maker-checker, reconciliation, testing and reviews.
- o Enterprise level risks viz. reputation, compliance, regulatory, etc are controlled through policies and framework, educating employees through training and risk socialisation sessions.

**56.4. Excessive risk concentration**

Company's diversified business model acts as an inherent mechanism to avoid excessive concentrations of risk.

On the trading portfolio, limit structures have been put in place to address potential concentration risks within each trading portfolio. Any exposure beyond the approved limits and losses exceeding the VaR limits gets reported as an Exception to the Risk Committee and is monitored by the Company and business risk teams.



# Ecap Equities Limited

(formerly Edel Land Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

## 56.5. Loans at amortised cost

Gross carrying amount of loan assets allocated to Stage I, Stage II, Stage III :

Particulars	31 March 2023			31 March 2022				
	Stage I	Stage II	Stage III	Total	Stage I	Stage II	Stage III	Total
Loans (at amortised cost)								
Performing								
High grade	1,594.33	-	-	1,594.33	4,297.45	-	-	4,297.45
Standard grade	-	21.80	-	21.80	-	-	-	-
Substandard grade	-	-	-	-	-	-	-	-
Non-performing								
Impaired	-	-	4,684.37	4,684.37	-	-	4,261.69	4,261.69
Total	1,594.33	21.80	4,684.37	6,300.50	4,297.45	-	4,261.69	8,559.14

Reconciliation of changes in gross carrying amount of loan assets and allowances for expected credit loss

Particulars	Non-credit impaired				Credit impaired		Total	
	Stage I		Stage II		Stage III		Gross carrying amount	Allowance for ECL
	Gross carrying amount	Allowance for ECL	Gross carrying amount	Allowance for ECL	Gross carrying amount	Allowance for ECL		
As at 1 April 2022	4,297.45	23.55	-	-	4,261.69	3,943.86	8,559.14	3,967.41
Transfers:								
Transfers to 12 Month ECL (Stage I)	(161.06)	(7.19)	21.80	7.19	139.26	-	-	-
Transfers to lifetime ECL (Stage II)	-	-	-	-	-	-	-	-
Transfers to lifetime ECL- Credit impaired (Stage III)	(21.80)	(7.19)	21.80	7.19	-	-	-	-
Transfers to lifetime ECL- Credit impaired (Stage III)	(139.26)	-	-	-	139.26	-	-	-
Net new and further lending/ repayments (including Investments transferred to loans)	(2,537.78)	(10.34)	-	-	868.42	254.54	(1,669.36)	244.20
Remeasurement of ECL	-	-	-	7.31	-	174.81	-	182.12
Loans written off	(4.28)	(4.28)	-	-	(585.00)	(585.00)	(589.28)	(589.28)
As at 31 March 2023	1,594.33	1.74	21.80	14.50	4,684.37	3,788.21	6,300.50	3,804.45



# Ecap Equities Limited

(formerly Edel Land Limited)

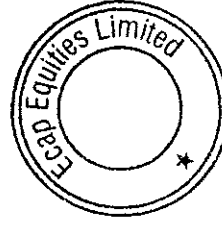
Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

## 56.5. Loans at amortised cost

Reconciliation of changes in gross carrying amount of loan assets and allowances for expected credit loss (continued)

Particulars	Non-credit impaired				Credit impaired		Total	
	Stage I		Stage II		Stage III		Gross carrying amount	Allowance for ECL
	Gross carrying amount	Allowance for ECL	Gross carrying amount	Allowance for ECL	Gross carrying amount	Allowance for ECL		
As at 1 April 2021	4,474.32	9.87	1,825.94	231.85	4,357.35	3,422.65	10,657.61	3,664.37
Transfers:	-	-	-	-	-	-	-	-
Transfers to 12 Month ECL (Stage I)	(60.00)	-	-	-	60.00	-	-	-
Transfers to lifetime ECL (Stage II)	(60.00)	-	-	-	60.00	-	-	-
Transfers to lifetime ECL- Credit impaired (Stage III)	-	-	-	-	-	-	-	-
Additions/(Deletions) on account of merger	-	-	-	-	-	-	-	-
Net new and further lending/ repayments	(116.88)	5.08	-	-	(155.65)	-67.33	-272.53	-62.25
Remeasurement of ECL	-	8.60	-	-	-	588.54	-	597.14
Sale of Loans	-	-	-1,588.47	-231.85	-	-	(1,588.47)	(231.85)
Loss on sale of loans	-	-	-237.47	-	-	-	(237.47)	-
Loss on restructuring of loans	-	-	-	-	-	-	-	-
Loans written off	-	-	-	-	-	-	-	-
As at 31 March 2022	4,297.44	23.55	-	-	4,261.70	3,943.86	8,559.14	3,967.41



**Ecap Equities Limited**

(formerly Edel Land Limited)

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

(Currency : Indian rupees in millions)

**57 Remaining contractual maturities****A. Analysis of non-derivative financial liabilities by remaining contractual maturities**

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

Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Company expects that the counterparties will not request repayment on the earliest date it could be required to pay.

As at 31 March 2023	0 to 180 days	181 days to 365 days	1 year to 3 years	Over 3 years	Total
Trade payables	210.73	-	-	-	210.73
Debt securities	3,196.93	4,435.65	12,655.30	5,524.45	25,812.33
Borrowings (other than debt securities)	9,318.90	-	2,050.00	-	11,368.90
Deposits	16.25	-	-	-	16.25
Subordinated financial liabilities	-	-	-	0.01	0.01
Other financial liabilities	1,161.22	-	64.43	59.40	1,285.05
<b>Total undiscounted non-derivative financial liabilities</b>	<b>13,904.03</b>	<b>4,435.65</b>	<b>14,769.73</b>	<b>5,583.86</b>	<b>38,693.27</b>

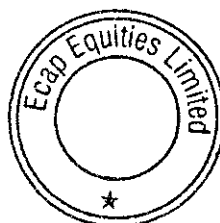
As at 31 March 2022	0 to 180 days	181 days to 365 days	1 year to 3 years	Over 3 years	Total
Trade payables	192.31	-	-	-	192.31
Debt securities	7,918.97	3,520.48	9,965.35	3,371.94	24,776.74
Borrowings (other than debt securities)	2,049.84	-	2,050.00	-	4,099.84
Deposits	15.60	-	-	-	15.60
Subordinated financial liabilities	-	-	-	0.01	0.01
Other financial liabilities	265.16	-	-	64.43	329.59
<b>Total undiscounted non-derivative financial liabilities</b>	<b>10,441.88</b>	<b>3,520.48</b>	<b>12,015.35</b>	<b>3,436.38</b>	<b>29,414.09</b>

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

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

As at 31 March 2023	0 to 180 days	181 days to 365 days	1 year to 3 years	Over 3 years	Total
Cash and cash equivalent and other bank balances	1,438.84	-	0.22	-	1,439.06
Stock in trade	7,787.42	-	-	-	7,787.42
Trade receivables	54.35	-	-	-	54.35
Loans	2,488.74	7.30	-	-	2,496.04
Investments at fair value through profit or loss	-	-	-	18,632.38	18,632.38
Investments at cost	2.70	-	-	3,099.42	3,102.12
Investments at amortised cost	425.90	-	1,766.89	4,000.01	6,192.80
Other financial assets	709.02	-	-	8.72	717.74
<b>Total</b>	<b>12,906.97</b>	<b>7.30</b>	<b>1,767.11</b>	<b>25,740.53</b>	<b>40,421.91</b>

As at 31 March 2022	0 to 180 days	181 days to 365 days	1 year to 3 years	Over 3 years	Total
Cash and cash equivalent and other bank balances	125.82	-	0.22	-	126.04
Stock-in-trade	7,969.37	-	-	-	7,969.37
Trade receivables	687.56	-	-	-	687.56
Loans	3,812.72	-	779.20	-	4,591.95
Investments at fair value through profit or loss	-	-	-	6,478.58	6,478.58
Investments at cost	2.77	-	-	2,713.17	2,715.94
Investments at amortised cost	80.43	8,952.78	378.15	398.90	9,810.26
Other financial assets	0.08	-	-	6.46	6.54
<b>Total</b>	<b>12,678.75</b>	<b>8,952.78</b>	<b>1,157.57</b>	<b>9,597.11</b>	<b>32,386.22</b>



**Ecap Equities Limited**

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

(Currency : Indian rupees in millions)

**57 Remaining contractual maturities****C. Maturity analysis for derivatives:**

All derivatives which are entered into for trading purposes are shown in the earliest time band. With respect to other derivatives, the remaining contractual maturity information has been given based on undiscounted cash flows.

