

ECap Equities Limited

(formerly known as Edel Land Limited)

Corporate Identity Number: U74900MH2008PLC287466

Consolidated Financial Statement for the year ended March 31, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of ECap Equities Limited (Formerly known as Edel Land Limited)

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of ECap Equities Limited (Formerly known as Edel Land Limited) (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance Sheet as at March 31, 2023, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

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

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS 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 consolidated Ind AS financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated Ind AS 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 consolidated Ind AS 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 consolidated Ind AS financial statements. The results of our audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.



KAM reported in the standalone Ind AS financial statements of the Holding Company

Key audit matters	How our audit addressed the key audit matter
<p>Expected Credit Loss (ECL) Model 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 5.6 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>

KAM as reported by the auditor of Edelweiss Retail Finance Limited

Sr No	Key Audit Matter	Auditor's Response
1.	<p>Impairment of financial assets as at balance sheet date (expected credit losses):</p> <p>Ind AS 109 requires the Company to provide for impairment of its loan receivables (designated at amortised cost and fair value through other comprehensive income) using the expected credit loss (ECL) approach. ECL involves an estimation of probability weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances.</p>	<p>➤ Read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109 and the governance framework approved by the Board of Directors.</p> <p>➤ Evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation.</p> <p>➤ Assessed the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any SICR or loss indicators were present requiring them to be classified under higher stages.</p> <p>➤ Assessed the additional considerations applied by the management for staging of</p>



	<p>In the process, a significant degree of judgement has been applied by the management for:</p> <ul style="list-style-type: none"> • Staging of loans (i.e. classification in 'significant increase in credit risk' ("SICR") and 'default' categories); • Grouping of borrowers based on homogeneity by using appropriate statistical techniques; 	<p>loans as SICR or default categories in view of Company's policy on one time restructuring.</p>
	<ul style="list-style-type: none"> • Estimation of behavioural life • Determining macro-economic factors impacting credit quality of receivables; • Estimation of losses for loan products with no/ minimal historical defaults. 	<ul style="list-style-type: none"> ➤ Tested the ECL model, including assumptions and underlying computation. Assessed the floor/ minimum rates of provisioning applied by the Company for loan products with inadequate historical defaults ➤ Tested assumptions used by the management in determining the overlay for macro-economic factors. ➤ Assessed disclosures included in the financial statements in respect of expected credit losses.
2	Sales / Assignment of Financial Assets	<ul style="list-style-type: none"> ➤ Read and assessed the Company's accounting policies for computation and accounting of sales / assignment of loan portfolios as per the provisions of Ind AS 109. ➤ Read and assessed the contracts entered by the Company for sale/assignment to verify the gains/ losses on the transactions. ➤ Verified the procedures followed by the company while carrying out the sale/assignment. ➤ Verification of confirmation and fair valuation of Security receipts.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the consolidated financial statements and our auditor's report thereon, which we obtained prior to the date of this auditors report, and the Annual report, which is expected to be made available to us after that date.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated 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.

When we read the Board Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those Charged with Governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group each 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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



- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding 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 and Board of Directors
- 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 ability of the Group 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 consolidated Ind AS 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Other Matter

- a) We did not audit the financial statements in respect of 3 subsidiaries, whose Ind AS financial statements include total assets of Rs. 28,471.21 million as at March 31, 2023, and total revenues of Rs. 1,680.08 million and net cash inflow of Rs. 127.18 million for the year ended on that date are considered in these consolidated Ind AS financial statements. These Ind AS financial statements have been audited by other auditors, which financial statements and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report(s) of such other auditors.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and the financial statements.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3(xxi) of the Order.

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We/the other auditors whose report we have relied upon 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 of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies 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 and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, refer to our separate Report in "Annexure B" to this report;
- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by Holding Company and its subsidiaries to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of the subsidiaries, as noted in the 'Other matter' paragraph:
- i. The Group does not have any pending litigations which would impact its consolidated financial position;
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and subsidiaries during the year ended March 31, 2023;
 - iv. (a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief as disclosed in the note 65(ii) to the consolidated 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 Holding Company or any of such subsidiaries 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 respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, other than as disclosed in the note 65(iii) to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and



- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. No dividend has been declared or paid during the year by the Holding Company and its subsidiary companies.
- vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or any of its subsidiary companies incorporated in India only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable 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: 23104796BGWDNF1867

Place: Mumbai
Date: May 22, 2023

Annexure “A” to the Independent Auditor’s report on the Consolidated Financial Statements of ECap Equities Limited (Formerly known as Edel Land Limited) for the year ended 31 March 2023

In our opinion and according to the information and explanations given to us, following companies and included in the consolidated financial statements, have unfavourable remarks, qualifications or adverse remarks given by the respective auditors in their reports under the Companies (Auditor’s Report) Order, 2020 (CARO):

Sr. No.	Name of the Entities	CIN	Holding Company /Subsidiary	Clause number of the CARO report which is unfavourable or qualified or adverse
1	ECap Equities Limited (Formerly known as Edel Land Limited)	U74900MH2008PLC287466	Holding Company	Clause (iii)(c), (iii)(d), (vii)(b), (ix)(d) , (xvii)
2	Edelcap Securities Limited	U67120TG2008PLC057145	Subsidiary	(vii)(b), (xvii)
3	Edelweiss Retail Finance Limited	U67120MH1997PLC285490	Subsidiary	(iii)(c), (iii)(d),(vii)(b)

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


R. P. Soni
Partner
Membership No.: 104796



UDIN: 23104796BGWDF1867

Place: Mumbai
Date: May 22, 2023

Annexure B to the Independent's Report of even date on the Consolidated Ind AS Financial Statements of ECap Equities Limited (Formerly known as Edel Land Limited)

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

**To the Members of
ECap Equities Limited (Formerly known as Edel Land Limited)**

In conjunction with our audit of the consolidated Ind AS financial statements of ECap Equities Limited (Formerly known as Edel Land Limited) ("the Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of ECap Equities Limited (Formerly known as Edel Land Limited) (hereinafter referred to as the "Holding Company") and its subsidiary companies, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by the Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 with reference to these consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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



We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these consolidated Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 with reference to consolidated financial statements

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

Opinion

In our opinion to the best of our information and according to explanations given to us and taking into consideration the reports of the other auditors referred to in the Other Matter paragraph below, the Holding Company and its subsidiary companies, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding 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.



Other Matter

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company, insofar as it relates to two subsidiary companies, which are based on the corresponding reports of the auditors of such subsidiaries.

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


R. P. Soni
Partner
Membership No.: 104796



UDIN: 23104796BGWDNF1867

Place: Mumbai
Date: May 22, 2023

ECap Equities Limited (formerly Edel Land Limited)

Consolidated Balance Sheet

(Currency: Indian rupees in millions)

	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non current assets			
Property, plant and equipment	9	667.03	638.99
Investment property	10	943.22	1,018.21
Goodwill	11	60.94	60.94
Other intangible assets	12	120.48	1.54
Intangible assets under development	12 (a)	-	92.94
Financial assets			
(i) Investments	13	29,368.24	10,275.79
(ii) Loans	14	2,646.57	4,520.22
(iii) Bank balances other than cash and cash equivalents	15	0.27	0.22
(iv) Other financial assets	16	23.27	21.02
Current tax assets (net)	17	396.04	425.97
Deferred tax assets (net)	18	1,488.63	1,185.50
Other non-current assets	19	99.53	111.74
		<u>35,814.22</u>	<u>18,353.08</u>
Current assets			
Financial assets			
(i) Stock in trade	20	10,441.37	8,586.07
(ii) Investment	21	552.48	5,030.61
(iii) Trade receivable	22	113.86	707.95
(iv) Cash and cash equivalents	23	1,739.96	320.81
(v) Bank balances other than cash and cash equivalents	24	129.97	150.04
(vi) Loans	25	4,992.64	11,259.97
(vii) Derivative financial instruments	26	575.20	327.94
(viii) Other financial assets	27	1,535.03	99.86
Current tax assets (net)	28	118.28	109.93
Other current assets	29	267.46	286.58
		<u>20,466.25</u>	<u>26,879.76</u>
TOTAL ASSETS		<u><u>56,280.47</u></u>	<u><u>45,232.84</u></u>
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	30	184.49	184.49
Instruments entirely equity in nature	30.1	9,600.00	9,600.00
Other equity	31	(3,687.53)	(3,540.87)
		<u>6,096.96</u>	<u>6,243.62</u>
Non controlling Interest		<u>4,223.84</u>	<u>580.53</u>
LIABILITIES			
Non current liability			
Financial liabilities			
(i) Borrowings	32 (a)	23,218.66	18,135.15
(ii) Lease liabilities	32 (b)	18.31	8.91
(iii) Other financial liabilities	33	549.03	91.89
Provisions	34	52.86	26.41
		<u>23,838.86</u>	<u>18,262.36</u>
Current liability			
Financial liabilities			
(i) Borrowings	32 (c)	19,011.10	17,281.76
(ii) Lease liabilities	32 (d)	7.30	7.21
(iii) Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	35.1	0.05	3.48
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	35	305.71	257.13
(iv) Derivative financial instruments	26	609.82	1,396.30
(v) Other financial liabilities	36	1,947.72	1,036.55
Other current liabilities	37	94.01	97.06
Provisions	38	26.40	17.17
Current tax liabilities (net)	39	118.70	49.67
		<u>22,120.81</u>	<u>20,146.33</u>
TOTAL EQUITY AND LIABILITIES		<u><u>56,280.47</u></u>	<u><u>45,232.84</u></u>

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

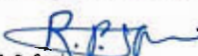
1-68

This is the Consolidated 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 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)

Consolidated 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
Revenue from operations			
Fee and commission income	40	33.68	19.89
Net gain on fair value changes	41	4,027.02	2,605.53
Dividend income	42	9.12	12.27
Interest income	43	2,966.30	4,203.12
Rental income	44	167.87	120.03
Sale of commodities		5,439.01	5,089.77
Other operating revenue	44 (a)	62.30	23.32
Total revenue from operations		12,705.30	12,073.93
Other income	45	31.62	69.81
Total income		12,736.92	12,143.74
Expenses			
Purchases of commodities		5,435.71	5,088.30
Employee benefits expense	46	1,366.45	632.05
Finance costs	47	4,557.80	5,008.91
Depreciation and amortisation expense		106.62	118.47
Impairment loss on financial instruments	48	(16.19)	265.63
Other expenses	49	1,724.56	1,831.48
Total expenses		13,174.95	12,944.84
Profit/(Loss) before tax		(438.03)	(801.10)
Tax expenses:			
Current tax		17.43	20.24
Deferred tax		(302.74)	291.18
Profit/(Loss) for the year		(152.72)	(1,112.52)
Other comprehensive income			
(a) Items that will not be reclassified to profit or loss			
Remeasurement gain on defined benefit plans (OCI)		0.87	(0.22)
Fair value loss - OCI - equity		-	-
Tax effect on remeasurement gain on defined benefit plans (OCI)		(0.39)	(0.14)
Other comprehensive income		1.26	(0.08)
(b) Items that will be reclassified to profit or loss			
Net gain on debt instruments measured FVOCI		-	-
Foreign Exchange Translation Reserve - OCI		-	-
Total		-	-
Other comprehensive income		1.26	(0.08)
Total comprehensive income		(151.46)	(1,112.60)
(Loss)/profit for the year attributable to:			
Owners of the parent		(170.68)	(1,118.97)
Non-controlling interest		17.96	6.45
Other Comprehensive income attributable to:			
Owners of the parent		1.20	(0.05)
Non-controlling interest		0.06	(0.03)
Total Comprehensive income attributable to:			
Owners of the parent		(169.48)	(1,119.02)
Non-controlling interest		18.02	6.42
Earnings per equity share: (Face value of Rs 10 each):			
Basic and diluted (In Rs.)	52	(2.82)	(31.89)

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

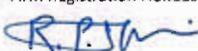
1-68

This is the Consolidated 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

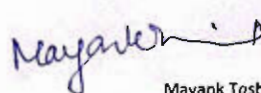
Membership No.:104796

Mumbai

22 May 2023



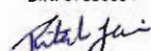
For and on behalf of the Board of Directors



Mayank Toshniwal

Executive Director

DIN: 07030634




Ritesh Jain

Chief financial officer

Mumbai

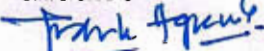
22 May 2023



Hari Ram Misra

Director

DIN: 07599248



Swadesh Agrawal

Company Secretary

ECap Equities Limited (formerly Edel Land Limited)

Consolidated cash flow statement

(Currency: Indian rupees in millions)

	For the year ended 31 March 2023	For the year ended 31 March 2022
A. Cash flow from operating activities		
Profit / (Loss) before taxation	(438.03)	(801.10)
Adjustments for		
Depreciation, amortisation and impairment expenses	106.62	118.47
Impairment on financial instruments	(16.19)	265.63
Provision for gratuity and compensated absences	36.55	(15.58)
Profit on sale of fixed assets	0.13	(0.15)
Dividend income on investment	(9.12)	(12.27)
Profit on sale of investment	(619.03)	(77.77)
Share of loss from partnership firm	0.07	(4.19)
Fair value of financial instruments	(605.76)	652.20
Interest income	(2,895.49)	(4,159.26)
Interest expense	4,545.00	4,966.55
Income distribution from fund	(222.17)	(437.41)
Operating cash flow before working capital changes	(117.42)	495.12
Add / (Less): Adjustments for working capital changes		
(Decrease)/increase in other current liability	(3.05)	39.01
(Decrease)/increase in other financial liability	1,368.40	(213.87)
Decrease in trade payable	45.15	57.62
(Decrease)/increase in Derivative financial instruments	125.32	2,108.03
Decrease/(increase) in stock in trade	(1,314.83)	5,939.83
(Increase)/decrease in trade receivable	588.02	(480.48)
(Increase)/decrease in other financial assets	(1,437.42)	1,267.40
Decrease in fixed deposit	20.03	137.54
Decrease/(increase) in other current assets	31.33	(40.88)
Cash generated from operations	(694.47)	9,309.32
Income tax refund received/(paid)	73.18	140.20
Net cash generated from operating activities - A	(621.29)	9,449.52
B. Cash flow from investing activities		
Purchase of investments (refer note 2)	(13,862.43)	(2,696.43)
Dividend received	9.12	12.27
Purchase of fixed assets	(85.80)	(36.30)
Loan repaid (refer note 2)	8,166.88	330.64
Income received from AIF fund	222.17	437.41
Interest received	2,895.49	4,159.26
Net cash generated from investing activities - B	(2,654.57)	2,206.85
C. Cash flow from financing activities		
(Repayment of) / Proceeds from subordinated liabilities (refer note 2)	37.41	34.16
Repayment of borrowing (refer note 2)	5,554.49	(11,289.84)
Proceeds from issue of Compulsorily convertible debentures	-	5,000.00
Changes in non-controlling interest	3,648.11	(1,089.63)
Interest paid	(4,545.00)	(4,966.55)
Net cash used in financing activities - C	4,695.01	(12,311.86)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	1,419.15	(655.49)



ECap Equities Limited (formerly Edel Land Limited)

Consolidated cash flow statement

(Currency: Indian rupees in millions)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash and cash equivalents as at the beginning of the year	320.81	976.30
Cash and cash equivalent as at the end of the year	1,739.96	320.81

Notes:

- 1 Cash and cash equivalents include the following:

Cash on hand	-	0.03
--------------	---	------

Balances with banks

- in current accounts	1,739.96	320.78
- in fixed deposits with original maturity less than 3 months	-	-

- 2 Net figures have been reported on account of volume of transactions.
3 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 Consolidated 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 Jain

Chief financial officer

Mumbai

22 May 2023



Swadesh Agrawal

Company Secretary



ECap Equities Limited (formerly Edel Land Limited)

Consolidated 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	0.60
Balance at the end of the year	185.09	184.49

(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	9,600.00	4,600.00
Changes in compulsorily convertible debentures	-	5,000.00
Balance at the end of the year	9,600.00	9,600.00

(C) Other Equity

	Reserves and surplus										
	Capital Reserve	Capital Redemption Reserve	Securities Premium	ESOP reserve	Share capital pending allotment	Special Reserve under section 45-1C of RBI Act, 1934	Revaluation Reserve	Debenture redemption reserve	Retained earnings	Total Owners of equity shareholders	Non-Controlling Interests
Balance at 01 April 2021	192.76	67.00	2,667.65	31.55	0.61	315.86	325.61	1,119.25	(7,131.93)	(2,411.64)	1,674.16
Loss for the year	-	-	-	-	-	-	-	-	(1,118.97)	(1,118.97)	6.45
Other comprehensive income	-	-	-	-	-	-	-	-	(0.05)	(0.05)	(0.03)
Total comprehensive income for the year	-	-	-	-	-	-	-	-	(1,119.02)	(1,119.02)	6.42
Issue of shares	-	-	-	-	(0.61)	-	-	-	0.02	(0.59)	-
Transactions with shareholders in their capacity as such	-	-	-	-	-	-	-	-	(9.62)	(9.62)	(1,100.05)
Transfers to / from retained earnings	-	-	-	-	-	36.94	(20.05)	-	(16.89)	-	-
Balance at 31 March 2022	192.76	67.00	2,667.65	31.55	-	352.80	305.56	1,119.25	(8,277.44)	(3,540.87)	580.53
Loss for the year	-	-	-	-	-	-	-	-	(170.68)	(170.68)	17.96
Other comprehensive income	-	-	-	-	-	-	-	-	1.20	1.20	0.06
Total comprehensive income for the year	-	-	-	-	-	-	-	-	(169.48)	(169.48)	18.02
Issue of shares	-	-	-	-	-	-	-	-	-	-	-
Transactions with shareholders in their capacity as such	-	-	-	-	-	-	-	-	22.82	22.82	3,625.29
Transfers (to) / from retained earnings	-	100.00	-	-	-	55.57	(20.05)	(44.93)	(90.59)	-	-
Balance at 31 March 2023	192.76	167.00	2,667.65	31.55	-	408.37	285.51	1,074.32	(8,514.69)	(3,687.53)	4,223.84



ECap Equities Limited (formerly Edel Land Limited)

Consolidated Statement of Changes in Equity

(Currency: Indian rupees in millions)

1 Capital reserve:

Capital reserve represents the gains of capital nature which is not freely available for distribution.

2 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.

3 Securities premium:

Securities premium is used to record the premium on issue of shares and 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 Ultimate Parent Company has not recovered such cost from the Company.

5 Special Reserve under section 45-IC of RBI Act, 1934:

Every non-banking financial company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

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.

7 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.

This is the Consolidated Statement of Changes in Equity 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

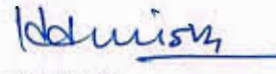


Ritesh Jain

Chief financial officer

Mumbai

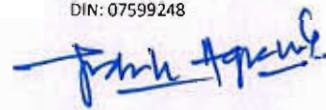
22 May 2023



Hari Ram Misra

Director

DIN: 07599248



Swadesh Agrawal

Company Secretary



Ecap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements

for the year ended 31 March 2023

1. Background

Ecap Equities Limited (formerly Edel Land 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 consolidated financial statements

The consolidated financial statements relate to Ecap Equities Limited (formerly Edel Land Limited) ('the Company') and its subsidiaries (together 'the Group') and associates. The Group is primarily engaged in (a) agency business which includes Broking, advisory and other fee based services, (b) Capital based business which includes income from lending business and (c) Treasury business which includes income from trading and investment activities.

