



Nuvama Clearing Services Limited

(formerly known as Edelweiss Custodial Services Limited)

Corporate Identity Number: U51109MH2008PLC187594

Annual Report for the year ended March 31, 2023

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

15th Annual Report 2022-23

Board of Directors

Mr. Arbinda Ghimire	- Executive Director
Mr. Udit Sureka (appointed w.e.f. April 4, 2022)	- Executive Director
Mr. Pradeep Khandelwal (resigned w.e.f. April 4, 2022)	- Executive Director
Mr. Shiv Sehgal	- Non-Executive Director
Ms. Ananya Suneja (appointed w.e.f. November 14, 2022 and resigned w.e.f. March 21, 2023)	- Non-Executive Director
Mr. Kamala Kantharaj (resigned w.e.f. November 14, 2022)	- Non-Executive Director
Mr. Nikhil Johari (resigned w.e.f. May 8, 2023)	- Non-Executive Director

Statutory Auditors

M/s. S.R. Batliboi & Co. LLP

Registered Office

801- 804, Wing A, Building No. 3, Inspire BKC,
G Block, Bandra Kurla Complex, Bandra East,
Mumbai – 400 051.

Corporate Identity No.:

U51109MH2008PLC187594

Tel: +91 22 6620 3030

Email: Secretarial@nuvama.com

Registrar and Share Transfer Agent

Link Intime India Private Limited
C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg, Vikhroli (West)
Mumbai, Maharashtra-400083.

BOARD'S REPORT

To the Members of Nuvama Clearing Services Limited
(Formerly known as Edelweiss Custodial Services Limited)

The Directors hereby present their 15th Annual Report on the business, operations and the state of affairs of the Company together with the audited financial statements for the year ended March 31, 2023:

Financial Highlights

The summary of the Company's financial performance, for the Financial Year ("FY") 2022-23 as compared to the previous FY 2021-22 is given below:

Particulars	(Amount Rs. in million)	
	2022-2023	2021-2022
Income	2,990.94	2,776.38
Total Expenses	1,684.67	1,960.44
Profit / (Loss) Before Tax	1,306.27	815.94
Tax Expenses	327.69	187.91
Profit from continuing operation for the year	978.58	628.03
Profit from discontinued operation for the year (net of tax)	-	2.60
Profit / (Loss) for the year	978.58	630.63
Other Comprehensive Income	(0.97)	(1.11)
Total Comprehensive Income	977.61	629.52
Opening balance	2,230.54	1,597.77
- Adjustment of share based payments on lapsed /cancelled	1.47	3.25
- Reversal of SAR cost on cancellation	0.05	-
- Dividend	(65.81)	-
Profit / Loss carried to Balance Sheet	3,143.86	2,230.54

Information on the state of affairs of the Company

During the year under review, the Company earned revenue of Rs. 2,990.94 million as compared to Rs. 2,776.38 million in the previous year. Of the total income earned during the year, income from fees and commission stood at Rs. 426.95 million as compared to Rs. 130.53 million in the previous year and interest income stood at Rs. 2,052.05 million as compared to Rs. 2,297.70 million in the previous year.

The profit after tax for the year ended March 31, 2023 was Rs. 978.58 million as compared to Rs. 630.63 million during the previous year.

Change of name of the Company

During the year under review, the Company had changed its name from Edelweiss Custodial Services Limited to Nuvama Clearing Services Limited with effect from October 7, 2022, with a view to establish the Company as an entity of its own standing in the market.

Change in Registered Office of the Company

During the year under review, keeping in view of the existing and future space requirements of the Company, the Registered Office of the Company was changed with effect from February 1, 2023:

From:

Tower 3, Wing 'B', Kohinoor City Mall
Kohinoor City, Kirol Road
Kurla (West), Mumbai 400070

To:

801- 804, Wing A, Building No. 3,
Inspire BKC, G Block, Bandra Kurla Complex,
Bandra East, Mumbai – 400 051.