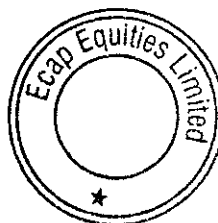
As at 31 March 2023	0 to 180 days	181 days to 365 days	1 year to 3 years	Over 3 years	Total
Net settled derivatives entered into for trading purposes	(212.56)	-	-	-	(212.56)
Other net settled derivatives (other than those entered into for trading purposes)	(26.61)	(35.35)	46.67	188.57	173.28
<b>Total</b>	<b>(239.17)</b>	<b>(35.35)</b>	<b>46.67</b>	<b>188.57</b>	<b>(39.28)</b>

As at 31 March 2022	0 to 180 days	181 days to 365 days	1 year to 3 years	Over 3 years	Total
Net settled derivatives entered into for trading purposes	(53.17)	-	-	-	-53.17
Other net settled derivatives (other than those entered into for trading purposes)	(546.98)	(258.94)	(190.56)	(51.19)	(1,047.67)
<b>Total</b>	<b>(600.15)</b>	<b>(258.94)</b>	<b>(190.56)</b>	<b>(51.19)</b>	<b>(1,100.84)</b>

**D. The table below shows the contractual expiry by maturity of the Company's contingent liabilities and commitments:**

As at 31 March 2023	0 to 180 days	181 days to 365 days	1 year to 3 years	Over 3 years	Total
Undrawn commitments for AIF funds	19,968.74	-	-	-	19,968.74
<b>Total</b>	<b>19,968.74</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,968.74</b>

As at 31 March 2022	0 to 180 days	181 days to 365 days	1 year to 3 years	Over 3 years	Total
Undrawn commitments for AIF funds	3,476.13	-	-	-	3,476.13
<b>Total</b>	<b>3,476.13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,476.13</b>





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

(Currency : Indian rupees in millions)

**58 Market risk**

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, 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.

**(i) Interest rate risk**

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss and equity.

	2022-23					
	Increase in borrowing rate (%)	Effect on profit before tax	Effect on Equity	Decrease in borrowing rate (%)	Effect on profit before tax	Effect on Equity
Currency of borrowing / advances						
INR	0.25	(28.42)	-	0.25	28.42	-

	2021-22					
	Increase in IRF rate (%)	Effect on profit before tax	Effect on Equity	Decrease in IRF rate (%)	Effect on profit before tax	Effect on Equity
Currency of borrowing / advances						
INR	-	-	-	-	-	-

**(ii) 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 currency derivative trading.

The table below indicates the currencies to which the Company had significant exposure at the end of the reported periods. The analysis calculates the effect of a reasonably possible movement of the currency rate against the INR (all other variables being constant) on the statement of profit and loss (due to the fair value of currency sensitive non-trading monetary assets and liabilities) and equity (due to the change in fair value of currency swaps and forward foreign exchange contracts used as cash flow hedges).

	2022-23					
	Increase in currency rate (%)	Effect on profit before tax	Effect on Equity	Decrease in currency rate (%)	Effect on profit before tax	Effect on Equity
Currency						
USD	5	(0.09)	-	5	0.09	-

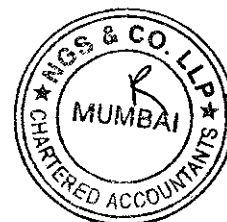
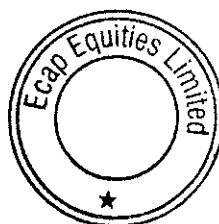
	2021-22					
	Increase in currency rate (%)	Effect on profit before tax	Effect on Equity	Decrease in currency rate (%)	Effect on profit before tax	Effect on Equity
Currency						
USD	5	-	-	5	-	-

**(ii) 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.

	2022-23					
	Increase in equity price (%)	Effect on profit before tax	Effect on Equity	Decrease in equity price (%)	Effect on profit before tax	Effect on Equity
Impact on						
Equity Derivatives	5	175.06	-	5	(175.06)	-
Commodity Derivatives	5	6.29	-	5	(6.29)	-
Equity/ETF	5	357.07	-	5	(357.07)	-
Mutual Fund	5	18.82	-	5	(18.82)	-
Debt securities	5	249.25	-	5	(249.25)	-
Nifty link debenture	5	113.12	-	5	(113.12)	-
AIF Funds	5	575.69	-	5	(575.69)	-

	2021-22					
	Increase in equity price (%)	Effect on profit before tax	Effect on Equity	Decrease in equity price (%)	Effect on profit before tax	Effect on Equity
Impact on						
Equity Derivatives	5	101.62	-	5	(101.62)	-
Short Sales - SLBM	5	(1.41)	-	5	1.41	-
Commodity Derivatives	5	3.60	-	5	(3.60)	-
Equity/ETF	5	72.40	-	5	(72.40)	-
Mutual Fund	5	58.86	-	5	(58.86)	-
Debt securities	5	279.37	-	5	(279.37)	-
Nifty link debenture	5	38.00	-	5	(38.00)	-
AIF Funds	5	269.68	-	5	(269.68)	-



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

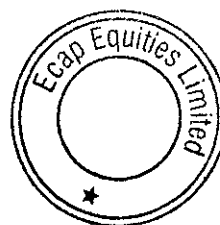
(Currency : Indian rupees in millions)

**58 Market risk**  
**(ii) 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.

Impact on	2022-23					
	Increase in index price (%)	Effect on profit before tax	Effect on Equity	Decrease in index price (%)	Effect on profit before tax	Effect on Equity
Derivatives	5	61.12	-	5	(61.12)	-
Embedded derivatives (Nifty-linked debentures)	5	8.66	-	5	(8.66)	-

Impact on	2021-22					
	Increase in index price (%)	Effect on profit before tax	Effect on Equity	Decrease in index price (%)	Effect on profit before tax	Effect on Equity
Derivatives	5	37.47	-	5	(37.47)	-
Embedded derivatives (Nifty-linked debentures)	5	(52.38)	-	5	52.38	-



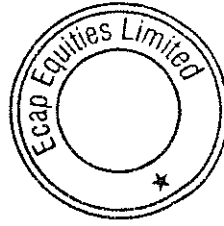
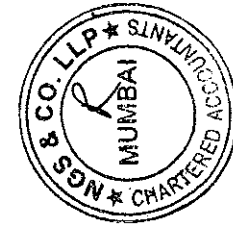
**Notes to the financial statements (Continued)**  
(Currency : Indian rupees in millions)

**59 Total market risk exposure**

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. Such risks the market risk for the trading portfolio is managed and monitored based on a VaR methodology that reflects the interdependency between risk variables. Non-trading positions are managed and monitored using other