The consolidated financial statements of the Group 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).

These consolidated financial statements have been prepared on a historical cost basis, except for entities under liquidation / dissolution and certain financial instruments such as financial asset measured at fair value through other comprehensive income (FVOCI) instruments, derivative financial instruments, fair value through profit or loss and other financial assets held for trading which have been measured at fair value. The consolidated 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 Group 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 group'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.



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (*continued*)
for the year ended 31 March 2023

Liabilities

A liability is classified as current when it is expected to be settled in the group'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 group 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.

4. Basis of consolidation

The consolidated financial statements as on 31 March 2023, comprise the financial statements of the Company and its subsidiaries as at 31 March 2023. The Company consolidates a subsidiary when it controls it. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee, if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies. However, no subsidiaries and associates have followed different accounting policies than those followed by the Group for the preparation of these consolidated financial statements.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e. year ended on 31 March 2023.



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (*continued*)
for the year ended 31 March 2023

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, are eliminated in full). Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. With respect to put options granted by the Group to the holders of non-controlling interests in a subsidiary, where the Group does not have a present ownership interest in the shares subject to put, till the put remains unexercised, non-controlling continues to be recognised including allocation of profit or loss, other comprehensive income and other changes in equity of the subsidiary. However, at each reporting date, the non-controlling interest is derecognised as if it were acquired at that date and a financial liability is recognised and measured at its fair value. The difference between these two amounts is recognised as an equity transaction and attributed to owners of the parent.

The financial statements of all subsidiaries incorporated outside India are converted on the following basis: (a) Income and expenses are converted at the average rate of exchange applicable for the period/year and (b) All assets and liabilities are translated at the closing rate as on the Balance Sheet date. The exchange difference arising out of period/year end translation is debited or credited as "Foreign Exchange Translation Reserve" forming part of Other Comprehensive Income and accumulated as a separate component of other equity.



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (continued)
for the year ended 31 March 2023

Investment in associates:

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decision of the investee, but its not control or joint control over those policies.

The list of subsidiaries and associates considered in the consolidated financial statements is as below:

Sr. No	Name of the Entity	Country of Incorporation	Proportion of ownership interest as at 31 March 2023
Subsidiaries			
1	Edelcap Securities Limited	India	100.00%
2	Edelweiss Retail Finance Limited ¹	India	93.02%
3	India Credit Investment Fund III	India	69.00%

¹ held alongwith Edelcap Securities Limited

Notes:

a) With effect from 01 October 2022, Edelweiss Private Equity Tech Fund has ceased to become a subsidiary of the Company and has not been consolidated from that date.

5 Significant accounting policies

5.1 Revenue recognition

- 5.1.1** 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.
- 5.1.2** Interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost and debt instrument measured at FVOCI. 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 Group 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.



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (continued)
for the year ended 31 March 2023

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.

- 5.1.3 Dividend income is recognised in statement of profit and loss when the Group'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.
- 5.1.4 Brokerage income is recognised as per contracted rates at the time of execution of transactions on behalf of the customers on the trade date and is reflected net of related sub-brokerage expenses, goods and service tax ("GST"), transaction charges and stock exchange expenses.
- 5.1.5 Profit/loss on sale of investments is recognised on trade date basis.
- 5.1.6 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 Group's account in the books of the partnership firm.
- 5.1.7 Income from training centre is recognised on accrual basis.
- 5.1.8 Commodities sales are accounted as per the terms of agreement with parties.
- 5.1.9 Rental income is recognised on accrual basis in accordance with the agreements entered.

5.2 Financial Instruments

5.2.1 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 Group 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 Group recognises borrowings when funds are available for utilisation to the Group.

5.2.2 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.

5.2.3 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 Group 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



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (*continued*)
for the year ended 31 March 2023

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.

5.3 Classification and measurement of financial instruments

5.3.1 Financial assets:

The Group 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**

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

- **Fair value through other comprehensive income [FVOCI]**

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

- **Fair value through profit or loss [FVTPL]**

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

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).
- 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.

By default, all other financial assets are subsequently measured at FVTPL.



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (*continued*)
for the year ended 31 March 2023

5.3.1.1 Amortized cost and Effective interest rate method (EIR)

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

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

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.

5.3.1.2 Financial assets held for trading

The Group 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.

5.3.1.3 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.

5.3.1.4 Investment in equity instruments

The Group subsequently measures all equity investments (other than subsidiaries) 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.

5.3.2 Financial liabilities

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

5.3.2.1 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 and EIR.

The Group issues benchmark linked non-convertible debentures, the return of which is linked to performance of specified indices over the period of the debenture. Such



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (continued)
for the year ended 31 March 2023

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.

5.3.2.2 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. 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 Group'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.

5.3.2.3 Financial Guarantee:

Financial guarantees are contract that requires the Group 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.

5.3.2.4 Loan Commitments:

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



Ecap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (*continued*)

for the year ended 31 March 2023

5.3.3 Financial liabilities and equity instruments

Financial instruments issued by the Group 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 group entity are recognised at the proceeds received.

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

5.3.4 Derivatives

The Group 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.

Group has designed a risk strategy based to cover exposure on issuance of Benchmark Linked Debentures, by entering into a derivative contract 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 variety 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 profit or loss, unless designated as effective hedging instruments.

5.4 Reclassification of financial assets and liabilities

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (*continued*)
for the year ended 31 March 2023

5.5 Derecognition of financial assets and financial liabilities

5.5.1 Derecognition of financial assets due to substantial modification of terms and conditions

The Group 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 POCI.

When assessing whether or not to derecognise a financial asset, among others, the Group 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 Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

5.5.2 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 Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either:

- The Group 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 Group 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 Group 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 Group cannot sell or pledge the original asset other than as security to the eventual recipients

The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Group 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.



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (*continued*)
for the year ended 31 March 2023

A transfer qualifies for derecognition if either:

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

The Group 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.

5.5.3 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 is recognised in the statement of profit and loss.

5.6 Impairment of financial assets

The Group records allowance for expected credit losses for all financial assets, other than financial assets held at FVTPL, together with loan commitment and financial guarantee contracts. Equity instruments are not subject to impairment.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and lease receivables. The application of simplified approach does not require the Group 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 Group 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 Group chooses as its accounting policy to measure the loss allowance by applying general approach to measure ECL.

For all other financial assets, where ECL to be recognised, the Group 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 has not increased significantly since initial recognition, the Group measures the loss allowance for such 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 an 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. In contrast, 12m ECL represents the portion of lifetime ECL



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (*continued*)
for the year ended 31 March 2023

that is expected to result from default events that are possible within 12 months after the reporting date.

The measurement of ECL is a function of the probability of default (PD), loss given default (LGD) (i.e. the magnitude of the loss if there is a default) and the exposure at default (EAD). The assessment of the PD and LGD is based on historical data adjusted by forward-looking information. As for the 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 drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the borrowers, and other relevant forward-looking information.

For financial assets, ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. The Group recognises an impairment loss or reversal of impairment loss in the profit and loss statement 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 Group 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.

5.7 Collateral valuation

To mitigate its credit risks on financial assets, the Group 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 Group 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.

5.8 Collateral repossessed

The Group'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



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (*continued*)
for the year ended 31 March 2023

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 Group's policy.

In its normal course of business, the Group 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.

5.9 Write off

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

5.10 Forborne and modified loan

The Group 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 Group 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 Group 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 Group'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.

5.11 Determination of fair value

The Group 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 Group.

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 Group 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



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (*continued*)
for the year ended 31 March 2023

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 Group has access at the measurement date. The Group 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 Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Group periodically reviews its valuation techniques including the adopted methodologies and model calibrations.

Therefore, the Group 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 Group 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.

5.12 Leases

Group as a lessee:

The Group has applied IND AS 116 using the modified retrospective approach and therefore comparative information has not been restated. This means that the comparative information is still reported under Ind AS 17.

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Groups applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (*continued*)
for the year ended 31 March 2023

commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The Company also assesses the right-of-use asset for impairment when such indicators exist.

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (eg; changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short term lease

The Group 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 Group recognises lease payment associated with these leases as an expense on a straight line basis over lease term.

In the comparative period, as a lessee the Group classified leases that transfer substantially all the risk and reward of ownership as finance leases. Assets held under other leases are classified as operating lease and were not recognised in Company Balance sheet. Payments made under operating lease are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, in which case lease payments are recognised based on contractual terms. Contingent rental payable is recognised as an expense in the period in which it is incurred.

Group as a lessor:

The Group's accounting policy under Ind AS 116 has not changed from the comparative period. As a lessor the Group classifies its leases as either operating or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset and classified as an operating lease if it does not.

5.13 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



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (*continued*)
for the year ended 31 March 2023

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.

5.14 Foreign currency transactions

The consolidated financial statements are presented in Indian Rupees which is also the functional currency of the Parent. 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 profit or loss in the period in which they arise.

5.15 Retirement and other employee benefit

5.15.1 Provident fund and national pension scheme

The Group 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.

5.15.2 Gratuity

The Group's gratuity scheme is a defined benefit plan. The Group'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.

The employees based out of U.A.E are eligible for end of service benefits in accordance with the U.A.E Labour Laws. The provision for end of service benefits is done based on current remuneration and periods of service at the end of the reporting period.

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.

5.15.3 Compensated Absences

The eligible employees of the Group are permitted to carry forward certain number of their annual leave entitlement to subsequent years, subject to a ceiling. The Group 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.



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (continued)
for the year ended 31 March 2023

5.15.4 Deferred Bonus

The Company has adopted a Deferred Bonus Plan under its Deferred Variable Compensation Plan. A pool of identified senior employees of the Company is entitled for benefits under this plan. Such deferred compensation will be paid in a phased manner over a future period of time. The measurement for the same has been based on actuarial assumptions and principles.

5.15.5 Share-based payment arrangements

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

The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group 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 Group treats each instalment as a separate grant, because each instalment has a different vesting period, and hence the fair value of each instalment differs.

5.16 Property, plant and equipment and right-of-use assets

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 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.

As per the requirement of Schedule II of the Companies Act, 2013, the Group has evaluated the useful lives of the respective property, plant and equipment which are as per the provisions of Part C of the Schedule II for calculating the depreciation. The estimated useful lives of the property, plant and equipment are as follows:



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (*continued*)
for the year ended 31 March 2023

Estimated useful lives of the assets are as follows:

Class of assets	Useful Life
Building (Other than factory building)	60 years
Plant and equipment	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

Leasehold improvements are amortized on a straight-line basis over the estimated useful lives of the assets or the period of lease whichever is shorter.

Right-of-use assets are presented together with property, plant and equipment in the statement of financial position - refer to the accounting policy 5.12. Right-of-use assets are depreciated on a straight-line basis over the lease term.

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

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.

5.17 Intangible assets

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

Intangibles such as software are amortised over a period of 3 years based on its estimated useful life. For transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible 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.

The Group'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.



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (*continued*)
for the year ended 31 March 2023

5.18 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 straight line method 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.

5.19 Impairment of non-financial assets

The Group 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 Group 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.

5.20 Business Combination :

Business combinations except under common control are accounted for using the acquisition method. 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 Group'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.

Common controlled business combination means a business combination involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. Business combinations involving entities or businesses under common control are accounted for using the pooling of interests method.



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (*continued*)
for the year ended 31 March 2023

5.21 Management and Incentive fees

The investment manager, in addition to management fee, also receives a performance profit allocation in respect of all classes of units. The incentive fee is calculated at the end of every performance period on a unit-by-unit basis so that each class of unit is charged an incentive fee, which equates fairly with that unit's performance. At the end of each performance period, the incentive fee is calculated as a % of the appreciation in the NAV per class of unit (before accrual or deduction of the incentive fee) over the reference price per class of unit and after accounting for the hurdle rate.

5.22 Trusteeship fees

The trustee is entitled to receive a trusteeship fee as mutually agreed between the trustee and the settler.

5.23 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.

5.24 Provisions and Contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group 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 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 Group. Claims against the Group, 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.

5.25 Provisions for Income Taxes

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectation of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (*continued*)
for the year ended 31 March 2023

5.26 Income tax expenses

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

5.26.1 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 Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

5.26.2 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 carryforward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

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

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

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

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

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

Current and deferred tax for the year

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



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (*continued*)
for the year ended 31 March 2023

5.26.3 Minimum Alternative Tax (MAT) credit

MAT paid in a year is charged to the statement of profit and loss as current tax. The Group recognises unused MAT credit as a deferred tax asset only to the extent that it is probable that the Group 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 Group 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 Group reviews the MAT asset at each reporting date and writes down the asset to the extent that it is not probable that the Group will be able to utilise it during the specified period.

6. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group'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.

6.1 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 Group'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 solely 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 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.



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (*continued*)
for the year ended 31 March 2023

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.

d. Determining lease term for lease contracts with renewal and termination option:

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain, whether or not, to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control that affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation of the leased asset).

6.2 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.



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (*continued*)
for the year ended 31 March 2023

a. Fair value of financial instruments

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

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.



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (*continued*)
for the year ended 31 March 2023

c. Effective interest rate method

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.

7. Standards issued but not yet effective

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



Ecap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (*continued*)
for the year ended 31 March 2023

8. 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, Edel Land Limited ('Amalgamated or Resulting Company'), 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 financial results of 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 consolidated financial statements (continued)

(Currency: Indian rupees in millions)

9 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	As at 31 March 2023
Land	41.42	-	-	41.42	-	-	-	-	41.42
Building	577.30	-	-	577.30	71.11	29.36	-	100.47	476.83
Leasehold improvements	3.89	-	0.16	3.73	3.25	0.45	0.16	3.54	0.19
ROU Asset	119.59	19.53	0.46	138.66	106.54	8.20	-	114.74	23.92
Plant and equipment	5.23	0.04	-	5.27	2.87	0.43	-	3.30	1.97
Furniture and fittings	66.09	36.35	0.87	101.57	14.98	13.56	0.72	27.82	73.75
Motor vehicles	2.44	-	2.01	0.43	1.76	0.42	1.77	0.41	0.02
Office equipments	62.40	2.65	9.33	55.72	55.57	1.29	9.02	47.84	7.88
Computers	90.25	39.76	22.07	107.94	76.05	12.77	19.87	68.95	38.99
Vessel	4.84	-	-	4.84	2.33	0.45	-	2.78	2.06
Total	973.45	98.33	34.90	1,036.88	334.46	66.93	31.54	369.85	667.03

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	As at 1 April 2021	Charge for the year	Disposals during the year	As at 31 March 2022	As at 31 March 2022
Land	41.42	-	-	41.42	-	-	-	-	41.42
Building	577.30	-	-	577.30	39.94	31.17	-	71.11	506.19
Leasehold improvements	8.56	0.32	4.99	3.89	5.77	1.55	4.07	3.25	0.64
ROU Asset	180.67	37.34	98.42	119.59	78.52	28.02	-	106.54	13.05
Plant and equipment	4.07	1.16	-	5.23	2.54	0.33	-	2.87	2.36
Furniture and fittings	32.89	44.07	10.87	66.09	22.05	2.52	9.59	14.98	51.11
Motor vehicles	3.92	0.43	1.91	2.44	2.85	0.34	1.43	1.76	0.68
Office equipments	64.81	0.72	3.13	62.40	56.83	1.50	2.76	55.57	6.83
Computers	100.15	0.83	10.73	90.25	77.03	8.93	9.91	76.05	14.20
Vessel	4.84	-	-	4.84	1.70	0.63	-	2.33	2.51
Total	1,018.63	84.87	130.05	973.45	287.23	74.99	27.76	334.46	638.99



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

10 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	As at 1 April 2022	Charge for the year	Disposals during the year	As at 31 March 2023	As at 31 March 2023
Building	983.69	-	-	983.69	222.53	38.06	-	260.59	723.10
Land	228.35	-	36.93	191.42	-	-	-	-	191.42
Property	28.70	-	-	28.70	-	-	-	-	28.70
Total	1,240.74	-	36.93	1,203.81	222.53	38.06	-	260.59	943.22

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	As at 1 April 2021	Charge for the year	Disposals during the year	As at 31 March 2022	As at 31 March 2022
Building	983.69	-	-	983.69	182.47	40.06	-	222.53	761.16
Land	228.35	-	-	228.35	-	-	-	-	228.35
Property	28.70	-	-	28.70	-	-	-	-	28.70
Total	1,240.74	-	-	1,240.74	182.47	40.06	-	222.53	1,018.21



ECap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (continued)
(Currency: Indian rupees in millions)

11 Goodwill

	Gross block				Depreciation				Net block
Description of assets	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	As at 31 March 2023
Goodwill	60.94	-	-	60.94	-	-	-	-	60.94
Total	60.94	-	-	60.94	-	-	-	-	60.94

	Gross block				Depreciation				Net block
Description of assets	As at 1 April 2021	Additions during the year	Disposals during the year	As at 31 March 2022	As at 1 April 2021	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
Total	60.94	-	-	60.94	-	-	-	-	60.94

12 Other Intangible Assets

	Gross block				Depreciation				Net block
Description of assets	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	As at 31 March 2023
Computer software	48.83	120.57	-	169.40	47.29	1.63	-	48.92	120.48
Total	48.83	120.57	-	169.40	47.29	1.63	-	48.92	120.48

	Gross block				Depreciation				Net block
Description of assets	As at 1 April 2021	Additions during the year	Disposals during the year	As at 31 March 2022	As at 1 April 2021	Charge for the year	Disposals during the year	As at 31 March 2022	As at 31 March 2022
Computer software	79.92	0.68	31.77	48.83	68.16	3.42	24.29	47.29	1.54
Total	79.92	0.68	31.77	48.83	68.16	3.42	24.29	47.29	1.54



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

(Currency: Indian rupees in millions)

12 (a) Intangible Assets Under Development**(i) Intangible Assets Under Development Ageing Schedule:-**

Intangible Assets Under Development	Amount in Intangible Assets Under Development as at March 31, 2023				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Project in progress					
Digital Lending Platform (DLP)*	-	-	-	-	-
Total	-	-	-	-	-

Intangible Assets Under Development	Amount in Intangible Assets Under Development as at March 31, 2022				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Project in progress					
Digital Lending Platform (DLP)*	40.62	52.32	-	-	92.94
Total	40.62	52.32	-	-	92.94

(ii) For Intangible Assets Under Development, whose completion is overdue or has exceeded its cost compared to its original plan, refer below schedule:-**As at 31 March 2023**

Intangible Assets Under Development	To be completed in				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Digital Lending Platform (DLP)*	-	-	-	-	-
Total	-	-	-	-	-

As at 31 March 2022

Intangible Assets Under Development	To be completed in				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Digital Lending Platform (DLP)*	125.00	-	-	-	125.00
Total	125.00	-	-	-	125.00