Dividend

During year under review, the Board declared and paid Interim dividend of Rs. 10.50 per share on 62,67,500 Equity shares held by Nuvama Wealth Management Limited aggregating to Rs. 6,58,08,750.

Share Capital

The total paid-up share capital of the Company stood at Rs. 6,26,75,000 divided into 62,67,500 Equity Shares of Rs. 10 each, as at March 31, 2023.

Loans, Guarantee and Investments

Particulars of loans given, investments made or guarantees given and the purpose for which the loan or guarantee or security given are mentioned under Notes to Accounts annexed to the Financial Statements for the year ended March 31, 2023. Further, during the year under review, the Company has not given any guarantee/provided security.

Related Party Transactions

All the related party transactions entered by the Company are on arm's length basis and in the ordinary course of business. The particulars of contracts or arrangements with the related

parties as referred to in sub-section (1) of Section 188 and forming part of this report is provided in the financial statements.

The particulars of the material contracts/arrangements entered into by the Company with the related parties on arm's length are disclosed in Form No. AOC -2 (**Annexure -I**) to this Report.

Directors and Key Managerial Personnel

i. Executive Directors and Key Managerial Personnel

During the year under review the following Executive Directors were appointed/resigned on the Board of Directors of the Company.

Sr. No.	Name of Director	Effective date of Appointment	Effective date of Resignation
1.	Mr. Udit Sureka	April 4, 2022	-
2.	Mr. Pradeep Khandelwal	-	April 4, 2022
3.	Mr. Arbinda Ghimre	May 8, 2023	-

During the year under review Mr. Sandesh Sawant resigned as Chief Financial Officer of the Company with effect from November 1, 2022.

The Board places on record its sincere appreciation of the services rendered by Mr. Kandelwal during his tenure as an Executive Director of the Company.

The details of top ten employees in terms of remuneration and employees in receipt of remuneration as prescribed under Rule 5(2) of the (Appointment and Remuneration of Managerial Personnel) Rules, 2014 containing details as prescribed under Rule 5(3) of the said Rules, which form part of Directors' report.

ii. Non-executive Directors

During the year under review, Ms. Ananya Suneja was appointed as an Additional Director (Non-executive) of the Company, as nominee of Edelweiss Financial Services Limited, effective from November 14, 2022. Further, Ms. Suneja tendered her resignation effective March 21, 2023.

During the year under review the following non-executive directors resigned from the Board of Directors of the Company:

Sr. No.	Name of the Director		Effective Date of Resignation
1.	Ms. Kamala Kantharaj	-	November 14, 2022
2.	Mr. Nikhil Johari	-	May 8, 2023

The Board places on record its sincere appreciation for the valuable contribution made by Ms. Kantharaj and Mr. Johari during their tenure as Non-executive Directors of the Company.

iii. Retirement of Director by rotation

Mr. Shiv Sehgal, Non-executive Director, retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

Number of Board Meetings held

During the year ended March 31, 2023 the Board met 6 times.

Committees of the Board of Directors

Corporate Social Responsibility Committee

In accordance with the provisions of Section 135 of the Companies Act, 2013, (the Act), the Corporate Social Responsibility ('CSR') Committee of the Company presently comprises of the following Directors as its members:

Mr. Shiv Sehgal
Mr. Udit Sureka
Mr. Arbinda Ghimire

The terms of reference of the Committee includes the matters specified in Section 135 of the Act and the Annual Report on CSR Activities is annexed as **Annexure II** to this Report.

During the year ended March 31, 2023, the Committee met once.

Internal Financial Controls and Risk Management

The Company has in place adequate internal financial controls with reference to financial statements.

Auditors

The Members at the 10th Annual General Meeting of the Company held on July 24, 2018, had appointed M/s. S. R. Batliboi & Co. LLP, Chartered Accountants, as the Auditors of the Company till the conclusion of the 15th Annual General Meeting of the Company to be held in the year 2023.