Particulars	31 March 2023		31 March 2022	
	Carrying amount	Traded risk	Carrying amount	Non-traded risk
<b>Assets</b>				
Cash and cash equivalent and other bank balances	1,439.06	-	126.04	126.04
Derivative financial instruments	548.42	548.42	295.46	-
Financial assets at FVTPL	26,419.80	26,419.80	14,447.95	-
Loans	2,496.04	-	4,591.92	4,591.92
Trade receivables	54.35	-	687.56	687.56
Investments at cost	3,102.12	-	2,715.94	2,715.94
Financial investments- amortised cost	6,192.80	-	9,810.26	9,810.26
Other financial assets	717.74	-	6.54	6.54
<b>Total</b>	<b>40,970.33</b>	<b>26,968.22</b>	<b>32,681.67</b>	<b>17,938.26</b>

Particulars	31 March 2023		31 March 2022	
	Carrying amount	Traded risk	Carrying amount	Non-traded risk
<b>Liability</b>				
Borrowings (other than debt Securities)	11,368.90	-	4,099.84	4,099.84
Derivative financial instruments	587.70	587.70	1,396.30	-
Deposits	16.25	-	15.60	15.60
Debt securities	25,812.33	-	24,776.74	24,776.74
Trade payables	210.73	-	192.31	192.31
Subordinated liabilities	0.01	-	0.01	0.01
Other liabilities	1,285.05	403.35	329.59	204.79
<b>Total</b>	<b>39,280.97</b>	<b>991.05</b>	<b>30,810.39</b>	<b>29,289.29</b>



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

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**60 Disclosure related to collateral:**

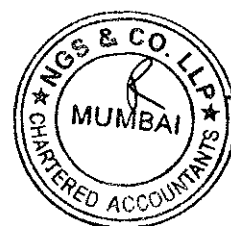
Following table sets out availability of Company's financial assets to support funding:

31 March 2023	Pledge as collateral	others 1*	Available as collateral	others 2**	Total carrying amount
Cash and cash equivalent including bank balance	3.51	1,435.55	-	-	1,439.06
Stock in trade	6,404.48	1,382.94	-	-	7,787.42
Trade receivables	-	54.35	-	-	54.35
Derivative assets	-	-	-	548.42	548.42
Loans	-	2,496.04	-	-	2,496.04
Investments	9,992.78	17,934.53	-	-	27,927.31
Other financial assets	-	-	-	717.74	717.74
Current tax assets (net)	-	-	-	393.79	393.79
Deferred tax assets (net)	-	-	-	1,217.42	1,217.42
Investment property	941.79	1.43	-	-	943.22
Property, plant and equipment	606.33	-	-	-	606.33
Goodwill	-	-	-	60.94	60.94
Other intangible assets	-	-	-	7.90	7.90
Other non- financial assets	-	-	-	180.06	180.06
<b>Total assets</b>	<b>17,948.88</b>	<b>23,304.84</b>	<b>-</b>	<b>3,126.27</b>	<b>44,380.00</b>

31 March 2022	Pledge as collateral	others 1*	Available as collateral	others 2**	Total carrying amount
Cash and cash equivalent including bank balance	-	126.04	-	-	126.04
Stock in trade	4,301.84	3,667.53	-	-	7,969.37
Trade receivables	23.41	664.15	-	-	687.56
Derivative assets	-	-	-	295.46	295.46
Loans	-	4,591.92	-	-	4,591.92
Investments	1,762.24	17,242.54	-	-	19,004.78
Other financial assets	-	-	-	6.54	6.54
Current tax assets (net)	-	-	-	426.30	426.30
Deferred tax assets (net)	-	-	-	837.98	837.98
Investment property	1,016.71	1.50	-	-	1,018.21
Property, plant and equipment	547.25	66.06	-	-	613.31
Goodwill	-	-	-	60.94	60.94
Other intangible assets	-	-	-	0.77	0.77
Other non- financial assets	-	-	-	208.32	208.32
<b>Total assets</b>	<b>7,651.45</b>	<b>26,359.74</b>	<b>-</b>	<b>1,836.31</b>	<b>35,847.50</b>

\* (Represents assets which are not pledged but are kept for asset security cover towards debentures issued and Company believes it is restricted from using to secure funding for legal or other reason)

\*\* (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)



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**Notes to the financial statements (Continued)**  
(Currency : Indian rupees in millions)

**61 Fair values of financial instruments**

**(a) Fair values of assets and liabilities**

31 March 2023				
Particulars	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value on a recurring basis</b>				
<b>Derivative financial instruments (assets):</b>				
Exchange-traded derivatives	126.10	38.18	-	164.28
Embedded derivative assets in market-linked debentures	-	-	475.14	475.14
<b>Total derivative financial instruments (assets)</b>	<b>126.10</b>	<b>38.18</b>	<b>475.14</b>	<b>639.42</b>
<b>Stock-in-trade</b>				
Debt securities	111.28	4,804.00	210.43	5,125.71
Market-linked debentures	-	-	2,262.49	2,262.49
Mutual fund units	376.42	-	-	376.42
Equity instruments	22.80	-	-	22.80
<b>Total stock-in-trade</b>	<b>510.50</b>	<b>4,804.00</b>	<b>2,472.92</b>	<b>7,787.42</b>
<b>Investments</b>				
Units of Alternative Investment Funds	-	-	11,513.80	11,513.80
Equity instruments	14.70	-	6,696.17	6,710.87
Preference shares	-	-	316.56	316.56
Other debt securities	-	-	91.15	91.15
<b>Total investments measured at fair value</b>	<b>14.70</b>	<b>-</b>	<b>18,617.68</b>	<b>18,632.38</b>
<b>Total financial assets measured at fair value on a recurring basis</b>	<b>651.30</b>	<b>4,842.19</b>	<b>21,565.74</b>	<b>27,059.22</b>

31 March 2023				
Particulars	Level 1	Level 2	Level 3	Total
<b>Liabilities measured at fair value on a recurring basis -</b>				
Exchange-traded derivatives	271.86	67.45	-	339.31
Embedded derivatives in market-linked debentures	-	-	301.86	301.86
<b>Total derivative financial instruments (liabilities)</b>	<b>271.86</b>	<b>67.45</b>	<b>301.86</b>	<b>641.17</b>
<b>Financial liabilities at fair value through profit or loss</b>				
Provision for short sale - SLBM trading	-	-	-	-
<b>Total financial liabilities at FVTPL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total financial liabilities measured at fair value on a recurring basis</b>	<b>271.87</b>	<b>67.45</b>	<b>301.86</b>	<b>641.17</b>

**Fair valuation techniques:**

**(i) Debt securities**

Whilst most of these instruments are standard fixed or floating rate securities, however nifty linked debentures have embedded derivative characteristics. Fair value of these instruments is derived based on the indicative quotes of price and yields prevailing in the market as at the reporting date. Company has used quoted price of national stock exchange wherever bonds are traded actively. In cases where debt securities are not actively traded Company has used CRISIL Corporate Bond Valuer model for measuring fair value.

**(ii) Equity instruments, Preference shares, Mutual fund units and units of Alternative Investment Funds**

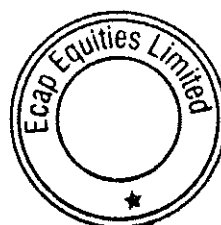
The majority of equity instruments and mutual fund units are actively traded on recognized stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1. Units held in funds are measured based on fund net asset value (NAV), taking into account redemption and/or other restrictions. Such NAV Such instruments are generally Level 3. Equity instruments and preference shares in non-listed entities are initially recognised at transaction price and re-measured at each reporting date at valuation provided by external valuer at instrument level. Unlisted equity securities are classified at Level 3.