ECap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

13 Investments

As at 31 March 2023

Particulars	At amortised cost	At fair value through OCI	At fair value through P&L	At cost (associates, and joint ventures)	Total
	(1)	(2)	(3)	(4)	(5) = (1+2+3+4)
Investments in equity instruments of other companies	-	-	6,992.99	-	6,992.99
Investments in preference shares of other companies	-	-	316.56	-	316.56
Investments in debt securities of other companies	-	-	91.15	-	91.15
Investments in debt securities of group companies	2,517.16	-	-	-	2,517.16
Investments in security receipts	-	-	13,181.06	-	13,181.06
Investments in group companies Equity	-	-	-	1,274.10	1,274.10
Investments in units of fund Units of Alternative Investment Funds	-	-	5,364.36	-	5,364.36
Investment in Warrants	-	-	52.50	-	52.50
Investment In partnership firm	-	-	-	0.05	0.05
Total - Gross (A)	2,517.16	-	25,998.62	1,274.15	29,789.93
Less: Allowance for impairment (B)	0.27	-	421.43	-	421.69
Total Net (A-B)	2,516.89	-	25,577.19	1,274.15	29,368.24
Investments in India	2,516.89	-	25,577.19	1,274.15	29,368.24
Investments outside India	-	-	-	-	-
Total	2,516.89	-	25,577.19	1,274.15	29,368.24



ECap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (continued)
(Currency: Indian rupees in millions)

13 Investments (continued)

As at 31 March 2022

Particulars	At amortised cost	At fair value through OCI	At fair value through P&L	At cost (associates, and joint ventures)	Total
	(1)	(2)	(3)	(4)	(5) = (1+2+3+4)
Investments in equity instruments of other companies	-	-	1,403.11	-	1,403.11
Investments in preference shares of other companies	-	-	723.12	-	723.12
Investments in debt securities of other companies	-	-	85.60	-	85.60
Investments in debt securities of group companies	398.96	-	-	-	398.96
Investments in security receipts	-	-	1,246.14	-	1,246.14
Investments in group companies					
Equity	-	-	-	1,274.10	1,274.10
Preference shares	378.15	-	-	-	378.15
Investments in units of fund					
Units of Alternative Investment Funds	-	-	3,551.08	-	3,551.08
Units of Alternative Investment Funds - in associate	-	-	1,840.39	-	1,840.39
Investments in warrants	-	-	52.50	-	52.50
Investment in partnership firm	-	-	-	0.05	0.05
Total - Gross (A)	777.11	-	8,901.94	1,274.15	10,953.20
Less: Allowance for impairment (B)	0.07	-	677.34	-	677.41
Total Net (A-B)	777.04	-	8,224.60	1,274.15	10,275.79
Investments in India	777.04	-	8,224.60	1,274.15	10,275.79
Investments outside India	-	-	-	-	-
Total	777.04	-	8,224.60	1,274.15	10,275.79



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

13.1 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	4,833.33	4,833.33	4,693.07	4,693.07
Total Assets	4,833.33	4,833.33	4,693.07	4,693.07
Off-balance sheet exposure	8,734.43	NA	3,179.98	NA
Size of the structured entities	72,145.09	NA	80,370.28	NA
Income from the structured entities	222.17	NA	437.41	NA



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

	As at 31 March 2023	As at 31 March 2022
14 Loans		
At amortised cost		
Term Loans		
Loans	2,768.85	6,944.00
Total Gross	2,768.85	6,944.00
Less: Impairment loss allowance (including on loan commitments)	122.28	2,423.78
Total (Net)	2,646.57	4,520.22
Secured by tangible assets (Property including land , building and securities)	1,549.46	3,691.71
Unsecured	1,219.39	3,252.29
Total Gross	2,768.85	6,944.00
Less: Impairment loss allowance (including on loan commitments)	122.28	2,423.78
Total (Net)	2,646.57	4,520.22
Loans in India		
Public Sectors	-	-
Others	2,768.85	6,944.00
Total Gross	2,768.85	6,944.00
Less: Impairment loss allowance (including on loan commitments)	122.28	2,423.78
Total (Net)	2,646.57	4,520.22



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

	As at 31 March 2023	As at 31 March 2022
15 Bank balances other than cash and cash equivalents		
Term deposits with banks	0.25	0.21
Accrued interest on fixed deposits	0.02	0.01
	<u>0.27</u>	<u>0.22</u>
15.1 Encumbrances' on fixed deposits held by the Group		
The Group has pledged fixed deposits aggregating to Rs. 0.25 million (Previous year: Rs. 0.21 million) with sales tax authorities for meeting deposit requirements.		
16 Other financial assets		
<i>Unsecured, considered good</i>		
Security deposits	14.28	14.29
Deposit - others	3.88	3.62
Deposits placed with/exchange/depositories	5.11	3.11
	<u>23.27</u>	<u>21.02</u>
17 Current tax assets (net)		
Advance income taxes (net off provision for tax)	396.04	425.97
	<u>396.04</u>	<u>425.97</u>
18 Deferred tax assets (net)		
Deferred tax assets		
Provision for non-performing, restructured and doubtful advances - ECL provision	361.33	387.12
Unamortised processing fees - EIR on lending	-	0.23
Unrealised loss on Derivatives	0.05	-
Provision for leave accumulation	2.75	2.13
Disallowances under section 43B of the Income Tax Act, 1961	38.07	28.54
Accumulated losses	1,470.80	1,185.13
Lease liability	6.45	4.06
Others	71.40	34.56
Total (A)	<u>1,950.85</u>	<u>1,641.77</u>
Deferred tax liabilities		
Difference between book and tax depreciation (including intangibles)	151.12	221.86
Unrealised gain on derivatives	31.92	22.64
Unamortised loan origination costs - EIR on lending	1.35	-
Recognition of interest strip on assignment deals	25.57	13.44
Fair valuation of investments and stock-in-trade - gain in valuation	204.38	183.68
Provision for diminution in value of current investments	31.50	-
Effective interest rate on financial liabilities	10.36	11.37
Right-of-use Asset (ROU)	6.02	3.28
Total (B)	<u>462.22</u>	<u>456.27</u>
Total (A-B)	<u>1,488.63</u>	<u>1,185.50</u>
19 Other non-current assets		
<i>Unsecured, considered good</i>		
Prepaid expenses	0.95	1.03
Input tax credit	98.58	110.71
	<u>99.53</u>	<u>111.74</u>



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

(Currency: Indian rupees in millions)

18.1 Income tax disclosure

(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 (Includes current income tax of prior years)	17.43	20.24
Deferred tax relating to origination and reversal of temporary differences	(387.02)	(76.09)
Write-down of deferred tax asset (other than on unused tax losses and unused tax credits)	-	-
Deferred tax asset recognised on unused tax credit or unused tax losses	84.27	367.27
Total tax charge	(285.31)	311.42
Current tax	17.43	20.24
Deferred tax	(302.74)	291.18

(b) Reconciliation of total tax charge :

Particulars	31 March 2023	31 March 2022
Accounting profit before tax as per financial statements	(438.03)	(801.10)
Tax rate (in percentage)	0.25	0.24
Income tax expense calculated based on this tax rate	(110.46)	(195.78)
Adjustment in respect of current income tax of prior years	4.80	(9.28)
Effect of Income not subject to tax:		
Others	(27.71)	(26.05)
Bonus reversal and other disallowable	0.01	0.50
Interest expenses on preference capital	-	-
Interest income on preference capital	-	27.11
Effect of non-recognition of deferred tax asset on current-period losses	95.35	113.85
Effect of recognition of deferred tax asset on prior period losses - earlier not recognised	(194.13)	-
Effect of utilisation of tax losses or deferred tax assets on losses earlier recognised now considered not recoverable	-	(3.46)
Write-down of available tax credits which are not considered recoverable (for example, Minimum Alternate Tax credit)	-	-
Recognition of available tax credits (for example, Minimum Alternate Tax credit)	-	139.61
Impact of tax rate changes	(61.80)	255.57
Others	8.63	9.35
Tax charge for the year recorded in consolidated statement of profit and loss	(285.31)	311.42



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

(Currency: Indian rupees in millions)

18.1 Income tax disclosure

(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	
Deferred taxes in relation to:					
Difference between book and tax depreciation - Property, plant and equipment	(200.50)	51.37	-	51.37	(149.12)
Difference between book and tax depreciation - Intangible assets	(21.36)	19.37	-	19.37	(2.00)
Fair valuation of stock in trade	(77.72)	89.72	-	89.72	12.00
Fair valuation of investments	(105.96)	(110.42)	-	(110.42)	(216.38)
Employee benefits obligations	30.67	9.96	0.19	10.15	40.82
Lease liability	4.06	2.39	-	2.39	6.45
Interest spread on assignment transactions	(13.44)	(12.13)	-	(12.13)	(25.57)
Effective interest rate on financial assets	0.23	(1.58)	-	(1.58)	(1.35)
Effective interest rate on financial liabilities	(11.37)	1.01	-	1.01	(10.36)
Right-of-use Asset (ROU)	(3.28)	(2.74)	-	(2.74)	(6.02)
Expected credit loss provision	387.12	(25.79)	-	(25.79)	361.33
Fair valuation of derivatives	(22.64)	(9.23)	-	(9.23)	(31.87)
Dimunition in value of current investments	-	(31.50)	-	(31.50)	(31.50)
Unused tax losses (including but not limited to business losses, unabsorbed depreciation)	1,185.13	285.67	-	285.67	1,470.80
Others	34.56	36.64	0.20	36.84	71.40
Total	1,185.50	302.74	0.39	303.12	1,488.63



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

18.1 Income tax disclosure

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

	Movement for the period (2021-22)				
	Opening deferred tax asset / (liability) as per Ind AS	Recognised in statement of profit and loss	Recognised in other comprehensive income	Total movement	Closing deferred tax asset / (liability) as per Ind AS
Deferred taxes in relation to:					
Difference between book and tax depreciation - Property, plant and equipment	(158.93)	(41.57)	-	(41.57)	(200.50)
Difference between book and tax depreciation - Intangible assets	(21.30)	(0.06)	-	(0.06)	(21.36)
Fair valuation of stock in trade	(7.81)	(69.91)	-	(69.91)	(77.72)
Fair valuation of investments	(105.96)	-	-	-	(105.96)
Employee benefits obligations	27.36	3.26	0.05	3.31	30.67
Lease liability	27.91	(23.85)	-	(23.85)	4.06
Interest spread on assignment transactions	(13.74)	0.30	-	0.30	(13.44)
Stage 3 Income recognition	(0.24)	0.24	-	0.24	-
Effective interest rate on financial assets	(1.06)	1.29	-	1.29	0.23
Effective interest rate on financial liabilities	(14.35)	2.98	-	2.98	(11.37)
Right-of-use Asset (ROU)	(25.69)	22.41	-	22.41	(3.28)
Expected credit loss provision	264.77	122.35	-	122.35	387.12
Fair valuation of derivatives	6.98	(29.62)	-	(29.62)	(22.64)
Unused tax losses (including but not limited to business losses, unabsorbed depreciation)	1,290.40	(105.27)	-	(105.27)	1,185.13
Unused tax credits (including but not limited to Minimum Alternate Tax credit)	139.61	(139.61)	-	(139.61)	-
Others	68.59	(34.12)	0.09	(34.03)	34.56
Total	1,476.54	(291.18)	0.14	(291.04)	1,185.50



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

18.1 Income tax disclosure

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

Break-up of recognition of current tax	31 March 2023	31 March 2022
In statement of profit and loss	17.43	20.24
In other comprehensive income	(0.39)	(0.14)

Break-up of income tax recorded in OCI	31 March 2023	31 March 2022
Deferred tax		
Employee benefits obligations	(0.39)	(0.14)

- (e) Details of temporary differences where deferred tax assets have not been recognised in the balance sheet

As at 31 March 2023	Unused business loss	
Financial Year ending	Amount	Loss Expiry year
31 March 2023	378.82	31 March 2031
Total	831.13	



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

20 Stock in trade

At fair value through profit and loss

Particulars	As at	As at
	31 March 2023	31 March 2022
Equity instruments (quoted)	31.81	377.15
Mutual fund (quoted)	483.77	1,377.90
Debt securities (quoted)	9,925.79	6,831.02
Total - Gross (A)	10,441.37	8,586.07
Stock in trade outside India	-	-
Stock in trade in India	10,441.37	8,586.07
Total (B)	10,441.37	8,586.07
Less: Allowance for impairment (C)	-	-
Total Net (A-C)	10,441.37	8,586.07



ECap Equities Limited (formerly Edel Land Limited)
Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

21 Investments

As at 31 March 2023

Particulars	At amortised cost	At fair value through OCI	At fair value through P&L	At cost (associates, and joint ventures)	Total
	(1)	(2)	(3)	(4)	5=(1+2+3+4)
Investments in preference shares of group companies	406.68	-	-	123.88	530.56
Investments in debt securities of other companies	22.67	-	-	-	22.67
Investment in partnership firm - current account	-	-	-	2.70	2.70
Total - Gross (A)	429.35	-	-	126.58	555.93
Less: Allowance for impairment (B)	3.45	-	-	-	3.45
Total Net (A-B)	425.90	-	-	126.58	552.48
(i) Investments outside India	-	-	-	-	-
(ii) Investment in India	425.90	-	-	126.58	552.48
Total	425.90	-	-	126.58	552.48

As at 31 March 2022

Particulars	At amortised cost	At fair value through OCI	At fair value through P&L	At cost (associates, and joint ventures)	Total
	(1)	(2)	(3)	(4)	5=(1+2+3+4)
Investments in preference shares of group companies	3,858.36	-	-	123.88	3,982.24
Investments in debt securities of other companies	1,045.60	-	-	-	1,045.60
Investment in partnership firm - current account	-	-	-	2.77	2.77
Total - Gross (A)	4,903.96	-	-	126.65	5,030.61
Less: Allowance for impairment (B)	-	-	-	-	-
Total Net (A-B)	4,903.96	-	-	126.65	5,030.61
(i) Investments outside India	-	-	-	-	-
(ii) Investment in India	4,903.96	-	-	126.65	5,030.61
Total	4,903.96	-	-	126.65	5,030.61



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

22 Receivables

Trade receivables

Particulars	31 March 2023	31 March 2022
Receivables considered good - unsecured	120.32	713.33
Receivables - credit impaired	0.65	0.14
	120.97	713.47
Less : Allowance for expected credit losses	7.11	5.52
	113.86	707.95

Reconciliation of impairment allowance on trade and lease receivables:

Particulars	Amount
Impairment allowance measured as per simplified approach	
Impairment allowance as on 31 March 2022	5.52
Add/ (less): asset originated or acquired (net)	1.59
Impairment allowance as on 31 March 2023	7.11

Provision matrix for Trade receivables

Trade receivables days past due	Less than 6 months	6 months -1 year	1-2 years	More than 2 years	Total
As at 31 March 2023					
Undisputed Trade receivables – considered good	117.70	0.07	-	-	117.77
Undisputed Trade receivables – considered doubtful	-	0.25	2.31	0.65	3.21
ECL provision	(3.93)	(0.23)	(2.31)	(0.65)	(7.12)
Net carrying amount	113.77	0.09	-	-	113.86
As at 31 March 2022					
Undisputed Trade receivables – considered good	712.68	0.02	-	-	712.70
Undisputed Trade receivables – considered doubtful	-	-	0.63	0.14	0.77
ECL provision	(4.74)	-0.01	(0.63)	(0.14)	(5.52)
Net carrying amount	707.94	0.01	-	-	707.95



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

	As at 31 March 2023	As at 31 March 2022
23 Cash and cash equivalents		
Cash on hand	-	0.03
Balances with banks		
- in current accounts	1,739.96	320.78
- in fixed deposits with original maturity less than 3 months	-	-
	1,739.96	320.81
24 Bank balances other than cash and cash equivalents		
Fixed deposits (refer note 24.1)	107.74	127.86
Accrued interest on fixed deposits	0.22	0.17
Long term bank deposits with banks (fixed deposits)	22.01	22.01
	129.97	150.04
24.1 Encumbrances' on fixed deposits held by the Group		
Given as credit enhancements towards securitisation	106.97	22.06
Given as collateral against the Bank overdraft	-	15.54
Pledged with Indusind bank for obtaining the bank guarantee provided to mandi for license requirements	3.20	3.08
Pledged with sales tax authorities for meeting deposit requirements	-	0.03
Pledged with National Stock Exchange for meeting margin requirements	7.18	7.18
25 Loans		
at amortised cost:		
Loans to related parties	1,487.20	7,708.16
Loans to others	3,697.00	3,412.19
Inter corporate deposit	3,694.98	2,166.20
Total Gross	8,879.18	13,286.55
Less: Impairment loss allowance (including on loan commitments)	3,886.54	2,026.59
Total (Net)	4,992.64	11,259.96
Secured by tangible assets	3,212.96	2,676.01
Unsecured	5,666.22	10,610.55
Total Gross	8,879.18	13,286.56
Less: Impairment loss allowance (including on loan commitments)	3,886.54	2,026.59
Total (Net)	4,992.64	11,259.97
Loans in India		
Public Sectors	-	-
Others	8,879.18	13,286.56
Total Gross	8,879.18	13,286.56
Less: Impairment loss allowance (including on loan commitments)	3,886.54	2,026.59
Total (Net)	4,992.64	11,259.97



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

26 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)	Notional		Fair value of liability (INR)
	Unit	Notional amount*		Unit	Notional amount*	
(i) Commodity linked derivatives						
-Futures	Number of units	-	-	Number of units	21,100	0.27
Less: amounts offset			-			0.27
Sub total (i)			-			-
(ii) Currency derivatives						
-Currency Futures	Number of currency units	2,50,000	0.03	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
Less: amounts offset			0.03			1.85
Sub total (ii)			0.03			-
(iii) Interest rate derivatives						
-Futures	Number of G-sec units	-	-	Number of G-sec units	1,62,20,000	1.42
Less: amounts offset			-			1.42
Sub total (iii)			-			1.42
(iv) Equity linked derivatives						
-Stock Futures	Number of shares	75,11,845	82.37	Number of shares	54,44,117	54.55
-Options purchased	Number of shares	23,76,300	1.53	Number of shares	-	-
-Options sold	Number of shares	-	-	Number of shares	34,34,700	18.64
Less: amounts offset			83.90			73.20
Sub total (iv)			82.37			54.55
(v) Index linked derivatives						
-Index Futures	Number of index units	69,700	25.44	Number of index units	21,700	6.74
-Options purchased	Number of index units	31,69,310	98.52	Number of index units	-	-
-Options sold (written)	Number of index units	-	-	Number of index units	17,05,785	287.47
Less: amounts offset			123.97			294.20
Sub total (v)			25.44			6.74
(vi) Embedded derivatives						
- In market linked debentures	Number of Index units	-	475.15	Number of Index units	-	301.86
Sub total (vi)			475.15			301.86
Total Derivative Financial Instruments			575.20			609.82

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



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

26 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 2022						
Particulars	Notional		Fair value of asset	Notional		Fair value of liability
	Unit	Notional amount*		Unit	Notional amount*	
(I) Commodity linked derivatives						
-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
Sub total (i)			-			-
(II) Currency derivatives						
-Currency Futures	Number of currency units	1,90,00,000	21.68	Number of currency units	45,65,000	3.13
-Options purchased	Number of currency units	-	-	Number of currency units	-	-
-Options sold (written)	Number of currency units	-	-	Number of currency units	-	-
			21.68			3.13
Less: amounts offset			21.68			3.13
Sub total (ii)			-			-
(iii) Interest rate derivatives						
-Futures	Number of G-sec units	2,45,96,000	1.23	Number of G-sec units	-	-
			1.23			-
Less: amounts offset			1.23			-
Sub total (iii)			-			-
(iv) Equity linked derivatives						
-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	71.98	Number of shares	15,49,875	15.15
-Options sold (written)			119.68			54.24
Less: amounts offset			47.70			39.09
Sub total (iv)			71.98			15.15
(v) Index linked derivatives						
-Index Futures	Number of index units	35,750	39.38	Number of index units	13,450	0.42
-Options purchased	Number of index units	14,12,950	235.16	Number of index units	-	-
-Options sold (written)	Number of Index units	-	-	Number of index units	13,96,050	345.40
			274.54			345.81
Less: amounts offset			39.38			33.13
Sub total (v)			235.16			312.68
(vi) Embedded derivatives						
- In market linked debentures	Number of Index units	-	20.80	Number of index units	-	1,068.47
Sub total (vi)			20.80			1,068.47
Total Derivative Financial Instruments			327.94			1,396.30

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



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

(Currency: Indian rupees in millions)

26 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	683.04	107.84	575.20

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	672.80	62.98	609.82

As at the reporting date, the amount of gross derivative assets & liabilities that has been offset against the cash margin is Rs.107.84 millions and Rs 62.98 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	437.93	109.99	327.94

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	1,471.66	75.36	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. 109.99 millions and Rs.75.36 millions respectively.