Since the term of appointment of SRB is expiring at the ensuing 15th AGM of the Company, a resolution seeking approval of the members for appointment of SRB as Auditors of the Company for the second term of five years commencing from the conclusion of the

15th AGM till conclusion of 20th AGM of the Company to be held in the year 2028, is included in the notice of the ensuing AGM.

SRB has furnished a certificate of their eligibility and consent under Section 139 and 141 of the Act read with the Companies (Audit and Auditors) Rules 2014.

Auditors Report

Statutory Auditors' Report

The Report of the Auditors on the financial statements does not contain any qualification, reservation, adverse remarks or disclaimer. The Notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further explanation. Further, pursuant to Section 143(12) of the Act, the Statutory Auditors of the Company have not reported any instances of frauds committed in the Company by its officers or employees.

The Report of the Auditors on the financial statements does not contain any qualification, reservation, adverse remarks or disclaimer.

Secretarial Audit Report

M/s. SVVS & Associates, Company Secretaries LLP, Practicing Company Secretaries, were appointed as the Secretarial Auditor to conduct the Secretarial Audit for the financial year ended March 31, 2023. The Report of the Secretarial Auditor is provided as **Annexure III** to this Report.

The draft Secretarial Audit Report does not contain any qualification, reservation, adverse remarks, or disclaimer.

Compliance with Secretarial Standards

The Company has complied with the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, issued, by the Institute of Company Secretaries of India.

Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace

The Company has in place a Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace.

No case was reported under the Policy during the year under review. The Company has complied with the provisions relating to the Constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Whistle Blower Policy

The Company has in place a Whistle Blower Policy for the employees to report genuine concerns/grievances.

Risk Management

The Board of Directors of the Company has framed and implemented a Risk Management Policy

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings / Outgo

A. Conservation of energy

- i. the steps taken or impact on conservation of energy - The operations of your Company are not energy-intensive. However, adequate measures have been initiated for conservation of energy.
- ii. the steps taken by the Company for utilising alternate sources of energy – though the operations of the Company are not energy intensive, the Company shall explore alternative source of energy, as and when the necessity arises.
- iii. the capital investment on energy conservation equipment's - Nil

B. Technology absorption

- i. the efforts made towards technology absorption; The minimum technology required for the business has been absorbed.
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution; Not Applicable
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year); Not Applicable
 - a. the details of technology imported;
 - b. the year of import;
 - c. whether the technology been fully absorbed;
 - d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- iv. the expenditure incurred on Research and Development: Not Applicable

C. Foreign Exchange Earning and Outgo

During the year under review, the Company did not have any foreign exchange earnings (previous year: Rs. 1.56 million) and there was outgo of foreign exchange of Rs. 91.47 million (previous year: Rs. 52.45 million).

Other Disclosures

Your Director's state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the year under review:

- a) details relating to the deposits covered under Chapter V of the Companies Act, 2013, issue of Equity Shares with differential rights as to dividend, voting or otherwise, sweat equity shares;
- b) provisions relating to maintenance of cost records as specified by the Central Government under section 148 of the Companies Act, 2013;
- c) proceeding pending with National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016;
- d) significant or material orders by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future; and
- e) instance of one-time settlement with any Bank or Financial Institution.

Directors' Responsibility Statement

Pursuant to Section 134 of the Companies Act, 2013 (the Act), the Directors confirm that:


- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) such accounting policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the Profit of the Company for the financial year ended on that date;
- (iii) proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a going concern basis; and
- (v) proper systems had been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgments

The Board of Directors wishes to place on record appreciation for the continued support and co-operation extended by the Securities and Exchange Board of India, Stock Exchanges, Reserve Bank of India, Ministry of Corporate Affairs, other government authorities, banks, and other stakeholders. The Directors would also like to take this opportunity to express their appreciation for the dedicated efforts of the employees of the Company and its subsidiaries across all levels, resulting in successful performance during the year under review.