**(iii) Derivatives**

The Company enters into derivative financial instruments with various counter-parties, primarily banks with investment grade credit ratings. Derivatives valued using valuation techniques with market observable inputs are exchange traded futures and options contracts. The most frequently applied valuation techniques include quoted price for exchange traded derivatives and Black Scholes models (for option valuation).

**(iv) Embedded derivatives**

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. Company uses valuation models. Inputs to valuation models are determined from observable market (Indices) data wherever possible, including prices available from exchanges, dealers, brokers. Company classify these embedded derivative as level 3 instruments.



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

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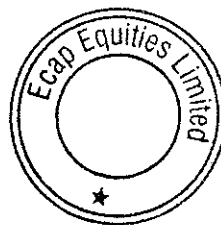
**61 Fair values of financial instruments (continued)**

**(a) Fair values of assets and liabilities (continued)**

Particulars	31 March 2022			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value on a recurring basis</b>				
Derivative financial instruments (assets):				
Exchange-traded derivatives	261.04	100.70	-	361.74
Embedded derivative assets in market-linked debentures	-	-	20.80	20.80
<b>Total derivative financial instruments (assets)</b>	<b>261.04</b>	<b>100.70</b>	<b>20.80</b>	<b>382.54</b>
<b>Stock-in-trade</b>				
Other debt securities and preference shares	106.03	4,275.33	1,284.20	5,665.56
Market-linked debentures	-	-	760.03	760.03
Mutual fund units	1,177.12	-	-	1,177.12
Equity instruments	366.67	-	-	366.67
<b>Total stock-in-trade</b>	<b>1,649.82</b>	<b>4,275.33</b>	<b>2,044.23</b>	<b>7,969.38</b>
<b>Investments</b>				
Units of Alternative Investment Funds	-	-	5,393.63	5,393.63
Equity instruments	-	710.00	80.62	790.62
Preference shares	-	-	208.72	208.72
Other debt securities	-	-	85.60	85.60
<b>Total investments measured at fair value</b>	<b>-</b>	<b>710.00</b>	<b>5,768.57</b>	<b>6,478.57</b>
<b>Total financial assets measured at fair value on a recurring basis</b>	<b>1,910.86</b>	<b>5,086.03</b>	<b>7,833.60</b>	<b>14,830.49</b>

Particulars	31 March 2022			
	Level 1	Level 2	Level 3	Total
<b>Liabilities measured at fair value on a recurring basis -</b>				
Exchange-traded derivatives	320.36	46.82	-	367.18
Embedded derivatives in market-linked debentures	-	-	1,068.47	1,068.47
<b>Total derivative financial instruments (liabilities)</b>	<b>320.36</b>	<b>46.82</b>	<b>1,068.47</b>	<b>1,435.65</b>
<b>Financial liabilities at fair value through profit or loss -</b>				
Provision for short sale - SLBM trading	40.09	-	-	40.09
<b>Total financial liabilities at FVTPL</b>	<b>40.09</b>	<b>-</b>	<b>-</b>	<b>40.09</b>
<b>Total financial liabilities measured at fair value on a recurring basis</b>	<b>360.45</b>	<b>46.82</b>	<b>1,068.47</b>	<b>1,475.74</b>



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**Notes to the financial statements (Continued)**  
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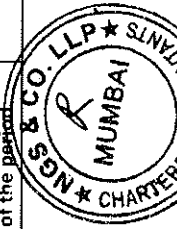
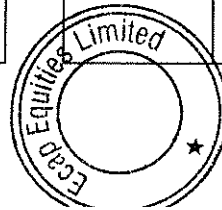
**6.1 Fair values of financial instruments (continued)**

**(b) Movement in level 3 financial instruments measured at fair value**

The following table shows a reconciliation of the opening balances and the closing balances for fair value measurements in Level 3 of the fair value hierarchy.

Particulars	Stock in trade - Other debt securities and preference shares	Stock in trade - Nifty linked debentures	Embedded derivative in market-linked debentures	Investments in units of AIF	Investments in debt securities and preference shares	Investments in unquoted equity shares	Total
<b>At 1 April 2022</b>	<b>1,284.20</b>	<b>760.03</b>	<b>(1,047.67)</b>	<b>5,393.63</b>	<b>235.55</b>	<b>139.39</b>	<b>6,765.13</b>
Purchase	-	6,510.07	-	10,978.79	166.60	3,714.72	21,370.18
Sales	(1,066.15)	(3,925.56)	-	(2,700.08)	-	(157.15)	(7,848.95)
Issuances	-	-	265.24	-	-	-	265.24
Settlements	-	-	805.91	-	-	-	805.91
Transfer from level 3	-	-	-	-	-	(2.51)	(2.51)
Gains / (losses) for the period (2022-23) recognised in profit or loss (including accrued interest)	(7.62)	(1,082.06)	149.80	(2,158.53)	5.55	3,001.73	(91.13)
<b>At 31 March 2023</b>	<b>210.43</b>	<b>2,262.48</b>	<b>173.28</b>	<b>11,513.81</b>	<b>407.70</b>	<b>6,696.18</b>	<b>21,263.88</b>
Unrealised gains / (losses) related to balances held at the end of the period	(32.93)	8.80	149.80	(1,940.83)	9.08	2,922.19	1,116.11

Particulars	Stock in trade - Other debt securities and preference shares	Stock in trade - Nifty linked debentures	Embedded derivative in market-linked debentures	Investments in units of AIF	Investments in debt securities and preference shares	Investments in unquoted equity shares	Total
<b>At 1 April 2021</b>	<b>1,514.84</b>	<b>743.06</b>	<b>(1,137.37)</b>	<b>6,899.88</b>	<b>79.91</b>	<b>209.51</b>	<b>8,309.83</b>
Purchase	-	10,433.07	-	142.86	149.95	32.50	10,758.38
Sales	-	(9,415.59)	-	(2,114.81)	-	(18.65)	(11,549.05)
Issuances	-	-	(83.64)	-	-	-	(83.64)
Settlements	-	-	524.82	-	-	-	524.82
Gains / (losses) for the period (2021-22) recognised in profit or loss	(230.64)	(1,000.51)	(351.48)	465.70	5.69	(83.97)	(1,195.21)
<b>At 31 March 2022</b>	<b>1,284.20</b>	<b>760.03</b>	<b>(1,047.67)</b>	<b>5,393.63</b>	<b>235.55</b>	<b>139.39</b>	<b>6,765.13</b>
Unrealised gains / (losses) related to balances held at the end of the period	(33.14)	122.50	(351.49)	695.67	3.53	(103.97)	333.10



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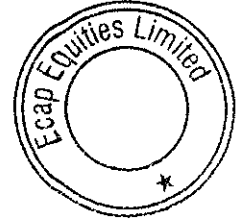
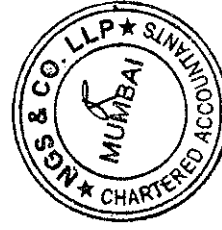
**61 Fair values of financial instruments (continued)**

**(c) Unobservable inputs used in measuring fair value categorised within Level 3 :**

Following tables set out information about significant unobservable inputs used at respective balance sheet dates in measuring financial instruments categorised as Level 3 in the fair value hierarchy:

Type of financial instruments	Fair value of asset as on 31 March 2023	Fair value of liability as on 31 March 2023	Valuation techniques	Significant unobservable input	Range of estimates (weighted average) for unobservable input	Increase in the unobservable input (% or as the case may be)	Change in fair value	Decrease in the unobservable input (% or as the case may be)	Change in fair value
Stock-in-trade	210.43	-	Discounted cash flow	Expected future cash flows	Rs. 1,666 to 6,98,982 per debenture	5%	-	5%	-
				Discount rate	12%	0.5%	-	0.5%	-
Stock in trade - Nifty linked debentures	2,262.48	-	Fair value of index	Price per debenture	Rs 100,481 to 180,001 per debenture	5%	113.12	5%	(113.12)
Embedded derivative in market-linked debentures	475.14	(301.86)	Fair value of index	Index levels	-	5%	8.66	5%	(8.66)
Investments in units of AIF	11,513.81	-	Net assets approach	Fair value of underlying investments	Rs. 509 to 195,704 per Unit	5%	575.69	5%	(575.69)
Investments in debt securities and preference shares	407.70	-	Comparable transaction and P/E	Fair value per share	Rs. 100 to 2,15,000 per share	5%	20.38	5%	(20.38)
Investments in unquoted equity shares	6,696.18	-	Comparable transaction and P/E	Fair value per share	Rs. 1,817 to 2,239 per share	5%	334.81	5%	(334.81)
<b>Total</b>	<b>21,565.74</b>	<b>(301.86)</b>					<b>1,052.66</b>		<b>(1,052.66)</b>

Type of financial instruments	Fair value of asset as on 31 March 2022	Fair value of liability as on 31 March 2022	Valuation techniques	Significant unobservable input	Range of estimates (weighted average) for unobservable input	Increase in the unobservable input (% or as the case may be)	Change in fair value	Decrease in the unobservable input (% or as the case may be)	Change in fair value
Stock-in-trade	1,284.20	-	Discounted cash flow	Expected future cash flows	Rs. 1,667 to Rs 837,765 per NCD	5%	18.16	5%	14.89
				Discount rate	12%	0.5%	16.23	0.5%	16.84
Stock in trade - Nifty linked debentures	760.03	-	Fair value of index	Price per debenture	Rs 120,834 to 164,682 per debenture	5%	38.00	5%	(38.00)
Embedded derivative in market-linked debentures	20.80	(1,068.47)	Fair value of index	Index levels	-	5%	(52.38)	5%	52.38
Investments in units of AIF	5,393.63	-	Net assets approach	Fair value of underlying investments	Rs. 177 to 14,41,892 per Unit	5%	269.68	5%	(269.68)
Investments in debt securities and preference shares	235.55	-	Comparable transaction and P/E	Fair value per share	Rs. 900 to 12,240 per share	5%	11.78	5%	(11.78)
Investments in unquoted equity shares	139.39	-	Comparable transaction and P/E	Fair value per share	Rs. 2 to 11,260 per share	5%	6.97	5%	(6.97)
<b>Total</b>	<b>7,833.60</b>	<b>(1,068.47)</b>					<b>308.44</b>		<b>(242.32)</b>





**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency : Indian rupees in millions)

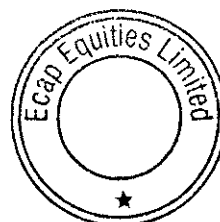
**61 Fair values of financial instruments (continued)**

**(d) Financial instruments not measured at fair value**

The following table sets out the fair values of financial instruments not measured at fair value and analysing them by the level in the fair value hierarchy into which each fair value measurement is categorised.

31 March 2023					
Particulars	Total carrying amount	Total fair value	Level 1	Level 2	Level 3
<b>Financial assets:</b>					
Cash and cash equivalent	1,435.55	1,435.55	1,435.55	-	-
Bank balances other than cash and cash equivalent	3.51	3.51	3.51	-	-
Trade receivables	54.35	54.35	-	54.35	-
Loans	2,496.04	2,496.04	-	-	2,496.04
Investments at amortised cost	6,192.80	6,192.80	-	6,173.58	19.22
Investments at cost	3,102.12	3,102.12	-	3,102.12	-
Other financial assets	717.74	717.74	-	717.74	-
<b>Total</b>	<b>14,002.11</b>	<b>14,002.11</b>	<b>1,439.06</b>	<b>10,047.79</b>	<b>2,515.26</b>
<b>Financial liabilities:</b>					
Trade payables	210.73	210.73	-	210.73	-
Debt securities	25,812.33	25,812.33	-	25,812.33	-
Borrowing (other than debt securities)	11,368.90	11,368.90	-	11,368.90	-
Deposits	16.25	16.25	-	16.25	-
Subordinated liabilities	0.01	0.01	-	0.01	-
Other financial liabilities	1,285.05	1,285.05	-	1,285.05	-
<b>Total</b>	<b>38,693.27</b>	<b>38,693.27</b>	<b>-</b>	<b>38,693.27</b>	<b>-</b>

31 March 2022					
Particulars	Total carrying amount	Total fair value	Level 1	Level 2	Level 3
<b>Financial assets:</b>					
Cash and cash equivalent	122.67	122.67	122.67	-	-
Bank balances other than cash and cash equivalent	3.37	3.37	3.37	-	-
Trade receivables	687.56	687.56	-	687.56	-
Loans	4,591.92	4,591.92	-	-	4,591.92
Investments at amortised cost	9,810.26	9,810.26	-	8,768.53	1,041.73
Investments at cost	2,715.94	2,715.94	-	2,715.94	-
Other financial assets	6.54	6.54	-	6.54	-
<b>Total</b>	<b>17,938.26</b>	<b>17,938.26</b>	<b>126.04</b>	<b>12,178.57</b>	<b>5,633.65</b>
<b>Financial liabilities:</b>					
Trade payables	192.31	192.31	-	192.31	-
Debt securities	24,776.74	24,776.74	-	24,776.74	-
Borrowing (other than debt securities)	4,099.84	4,099.84	-	4,099.84	-
Deposits	15.60	15.60	-	15.60	-
Subordinated liabilities	0.01	0.01	-	0.01	-
Other financial liabilities	329.59	329.59	-	329.59	-
<b>Total</b>	<b>29,414.09</b>	<b>29,414.09</b>	<b>-</b>	<b>29,414.09</b>	<b>-</b>



**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency : Indian rupees in millions)

**62 Disclosure pursuant to IND AS 19 - Employee benefits**

**(a) Defined contribution plan (provident fund)**

Amount of Rs. 4.58 millions (Previous year: Rs. 2.34 millions) is recognised as expenses and included in "Employee benefit" – Note 47 in the statement of profit and loss.

**(b) Defined benefit plan (gratuity):**

The following tables summarise the components of the net employee benefit expenses recognised in the statement of profit and loss and amounts recognised in the balance sheet for the gratuity benefit plan.

**Statement of profit and loss of the year:**

**Net employee benefit expenses (recognised in employee cost):**

	31 March 2023	31 March 2022
Current service cost	1.58	0.73
Interest on defined benefit obligation	1.05	0.44
Past service cost	(1.69)	-
Actuarial loss/(gain)	-	-
<b>Total included in employee benefit expenses</b>	<b>0.94</b>	<b>1.17</b>

**Balance sheet:**

**Details of provision for gratuity:**

	31 March 2023	31 March 2022
Liability at the end of the year	17.34	8.56
Amount in balance sheet	17.34	8.56

**Changes in the present value of the defined benefit obligation are as follows:**

	31 March 2023	31 March 2022
Liability at the beginning of the year	8.56	9.07
Transfer in/(out)	9.25	(0.26)
Interest cost	1.05	0.44
Current service cost	1.58	0.73
Past service cost	(1.69)	-
Benefits paid	(0.64)	(1.06)
Re-measurement	(0.77)	(0.36)
Actuarial (gain)/loss on obligations	-	-
<b>Liability at the end of the year</b>	<b>17.34</b>	<b>8.56</b>

Non-current liability at the end of the year	14.25	7.14
Current liability at the end of the year	3.09	1.42

**Amount recognised in the balance sheet:**

	For the year ended	For the year ended
	31 March 2023	31 March 2022
Liability at the end of the year	17.34	8.56
Fair value of plan assets at the end of year	-	-
<b>Amount recognized in balance sheet</b>	<b>17.34</b>	<b>8.56</b>