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

	As at 31 March 2023	As at 31 March 2022
27 Other financial assets		
<i>Unsecured, considered good</i>		
Margin placed with broker	357.64	67.83
Deposits- others	0.09	0.09
Others	342.48	-
Loans and advances to employees	0.66	-
Dividend receivable	-	0.07
Advances recoverable in cash or in kind or for value to be received	834.16	31.87
	1,535.03	99.86
28 Current tax assets (net)		
Advance income taxes (net off provision for tax)	118.28	109.93
	118.28	109.93
29 Other current assets		
<i>Unsecured, considered good</i>		
Input tax credit	214.71	205.12
Prepaid expenses	20.22	31.30
Other deposits	0.03	0.03
Vendor advances	31.03	32.34
Advances recoverable in cash or in kind or for value to be received	0.12	17.08
Advances to employees	1.35	0.71
	267.46	286.58



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

	As at 31 March 2023	As at 31 March 2022
30 Equity share capital		
Authorised :		
5,20,50,000 (Previous year: 5,20,50,000) equity shares of Rs. 10 each	520.50	520.50
37,25,000 (Previous year: 37,25,000) preference shares of Rs. 10 each	37.25	37.25
12,50,000 (Previous year: 12,50,000) preference shares of Rs. 1 each	1.25	1.25
	<u>559.00</u>	<u>559.00</u>
Issued, subscribed and paid up:		
1,84,49,240 (Previous year: 1,84,49,240) equity shares of Rs. 10 each	<u>184.49</u>	<u>184.49</u>
	<u>184.49</u>	<u>184.49</u>
Non controlling Interest		
	<u>4,223.84</u>	<u>580.53</u>
	<u>4,223.84</u>	<u>580.53</u>

a. Movement in share capital :

	31 March 2023		31 March 2022	
	No. of shares	Amount	No. of shares	Amount
Outstanding at the beginning of the year	1,84,49,240	184.49	1,83,88,500	183.89
Shares issued during the year	-	-	60,740	0.60
Outstanding at the end of the year	<u>1,84,49,240</u>	<u>184.49</u>	<u>1,84,49,240</u>	<u>184.49</u>

b. Terms/rights attached to equity shares :

The Parent 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 Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent 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

	31 March 2023		31 March 2022	
	No. of shares	%	No. of shares	%
Edelweiss Financial Services Limited, the holding company and its nominees	1,84,49,240	100.00	1,84,49,240	100.00
	<u>1,84,49,240</u>	<u>100.00</u>	<u>1,84,49,240</u>	<u>100.00</u>

30.1 Instruments entirely equity in nature

	31 March 2023		31 March 2022	
	No of CCDs	Amount	No of CCDs	Amount
0.01% Compulsorily Convertible Debentures (CCDs) of Rs.1000 each.	96,00,000	9,600.00	96,00,000	9,600.00
	<u>96,00,000</u>	<u>9,600.00</u>	<u>96,00,000</u>	<u>9,600.00</u>

a. Movement in Instruments during the year :

	31 March 2023		31 March 2022	
	No of CCDs	Amount	No of CCDs	Amount
0.01% Compulsorily Convertible Debentures (CCDs)				
Outstanding at the beginning of the year	96,00,000	9,600.00	46,00,000	4,600.00
Issued during the year	-	-	50,00,000	5,000.00
Outstanding at the end of the year	<u>96,00,000</u>	<u>9,600.00</u>	<u>96,00,000</u>	<u>9,600.00</u>

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%

	31 March 2023		31 March 2022	
	No. of CCD's	%	No. of CCD's	%
Edelweiss Rural and Corporate Services Limited	66,00,000	68.75	66,00,000	68.75
Allium Finance Private Limited	10,00,000	10.42	10,00,000	10.42
Edel Finance Company Limited	20,00,000	20.83	20,00,000	20.83
	<u>96,00,000</u>	<u>100.00</u>	<u>96,00,000</u>	<u>100.00</u>



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

{Currency: Indian rupees in millions}

	As at 31 March 2023	As at 31 March 2022
31 Other equity		
Capital Reserve - Opening Balance	192.76	192.76
Add : Additions during the year	-	-
	<u>192.76</u>	<u>192.76</u>
Capital redemption reserve - Opening Balance	67.00	67.00
Add : Additions during the year	100.00	-
	<u>167.00</u>	<u>67.00</u>
Securities premium - Opening Balance	2,667.65	2,667.65
Add : Additions during the year	-	-
	<u>2,667.65</u>	<u>2,667.65</u>
Revaluation Reserves		
Opening Balance	305.56	325.61
Less: Transfer to Retained Earnings	(20.05)	(20.05)
	<u>285.51</u>	<u>305.56</u>
Special Reserve under Section 45-IC of the Reserve Bank of India Act, 1934 - Opening Balance	352.80	315.86
Add: Additions during the year	55.57	36.94
	<u>408.37</u>	<u>352.80</u>
Debenture redemption reserve - Opening Balance	1,119.25	1,119.25
Add: Additions during the year	(44.93)	-
	<u>1,074.32</u>	<u>1,119.25</u>
Deemed capital contribution - ESOP - Opening Balance	31.55	31.55
Add: Additions during the year	-	-
	<u>31.55</u>	<u>31.55</u>
Share capital pending allotment on account of merger - Opening Balance	-	0.61
Less: Shares allotted during the year	-	(0.61)
	<u>-</u>	<u>-</u>
Retained earnings - Opening Balance	(8,277.44)	(7,131.93)
Add: (Loss)/profit for the year	(152.72)	(1,112.52)
Add: Other comprehensive income for the year	1.26	(0.08)
Add: Transferred from revaluation reserve -OCI (net)	20.05	20.05
Add : Effect of stake changes	(105.09)	(1,037.97)
Less: Non controlling interest	103.33	1,002.56
Add : ESOP reversal on lapse of vesting period	6.56	19.37
	<u>(8,404.05)</u>	<u>(8,240.50)</u>
Amount available for appropriation		
Appropriations:		
Transfer to Special Reserve under Section 45-IC of the Reserve	55.57	36.94
Transfer to capital redemption reserve	100.00	-
Transfer from debenture redemption reserve	(44.93)	-
	<u>(8,514.69)</u>	<u>(8,277.44)</u>
	<u>(3,687.53)</u>	<u>(3,540.87)</u>



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

32 Borrowings**32 (a) Non current borrowings**

Particulars	31 March 2023	31 March 2022
Secured:		
Non-convertible debentures ¹	19,051.82	11,378.18
Unsecured:		
Non-convertible debentures	-	2,627.52
Term loans from related parties ⁴	2,050.00	2,050.00
Subordinated liabilities	2,116.83	2,079.44
Preference share capital	0.01	0.01
Total	23,218.66	18,135.15

32 (b) Lease liabilities

Particulars	31 March 2023	31 March 2022
Lease liabilities	18.31	8.91
Total	18.31	8.91

32 (c) Current borrowings

Particulars	31 March 2023	31 March 2022
Secured:		
Non-convertible debentures ¹	7,632.58	13,368.28
From other financial institutions ²	-	298.59
From banks ³	266.39	1,101.59
Bank Overdraft ⁵	355.76	374.11
Unsecured:		
Term Loans from from related parties ⁶	10,583.08	2,049.84
Subordinated Debt	73.77	73.75
Inter corporate deposits ⁷	99.52	15.60
Total	19,011.10	17,281.76

32 (d) Lease liabilities

Particulars	31 March 2023	31 March 2022
Lease liabilities	7.30	7.21
Total	7.30	7.21



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

32 Borrowings (continued)

Notes:-

- 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.
Debentures amounting to Rs. 889.88 millions (Previous year: Rs. 875.60 millions) are secured by way of pari passu charge on an immovable property and standard loan assets to the extent of 100% of the outstanding amount of the debentures, unless otherwise stated.
- Term loans from others are secured by way of hypothecation of receivables i.e. loans and advances
- Term loans from banks are secured by way of hypothecation of receivables i.e. loans and advances.
- At interest rate of 11.75% p.a. (Previous year interest rate of 11.75% p.a.)
- Bank overdraft is in nature of committed Cash Credit lines repayable on demand (Interest rate range, March-23: 7.95% - 11.55%, March-22: 7.95% - 11.55%)
- 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%	-	-	409.21	409.21
9.00 - 9.99%	-	-	483.17	483.17
Various (benchmark linked)	7,632.58	12,655.30	5,524.45	25,812.33
Total	7,632.58	12,655.30	6,416.83	26,704.71

Debt Securities as at 31 March 2022

Maturities	<1 years	1-3 years	> 3 years	Total
8.00 - 8.99%	1,233.79	-	409.21	1,643.00
9.00 - 9.99%	638.80	-	483.17	1,121.97
Various (benchmark linked)	11,439.45	9,965.35	3,371.94	24,776.74
Total	13,312.04	9,965.35	4,264.32	27,541.71

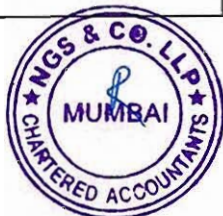
- Following is the repayment schedule of Subordinated Liabilities

Subordinated liabilities as at 31 March 2023

Maturities	<1 years	1-3 years	> 3 years	Total
0%	-	140.00	-	140.00
0.01%	-	-	0.01	0.01
9.00 - 9.99%	-	-	1,560.00	1,560.00
10.00 - 10.99%	-	-	250.00	250.00
Total	-	140.00	1,810.01	1,950.01

Subordinated liabilities as at 31 March 2022

Maturities	<1 years	1-3 years	> 3 years	Total
0%	-	-	140.00	140.00
0.01%	-	-	0.01	0.01
9.00 - 9.99%	-	-	1,560.00	1,560.00
10.00 - 10.99%	-	-	250.00	250.00
Total	-	-	1,950.01	1,950.01



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

	As at 31 March 2023	As at 31 March 2022
33 Other financial liabilities		
Rental deposits	123.83	64.43
Payable on account of securitisation/ assignments	425.20	27.46
	<u>549.03</u>	<u>91.89</u>
34 Provisions		
Provision for employee benefits		
Gratuity	43.77	22.29
Compensated leave absences	9.09	4.12
	<u>52.86</u>	<u>26.41</u>
35 Trade payables		
Trade payables from non-related parties	270.50	76.11
Trade payables from related parties	35.26	184.50
	<u>305.76</u>	<u>260.61</u>

Trade Payable Ageing:

As at 31 March 2023

Particulars	Outstanding for March 31, 2023 *				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.05	-	-	-	0.05
(ii) Others	299.24	1.09	1.04	4.34	305.71
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-
Total	299.29	1.09	1.04	4.34	305.76

As at 31 March 2022

Particulars	Outstanding for March 31, 2022 *				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	3.48	-	-	-	3.48
(ii) Others	251.80	1.22	2.72	1.39	257.13
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-
Total	255.28	1.22	2.72	1.39	260.61

* Unbilled amount is due for Rs. 106.05 million as at 31 March 2023 and Rs. 64.43 million as at 31 March 2022

35.1 Details of dues to micro and small enterprises

Trade payables includes Rs. 0.05 million (Previous year: Rs. 3.48 million) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid/is payable by the Group 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 consolidated financial statements (continued)

(Currency: Indian rupees in millions)

	As at 31 March 2023	As at 31 March 2022
36 Other financial liabilities		
Book overdraft	4.61	41.11
Debenture application monies received pending allotment	0.13	0.13
Payable to employees	50.63	46.42
Accrued salaries and benefits	790.69	241.63
Payable to exchange / clearing house (net)	-	84.72
Interest accrued on debt securities	0.86	0.39
Retention money payable	8.94	9.03
Provision for short sale	-	40.09
Payable on account of securitisation/ assignments	412.49	420.68
Advance received from customers	403.34	-
Unclaimed debentures	-	6.41
Other payables	276.03	145.94
	<u>1,947.72</u>	<u>1,036.55</u>
37 Other current liabilities		
Revenue received in advance	0.76	0.71
Payable to others	7.70	8.16
Advances from customers	8.03	11.35
Withholding taxes, Goods and service tax and other taxes payable	77.14	75.68
Others	0.38	1.16
	<u>94.01</u>	<u>97.06</u>
38 Provisions		
Gratuity	8.17	12.73
Provision for capex	16.37	0.14
Compensated absences	1.86	4.30
	<u>26.40</u>	<u>17.17</u>
39 Current tax liabilities (net)		
Provision for taxation (net off advance tax)	118.70	49.67
	<u>118.70</u>	<u>49.67</u>



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations		
40 Fee income		
Guarantee commission and advisory fee income from Group	0.13	0.06
Advisory and other fees	33.55	19.83
	<u>33.68</u>	<u>19.89</u>
40.1 Fee income		
Service transferred at a point in time	33.68	19.89
Service transferred over time	-	-
Total revenue from contract with customers	<u>33.68</u>	<u>19.89</u>
41 Net gain on fair value changes		
Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
(Loss)/profit on trading of securities (net)	(1,005.32)	(1,010.18)
Profit / (loss) on equity derivative instruments (net)	4,247.97	3,039.78
Profit on commodity derivative instruments (net)	(15.55)	17.17
Profit/(loss) on trading in currency derivative instruments (net)	(78.91)	69.79
Profit/(loss) on interest rate derivative instruments (net)	37.70	(30.40)
(ii) On financial instruments designated at fair value through profit or loss		
Profit/(loss) on sale of long term investment	705.37	77.77
Gain / (loss) on Security Receipts	(86.34)	-
Income distribution from Fund	222.17	437.41
Share of (loss) /profit in partnership firm	(0.07)	4.19
	<u>4,027.02</u>	<u>2,605.53</u>
Fair value changes:		
Realised gain	3,500.53	1,908.22
Unrealised (loss)/gain	526.49	697.30
Total net gain on fair value changes	<u>4,027.02</u>	<u>2,605.52</u>
42 Dividend income		
Dividend on stock in trade	8.58	12.27
Dividend on long term investment	0.54	-
	<u>9.12</u>	<u>12.27</u>



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

43 Interest income

	For the year ended 31 March 2023			For the year ended 31 March 2022		
	On financial assets			On financial assets		
Particulars	measured at amortised cost	classified at fair value through profit or loss	Total	measured at amortised cost	classified at fair value through profit or loss	Total
Interest on loans	1,777.68	-	1,777.68	1,977.58	-	1,977.58
Interest income from investments	128.25	75.63	203.88	143.79	-	143.79
Interest on deposits with banks	12.58	-	12.58	39.03	-	39.03
Interest on margin with brokers	3.49	-	3.49	2.55	-	2.55
Interest income on debt instruments	0.05	901.30	901.35	-	1,998.86	1,998.86
Other interest income	67.32	-	67.32	41.31	-	41.31
Total	1,989.37	976.93	2,966.30	2,204.26	1,998.86	4,203.12

44 Rental income

Rental income

For the year ended 31 March 2023 For the year ended 31 March 2022

167.87	120.03
<u>167.87</u>	<u>120.03</u>

44.1 The Group recovered rent from the holding company, subsidiaries, fellow subsidiaries and other external parties for occupying office premises in the Group's building.

44 (a) Other operating revenue

Income from Training Centre

62.30	23.32
<u>62.30</u>	<u>23.32</u>

45 Other income

Profit on sale of fixed assets (net)
Liabilities written back
Interest on income tax refund
Miscellaneous income

0.03	0.15
(0.05)	0.90
10.73	33.30
<u>20.91</u>	<u>35.46</u>
<u>31.62</u>	<u>69.81</u>



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

For the year ended 31 March 2023	For the year ended 31 March 2022
-------------------------------------	-------------------------------------

46 Employee benefit expenses

Salaries and wages	1,277.45	585.44
Contribution to provident and other funds	31.86	21.37
Expense on employee stock option scheme (ESOP)	3.34	5.96
Expense on Employee Stock Appreciation Rights	10.12	5.90
Staff welfare expenses	43.68	13.38
	<u>1,366.45</u>	<u>632.05</u>

46.1 Employee stock option plans

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



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

47 Finance costs

Particulars	For the year ended 31 March 2023			For the year ended 31 March 2022		
	On Financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	Total	On Financial liabilities measured at fair value through profit or loss	On financial liabilities measured at amortised cost	Total
Interest on deposits	-	46.28	46.28	-	2.64	2.64
Interest on borrowings	-	1,274.75	1,274.75	-	2,238.11	2,238.11
Interest on debt securities	-	2,200.61	2,200.61	-	1,970.39	1,970.39
Interest on subordinated liabilities	-	205.42	205.42	-	205.12	205.12
Interest on SLBM trades	-	4.34	4.34	-	4.49	4.49
Financial and bank charges	-	817.94	817.94	-	550.29	550.29
Interest expense - lease liability	-	1.93	1.93	-	11.34	11.34
Other interest expense	-	6.53	6.53	-	26.53	26.53
Total	-	4,557.80	4,557.80	-	5,008.91	5,008.91

48 Impairment loss on financial instruments

Particulars	For the year ended 31 March 2023			For the year ended 31 March 2022		
	On financial instruments measured at fair value through profit and loss	On financial instruments measured at amortised cost	Total	On financial instruments measured at fair value through profit and loss	On financial instruments measured at amortised cost	Total
Loans	-	(25.91)	(25.91)	-	418.77	418.77
Trade receivables	-	6.07	6.07	-	(12.98)	(12.98)
Investments	3.65	-	3.65	(140.16)	-	(140.16)
Total	3.65	(19.84)	(16.19)	(140.16)	405.79	265.63



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

	For the year ended 31 March 2023	For the year ended 31 March 2022
49 Other expenses		
Advertisement and business promotion	19.92	285.72
Auditors' remuneration (refer note below)	7.92	6.96
Commission and brokerage	258.06	57.56
Communication	4.21	6.91
Computer expenses	118.70	82.82
Computer software	8.66	17.17
Clearing and custodian charges	66.56	252.93
Dematerialisation charges	0.25	0.29
Directors' sitting fees	1.76	0.86
Corporate social responsibility-donation	4.50	7.00
Electricity charges	14.52	16.23
Foreign exchange loss (net)	0.18	0.09
Housekeeping and security charges	15.17	21.67
Insurance	2.00	1.17
Legal and professional fees	328.47	294.98
Loss on sale of of fixed assets	0.16	0.61
Membership and subscription	83.85	13.73
Office expenses	65.83	54.54
Postage and courier	0.13	0.97
Printing and stationery	1.16	1.27
Rates and taxes	28.04	4.32
Rating support fees	-	0.08
Rent	30.66	18.62
Repairs and maintenance	34.20	22.45
ROC expenses	0.03	0.07
Securities transaction tax	182.99	338.56
Seminar and conference	0.05	-
Goods and service tax expenses	216.09	112.53
Stamp duty	39.01	35.31
Stock exchange expenses	159.69	25.80
Trusteeship fees	0.12	0.24
Transportation charges	0.14	0.07
Travelling and conveyance	16.84	8.46
Management fees	1.13	-
Miscellaneous expenses	3.45	132.25
Training centre expenses (Fountainhead)	10.11	9.24
	1,724.56	1,831.48
49.1 Auditors' remuneration:		
As Auditors	7.14	5.82
Others	0.67	1.12
Towards reimbursement of expenses	0.11	0.02
	7.92	6.96



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

49.2 Other expenses

(a) Foreign currency transaction

The Group has incurred an amount of Rs. 12.88 millions (Previous year: Rs. 6.48 millions) in foreign currency. Earnings in foreign exchange is Rs Nil millions (Previous year: Rs. 0.001 millions).