For and on behalf of the Board of Directors
Nuvama Clearing Services Limited
(Formerly known as Edelweiss Custodial Services Limited)


Udit Sureka
Executive Director
DIN: 02190342


Shiv Sehgal
Non-executive Director
DIN: 07112524

Mumbai, May 24, 2023

Form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

(Currency: Indian rupees in millions)

Details of contracts or arrangements or transactions not at arm's length basis:

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements / transactions	Duration of the contracts/arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

(Currency: Indian rupees in millions)

II. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No.	Name of Related Party	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions (One Year/One Time)	Salient terms of the contracts or arrangements or transactions including the value, if any (Rs. In million)	Date of approval by the Board	Amount paid as advances, if any
1	ECL Finance Limited	Margin received aggregate from	One Year	2,057.82	January 21, 2022	Nil
2	Edel Investments Limited	Margin received aggregate from	One Year	5,555.90	January 21, 2022	Nil
3	Edel Land Limited	Margin received aggregate from	One Year	54,614.21	January 21, 2022	Nil
4	Edelcap Securities Limited	Margin received aggregate from	One Year	7,701.52	January 21, 2022	Nil
5	Nuvama Wealth and Investment Limited	Margin received aggregate from	One Year	1,46,484.76	January 21, 2022	Nil
6	Nuvama Wealth Finance Limited	Margin received aggregate from	One Year	53,229.96	January 21, 2022	Nil

Nuvama Clearing Services Limited (Formerly Edelweiss Custodial Services Limited)

Corporate Identity Number: U51109MH2008PLC187594

Registered Office: 801-804, Wing A, Building No. 3, Inspire BKC, G Block, Bandra Kurla Complex, Bandra East,
Mumbai - 400 051 • Tel No. +91 22 6620 3030

7	Nuvama Wealth Management Limited	Margin received aggregate from	One Year	13,01,063.29	January 21, 2022	Nil
8	Edelweiss Comtrade Limited	Margin received aggregate from	One Year	0.10	January 21, 2022	Nil
9	Edelweiss Financial Services Limited #	Margin received aggregate from	One Year	0.00	January 21, 2022	Nil
10	Edelweiss Investment Advisors Limited	Margin received aggregate from	One Year	1,720.53	January 21, 2022	Nil
11	Edelweiss Securities and Investments Private Limited	Margin received aggregate from	One Year	0.81	January 21, 2022	Nil
12	Edelweiss Rural & Corporate Services Limited	Margin received aggregate from	One Year	0.55	January 21, 2022	Nil
13	Edelweiss Retail Finance Limited #	Margin received aggregate from	One Year	0.00	January 21, 2022	Nil
14	ECL Finance Limited	Margin repaid aggregate to	One Year	2,415.26	January 21, 2022	Nil
15	Edel Investments Limited	Margin repaid aggregate to	One Year	6,250.48	January 21, 2022	Nil
16	Edel Land Limited	Margin repaid aggregate to	One Year	53,859.86	January 21, 2022	Nil
17	Edelcap Securities Limited	Margin repaid aggregate to	One Year	7,792.35	January 21, 2022	Nil
18	Nuvama Wealth and Investment Limited	Margin repaid aggregate to	One Year	1,41,214.29	January 21, 2022	Nil
19	Nuvama Wealth Finance Limited	Margin repaid aggregate to	One Year	52,682.37	January 21, 2022	Nil
20	Edelweiss Financial Services Limited #	Margin repaid aggregate to	One Year	0.00	January 21, 2022	Nil
21	Nuvama Wealth Management Limited	Margin repaid aggregate to	One Year	13,00,246.51	January 21, 2022	Nil