**Experience adjustment:**

	For the year ended	For the year ended
	31 March 2023	31 March 2022
On plan liabilities (gain)/loss	0.39	0.03
On plan assets (gain)/loss	-	-
<b>Estimated contribution for next year</b>	<b>0.39</b>	<b>0.03</b>

**Principle actuarial assumptions at the balance sheet date:**

	31 March 2023	31 March 2022
Discount rate current	7.10%	5.90%
Salary escalation current	7.00%	7.00%
Employees attrition rate	16.00%	16.00%
Expected return on plan assets	5.90%	5.00%
Mortality rate	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)



**Ecap Equities Limited**  
(formerly Edel Land Limited)

**Notes to the financial statements (continued)**  
(Currency : Indian rupees in millions)

**62 Disclosure pursuant to IND AS 19 - Employee benefits (continued)**

**Movement in other comprehensive income**

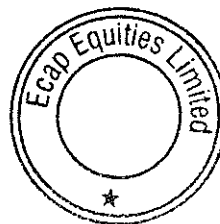
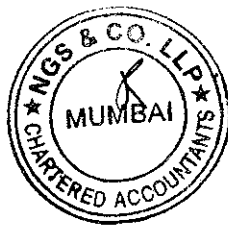
	31 March 2023	31 March 2022
Balance at start of year (Loss)/ Gain	0.67	0.31
<b>Re-measurements on defined benefit obligation</b>		
a) Actuarial Loss/(Gain) from changes in demographic assumptions	-	0.13
b) Actuarial Loss/(Gain) from changed in financials assumptions	1.16	0.26
c) Actuarial Loss/(Gain) from experience over last past year	(0.39)	(0.03)
<b>Re-measurements on plan assets</b>		
interest on the net defined benefit liability / (asset)	-	-
Balance at end of year (Loss)/ Gain	1.43	0.67

**Sensitivity analysis:**

DBO increases/ (decreases) by	31 March 2023	31 March 2022
1% Increase in Salary Growth Rate	0.70	0.27
1% Decrease in Salary Growth Rate	(0.64)	(0.25)
1% Increase in Discount Rate	(0.63)	(0.25)
1% Decrease in Discount Rate	0.70	0.28
1% Increase in Withdrawal Rate	0.00	(0.00)
1% Decrease in Withdrawal Rate	(0.00)	0.01
Mortality (increase in expected lifetime by 1 year)	Negligible Change	Negligible Change
Mortality (increase in expected lifetime by 3 years)	Negligible Change	Negligible Change

**Movement in surplus / (deficit)**

	31 March 2023	31 March 2022
Surplus / (Deficit) at start of year	(8.56)	(9.07)
Net Transfer (In)/ Out	(9.25)	0.26
Current Service Cost	(1.58)	(0.73)
Benefits Paid	0.64	1.06
Past Service Cost	1.69	-
Net Interest on net DBO	(1.05)	(0.44)
Re-measurements	0.77	0.36
Surplus / (Deficit) at end of year	(17.34)	(8.56)



**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

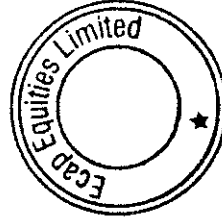
(Currency: Indian Rupees in millions)

**63 Collateral held and other credit enhancements**

The tables on the following pages show the maximum exposure to credit risk by class of financial asset. They also shows the total fair value of collateral, any surplus collateral (the extent to which the fair value of collateral held is greater than the exposure to which it relates), and the net exposure to credit risk.

	31 March 2023	Principal type of collateral	31 March 2022	Principal type of collateral
	Maximum exposure to credit risk		Maximum exposure to credit risk	
<b>Financial assets</b>				
Cash collateral on securities borrowed and reverse repurchase agreement	0.05	Unsecured	100.00	Unsecured
Loans:				
Retail Loans	-	(Land, real estate property and securities)	-	(Land, real estate property and securities)
Wholesale loans - Secured (Gross)	1,601.74	Unsecured	1,121.80	Unsecured
Wholesale loans - Unsecured (Gross)	4,698.76	Unsecured	7,437.52	Unsecured
Trade receivables	54.35	Unsecured	687.56	Unsecured
Debt instruments at amortised cost	4,000.01	Unsecured	398.96	Unsecured
Debt instruments at amortised cost	1,789.82	Secured	1,041.73	Secured
Other financial assets	717.74	Unsecured	6.54	Unsecured
<b>Total financial assets at amortised cost Total (A)</b>	<b>12,862.47</b>		<b>10,794.11</b>	
Derivative financial instruments	639.42	Unsecured	382.55	Unsecured
Financial assets at FVTPL (except equity)	1,254.21	Secured	1,455.53	Secured
Financial assets at FVTPL (except equity)	6,133.99	Unsecured	4,970.05	Unsecured
<b>Total financial instruments at fair value through profit or loss. Total (B)</b>	<b>8,027.62</b>		<b>6,808.13</b>	
Debt instruments at fair value through OCI	-		-	
<b>Total debt instruments at fair value through OCI</b>	<b>-</b>		<b>-</b>	
<b>Total (A) + (B)</b>	<b>20,890.09</b>		<b>17,602.24</b>	
Loan commitments	-		-	
Financial guarantee contracts*	-		-	
<b>Other commitments (max exposure)</b>	<b>-</b>		<b>-</b>	
<b>Total</b>	<b>20,890.09</b>		<b>17,602.24</b>	

\* The Company alongwith its holding company Edelweiss Financial Services Limited has given guarantee to trustees of holders of non-convertible debentures issued by its Group Company Edelweiss Investment Advisors Limited amounting to Rs. 1,200 millions (Previous year: NIL).  
Corporate/other guarantee of Rs. 553.80 millions (Previous year: Rs. 553.80 millions) was given by the Company on behalf of its group companies namely, ECL Finance Limited, Nido Home Finance Limited (formerly Edelweiss Housing Finance Limited) and Edelweiss Retail Finance Limited.



**Ecap Equities Limited**  
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**Notes to the financial statements (continued)**

(Currency: Indian Rupees in millions)

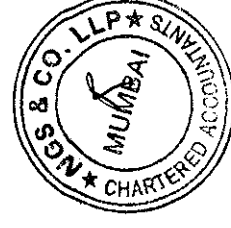
**63 Collateral held and other credit enhancements**

ii Financial assets that are stage III and related collateral held in order to mitigate potential losses are given below:

	31 March 2023	Associated ECL	Carrying amount	Fair value of collateral	31 March 2022	Maximum exposure to credit risk (carrying amount before ECL)	Associated ECL	Carrying amount	Fair value of collateral
<b>Financial assets</b>									
Loans									
Retail Loans									
Wholesale loans - Secured	1,601.74	705.58	896.16	2,202.14	206.66	136.23	-	-	-
Wholesale loans - Unsecured	3,082.63	3,082.63	-	-	4,055.03	3,807.63	247.40	70.43	336.85
Distressed assets	-	-	-	-	-	-	-	-	-
<b>Total financial assets at amortised cost</b>	<b>4,684.37</b>	<b>3,788.21</b>	<b>896.16</b>	<b>2,202.14</b>	<b>4,261.69</b>	<b>3,943.86</b>	<b>317.83</b>	<b>336.85</b>	<b>-</b>
Debt instruments at fair value through OCI	-	-	-	-	-	-	-	-	-
Loan commitments	4,684.37	3,788.21	896.16	2,202.14	4,261.69	3,943.86	317.83	336.85	-
Financial guarantee contracts			-		-	-	-	-	-
<b>Total</b>	<b>4,684.37</b>	<b>3,788.21</b>	<b>896.16</b>	<b>2,202.14</b>	<b>4,261.69</b>	<b>3,943.86</b>	<b>317.83</b>	<b>336.85</b>	<b>-</b>