(b) Operating leases

Lease disclosure

Particulars	31 March 2023	31 March 2022
Right-of-use assets	23.92	13.05
Lease liability	25.62	16.11
Depreciation on ROU of building	8.20	28.02
Interest cost	1.93	11.34
Reversal of lease pre-closure	(1.04)	(7.22)
Total cash outflows for leases	9.85	27.67

(c) 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 Group. This cost so expended is reimbursed by the Group on the basis of number of employees, area occupied, actual identifications, etc. On the same lines, costs like rent, electricity charges incurred by the Group for the benefit of fellow subsidiaries and associate companies are recovered as reimbursement by the Group 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.



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

49.2 Other expenses (continued)

(d) Corporate social responsibility (CSR)

As per the provisions of Section 135 of the Companies Act, 2013,

(i) Gross amount required to be spent by the Group during the year was Rs. 4.50 millions (Previous year: Rs. 7.00 millions)

(ii) Amount spent during the year ended 31 March 2023 on:

Particulars	In cash	Yet to be paid in cash	Total
Constructions/acquisition of any assets	Nil	Nil	Nil
On purpose other than (i) above	Rs. 4.5 millions	Nil	Rs. 4.5 millions

Amount spent during the year ended 31 March 2022 on:

Particulars	In cash	Yet to be paid in cash	Total
Constructions/acquisition of any assets	Nil	Nil	Nil
On purpose other than (i) above	Rs. 7 millions	Nil	Rs. 7 millions



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

50 Segment reporting

The Group'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
Agency business	Broking and referral services
Training and Leadership Centre	Income from Training centre
Treasury business	Income from treasury operations, income from investments, interest income on debt instruments and dividend income
Financing business	Wholesale and retail financing

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 Group are primarily concentrated in India, the Group 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
Segment revenue		
I a) Capital based business	1,549.25	777.05
b) Agency business	2.15	4.17
c) Training and Leadership centre (Fountain head)	62.29	23.70
d) Treasury business	4,392.78	4,443.42
e) Financing business	1,276.49	1,773.80
f) Unallocated	18.25	33.30
Total	7,301.21	7,055.44
Less : Inter segment revenue	-	-
Total income	7,301.21	7,055.44
II Segment results		
a) Capital based business	(1,756.13)	(2,282.45)
b) Agency business	(2.43)	18.69
c) Training and Leadership centre (Fountain head)	(41.79)	(86.07)
d) Treasury business	1,123.14	1,261.97
e) Financing business	351.20	254.01
f) Unallocated	(112.02)	32.75
Total	(438.03)	(801.10)
Share of profit in associates	-	-
Profit before taxation	(438.03)	(801.10)
Less : Provision for taxation	(285.31)	311.42
Profit after taxation	(152.72)	(1,112.52)
III Segment assets		
a) Capital based business	15,294.06	14,619.85
b) Agency business	0.05	0.49
c) Training and Leadership centre (Fountain head)	491.03	530.94
d) Treasury business	27,011.47	15,623.95
e) Financing business	10,044.90	12,642.62
f) Unallocated	3,438.96	1,814.99
Total	56,280.47	45,232.84
IV Segment liabilities		
a) Capital based business	26,831.87	17,312.29
b) Agency business	0.89	1.03
c) Training and Leadership centre (Fountain head)	41.95	26.14
d) Treasury business	14,021.25	13,458.01
e) Financing business	4,960.76	7,555.31
f) Unallocated	102.95	55.91
Total	45,959.67	38,408.69



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

50 Segment reporting (continued)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
V Capital expenditure (Including capital work-in-progress)		
a) Capital based business	2.45	6.22
b) Agency business	0.00	0.03
c) Training and Leadership centre (Fountain head)	38.50	2.59
d) Treasury business	46.10	37.65
e) Financing business	131.84	38.09
Total	218.89	84.58
VI Depreciation and amortisation		
a) Capital based business	42.22	44.48
b) Agency business	0.01	0.00
c) Training and Leadership centre (Fountain head)	31.16	31.76
d) Treasury business	22.67	7.56
e) Financing business	10.56	34.67
Total	106.62	118.47
VII Significant non-cash expenses other than depreciation and amortisation		
a) Capital based business	165.72	308.44
b) Agency business	4.28	(14.47)
c) Training and Leadership centre (Fountain head)	0.27	0.12
d) Treasury business	11.28	94.71
Total	181.55	388.80



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

51 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)
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 Ecap Securities and 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) Edelweiss Securities And Investments Private Limited Edelweiss Global Wealth Management Limited Edelweiss Value and Growth Fund Edelweiss Private Equity Tech fund (from 01-Oct-22) Edelweiss Gallagher Insurance Brokers Limited (upto 17-Oct-2021)
Enterprises over which control is exercised by the holding company	EARC TRUST SC 452 EARC Trust - SC 385 EARC Trust - SC 416 EARC Trust - SC 417 EARC Trust - SC 373 EARC Trust - SC 374 EARC Trust - SC 378 EARC Trust - SC 251 EARC Trust - SC 384 EARC Trust - SC 461
Associates (upto 30-Mar-23) (with whom transactions have taken place)	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited) Nuvama Asset Management Limited (formerly ESL Securities Limited) Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited) Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited) Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)
Name of related parties over whom significant influence is exercised	Edelweiss Multi Strategy Fund Advisors LLP India Credit Investment Fund II
Key Management 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)



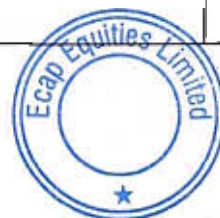
ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

51 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
	Capital account transactions during the year			
1	Capital call	ECL Finance Limited Edelweiss Alternative Asset Advisors Limited	3,828.72 20.69	- -
2	Investment in units of fund	Edelweiss Value and Growth Fund India Credit Investment Fund II	- 2,172.71	7.78 238.32
3	Investment in preference shares of	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	Edel Investments Limited	750.00	-
6	Issue of compulsorily convertible debentures to	Edelweiss Rural & Corporate Services Limited Allium Finance Private Limited Edel Finance Company Limited	- - -	2,000.00 1,000.00 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	Sale Investment in Preference share capital	Edel Investments Limited	-	750.00
10	Redemption of preference shares of	Edel Investments Limited Edelweiss Rural & Corporate Services Limited	2,940.00 1,000.00	4,543.00 -
11	Purchase of units of funds from	Edelweiss Global Wealth Management Limited Edelweiss Rural & Corporate Services Limited	206.23 1,671.49	- -
12	Redemption of units of AIF	India Credit Investment Fund II Edelweiss Value and Growth Fund	771.52 -	150.59 93.20
13	Sale of units of funds to	ECL Finance Limited Edelweiss Asset Management Limited Edelweiss Securities And Investments Private Limited Edelweiss Alternative Asset Advisors Limited	747.37 - - 246.37	839.49 128.27 200.13 -
14	Sale of loans to	Edelweiss Asset Reconstruction Company Limited Edelweiss Investment Adviser Limited	- -	178.86 1,594.00
15	Sale of preference shares to	Edel Investments Limited ECL Finance Limited	- 81.67	1,593.00 -
16	Sale of debt instruments to	ECL Finance Limited Edel Finance Company Limited	1,990.90 492.28	- -
17	Acquisition of Investment	ECL Finance Limited	5,062.75	-
18	Purchase of Investment	EARC TRUST SC 452	7,334.70	-
	Current account transactions during the year			
19	Short term loans taken from	Edelweiss Rural & Corporate Services Limited ECL Finance Limited Edelweiss Financial Services Limited Edel Finance Company Limited Nido Home Finance Limited	10,060.15 7,730.00 12,076.22 7,154.65 3,600.00	1,00,589.42 879.16 7,619.20 5,791.06 6,500.00
20	Long term loans taken from	Edelweiss Financial Services Limited	-	2,050.00



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

51 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
21	Short term loans repaid to	Edelweiss Rural & Corporate Services Limited	10,459.33	97,896.92
		ECL Finance Limited	5,130.00	879.16
		Edelweiss Financial Services Limited	6,988.04	8,403.16
		Allium Finance Private Limited	-	2.90
		Nido Home Finance Limited	3,000.00	6,500.00
		Edel Finance Company Limited	5,793.95	12,594.10
22	Short term loans given to	Edelweiss Rural & Corporate Services Limited	7,463.15	48,583.30
		Edelweiss Investment Adviser Limited	-	224.08
		Edelweiss Securities And Investments Private Limited	1,134.13	200.00
		Edelweiss Financial Services Limited	-	152.15
		ECL Finance Limited	4,440.00	8,940.00
		Nido Home Finance Limited	-	750.00
		ECap Securities and Investments Limited	1,275.06	2,895.67
		Edel Finance Company Limited	1,400.00	-
23	Short term loans repaid by	Edelweiss Rural & Corporate Services Limited	10,417.51	29,233.43
		Edelweiss Investment Adviser Limited	112.56	112.04
		Edelweiss Securities And Investments Private Limited	1,134.13	200.00
		Edel Finance Company Limited	1,400.00	-
		Edelweiss Financial Services Limited	-	1,304.30
		ECL Finance Limited	4,520.00	10,860.00
		Nido Home Finance Limited	-	750.00
		ECap Securities and Investments Limited	4,170.73	-
24	Loan portfolio sold under direct assignment	ECL Finance Limited	811.61	-
25	Margins placed with	Nuvama Clearing Services Limited	62,632.65	55,944.95
		Nuvama Wealth and Investment Limited	-	480.01
		Edel Investments Limited	448.91	305.48
26	Margins withdrawn from	Nuvama Clearing Services Limited	62,158.57	56,694.80
		Edel Investments Limited	448.97	306.64
		Nuvama Wealth and Investment Limited	-	479.48
27	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	-
28	Security deposits placed received back	Edelweiss Rural & Corporate Services Limited	-	100.00
29	Security deposits accepted returned to	Edelweiss Tokio Life Insurance Company Limited	-	29.17
		Nido Home Finance Limited	-	80.00
		ECL Finance Limited	-	100.00
30	Amount paid to broker for Cash segment	Nuvama Wealth Management Limited	-	45,961.60
		Edel Investments Limited	58,046.44	13,188.43
31	Amount received from broker for Cash segment	Nuvama Wealth Management Limited	138.26	47,866.88
		Edel Investments Limited	56,478.40	14,577.98
32	Purchase of debt securities from	Edel Finance Company Limited	1,115.00	-
		Edelweiss Rural & Corporate Services Limited	5,873.85	-
		Edelweiss Asset Reconstruction Company Limited	-	3.32
		Edel Investments Limited	1,203.98	2,231.78
		Edelweiss Securities And Investments Private Limited	-	1,655.20
		Edelweiss Asset Management Limited	-	1,806.89
		Edelweiss Investment Adviser Limited	76.91	312.92



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

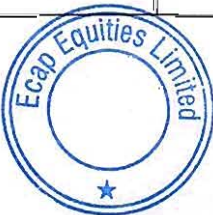
51 ii. Transactions with related parties (continued)

Sr. No.	Nature of transaction	Related party name	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
33	Sale of debt securities to	ECL Finance Limited	1,339.11	240.79
		Edel Finance Company Limited	476.64	3,292.35
		Nuvama Wealth Finance Limited	-	2,926.38
		Edelweiss Asset Reconstruction Company Limited	-	111.39
		Edel Investments Limited	-	3,005.32
		Edelweiss Securities And Investments Private Limited	-	1,650.20
		Edelweiss Investment Adviser Limited	157.00	1,211.00
		Edelweiss Rural & Corporate Services Limited	-	2,750.00
		Edelweiss Asset Management Limited	-	5.57
		Edelweiss Tokio Life Insurance Company Limited	1,153.89	-
		ZUNO General Insurance Limited	96.90	-
34	Redemption of nifty link debentures - (SIT)	Edelweiss Asset Reconstruction Company Limited	25.26	2,836.51
		Edel Finance Company Limited	3,077.38	1,026.38
		Nuvama Wealth Finance Limited	167.09	214.24
35	Redemption of Non-convertible debentures - (SIT)	Edelweiss Asset Reconstruction Company Limited	157.10	75.58
		Edelweiss Rural & Corporate Services Limited	4,795.66	-
		ECL Finance Limited	40.02	-
36	Redemption of Non-convertible debentures held by	Edel Investments Limited	1,120.17	-
		Edelweiss Investment Adviser Limited	375.45	-
		ECL Finance Limited	12.51	-
		Edelweiss Rural & Corporate Services Limited	7.66	-
37	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	-
38	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
39	Issue of non-convertible debentures to	Edelweiss Rural & Corporate Services Limited	-	2,750.00
40	Investment in Security Receipts issued by	ECL Finance Limited	4,166.40	-
41	Sale of Security Receipts	EARC Trust - SC 385	61.63	-
		EARC Trust - SC 416	52.65	-
		EARC Trust - SC 417	111.46	-
		India Credit Investment Fund II	4,252.20	-
42	Sale of securities	Nuvama Wealth Finance Limited	5.69	-
		ECL Finance Limited	178.13	-
43	Securities purchased from	Nido Home Finance Limited	-	378.65
44	Rent income from	Nido Home Finance Limited	19.11	1.80
		Edelweiss Asset Management Limited	0.21	-
		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	-
45	Interest income on preference shares of	Edelweiss Rural & Corporate Services Limited	110.17	103.50



51 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
46	Interest income on margins placed with	Nuvama Clearing Services Limited	3.49	2.55
47	Interest income on debt instrument of	Edel Finance Company Limited	145.93	275.16
		ECL Finance Limited	39.32	51.72
		Nuvama Wealth Finance Limited	-	20.83
		Edelweiss Rural & Corporate Services Limited	553.91	474.81
		Edelweiss Asset Reconstruction Company Limited	172.33	996.37
		Edelweiss Financial Services Limited	40.72	1.21
		Nido Home Finance Limited	1.00	0.81
48	Interest income on compulsorily convertible debentures of	Edel Investments Limited	0.00	-
48	Interest expenses on debt instrument of	Edelweiss Rural & Corporate Services Limited	16.10	863.06
		Edel Finance Company Limited	6.88	-
		ECL Finance Limited	1.53	-
		Edelweiss Investment Adviser Limited	36.90	3.50
		Edel Investments Limited	168.36	54.13
49	Interest Expenses on Sub-debt	Edelweiss Tokio Life Insurance Company Limited	33.87	30.46
50	Interest expense on compulsorily convertible debentures issued to	Edelweiss Rural & Corporate Services Limited	0.66	2.10
		Allium Finance Private Limited	0.10	0.03
		Edel Finance Company Limited	0.20	6.94
		ECL Finance Limited	-	1.56
		Nuvama Wealth Finance Limited	-	0.00
51	Service charges received	Nido Home Finance Limited	0.74	1.49
52	Management Fees received from	Edelweiss Financial Services Limited	-	29.17
53	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
		ECap Securities and Investments Limited	-	1.11
		Nido Home Finance Limited	-	2.68
		ECL Finance Limited	9.97	128.96
		Edelweiss Rural & Corporate Services Limited	200.89	505.81
		Edelweiss Financial Services Limited	-	1.99
		ECap Securities and Investments Limited	349.47	-
54	Reimbursement of ARC management fee from	Edelweiss Financial Services Limited	11.66	-
55	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	0.18
		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	1.81	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
		Edelgive foundation	-	0.00
		Edel Finance Company Limited	0.02	-
		ZUNO General Insurance Limited	2.04	1.02
		Nuvama Asset Management Limited	0.00	0.00
		Edelweiss Capital Services Limited	-	0.00



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

51 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
56	Interest expense on loans taken from	Edelweiss Rural & Corporate Services Limited	103.38	1,202.11
		ECL Finance Limited	114.83	1.29
		Edelweiss Financial Services Limited	538.81	493.50
		Allium Finance Private Limited	-	0.34
		Edel Finance Company Limited	245.21	194.76
		Nido Home Finance Limited	80.75	19.32
57	Interest expense on security deposits accepted from	ECL Finance Limited	-	11.74
		Nido Home Finance Limited	-	9.39
58	Reimbursements paid to	Edelweiss Rural & Corporate Services Limited	0.00	0.24
59	Cost reimbursements paid to	Edelweiss Financial Services Limited	2.12	12.57
		Nuvama Wealth Management Limited	0.94	2.36
		Edelweiss Rural & Corporate Services Limited	93.76	92.51
		ECL Finance Limited	0.51	2.43
		Edelweiss Alternative Asset Advisors Limited	1.53	1.61
		Nuvama Wealth and Investment Limited	0.01	0.07
		Nuvama Clearing Services Limited	-	-
		Edel Investments Limited	13.46	7.39
		Nuvama Asset Management Limited	7.70	-
		Nuvama Wealth Finance Limited	0.02	-
		Nido Home Finance Limited	2.60	-
60	Referral fees paid to	Nuvama Wealth and Investment Limited	189.15	51.67
		Nuvama Wealth Management Limited	0.30	-
61	Management Fees paid to	Edelweiss Asset Reconstruction Company Limited	3.94	19.68
		Edelweiss Alternative Asset Advisors Limited	49.23	49.72
62	Trusteeship fees paid to	Vistra ITCL India Limited	0.12	0.24
63	Share of loss in partnership firm	Edelweiss Multi Strategy Fund Advisors LLP	0.07	-
64	Share of profit in partnership firm	Edelweiss Multi Strategy Fund Advisors LLP	-	4.19
65	Rent paid to	Edelweiss Rural & Corporate Services Limited	4.82	2.28
		ECL Finance Limited	17.94	-
		Nuvama Wealth and Investment Limited	-	0.28
66	Clearing charges paid to	Nuvama Clearing Services Limited	46.21	37.91
67	Trade Exposure Charges	Nuvama Clearing Services Limited	-	176.40
68	Infrastructure service charges paid to	Nuvama Clearing Services Limited	10.00	-
69	Shared Premises Cost received from (net)	Edelweiss Asset Management Limited	-	0.18
		ECL Finance Limited	-	0.90
		Nido Home Finance Limited	-	8.66
		Edelweiss Rural & Corporate Services Limited	-	0.10
70	Enterprise service charge paid to	Edelweiss Rural & Corporate Services Limited	-	0.63
71	Brokerage paid to	Edel Investments Limited	49.24	28.42
		Nuvama Wealth and Investment Limited	0.06	2.07
		Nuvama Wealth Management Limited	0.03	15.66
72	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	-