22	Edelweiss Comtrade Limited	Margin repaid aggregate to	One Year	0.17	January 21, 2022	Nil
23	Edelweiss Investment Advisors Limited #	Margin repaid aggregate to	One Year	1,724.35	January 21, 2022	Nil
24	Edelweiss Securities and Investments Private Limited	Margin repaid aggregate to	One Year	0.81	January 21, 2022	Nil
25	Edelweiss Rural & Corporate Services Limited	Margin repaid aggregate to	One Year	2.05	January 21, 2022	Nil
26	Edelweiss Retail Finance Limited #	Margin repaid aggregate to	One Year	0.00	January 21, 2022	Nil
27	Nuvama Wealth Management Limited	Business Service Charges Income from	One Year	2.81	January 21, 2022	Nil
28	Nuvama Wealth Finance Limited	Business Service Charges Income from	One Year	1.95	January 21, 2022	Nil
29	Edelweiss Financial Services Limited	Business Service Charges Income from	One Year	1.58	January 21, 2022	Nil
30	Nuvama Wealth and Investment Limited	Business Service Charges Income from	One Year	5.96	January 21, 2022	Nil
31	Nuvama Asset Management Limited	Business Service Charges Income from	One Year	0.70	January 21, 2022	Nil
32	Nuvama Custodial Services Limited	Business Service Charges Income from	One Year	0.39	January 21, 2022	Nil
33	Edel Land Limited **	Clearing charges income received from	One Year	39.47	January 21, 2022	Nil
34	ECL Finance Limited	Clearing charges income received from	One Year	0.91	January 21, 2022	Nil
35	Edel Investments Limited	Clearing charges income received from	One Year	58.24	January 21, 2022	Nil

36	Edelcap Securities Limited	Clearing charges income received from	One Year	6.63	January 21, 2022	Nil
37	Nuvama Wealth Finance Limited	Clearing charges income received from	One Year	11.98	January 21, 2022	Nil
38	Nuvama Wealth and Investment Limited	Clearing charges income received from	One Year	83.05	January 21, 2022	Nil
39	Nuvama Wealth Management Limited	Clearing charges income received from	One Year	85.44	January 21, 2022	Nil
40	Edelweiss Investment Advisors Limited	Clearing charges income received from	One Year	2.04	January 21, 2022	Nil
41	Edelweiss Investment Advisors Pte. Limited	Chaperoning fees paid to	One Year	24.32	January 21, 2022	Nil
42	Nuvama Financial Services (UK) Limited	Chaperoning fees paid to	One Year	12.81	January 21, 2022	Nil
43	Nuvama Investment Advisors (Hongkong) Private Limited	Chaperoning fees paid to	One Year	19.34	January 21, 2022	Nil
44	Edel Investments Limited	Infrastrcuture service charges received from	One Year	8.33	January 21, 2022	Nil
45	Edelcap Securities Limited	Infrastrcuture service charges received from	One Year	10.00	January 21, 2022	Nil
46	Nuvama Wealth and Investment Limited	Infrastrcuture service charges received from	One Year	10.00	January 21, 2022	Nil
47	Nuvama Wealth Management Limited	Infrastrcuture service charges received from	One Year	10.00	January 21, 2022	Nil
48	Nuvama Wealth and Investment Limited	Cost reimbursement received from	One Year	77.94	January 21, 2022	Nil
49	Nuvama Wealth Finance Limited	Cost reimbursement received from	One Year	25.63	January 21, 2022	Nil