Company holds collateral (of financial or non-financial assets) and is permitted to sell or repledge the collateral in the case of default by the owner of the collateral. The details of collateral held by the Company on Secured loans is as below:

Assets type	31 March 2023	31 March 2022
Land, real estate property and securities	2,202.14	1,505.49
<b>Total</b>	<b>2,202.14</b>	<b>1,505.49</b>



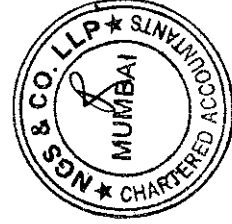
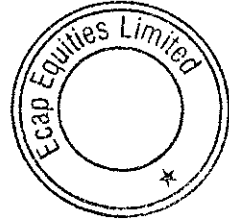
**Industry analysis - Risk concentration for 31 March 2023**

Particulars	Financial services	Consumers	Retail and wholesale	Construction	Oil & gas	Real Estate	Energy	Industrial Goods	Pharmaceuticals & Chemical	Services	Insurance	Others	Total
Derivative financial instruments	548.42	-	-	-	-	-	-	-	-	-	-	-	548.42
Financial assets carried at fair value through profit and loss	26,097.50	5.29	-	-	0.03	76.50	-	-	-	-	0.42	240.06	26,419.80
Cash and cash equivalent	1,435.55	-	-	-	-	-	-	-	-	-	-	-	1,435.55
Bank balances other than cash and cash equivalent	3.51	-	-	-	-	-	-	-	-	-	-	-	3.51
Trade receivables*	38.14	-	-	-	-	-	0.23	-	-	0.08	15.70	0.20	54.35
Loans	1,484.73	-	460.25	317.83	-	7.56	118.07	-	-	7.30	-	100.30	2,496.04
Investments at amortised cost	6,173.58	-	-	19.22	-	-	-	-	-	-	-	-	6,192.80
Investments at cost	3,102.12	-	-	-	-	-	-	-	-	-	-	-	3,102.12
Other financial assets	714.55	-	-	-	-	-	3.19	-	-	-	-	-	717.74
	<b>39,598.10</b>	<b>5.29</b>	<b>460.25</b>	<b>337.05</b>	<b>0.03</b>	<b>84.06</b>	<b>121.49</b>	-	-	<b>7.38</b>	<b>16.12</b>	<b>340.56</b>	<b>40,970.33</b>
Other Commitments	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>39,598.10</b>	<b>5.29</b>	<b>460.25</b>	<b>337.05</b>	<b>0.03</b>	<b>84.06</b>	<b>121.49</b>	-	-	<b>7.38</b>	<b>16.12</b>	<b>340.56</b>	<b>40,970.33</b>

**Industry analysis - Risk concentration for 31 March 2022**

Particulars	Financial services	Consumers	Retail and wholesale	Construction	Oil & gas	Real Estate	Energy	Industrial Goods	Pharmaceuticals & Chemical	Services	Insurance	Others	Total
Derivative financial instruments	295.46	-	-	-	-	-	-	-	-	-	-	-	295.46
Financial assets carried at fair value through profit and loss	13,155.13	96.86	713.37	0.38	-	149.96	7.93	3.99	160.76	4.14	155.43	-	14,447.95
Cash and cash equivalent	122.67	-	-	-	-	-	-	-	-	-	-	-	122.67
Bank balances other than cash and cash equivalent	3.37	-	-	-	-	-	-	-	-	-	-	-	3.37
Trade receivables	684.72	0.00	-	-	-	0.27	-	1.75	-	-	0.04	0.78	687.56
Loans	3,160.81	-	-	482.77	-	771.56	139.26	5.48	17.43	-	14.61	-	4,591.92
Investments at amortised cost	8,768.53	-	-	1,041.73	-	-	-	-	-	-	-	-	9,810.26
Investments at cost	2,715.94	-	-	-	-	-	-	-	-	-	-	-	2,715.94
Other financial assets	3.61	-	-	-	-	-	2.93	-	-	-	-	-	6.54
	<b>28,910.25</b>	<b>96.86</b>	<b>713.37</b>	<b>1,524.88</b>	-	<b>921.79</b>	<b>150.11</b>	<b>11.22</b>	<b>178.19</b>	<b>4.14</b>	<b>170.08</b>	<b>0.78</b>	<b>32,681.67</b>
Other Commitments	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>28,910.25</b>	<b>96.86</b>	<b>713.37</b>	<b>1,524.88</b>	-	<b>921.79</b>	<b>150.11</b>	<b>11.22</b>	<b>178.19</b>	<b>4.14</b>	<b>170.08</b>	<b>0.78</b>	<b>32,681.67</b>

\* 0.00 represents amount less than Rs. 5,000



**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency: Indian Rupees in millions)

**65 Other Disclosures**

**(i) Relationship with Struck off Companies**

Below are the transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

Name of the struck off company	Nature of transactions with struck-off Company	Relationship with the Struck off company, if any, to be disclosed	Balance outstanding as on 31 March 2023	Balance outstanding as on 31 March 2022
Maruti Infrastructure Limited	Retention Money Payable	None	3.66	-
M R D ENTERPRISES	Payable	None	-	-
Shah & Associates	Payable	None	-	-
<b>Total</b>			<b>3.66</b>	<b>-</b>

(ii) During the year, 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.

(iii) During the year, 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.

**(iv) Disclosure of Ratios**

Sr. No.	Particulars	31 March 2023	31 March 2022
1	Total debts to total assets <sup>(refer note 1)</sup>	0.84	0.81
2	*Net profit margin (%) <sup>(refer note 2)</sup>	-0.09%	-13.67%
3	Debt service coverage ratio <sup>(refer note 3)</sup>	0.20	0.26
4	Interest Service Coverage Ratio <sup>(refer note 4)</sup>	0.90	0.73

1. Total debts to total assets = Total Debt / Total assets

2. Net profit margin (%) = Net profit after tax / Total Income

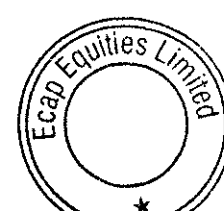
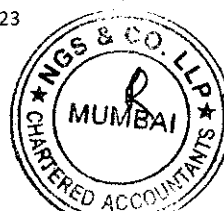
3. Debt Service Coverage Ratio = Profit before interest and tax/ (Interest Expense + Principal repayment in next six months)

4. Interest Service Coverage Ratio = Profit before interest and tax/Interest expense

5. Current ratio, Long term debt to working capital, Bad Debts to account receivables ratio, Current liability ratio, Debtors turnover, Inventory turnover and Operating margin (%) are not applicable owing to the business model of the Company.

(v) During the year, the Income Tax Authorities (" the Department" ) had conducted a search under section 132 of the Income Tax Act, 1961 on the premises of the Company during March 2023. The Company had provided the requisite details which were sought by the income tax authorities during the course of the search. Subsequently, the Company has received summons under section 131 (1A) of the Income Tax Act, 1961 seeking certain data/information, which the Company is in the process of responding. While uncertainty exists regarding the outcome of the proceedings by the Department, the Company is extending its full cooperation with the concerned income tax authorities and based on current internal assessment management is of the view that this will not likely to have any material impact on the Company's financial statements for the year ended March 31, 2023.