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

51 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
73	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
74	Rating support fees paid to	Edelweiss Rural & Corporate Services Limited	-	0.08
75	Advisory fees paid to	Nido Home Finance Limited	-	4.30
76	Corporate Guarantee support fee paid to	Edelweiss Financial Services Limited	2.10	7.57
		Edelweiss Rural & Corporate Services Limited	0.00	0.00
77	Professional fees paid to	ECL Finance Limited	149.50	98.74
		Edelweiss Rural & Corporate Services Limited	0.78	-
78	Guarantee commission income from	Nido Home Finance Limited	0.03	0.03
		ECL Finance Limited	0.02	0.02
		Edelweiss Investment Adviser Limited	0.07	-
79	Research fees paid	Nuvama Wealth and Investment Limited	36.00	-
		Nuvama Wealth Management Limited	34.50	-
80	Risk & Reward Fees on Security Receipt sale paid	Edelweiss Financial Services Limited	-	0.86
81	ESOP expenses paid	Edelweiss Financial Services Limited	26.24	5.48
82	Enterprise Service charge paid to	Edelweiss Rural & Corporate Services Limited	0.76	-
83	Service Fee paid to	ECL Finance Limited	0.46	-
82	Advisory Fees Income	Edelweiss International (Singapore) Pte Limited	-	0.00
83	Donation Exps	EdelGive Foundation	4.50	7.00
84	Consultancy & other Advisory fees paid to	Edelweiss Alternative Asset Advisors Limited	1.53	-
		Edelweiss Rural and Corporate Services Limited	2.06	-
85	Sale of Fixed Asset to	ECL Finance Limited	-	0.01
		Edelweiss Asset Management Limited	-	0.00
		Nuvama Wealth and Investment Limited	-	0.02
		Nuvama Wealth Management Limited	0.00	7.50
		Edelweiss Rural & Corporate Services Limited	0.31	0.06
		Edel Investments Limited	0.86	0.29
		Comtrade Commodities Services Limited	-	0.00
		Nido Home Finance Limited	0.13	0.30
86	Purchase of Fixed Asset from	Edelweiss Rural & Corporate Services Limited	1.81	0.14
		Nuvama Wealth Management Limited	0.43	0.01
		Nuvama Wealth and Investment Limited	0.00	-
		Nuvama Wealth Finance Limited	0.00	0.43
		Edelweiss Financial Services Limited	0.00	0.00
		ECL Finance Limited	0.07	0.02
		Edelweiss Gallagher Insurance Brokers Limited	-	0.00
		Nuvama Clearing Services Limited	0.00	0.04
		Edel Investments Limited	0.61	0.00



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

51 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
87	Income from Training Centre	ECL Finance Limited	0.16	0.35
		Edelweiss Asset Management Limited	0.39	0.02
		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
		Nuvama Wealth and Investment Limited	0.84	0.24
		Nido Home Finance Limited	0.25	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	-
88	Remuneration paid to	Mayank Toshniwal	5.07	-
		Ritesh Jain	3.19	-
		Swadesh Agrawal	5.63	-
		Deepak Puligadda	1.17	10.97
		Rujan Panjwani	2.64	-
		Vinitha Singh	0.76	1.38
89	Director Sitting fees	Bharat Bakshi	0.35	-
		Sunil Phatarphekar	0.44	0.22
		Vinod Juneja	0.95	0.26



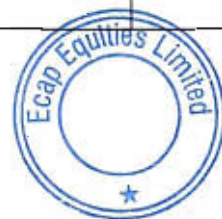
ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

51 ii. Transactions with related parties (continued)

Sr. No.	Nature of transaction	Related party name	As at 31 March 2023	As at 31 March 2022
	Balances with related parties			
90	Short term loans given to (refer note below)	Edelweiss Investment Adviser Limited	-	112.56
		ECL Finance Limited	-	80.00
		Edelweiss Rural & Corporate Services Limited	1,460.10	4,414.46
		ECap Securities and Investments Limited	-	2,895.67
91	Short term loans taken from (refer note below)	ECL Finance Limited	2,600.00	-
		Edelweiss Rural & Corporate Services Limited	-	399.18
		Nido Home Finance Limited	600.00	-
		Edel Finance Company Limited	2,198.58	1,476.65
		Edelweiss Financial Services Limited	5,094.22	6.04
92	Long term loans taken from (refer note below)	Edelweiss Financial Services Limited	2,050.00	2,050.00
93	Stock in trade - debentures and bonds	ECL Finance Limited	123.62	761.62
		Edel Finance Company Limited	2,244.29	81.88
		Edelweiss Asset Reconstruction Company Limited	210.43	1,287.14
		Edelweiss Rural & Corporate Services Limited	5,748.81	4,135.16
		Nuvama Wealth Finance Limited	-	1.77
		Edelweiss Financial Services Limited	487.78	51.99
		Nido Home Finance Limited	21.28	-
94	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
95	Non-convertible debentures held by	Edel Investments Limited	-	1,764.00
		Edelweiss Rural & Corporate Services Limited	10.31	517.92
		Edelweiss Investment Adviser Limited	-	285.00
		Nuvama Wealth Finance Limited	-	0.13
		ECL Finance Limited	4.93	17.44
96	Subordinated debenture (Face Value) held by	Edelweiss Tokio Life Insurance Company Limited	140.00	140.00
97	Perpetual debenture (Face Value) held by	Edel Finance Company Limited	71.00	71.00
98	Loan portfolio sold under direct assignment	Nido Home Finance Limited	-	282.82
99	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
100	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
101	Subordinated liabilities	Edelweiss Financial Services Limited	0.01	0.01
102	Trade payables to	Nuvama Wealth Management Limited	-	7.53
		Edel Investments Limited	1.27	0.10
		Edelweiss Financial Services Limited	0.60	2.13
		Edelweiss Rural & Corporate Services Limited	21.20	9.16
		Edelweiss Alternative Asset Advisors Limited	4.42	4.28
		Nuvama Wealth and Investment Limited	-	151.02
		Edelweiss Asset Reconstruction Company Limited	0.08	-
		Nuvama Clearing Services Limited	-	0.73
		Nido Home Finance Limited	0.99	3.70
		ECL Finance Limited	7.72	5.50



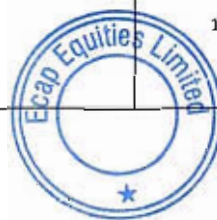
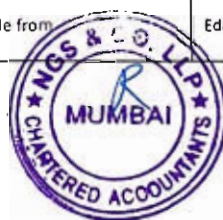
ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

51 ii. Transactions with related parties (continued)

Sr. No.	Nature of transaction	Related party name	As at 31 March 2023	As at 31 March 2022
103	Other payable to	Edelweiss Financial Services Limited	14.37	2.75
		Edel Investments Limited	0.01	20.51
		Edelweiss Rural & Corporate Services Limited	156.76	0.21
		Ecap Securities and Investments Limited	0.19	-
		ECL Finance Limited	-	0.72
		Edelweiss Alternative Asset Advisors Limited	1.01	-
		Nido Home Finance Limited	-	0.08
104	Other receivable from	Edelweiss International (Singapore) Pte Limited	0.01	0.01
		ECL Finance Limited	0.17	2.83
		Edel Finance Company Limited	0.00	-
		Edelweiss Rural & Corporate Services Limited	0.62	0.19
		Edelweiss Financial Services Limited	7.90	4.59
		ZUNO General Insurance Limited	-	-
		Ecap Securities and Investments Limited	-	16.42
		Nuvama Wealth Management Limited	-	-
		Edelweiss Alternative Asset Advisors Pte Limited	-	-
		Edel Investments Limited	13.63	0.66
		Edelweiss Global Wealth Management Limited	-	0.29
105	Payable to clearing house	Nuvama Clearing Services Limited	-	190.92
		Edel Investments Limited	20.00	-
106	Accrued interest income on debt instrument	Edelweiss Rural & Corporate Services Limited	-	4.62
107	Interest accrued on loan given to	ECL Finance Limited	-	32.69
		Edelweiss Rural & Corporate Services Limited	-	20.88
		Nido Home Finance Limited	-	1.87
108	Interest payable on loans taken from	Edelweiss Rural & Corporate Services Limited	0.17	127.93
		Edelweiss Financial Services Limited	56.99	30.59
		Edel Finance Company Limited	23.49	9.45
		Nido Home Finance Limited	8.39	-
		ECL Finance Limited	1.24	-
109	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
110	Interest payable on non-convertible debentures held by	Edel Investments Limited	-	54.34
		Edelweiss Rural & Corporate Services Limited	0.03	15.40
		Edelweiss Investment Adviser Limited	-	8.78
		ECL Finance Limited	0.34	-
111	Interest payable on Perpetual debentures held by	Edel Finance Company Limited	1.84	-
112	Interest accrued on Subordinated debentures held by	Edelweiss Tokio Life Insurance Company Limited	189.20	155.34
113	Investments in equity shares of	Edelweiss Asset Reconstruction Company Limited	1,274.09	1,274.09
114	Investments in preference shares of	Edel Investments Limited	-	2,940.00
		Edelweiss Rural & Corporate Services Limited	406.68	1,296.51
		Allium Finance Private Limited	123.88	123.88
115	Investments in venture funds of	Edelweiss Value and Growth Fund	409.09	242.25
		Edelweiss Private Equity Tech fund	308.20	-
		India Credit Investment Fund II	2,024.35	1,598.14
116	Investment in partnership firm	Edelweiss Multi Strategy Fund Advisors LLP	0.05	0.05
117	Investment in debt instruments of	ECL Finance Limited	-	398.96
		Edelweiss Rural & Corporate Services Limited	-	350.53
		Edel Finance Company Limited	1,767.16	-
118	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 consolidated financial statements (continued)

(Currency: Indian rupees in millions)

51 ii. Transactions with related parties (continued)

Sr. No.	Nature of transaction	Related party name	As at 31 March 2023	As at 31 March 2022
119	Investment in compulsorily convertible debentures of	Edel Investments Limited	750.00	-
120	Trade receivables from	Nido Home Finance Limited	5.16	7.65
		ECL Finance Limited	9.31	45.41
		Edelweiss Asset Reconstruction Company Limited	-	0.02
		ZUNO General Insurance Limited	6.23	0.33
		Nuvama Clearing Services Limited	-	7.18
		Edelweiss Tokio Life Insurance Company Limited	1.03	0.53
		Edelgive foundation	0.00	0.00
		Edelweiss Investment Adviser Limited	0.08	-
		Edel Investments Limited	33.94	223.65
		Edelweiss Asset Management Limited	0.04	0.02
		Edelweiss Financial Services Limited	23.14	7.29
		Edelweiss Rural & Corporate Services Limited	2.34	0.01
		Nuvama Wealth and Investment Limited	-	0.01
		Nuvama Wealth Finance Limited	-	0.00
121	Unitholder Fund	ECL Finance Limited	3,828.72	-
		Edelweiss Alternative Asset Advisors Limited	20.69	-
122	Cost of Investments	EARC TRUST SC - 251	1,200.00	-
		EARC TRUST SC - 384	2,830.00	-
		EARC TRUST SC - 452	7,334.70	-
		EARC TRUST SC - 461	1,032.75	-
123	Non convertible debentures (Face Value) held in	ECL Finance Limited	21.62	36.37
		Nido Home Finance Limited	1.80	7.47
		Edel Finance Company Limited	140.00	-
124	Interest accrued on Non convertible debentures held by	Edelweiss Rural & Corporate Services Limited	0.03	0.04
		ECL Finance Limited	0.34	0.07
		Nuvama Wealth Finance Limited	-	0.00
125	Interest accrued on Non convertible debentures held in	ECL Finance Limited	0.97	1.24
		Nido Home Finance Limited	0.13	0.52
		Edel Finance Company Limited	10.85	-
126	Investment in Security Receipts issued by	EARC Trust SC 373	42.05	97.34
		EARC Trust SC 385	114.45	180.88
		EARC Trust SC 416	97.79	302.51
		EARC Trust SC 374	30.47	-
		EARC Trust SC 378	10.74	-
		EARC Trust SC 417	206.99	-



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

51 ii. Transactions with related parties (continued)

Sr. No.	Nature of transaction	Related party name	As at 31 March 2023	As at 31 March 2022
127	Interest receivable on loans given to	Edel Finance Company Limited	0.50	-
		Edelweiss Investment Adviser Limited	-	1.24
		Edelweiss Securities And Investments Private Limited	9.65	-
		ECap Securities and Investments Limited	5.43	1.00
		Nido Home Finance Limited	-	0.54
		Edelweiss Rural & Corporate Services Limited	4.74	121.11
		ECL Finance Limited	6.79	18.60
128	Interest receivable on compulsorily convertible debentures of	Edel Investments Limited	0.00	-
129	Margins placed with	Nuvama Wealth and Investment Limited	-	0.52
		Edel Investments Limited	0.05	100.00
		Nuvama Clearing Services Limited	-	99.25
130	Margin receivable from	Nuvama Clearing Services Limited	-	0.47
		Nuvama Wealth Management Limited	-	20.50
	Off balance sheet item			
131	Corporate guarantee given for	Nido Home Finance Limited	412.64	280.22
		ECL Finance Limited	141.24	242.01
		Edelweiss Investment Adviser Limited	1,200.00	-
132	Corporate guarantee received from	Edelweiss Financial Services Limited	6,523.30	1,209.10
		Edelweiss Rural & Corporate Services Limited	-	32.49
133	Risk & Rewards sharing arrangement	Edelweiss Financial Services Limited	702.32	1,102.84

Note

- 0.00 represents amount less than Rs. 5,000
- 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



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

52 Earnings per share

The computation of earning per share is set out on below table:

Particulars	31 March 2023	31 March 2022
(a) Loss for the year attributable to the owners of the parent (as per statement of profit and loss)	(170.68)	(1,118.97)
Less: Interest on Compulsorily Convertible Debentures	-	0.49
Net loss for the year attributable to the owners of the parent	(170.68)	(1,118.48)
(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)	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	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)	(2.82)	(31.89)

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

53 Contingent liabilities and commitments

Contingent liabilities

The Group has pending taxation matters of Rs. 4.99 millions as at balance sheet date (Previous year: Rs. 4.42 millions).

The Group 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 Adviser Limited amounting to Rs. 1,200 millions (Previous year: NIL).

Corporate/other guarantee of Rs. 553.80 millions (Previous year Rs 553.80 millions) has been given by the Group on behalf of its group companies namely, ECL Finance Limited, Edelweiss Housing Finance Limited and Edelweiss Retail Finance Limited.

The Group 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 Group 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, Group 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.

Commitments

The Group has capital commitments of Rs. NIL towards contracts remaining to be executed on capital account as at the balance sheet date (Previous year: Rs. 16.95 millions) and Rs. 116.04 millions (Previous year: Rs. 55.59 millions) towards loans sanctioned pending disbursements

Group has capital commitment towards undrawn commitments and uncalled liabilities (refer note 56 D)

54 Approach to capital management

Group 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 Group's capital management, capital includes issued capital, reserves and all instruments that are entirely equity in nature.

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

Particulars	31 March 2023	31 March 2022
Total Debt	42,229.76	35,416.91
Equity	6,096.96	6,243.62
Net Debt to Equity	6.93	5.67



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

55 Risk Management

55.1. Introduction and risk profile

The primary objective of the Group's risk and financial management framework is to protect the Group's shareholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Key management recognises the critical importance of having efficient and effective risk management systems in place.

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

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

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

55.2. 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
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

55.3. Risk management structure

To support the risk strategy and effective risk management, the Group has a Risk Management Committee to oversee the risk management framework. The terms of reference of the Risk Management Committee are as follows:

- 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 consolidated financial statements (Continued)

(Currency: Indian rupees in millions)

Risk management framework

The Group has a Risk Framework, which describes the risk management approach and provides clear accountability for managing risk across the Group. 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 Group 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.

55.4. Excessive risk concentration

Group'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 Global Risk Committee and is monitored by the group and business risk teams.