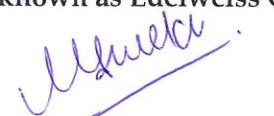
50	Nuvama Wealth Management Limited	Cost reimbursement received from	One Year	37.13	January 21, 2022	Nil
51	Edelweiss Financial Services Limited	Cost reimbursement received from	One Year	151.12	January 21, 2022	Nil
52	Nuvama Asset Management Limited	Cost reimbursement received from	One Year	9.38	January 21, 2022	Nil
53	Nuvama Custodial Services Limited	Cost reimbursement received from	One Year	5.13	January 21, 2022	Nil
54	Edel Land Limited **	Cost reimbursement paid to	One Year	12.19	January 21, 2022	Nil
55	Edelweiss Financial Services Limited	Cost reimbursement paid to	One Year	0.55	January 21, 2022	Nil
56	Edelweiss Rural & Corporate Services Limited - ECSL	Cost reimbursement paid to	One Year	107.54	January 21, 2022	Nil
57	Nuvama Wealth Management Limited	Cost reimbursement paid to	One Year	118.08	January 21, 2022	Nil
58	Edelweiss Housing Finance Limited	Cost reimbursement paid to	One Year	0.10	January 21, 2022	Nil
59	ECL Finance Limited*	Cost reimbursement paid to	One Year	0.10	January 21, 2022	Nil
60	Nuvama Wealth and Investment Limited	Cost reimbursement paid to	One Year	3.28	January 21, 2022	Nil
61	Edel Land Limited	Cost reimbursement paid to	One Year	66.75	January 21, 2022	Nil
62	Nuvama Wealth Finance Limited	Cost reimbursement paid to	One Year	0.01	January 21, 2022	Nil
63	Edelweiss Asset Management Limited	Fund Accounting Fee Income received from	One Year	0.32	January 21, 2022	Nil
64	Edel Land Limited **	Interest expenses on margin placed by	One Year	2.98	January 21, 2022	Nil
65	ECL Finance Limited	Interest expenses on margin placed by	One Year	6.14	January 21, 2022	Nil


66	Edel Investments Limited	Interest expenses on margin placed by	One Year	1.07	January 21, 2022	Nil
67	Edelcap Securities Limited	Interest expenses on margin placed by	One Year	0.49	January 21, 2022	Nil
68	Nuvama Wealth and Investment Limited	Interest expenses on margin placed by	One Year	513.05	January 21, 2022	Nil
69	Nuvama Wealth Finance Limited	Interest expenses on margin placed by	One Year	1.08	January 21, 2022	Nil
70	Nuvama Wealth Management Limited	Interest expenses on margin placed by	One Year	23.78	January 21, 2022	Nil
71	Nuvama Custodial Services Limited	Referral & Other Fees Income from	One Year	26.51	January 21, 2022	Nil
72	Nuvama Wealth and Investment Limited	Referral & Other Fees expenses to	One Year	43.91	January 21, 2022	Nil
73	Nuvama Wealth Management Limited	Referral & Other Fees expenses to	One Year	107.03	January 21, 2022	Nil
74	Nuvama Wealth Finance Limited	Referral & Other Fees expenses to	One Year	25.00	January 21, 2022	Nil
75	Nuvama Wealth Management Limited	Research Service Fees paid to	One Year	12.00	January 21, 2022	Nil
76	Edel Investments Limited	Fixed Assets sold to	One Year	0.01	January 21, 2022	Nil
77	Edelcap Securities Limited	Fixed Assets sold to	One Year	0.00	January 21, 2022	Nil
78	Nuvama Custodial Services Limited	Transfer of gratuity liability to	One Year	0.15	January 21, 2022	Nil
79	Nuvama Wealth and Investment Limited	Transfer of gratuity liability to	One Year	0.75	January 21, 2022	Nil

80	Edelweiss Rural & Corporate Services Limited	Gratuity liability transferred from	One Year	0.10	January 21, 2022	Nil
81	Nuvama Wealth Management Limited	Gratuity liability transferred from	One Year	0.01	January 21, 2022	Nil
82	Nuvama Wealth and Investment Limited	Gratuity liability transferred from	One Year	0.09	January 21, 2022	Nil
83	Nuvama Wealth Management Limited	Interim dividend paid to	One Year	65.81	January 21, 2022	Nil
84	Edelweiss Financial Services Limited	Expenses for employee stock option plans	One Year	-0.15	January 21, 2022	Nil
85	Nuvama Wealth Management Limited	Expenses for employee stock option plans	One Year	1.26	January 21, 2022	Nil
86	Edelweiss Financial Services Limited	Expenses for employee Stock Appreciation Rights	One Year	0.43	January 21, 2022	Nil
87	Nuvama Wealth Management Limited	Insurance premium paid to	One Year	0.20	January 21, 2022	Nil
88	Edelweiss Tokio Life Insurance Company Limited	Insurance premium paid to	One Year	0.02	January 21, 2022	Nil
89	ZUNO General Insurance Limited	Mediclaime expenses paid to	One Year	4.44	January 21, 2022	Nil
90	EdelGive Foundation	CSR expenses	One Year	27.88	January 21, 2022	Nil
91	Nuvama Wealth Management	Branding fee paid to	One Year	4.47	January 21, 2022	Nil