(vi) Pursuant to the Amendment Agreement dated March 9, 2023 to the Amended and Restated Shareholders' Agreement dated March 18, 2021 between Edelweiss Financial Service Ltd (Holding Company), Edelweiss Global Wealth Management Limited, PAGAC Ecstasy Pte Ltd and Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited), the amendment to the articles of association of Nuvama Wealth Management Limited and the appointment of independent trustee, Nuvama Wealth Management Limited and its subsidiary Companies ceased to be associate of the Company w.e.f. March 30, 2023. Accordingly, pursuant to Ind AS 28 – 'Investments in Associates and Joint Ventures', Company's retained interest in Nuvama Wealth Management Limited has been recorded at fair value as at March 31, 2023



**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency : Indian rupees in millions)

**66 Note on merger and demerger**

The Board of Directors of the Company at its meeting held on 14th June, 2021, had approved the Composite Scheme of Arrangement amongst Ecap Equities Limited (formerly Edel Land Limited (ELL) ('Amalgamated or Resulting Company')), Demerged business of Ecap Securities & Investments Limited (formerly Ecap Equities Limited ('Demerged Company' – defined in the scheme as demerged undertaking and thereby entire activities, business, operations and undertakings of the Demerged Company forming part of the Trading and Capital Markets business)) and EC Commodity Limited ('Amalgamating Company') and their respective shareholders and creditors, under section 230 to 232 and other applicable provisions of the Companies Act, 2013, which inter-alia envisaged the following:

Ecap Equities Limited (formerly Edel Land Limited ('Amalgamated or Resulting Company')), Demerged business of Ecap Securities and Investments Limited (formerly Ecap Equities Limited ('Demerged Company' – defined in the scheme as demerged undertaking and thereby entire activities, business, operations and undertakings of the Demerged Company forming part of the Trading and Capital Markets business)) and EC Commodity Limited ('Amalgamating Company') has been amalgamated with effect from 01 April 2020 ('the Appointed date').

The National Company Law Tribunal Bench at Mumbai has approved the aforementioned Scheme on 10th Jan 2022 under the applicable provisions of the Companies Act, 2013 and the certified copy of the said order was filed with the Registrar of Companies on 03rd March 2022.

The National Company Law Tribunal Bench at Hyderabad has approved the aforementioned Scheme on 09th Feb 2022 under the applicable provisions of the Companies Act, 2013 and the certified copy of the said order was filed with the Registrar of Companies on 25th March 2022.

Assets and liabilities of Demerged Undertaking of Ecap Securities and Investments Limited (formerly Ecap Equities Limited) which was merged into Ecap Equities Limited (formerly Edel Land Limited) with effect from the Appointed Date as on 01st April 2020, is given below:

**Assets and Liabilities of Demerged Undertaking of Ecap Securities and Investments Limited (formerly Ecap Equities Limited) and EC Commodity Limited as at 01 April 2020**

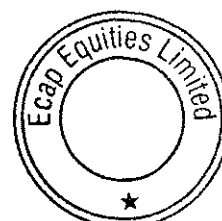
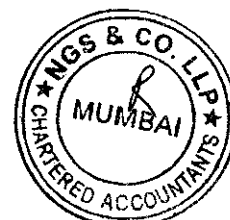
As at 01 April 2020	Demerged undertaking of Ecap Securities and Investments Limited (formerly Ecap Equities Limited)	EC Commodity Limited	Total
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash and cash equivalents	470.52	4.32	474.84
Derivative financial instruments	2,440.09	-	2,440.09
Stock in trade	5,842.42	264.92	6,107.34
Trade receivables	103.76	0.15	103.91
Loans	11,706.95	0.01	11,706.96
Investments	11,683.42	18.59	11,702.01
Other financial assets	130.79	2.51	133.30
	<b>32,377.95</b>	<b>290.50</b>	<b>32,668.45</b>
<b>Non-financial assets</b>			
Current tax assets (net)	196.39	6.52	202.91
Deferred tax assets (net)	824.81	0.17	824.98
Investment property	843.39	-	843.39
Property, plant and equipment	30.17	0.26	30.43
Goodwill	60.94	-	60.94
Other Intangible assets	23.22	0.00	23.22
Other non-financial assets	130.81	11.29	142.10
	<b>2,109.73</b>	<b>18.24</b>	<b>2,127.97</b>
<b>TOTAL ASSETS (A)</b>	<b>34,487.68</b>	<b>308.74</b>	<b>34,796.42</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Derivative financial instruments	2,614.96	-	2,614.96
Trade payables	163.52	4.14	167.66
Debt securities	20,084.80	-	20,084.80
Borrowings (other than debt securities)	7,292.53	366.32	7,658.85
Deposits	2,615.49	-	2,615.49
Other financial liabilities	391.24	0.41	391.65
	<b>33,162.54</b>	<b>370.87</b>	<b>33,533.41</b>
<b>Non-financial liabilities</b>			
Current tax liabilities (net)	24.75	2.36	27.11
Provisions	12.69	0.56	13.25
Other non-financial liabilities	148.97	2.25	151.22
	<b>186.41</b>	<b>5.17</b>	<b>191.58</b>
<b>EQUITY</b>			
Equity share capital	-	-	-
Other equity	1,138.73	(367.30)	771.43
	<b>1,138.73</b>	<b>(367.30)</b>	<b>771.43</b>
<b>TOTAL LIABILITIES AND EQUITY (B)</b>	<b>34,487.68</b>	<b>8.74</b>	<b>34,496.42</b>

Equity and preference shares issued by the Company to shareholders of Ecap Securities and Investments Limited (formerly Ecap Equities Limited) and EC Commodity Limited on merger and demerger

**Capital Reserve accounted on merger and demerger (A-B-C)**

The excess of book value of assets over liabilities of Rs 299.38 millions post issuance of new shares has been accounted as capital reserve in the books of the Company on merger and demerger.

The Demerged undertaking of Ecap Securities and Investments Limited (formerly Ecap Equities Limited) and EC Commodity Limited has been accounted into the Company under 'Pooling of Interests Method' in accordance with Appendix C of IND AS 103 (Business Combinations of entities under common control).





**Ecap Equities Limited**  
(formerly Edel Land Limited)

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

(Currency : Indian rupees in millions)

**67 Cash flow disclosure**

Change in liabilities arising from financing activities

Particulars	01 April 2022	Cash flows	Changes in fair values	Others*	31 March 2023
Debt securities	24,776.74	731.14	-	304.45	25,812.33
Borrowings other than debt securities	4,099.84	7,356.15	-	(87.09)	11,368.90
Deposits	15.60	(45.63)	-	46.28	16.25
<b>Total liabilities from financing activities</b>	<b>28,892.18</b>	<b>8,041.66</b>	<b>-</b>	<b>263.64</b>	<b>37,197.48</b>

\* Others Includes interest accrued but not paid on financing liabilities.

Particulars	01 April 2021	Cash flows	Changes in fair values	Others*	31 March 2022
Debt securities	19,324.12	5,850.41	-	(397.79)	24,776.74
Borrowings other than debt securities	17,627.69	(13,552.61)	-	24.76	4,099.84
Deposits	96.01	(83.05)	-	2.64	15.60
<b>Total liabilities from financing activities</b>	<b>37,047.82</b>	<b>(7,785.25)</b>	<b>-</b>	<b>(370.39)</b>	<b>28,892.18</b>

\* Others Includes interest accrued but not paid on financing liabilities.


**68 Prior period comparatives**

Previous year's figures have been regrouped and rearranged wherever necessary to conform to current year's presentation

As per our report of even date attached.

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

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


  
R. P. Soni  
Partner  
Membership No.: 104796



Mumbai  
22 May 2023

  
Mayank Toshniwal  
Executive Director  
DIN: 07030634

  
Hari Ram Misra  
Director  
DIN: 07599248

  
Ritesh S Jain  
Chief Financial Officer  
Mumbai  
22 May 2023

  
Swadesh Agrawal  
Company Secretary