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (Continued)

(Currency: Indian rupees in millions)

55.5 Credit Quality

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

	31 March 2023				31 March 2022			
Particulars	Stage I	Stage II	Stage III	Total	Stage I	Stage II	Stage III	Total
Loans (at amortised cost)								
Performing								
High grade	5,795.81	-	-	5,795.81	12,718.88	-	-	12,718.88
Standard grade	-	1,009.39	-	1,009.39	-	3,001.94	-	3,001.94
Substandard grade	-	-	-	-	-	-	-	-
Non-performing								
Impaired	-	-	4,842.83	4,842.83	-	-	4,509.74	4,509.74
Total	5,795.81	1,009.39	4,842.83	11,648.03	12,718.88	3,001.94	4,509.74	20,230.56

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 2021	9,772.95	104.78	5,127.23	481.85	5,918.51	3,702.46	20,818.69	4,289.10
Transfers:	639.28	110.28	(66.67)	22.33	(572.61)	(132.62)	-	-
Transfers to 12 Month ECL (Stage I)	1,152.85	115.10	(814.61)	(57.25)	(338.24)	(57.85)	-	-
Transfers to lifetime ECL (Stage II)	(333.88)	(3.00)	772.91	83.89	(439.03)	(80.90)	-	-
Transfers to lifetime ECL- Credit impaired (Stage III)	(179.69)	(1.82)	(24.97)	(4.31)	204.66	6.13	-	-
Remeasurement of ECL arising from transfer of stage (net)	-	(77.48)	-	59.16	-	612.56	-	594.24
Net new and further lending/ (repayments)	2,355.29	(67.75)	(207.83)	72.29	(379.69)	(125.52)	1,767.77	(120.98)
Sale of loans	-	-	(1,588.47)	(231.85)	-	-	(1,588.47)	(231.85)
Loss on sale of loans	-	-	(237.47)	-	(450.46)	(56.97)	(687.93)	(56.97)
Loss on restructuring of loans	-	-	-	-	-	-	-	-
Amounts written off (net)	(48.64)	(5.71)	(24.85)	(14.19)	(6.01)	(3.25)	(79.50)	(23.15)
As at 31 March 2022	12,718.88	64.12	3,001.94	389.59	4,509.74	3,996.66	20,230.56	4,450.37

* Includes Allowance for ECL on loan commitments



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (Continued)

(Currency: Indian rupees in millions)

55.5 Credit Quality

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 2022	12,718.88	64.12	3,001.94	389.59	4,509.74	3,996.66	20,230.56	4,450.37
Transfers:	(481.87)	(7.83)	72.70	(12.99)	409.17	20.82	-	-
Transfers to 12 Month ECL (Stage I)	19.98	2.15	(5.42)	(0.72)	(14.56)	(1.42)	-	-
Transfers to lifetime ECL (Stage II)	(315.54)	(9.71)	330.08	11.54	(14.54)	(1.83)	-	-
Transfers to lifetime ECL- Credit impaired (Stage III)	(186.31)	(0.27)	(251.96)	(23.81)	438.27	24.07	-	-
Remeasurement of ECL arising from transfer of stage (net)	-	(1.78)	-	28.45	-	194.13	-	220.80
Net new and further lending/ repayments	(6,415.39)	36.27	(2,044.73)	(294.89)	1,559.46	291.65	(6,900.66)	33.03
Sale of loans	-	-	-	-	(1,032.23)	(86.28)	(1,032.23)	(86.28)
Loss on sale of loans	-	-	-	-	-	-	-	-
Loss on restructuring of loans	-	-	-	-	-	-	-	-
Amounts written off (net)	(25.81)	(6.66)	(20.52)	(9.39)	(603.31)	(593.04)	(649.63)	(609.09)
As at 31 March 2023	5,795.81	84.12	1,009.39	100.77	4,842.83	3,823.94	11,648.03	4,008.82

* Includes Allowance for ECL on loan commitments



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (Continued)

(Currency: Indian rupees in millions)

56 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 Group's non-derivative financial liabilities:

Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Group 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	305.76	-	-	-	305.76
Debt securities	3,215.19	4,492.61	13,065.93	6,539.47	27,313.20
Borrowings (other than debt securities)	9,190.12	2,000.43	2,181.04	-	13,371.59
Deposits	16.25	-	-	-	16.25
Subordinated financial liabilities	22.20	154.95	510.40	2,164.31	2,851.85
Other financial liabilities	1,908.77	46.26	205.12	362.22	2,522.36
Total undiscounted non-derivative financial liabilities	14,658.29	6,694.25	15,962.48	9,066.00	46,381.02

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	260.61	-	-	-	260.61
Debt securities	7,947.56	5,618.24	9,921.18	4,583.58	28,070.56
Borrowings (other than debt securities)	3,096.82	805.45	2,050.00	-	5,952.27
Deposits	15.59	-	-	-	15.59
Subordinated financial liabilities	22.20	148.94	342.28	2,653.60	3,167.02
Other financial liabilities	933.29	110.24	34.11	66.92	1,144.56
Total undiscounted non-derivative financial liabilities	12,276.07	6,682.87	12,347.57	7,304.10	38,610.61

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

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	1,840.53	29.45	0.22	-	1,870.20
Stock in trade	10,287.30	154.07	-	-	10,441.37
Trade receivables	113.86	-	-	-	113.86
Loans	4,679.07	648.76	1,363.54	3,575.37	10,266.74
Investments at fair value through profit or loss	-	-	-	25,577.19	25,577.19
Investments at amortised cost	425.90	-	1,766.89	750.00	2,942.79
Investments at cost	2.70	123.88	-	1,274.15	1,400.73
Other financial assets	1,533.97	0.66	14.95	8.72	1,558.30
Total	18,883.32	956.82	3,145.60	31,185.44	54,171.18

Apart from the above mentioned assets, the Group also has undrawn loan commitments amounting to Rs. 116.04 millions as on 31 March 2023



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

(Currency: Indian rupees in millions)

56 Remaining contractual maturities (continued)**B. Analysis of non-derivative financial assets by remaining contractual maturities (continued)**

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	442.35	28.50	0.22	-	471.07
Stock-in-trade	8,554.11	31.96	-	-	8,586.07
Trade receivables	707.95	-	-	-	707.95
Loans	7,340.38	4,933.33	3,049.40	4,006.05	19,329.16
Investments at fair value through profit or loss	-	-	-	8,224.60	8,224.60
Investments at amortised cost	80.43	4,819.65	378.15	402.77	5,681.00
Investments at cost	2.77	123.88	-	1,274.15	1,400.80
Other financial assets	99.77	0.09	14.56	6.46	120.88
Total	17,227.76	9,937.41	3,442.33	13,914.03	44,521.53

Apart from the above mentioned assets, the Group also has undrawn loan commitments amounting to Rs. 55.59 millions as on 31 March 2022



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

(Currency: Indian rupees in millions)

56 Remaining contractual maturities (continued)**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

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	(207.90)	-	-	-	(207.90)
Other net settled derivatives (other than those entered into for trading purposes)	(26.61)	(35.35)	46.67	188.57	173.28
Total	(234.51)	(35.35)	46.67	188.57	(34.62)

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	(20.70)	-	-	-	(20.70)
Other net settled derivatives (other than those entered into for trading purposes)	(546.97)	(258.94)	(190.56)	(51.19)	(1,047.66)
Total	(567.67)	(258.94)	(190.56)	(51.19)	(1,068.36)

D. The table below shows the contractual expiry by maturity of the Group'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	20,034.71	-	-	-	20,034.71
Undrawn loan commitments	116.04	-	-	-	116.04
Total	20,150.75	-	-	-	20,150.75

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	3,603.44	-	-	-	3,603.44
Estimated amount of contracts capital account	16.95	-	-	-	16.95
Undrawn loan commitments	55.59	-	-	-	55.59
Total	3,675.98	-	-	-	3,675.98



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (Continued)

(Currency: Indian rupees in millions)

57 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 Group 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 Group's statement of profit and loss and equity.

Currency of borrowing / advances	2022-23					
	Increase in IRF rate (%)	Effect on profit before tax	Effect on Equity	Decrease in IRF rate (%)	Effect on profit before tax	Effect on Equity
INR Loans	0.25	5.33	5.33	0.25	(5.33)	(5.33)
INR Borrowings	5	(80.96)	-	5	80.96	-
INR Borrowings	0.25	(28.85)	(1.18)	0.25	28.85	1.18

Currency of borrowing / advances	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
INR Loans	0.25	6.72	6.72	0.25	(6.72)	(6.72)
INR Borrowings	5	(116.27)	-	5	116.27	-
INR Borrowings	0.25	(3.34)	(3.34)	0.25	3.34	3.34

(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 Group 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).

Currency	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
USD	5	(1.12)	-	5	1.12	-

Currency	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
USD	5	(54.77)	-	5	54.77	-

(iii) 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.

Impact on	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
Derivatives	5	197.91	-	5	(197.91)	-
Short Sales - SLBM	5	-	-	5	-	-
Commodity Derivatives	5	6.29	-	5	(6.29)	-
Equity/ETF/SRs	5	977.39	-	5	(977.39)	-
Mutual Fund	5	24.19	-	5	(24.19)	-
Debt instruments (incl preference)	5	368.12	-	5	(368.12)	-
Nifty link debenture	5	113.12	-	5	(113.12)	-
AIF Funds	5	205.79	-	5	(205.79)	-



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (Continued)

(Currency: Indian rupees in millions)

57 Market risk (continued)

(iii) Equity price risk (continued)

Impact on	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
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/SRs	5	102.65	-	5	(102.65)	-
Mutual Fund	5	68.90	-	5	(68.90)	-
Debt instruments (incl preference)	5	308.30	-	5	(308.30)	-
Nifty link debenture	5	38.00	-	5	(38.00)	-
AIF Funds	5	250.19	-	5	(250.19)	-

(iv) 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	87.59	-	5	(87.59)	-
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	29.60	-	5	(29.60)	-
Embedded derivatives (Nifty-linked debentures)	5	(52.38)	-	5	52.38	-



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (Continued)

(Currency: Indian rupees in millions)

58 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 Group 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 sensitivity analysis.

Particulars	31 March 2023			31 March 2022		
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk
Assets						
Cash and cashequivalent and other bank balances	1,870.20	-	1,870.20	471.07	-	471.07
Derivative financial instruments	575.20	575.20	-	327.94	327.94	-
Financial assets at FVTPL	25,577.19	10,064.34	15,512.85	8,224.60	6,088.85	2,135.75
Stock-in-trade	10,441.37	10,441.37	-	8,586.07	8,586.07	-
Loans	7,639.21	-	7,639.21	15,780.19	-	15,780.19
Trade receivables	113.86	-	113.86	707.95	-	707.95
Investments at cost	1,400.73	-	1,400.73	1,400.80	-	1,400.80
Financial investments- amortised cost	2,942.79	-	2,942.79	5,681.00	-	5,681.00
Other financial assets	1,558.30	0.35	1,557.95	120.88	66.83	54.05
Total	52,118.84	21,081.26	31,037.58	41,300.50	15,069.69	26,230.81

Particulars	31 March 2023			31 March 2022		
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk
Liability						
Borrowings	13,255.24	-	13,255.24	5,874.13	-	5,874.13
Derivative financial instruments	609.82	609.82	-	1,396.30	1,396.30	-
Deposits	99.52	-	99.52	15.60	-	15.60
Subordinated liabilities	2,190.60	-	2,190.60	2,153.19	-	2,153.19
Debt securities (including commercial papers)	26,684.40	-	26,684.40	27,373.98	-	27,373.98
Trade payables	305.76	-	305.76	260.61	-	260.61
Lease Liabilities	25.61	-	25.61	16.12	-	16.12
Other liabilities	2,496.75	403.35	2,093.40	1,128.44	84.72	1,043.72
Total	45,667.70	1,013.16	44,654.53	38,218.37	1,481.02	36,737.35



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (Continued)

(Currency: Indian rupees in millions)

59 Disclosure related to collateral:

Following table sets out availability of Group'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	47.69	1,435.56	349.49	37.46	1,870.20
Stock in trade	8,880.57	1,364.98	178.13	17.69	10,441.37
Trade receivables	-	54.35	59.51	-	113.86
Derivative assets	-	-	-	575.20	575.20
Loans	1,775.26	3,112.66	2,751.29	-	7,639.21
Investments	10,214.64	2,468.57	4,840.06	12,397.45	29,920.72
Other financial assets	0.60	-	826.19	731.51	1,558.30
Current tax assets (net)	-	-	-	514.32	514.32
Deferred tax assets (net)	-	-	-	1,488.63	1,488.63
Investment property	941.72	1.50	-	-	943.22
Property, plant and equipment	606.70	-	-	60.33	667.03
Goodwill	-	-	-	60.94	60.94
Other Intangible assets	-	-	-	120.48	120.48
Intangible assets under development	-	-	-	-	-
Other assets	-	-	-	366.99	366.99
Total assets	22,467.18	8,437.62	9,004.67	16,371.00	56,280.47

31 March 2022	Pledge as collateral	others 1*	Available as collateral	others 2**	Total carrying amount
Cash and cash equivalent including bank balance	44.19	126.04	268.97	31.87	471.07
Stock in trade	5,080.94	3,444.02	50.29	10.82	8,586.07
Trade receivables	23.41	664.10	20.44	-	707.95
Derivative assets	-	-	-	327.94	327.94
Loans	4,783.51	4,741.76	5,303.08	951.84	15,780.19
Investments	1,984.10	9,914.62	2,809.04	598.64	15,306.40
Other financial assets	0.60	-	38.96	81.32	120.88
Current tax assets (net)	-	-	-	535.90	535.90
Deferred tax assets (net)	-	-	-	1,185.50	1,185.50
Investment property	1,016.71	1.50	-	-	1,018.21
Property, plant and equipment	547.62	66.06	-	25.31	638.99
Goodwill	-	-	-	60.94	60.94
Other Intangible assets	-	-	-	1.54	1.54
Intangible assets under development	-	-	-	92.94	92.94
Other assets	-	-	-	398.32	398.32
Total assets	13,481.08	18,958.10	8,490.78	4,302.88	45,232.84

* (Represents assets which are not pledged but are kept for asset security cover towards debentures issued and Group 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 Group would not consider readily available to secure funding in the normal course of business)



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (Continued)

(Currency: Indian rupees in millions)

60 Fair values of financial instruments

(a) Fair values of assets and liabilities

Particulars	31 March 2023			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Derivative financial instruments (assets):				
Exchange-traded derivatives	169.71	38.19	-	207.90
Embedded derivative assets in market-linked debentures	-	-	475.14	475.14
Total derivative financial instruments (assets)	169.71	38.19	475.14	683.04
Stock-in-trade				
Other debt securities and preference shares	1,691.83	4,804.00	210.43	6,706.27
Market-linked debentures	-	-	3,219.53	3,219.53
Mutual fund units	483.77	-	-	483.77
Equity instruments	31.81	-	-	31.81
Total stock-in-trade	2,207.41	4,804.00	3,429.96	10,441.37
Investments				
Units of Alternative Investment Funds	-	-	5,277.55	5,277.55
Equity instruments	14.70	-	6,696.17	6,710.87
Preference shares	-	-	316.56	316.56
Debt securities	-	-	91.15	91.15
Security receipts	-	-	13,181.06	13,181.06
Total investments measured at fair value	14.70	-	25,562.49	25,577.19
Total financial assets measured at fair value on a recurring basis	2,391.82	4,842.19	29,467.59	36,701.60

Particulars	31 March 2023			
	Level 1	Level 2	Level 3	Total
Liabilities measured at fair value on a recurring basis -				
Exchange-traded derivatives	303.48	67.46	-	370.94
Embedded derivatives in market-linked debentures	-	-	301.86	301.86
Total derivative financial instruments (liabilities)	303.48	67.46	301.86	672.80
Financial liabilities at fair value through profit or loss				
Provision for short sale - SLBM trading	-	-	-	-
Total financial liabilities at FVTPL	-	-	-	-
Total financial liabilities measured at fair value on a recurring basis	303.48	67.46	301.86	672.80

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. Group has used quoted price of national stock exchange wherever bonds are traded actively. In cases where debt securities are not actively traded Group 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 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 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 Group 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).



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (Continued)

(Currency: Indian rupees in millions)

60 Fair values of financial instruments (continued)

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

(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.

Group uses valuation models. Inputs to valuation models are determined from observable market (Indices) data wherever possible, including prices available from exchanges, dealers, brokers. Group classify these embedded derivative as level 3 instruments

Particulars	31 March 2022			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Exchange-traded derivatives	316.43	100.70	-	417.13
Embedded derivative assets in market-linked debentures	-	-	20.80	20.80
Total derivative financial instruments (assets)	316.43	100.70	20.80	437.93
Stock-in-trade				
Other debt securities and preference shares	734.96	4,275.33	1,284.20	6,294.49
Market-linked debentures	-	-	536.53	536.53
Mutual fund units	1,377.90	-	-	1,377.90
Equity instruments	377.15	-	-	377.15
Total stock-in-trade	2,490.01	4,275.33	1,820.73	8,586.07
Investments				
Units of Alternative Investment Funds	-	-	5,304.66	5,304.66
Equity instruments	-	709.99	161.00	870.99
Preference shares	-	-	-	-
Debt securities	-	-	-	-
Security receipts	-	-	1,240.22	1,240.22
Other debt securities and preference shares	-	-	808.72	808.72
Total investments measured at fair value	-	709.99	7,514.60	8,224.59
Total financial assets measured at fair value on a recurring basis	2,806.44	5,086.02	9,356.13	17,248.58

Particulars	31 March 2022			
	Level 1	Level 2	Level 3	Total
Liabilities measured at fair value on a recurring basis -				
Exchange-traded derivatives	356.37	46.82	-	403.19
Embedded derivatives in market-linked debentures	-	-	1,068.47	1,068.47
Total derivative financial instruments (liabilities)	356.37	46.82	1,068.47	1,471.66
Financial liabilities at fair value through profit or loss -				
Provision for short sale - SLBM trading	40.09	-	-	40.09
Total financial liabilities at FVTPL	40.09	-	-	40.09
Total financial liabilities measured at fair value on a recurring basis	396.46	46.82	1,068.47	1,511.75



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (Continued)

(Currency: Indian rupees in millions)

60 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	Investment in Security receipts	Investments in units of AIF	Stock in trade - Nifty linked debentures	Embedded derivative in market-linked debentures	Investments in debt securities and preference shares	Investments in unquoted equity shares	Total
At 1 April 2022	1,284.20	1,240.22	5,304.66	536.53	(1,047.67)	808.72	161.00	8,287.66
Purchase	-	13,019.62	4,778.31	7,480.14	-	166.60	3,714.72	29,159.39
Sales	(1,066.15)	(1,074.73)	(2,598.59)	(3,702.06)	-	(573.16)	(178.77)	(9,193.47)
Issuances	-	-	-	-	265.23	-	-	265.23
Settlements	-	-	-	-	805.91	-	-	805.91
Transfer from level 3	-	-	-	-	-	-	(2.51)	(2.51)
Gains / (losses) for the period (2022-23) recognised in consolidated statement of profit and loss	(7.62)	(4.05)	(2,206.83)	(1,095.07)	149.80	5.55	3,001.73	(156.49)
At 31 March 2023	210.43	13,181.06	5,277.55	3,219.53	173.28	407.71	6,696.17	29,165.73
Unrealised gains / (losses) related to balances held at the end of the period	(32.93)	(4.05)	(1,989.13)	13.74	149.80	9.08	2,922.19	1,068.70

Particulars	Stock in trade - Other debt securities and preference shares	Investment in Security receipts	Investments in units of AIF	Stock in trade - Nifty linked debentures	Embedded derivative in market-linked debentures	Investments in debt securities and preference shares	Investments in unquoted equity shares	Total
At 1 April 2021	1,514.84	708.11	6,760.78	743.06	(1,137.37)	669.65	230.46	9,489.53
Purchase	-	694.08	195.68	10,433.07	-	149.96	32.50	11,505.29
Sales	-	(161.97)	(2,116.72)	(9,415.59)	-	-	(18.65)	(11,712.93)
Issuances	-	-	-	-	(83.64)	-	-	(83.64)
Settlements	-	-	-	-	524.82	-	-	524.82
Gains / (losses) for the period (2021-22) recognised in consolidated statement of profit and loss	(230.64)	-	464.92	(1,224.01)	(351.48)	(10.89)	(83.31)	(1,435.41)
At 31 March 2022	1,284.20	1,240.22	5,304.66	536.53	(1,047.67)	808.72	161.00	8,287.66
Unrealised gains related to balances held at the end of the period	(33.14)	-	695.67	122.50	(351.49)	(13.05)	(103.31)	317.18



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (Continued)

(Currency: Indian rupees in millions)

60 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 - Other debt securities and preference shares	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	3,219.53	-	Fair value of index	Price per debenture	Rs 100,481 to 180,001 per debenture	5%	160.98	5.0%	(160.98)
Embedded derivative in market-linked debentures	475.14	(301.86)	Fair value of index	Index levels	-	5%	8.66	5.0%	(8.66)
Investments in units of AIF	5,277.55	-	Net assets approach	Fair value of underlying investments	Rs. 509 to 195,704 per Unit	5%	263.88	5%	(263.88)
Investments in unquoted equity shares	6,696.17	-	Comparable transaction and P/E	Fair value per share	Rs. 1,817 to 2,239 per share	5%	334.81	5%	(334.81)
Investments in debt securities and preference shares	407.71	-	Comparable transaction and P/E	Fair value per share	Rs. 100 to 2,15,000 per share	5%	20.39	5%	(20.39)
			Discounted Cash flow. The present value of expected future economic benefits to be derived from the ownership of the underlying investments of	Expected future cash flows	Rs 706 to Rs 1,500 per security receipt	5%	653.56	5%	(653.56)
Security receipts	13,181.06	-		Risk-adjusted discount rate	12.00%	0.5%	(3.48)	0.5%	3.51
Total	29,467.59	(301.86)					1,438.80		(1,438.77)



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (Continued)

(Currency: Indian rupees in millions)

60 Fair values of financial instruments (continued)

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

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 - Other debt securities and preference shares	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	536.53	-	Fair value of index	Price per debenture	Rs 120,834 to 164,682 per debenture	5%	26.83	5%	(26.83)
Embedded derivative in market-linked debentures	20.80	(1,068.47)	Fair value of index	Index levels	-	5%	(52.38)	5.0%	52.38
Investments in units of AIF	5,304.66	-	Net assets approach	Fair value of underlying investments	Rs. 32 to 233,644 per Unit	5%	265.23	5%	(265.23)
Investments in unquoted equity shares	161.00	-	Comparable transaction and P/E	Fair value per share	Rs. 2 to 216,133 per share	5%	8.05	5%	(8.05)
Investments in debt securities and preference shares	808.72	-	Comparable transaction and P/E	Fair value per share	Rs. 69 to 216,133 per share	5%	40.44	5%	(40.44)
			Discounted Cash flow. The present value of expected future economic benefits to be derived from the ownership of the underlying investments of	Expected future cash flows	7,353.23	5%	31.51	5%	(31.51)
Security receipts	1,240.22	-		Risk-adjusted discount rate	12.00%	0.5%	(0.55)	0.5%	0.56
Total	9,356.13	(1,068.47)					353.52		(287.39)



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (Continued)

(Currency: Indian rupees in millions)

60 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.

Particulars	31 March 2023				
	Total carrying amount	Total fair value	Level 1	Level 2	Level 3
Financial assets:					
Cash and cash equivalent	1,739.96	1,739.96	1,739.96	-	-
Bank balances other than cash and cash equivalent	130.24	130.24	130.24	-	-
Trade receivables	113.86	113.86	-	113.86	-
Loans	7,639.21	7,186.73	-	-	7,186.73
Investments at amortised cost	2,942.79	2,942.79	-	2,923.57	19.22
Investments at cost	1,400.73	1,400.73	-	1,400.73	-
Other financial assets	1,558.30	1,558.30	0.35	1,557.95	-
Total	15,525.09	15,072.61	1,870.55	5,996.11	7,205.95
Financial liabilities:					
Trade payables	305.76	305.76	-	305.76	-
Debt securities	26,684.40	26,700.65	-	26,700.65	-
Borrowing (other than debt securities)	13,255.24	13,255.24	-	13,255.24	-
Deposits	99.52	99.52	-	99.52	-
Subordinated liabilities	2,190.60	2,214.12	-	2,214.12	-
Lease liabilities	25.61	25.61	-	25.61	-
Other financial liabilities	2,496.75	2,496.75	-	2,496.75	-
Total	45,057.88	45,097.65	-	45,097.65	-
Off-balance sheet items					
Undrawn commitments	-	-	-	-	-
Loan commitments	116.04	116.04	-	-	116.04
Total	116.04	116.04	-	-	116.04

Particulars	31 March 2022				
	Total carrying amount	Total fair value	Level 1	Level 2	Level 3
Financial assets:					
Cash and cash equivalent	320.81	320.81	320.81	-	-
Bank balances other than cash and cash equivalent	150.26	150.26	150.26	-	-
Trade receivables	707.95	707.95	-	707.95	-
Loans	15,780.19	15,147.63	-	5,543.74	9,603.89
Investments at amortised cost	5,681.00	5,681.00	-	5,681.00	-
Investments at cost	1,400.80	1,400.80	-	1,400.80	-
Other financial assets	120.88	120.88	66.86	54.02	-
Total	24,161.89	23,529.33	537.93	13,387.51	9,603.89
Financial liabilities:					
Trade payables	260.61	260.61	-	260.61	-
Debt securities	27,373.98	27,701.18	-	27,701.18	-
Borrowing (other than debt securities)	5,874.13	8,678.56	-	8,678.56	-
Deposits	15.62	15.60	-	15.60	-
Subordinated liabilities	2,153.18	2,182.55	-	2,182.55	-
Lease liabilities	16.12	16.12	-	16.12	-
Other financial liabilities	1,128.44	1,128.44	-	1,128.44	-
Total	36,822.08	39,983.06	-	39,983.06	-
Off-balance sheet items					
Undrawn commitments	-	-	-	-	-
Loan commitments	55.59	55.59	-	-	55.59
Total	55.59	55.59	-	-	55.59

Note:

Short Term Financial Assets and Liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts are a reasonable approximation of their fair value. Such instruments include: Trade receivables, balances other than cash and cash equivalents, trade payables and contract liability without a specific maturity.



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (continued)

(Currency: Indian rupees in millions)

61 Disclosure pursuant to IND AS 19 - Employee benefits

(a) Defined contribution plan (provident fund)

Amount of Rs. 26.89 millions (Previous year: Rs. 21.37 millions) is recognised as expenses and included in "Employee benefit" – Notes 46 in the consolidated 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	7.63	4.71
Interest on defined benefit obligation	2.75	1.78
Past service cost	(1.69)	-
Actuarial loss/(gain)	-	-
Total included in employee benefit expenses	8.69	6.49

Balance sheet:

Details of provision for gratuity:

	31 March 2023	31 March 2022
Liability at the end of the year	51.94	35.02
Amount in balance sheet	51.94	35.02

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	35.02	53.66
Transfer in/(out)	11.63	(18.09)
Interest cost	2.75	1.78
Current service cost	7.63	4.71
Benefits paid	(2.52)	(7.26)
Past service cost	(1.69)	-
Actuarial (gain)/loss on obligations	(0.88)	0.22
Liability at the end of the year	51.94	35.02

Non-current liability at the end of the year 43.77

Current liability at the end of the year 8.17

Amount recognised in the balance sheet:

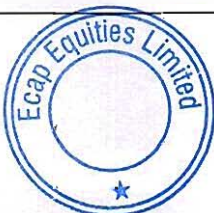
	For the year ended	
	31 March 2023	31 March 2022
Liability at the end of the year	51.94	35.02
Fair value of plan assets at the end of year	-	-
Amount recognized in balance sheet	51.94	35.02

Experience adjustment:

	For the year ended	
	31 March 2023	31 March 2022
On plan liabilities (gain)/loss	(2.42)	(0.40)
On plan assets (gain)/loss	-	-
Estimated contribution for next year	-	-

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%
Excepted 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 consolidated financial statements (continued)**

(Currency: Indian rupees in millions)

61 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	(8.19)	(7.97)
Re-measurements on defined benefit obligation		
a) Actuarial Loss/(Gain) from changes in demographic assumptions	-	(0.25)
b) Actuarial Loss/(Gain) from changed in financials assumptions	3.67	1.20
c) Actuarial Loss/(Gain) from experience over last past year	(2.80)	(1.17)
Re-measurements on plan assets		
Return on plan assets excluding amount including in net interest on the net defined benefit liability / (asset)	-	-
Balance at end of year (Loss)/ Gain	(7.32)	(8.19)

Sensitivity analysis:

DBO increases/ (decreases) by	31 March 2023	31 March 2022
1% Increase in Salary Growth Rate	2.64	1.85
1% Decrease in Salary Growth Rate	(2.42)	(1.81)
1% Increase in Discount Rate	(2.40)	(1.81)
1% Decrease in Discount Rate	2.66	1.91
1% Increase in Withdrawal Rate	0.01	(0.10)
1% Decrease in Withdrawal Rate	(0.02)	0.10
Mortality (increase in expected lifetime by 1 year)	Negligible change	1
Mortality (increase in expected lifetime by 3 years)	Negligible change	3

Movement in surplus / (deficit)

	31 March 2023	31 March 2022
Surplus / (Deficit) at start of year	(35.02)	(53.66)
Net (Acquisition) / Divestiture	-	-
Net Transfer (In)/ Out	(11.63)	18.09
Current Service Cost	(7.63)	(4.71)
Past Service Cost	1.69	-
Net Interest on net DBO	(2.75)	(1.78)
Re-measurements	0.89	(0.22)
Contributions / Benefits	2.52	7.26
Surplus / (Deficit) at end of year	(51.94)	(35.02)



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (Continued)

(Currency: Indian rupees in millions)

62 Collateral held and other credit enhancements

- I 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		31 March 2022	
	Maximum exposure to credit risk	Principal type of collateral	Maximum exposure to credit risk	Principal type of collateral
Financial assets				
Cash collateral on securities borrowed and reverse repurchase agreement	0.08	Unsecured	100.35	Unsecured
Loans:				
Retail Loans - Secured	3,160.67	Property	4,305.45	Property
Retail Loans - Unsecured	626.19		690.64	
		(Land, real estate property and securities)		(Land, real estate property and securities)
Wholesale loans - Secured	1,601.74		2,844.39	
Wholesale loans - Unsecured	6,259.44	Unsecured	12,390.07	Unsecured
Trade receivables	113.86	Unsecured	707.95	Unsecured
Debt instruments at amortised cost	1,789.82	Secured	402.83	Secured
Debt instruments at amortised cost	750.00	Unsecured	1,041.73	Unsecured
Other financial assets	1,558.30	Unsecured	120.88	Unsecured
Total financial assets at amortised cost Total (A)	15,860.10		22,604.29	
Derivative financial instruments	683.03	Unsecured	437.92	Unsecured
Financial assets at FVTPL (except equity)	1,414.38	Secured	1,505.82	Secured
Financial assets at FVTPL (except equity)	7,536.41	Unsecured	5,325.20	Unsecured
Total financial instruments at fair value through profit or loss. Total (B)	9,633.82		7,268.94	
Debt instruments at fair value through OCI	-		-	
Total debt instruments at fair value through OCI (C)	-		-	
Loan commitments	110.78	Property; book receivables	53.52	Property; book receivables
Financial guarantee contracts	-		-	
Total (D)	110.78		53.52	
Total (A+B+C+D)	25,604.70		29,926.75	

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

	31 March 2023				31 March 2022			
	Maximum exposure to credit risk (carrying amount before ECL)	Associated ECL	Carrying amount	Fair value of collateral	Maximum exposure to credit risk (carrying amount before ECL)	Associated ECL	Carrying amount	Fair value of collateral
Financial assets								
Wholesale loans - Secured	1,601.74	705.58	896.16	2,202.14	206.66	136.23	70.43	336.85
Wholesale loans - Unsecured	3,082.63	3,082.63	-	-	4,055.03	3,807.63	247.40	-
Retail Loans	146.23	27.02	119.21	180.36	225.20	37.56	187.64	415.57
Total (A)	4,830.60	3,815.23	1,015.37	2,382.50	4,486.89	3,981.42	505.46	752.42
Loan commitments	-	-	-	-	-	-	-	-
Total (B)	-	-	-	-	-	-	-	-
Total	4,830.60	3,815.23	1,015.37	2,382.50	4,486.89	3,981.42	505.46	752.42



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (Continued)

(Currency: Indian rupees in millions)

63 Transfer of financial assets

Transferred financial assets that are not derecognised in their entirety

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities.

	As at 31 March 2023	As at 31 March 2022
Securitisations		
Carrying amount of transferred assets (held as Collateral)	1,132.73	297.37
Carrying amount of associated liabilities	813.50	315.55
Fair value of assets	1,232.64	277.89
Fair value of associated liabilities	813.50	315.55
Net position at FV	419.14	(37.66)



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (Continued)

(Currency: Indian rupees in millions)

64 Analysis of risk concentration

Industry analysis - Risk concentration for 31 March 2023

Particulars	Financial services	Consumers	Retail and wholesale	Construction	Oil & gas	Real Estate	Energy	Others	Industrial Goods	Pharmaceuticals & Chemical	Manufacturing	Information technology	Services	Insurance	Total
Financial assets															
Derivative financial instruments	575.20	-	-	-	-	-	-	-	-	-	-	-	-	-	575.20
Financial assets carried at fair value through profit and loss	22,506.18	5.66	783.61	0.20	0.03	76.50	-	12,637.76	-	7.59	0.35	0.26	-	0.42	36,018.56
Cash and cash equivalent	1,739.96	-	-	-	-	-	-	-	-	-	-	-	-	-	1,739.96
Bank balances other than cash and cash equivalent	130.24	-	-	-	-	-	-	-	-	-	-	-	-	-	130.24
Trade receivables	97.65	-	-	-	-	-	0.23	0.20	-	-	-	-	0.08	15.70	113.86
Loans	1,184.23	-	5,903.92	317.83	-	7.56	118.07	100.30	-	-	-	-	7.30	-	7,639.21
Investments at amortised cost	2,923.57	-	-	19.22	-	-	-	-	-	-	-	-	-	-	2,942.79
Investments at cost	1,400.73	-	-	-	-	-	-	-	-	-	-	-	-	-	1,400.73
Other financial assets	1,305.00	-	250.11	-	-	-	3.19	-	-	-	-	-	-	-	1,558.30
	31,862.76	5.66	6,937.64	337.25	0.03	84.06	121.49	12,738.26	-	7.59	0.35	0.26	7.38	16.12	52,118.85
Other Commitments	-	-	116.04	-	-	-	-	-	-	-	-	-	-	-	116.04
Total	31,862.76	5.66	7,053.69	337.25	0.03	84.06	121.49	12,738.26	-	7.59	0.35	0.26	7.38	16.12	52,234.89

Industry analysis - Risk concentration for 31 March 2022

Particulars	Financial services	Consumers	Retail and wholesale	Construction	Oil & gas	Real Estate	Energy	Others	Industrial Goods	Pharmaceuticals & Chemical	Manufacturing	Information technology	Services	Insurance	Total
Financial assets															
Derivative financial instruments	327.94	-	-	-	-	-	-	-	-	-	-	-	-	-	327.94
Financial assets carried at fair value through profit and loss	13,310.82	122.43	1,956.96	0.76	-	149.96	15.86	3.99	164.75	164.90	-	10.47	754.34	155.43	16,810.67
Cash and cash equivalent	320.81	-	-	-	-	-	-	-	-	-	-	-	-	-	320.81
Bank balances other than cash and cash equivalent	150.26	-	-	-	-	-	-	-	-	-	-	-	-	-	150.26
Trade receivables	705.11	-	-	-	-	0.27	-	0.78	1.75	-	-	-	-	0.04	707.95
Loans	8,191.34	-	5,913.60	726.91	-	771.56	139.26	-	5.48	17.43	-	-	-	14.61	15,780.19
Investments at amortised cost	4,635.41	-	-	1,042.73	-	-	-	-	-	-	3.87	-	-	-	5,681.01
Investments at cost	1,400.80	-	-	-	-	-	-	-	-	-	-	-	-	-	1,400.80
Other financial assets	117.95	-	-	-	-	-	2.93	-	-	-	-	-	-	-	120.88
	29,160.44	122.43	7,870.56	1,769.40	-	921.79	158.05	4.77	171.98	182.33	3.87	10.47	754.34	170.08	41,300.51
Other Commitments	-	-	55.59	-	-	-	-	-	-	-	-	-	-	-	55.59
Total	29,160.44	122.43	7,926.15	1,769.40	-	921.79	158.05	4.77	171.98	182.33	3.87	10.47	754.34	170.08	41,356.10



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated 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	-	-
S.K.R Infotech	Payable	None	-	-
Kamal Enterprises	Payable	None	-	-
Shams Cable Network	Payable	None	-	0.00
MEDIFIT HEALTH & FITNESS PRIVATE LIMITED	Receivables	None	0.44	-
Zedpack Pvt Ltd	Receivables	None	-	0.01
Shellz India Pvt Ltd	Receivables	None	-	0.02
Total			4.10	0.03

(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 Group 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 Group ("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 Group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group 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 ^(refer note 1)	0.75	0.78
2	*Net profit margin (%) ^(refer note 2)	-1.20%	-9.16%
3	Interest Service Coverage Ratio ^(refer note 3)	0.90	0.84

* The variation in Net profit margin is on account of higher net gain on fair value changes in the current year ended 31 March 2023

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

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

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

4. Current ratio, Long term debt to working capital, Debt service coverage ratio, 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 Group.



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (Continued)

(Currency: Indian rupees in millions)

65 Other Disclosures (continued)

- (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 Group during March 2023. The Group had provided the requisite details which were sought by the income tax authorities during the course of the search. Subsequently, the Group has received summons under section 131 (1A) of the Income Tax Act, 1961 seeking certain data/information, which the Group is in the process of responding. While uncertainty exists regarding the outcome of the proceedings by the Department, the Group 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 Group'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 (Ultimate 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 Group 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 consolidated financial statements (Continued)

(Currency: Indian rupees in millions)

66 Note on merger and demerger

The Board of Directors of the parent holding 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
ASSETS			
Financial assets			
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
	<u>32,377.95</u>	<u>290.50</u>	<u>32,668.45</u>
Non-financial assets			
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
	<u>2,109.73</u>	<u>18.24</u>	<u>2,127.97</u>
TOTAL ASSETS (A)	<u>34,487.68</u>	<u>308.74</u>	<u>34,796.42</u>
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
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
	<u>33,162.54</u>	<u>370.87</u>	<u>33,533.41</u>
Non-financial liabilities			
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
	<u>186.41</u>	<u>5.17</u>	<u>191.58</u>
EQUITY			
Equity share capital	-	-	-
Other equity	1,138.73	(367.30)	771.43
	<u>1,138.73</u>	<u>(367.30)</u>	<u>771.43</u>
TOTAL LIABILITIES AND EQUITY (B)	<u>34,487.68</u>	<u>8.74</u>	<u>34,496.42</u>

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

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 Group 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 Group 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 consolidated financial statements (Continued)**

(Currency: Indian rupees in millions)

67 Cash flow disclosure

Change in liabilities arising from financing activities

Particulars	1 April 2022	Cash flows	Changes in fair values	Others*	31 March 2023
Borrowings	35,416.91	5,591.90	-	1,220.95	42,229.76
Total liabilities from financing activities	35,416.91	5,591.90	-	1,220.95	42,229.76

Particulars	1 April 2021	Cash flows	Changes in fair values	Others*	31 March 2022
Borrowings	46,582.89	(11,255.67)	-	89.69	35,416.91
Total liabilities from financing activities	46,582.89	(11,255.67)	-	89.69	35,416.91

* Others includes interest accrued but not paid on financing liabilities.



ECap Equities Limited (formerly Edel Land Limited)

Notes to the consolidated financial statements (Continued)

(Currency: Indian rupees in millions)

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



R. P. Soni

Partner

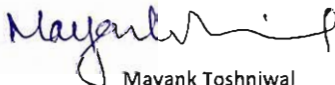
Membership No.:104796

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 Jain

Chief financial officer

Mumbai

22 May 2023



Swadesh Agrawal

Company Secretary