	Limited [Formerly Edelweiss Securities Limited]					
92	Edelweiss Financial Services Limited	ESOP charge Reversal recovered (through Reserves & Surplus)	One Year	1.47	January 21, 2022	Nil
93	Key managerial personnel	Managerial remuneration (refer note 3)	One Year	15.76	January 21, 2022	Nil

For and on behalf of the Board of Directors
Nuvama Clearing Services Limited
(formerly known as Edelweiss Custodial Services Limited)


Udit Sureka
Executive Director
DIN: 02190342


Shiv Sehgal
Non-Executive Director
DIN: 07112524

Mumbai, May 24, 2023

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2022-23

[Pursuant to clause (o) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. Brief outline on CSR Policy of the Company:

CSR Policy shall apply to all CSR initiatives and activities taken up by the Company for the benefit of the society.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation Nature Directorship	/ of	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Shiv Sehgal	Non- executive Director		1	1
2.	Mr. Udit Sureka	Executive Director		1	1
3.	Mr. Arbinda Ghimire	Executive Director		0	0

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. : Not Applicable

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). : Not Applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any : Not Applicable
6. a. Average net profit of the company as per section 135(5). : Rs. 1,39,36,24,521
7.
 - a. Two percent of average net profit of the company as per section 135(5). : Rs. 2,78, 72,490
 - b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years. : Nil

c. Amount required to be set off for the financial year, if any : Nil

d. Total CSR obligation for the financial year (7a+7b-7c). : Rs. 2,78,72,490

8.

a. CSR amount spent or unspent for the financial year : Rs. 2,78,75,000

b. Details of CSR amount spent against ongoing projects for the financial year:

Sr. No.	Name of CSR project	Item from List of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of project		Project duration	Amount allocated for the project (INR)	Amount spent in the current financial year (INR)	Amount transferred to unspent CSR account for the project as per Section 135(6)	Mode of implementation - Direct (Yes/No)	Mode of implementation through implementation agency	
				State	District						Name	CSR registration no.
1	RAHAT-Enabling access to justice to	Women Empowerment-Schedule VII(iii)	Yes	Maharashtra	Mumbai	3	30,09,000	30,09,000	-	No	EdelGive Foundation	CSR00000514

	victims of sexual violence											
2	Women and Girls Dignity Programme	Women Empowerment-Schedule VII(iii)	No	Madhya Pradesh	Betul Chhatarpur Ratlam Shajapur Indore	3	74,21,718	74,21,718	-	No	EdelGive Foundation	CSR00000514
3	Salamat Kutch	Women Empowerment-Schedule VII(iii)	No	Gujarat	Kutch	3	59,48,225	59,48,225	-	No	EdelGive Foundation	CSR00000514
4	Empowering Women And Women Institutions For Rights And Entitlements	Women Empowerment-Schedule VII(iii)	No	Rajasthan	Alwar Bharatpur	3	37,76,910	37,76,910	-	No	EdelGive Foundation	CSR00000514
5	Strengthening Education Systems for Improved Learning Outcome	Education-Schedule VII(ii)	No	Odisha	Koraput	3	20,29,503	20,29,503	-	No	EdelGive Foundation	CSR00000514

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6	The Collaborators for Transforming Education	Education-Schedule VII(ii)	No	Maharashtra	Amravati	1	40,00,000	40,00,000	-	No	EdelGive Foundation	CSR00000514
7	Science Centre, Operation Vasantha, Young Instructor Leader, Lab in a Box and Innovation Hub	Education-Schedule VII(ii)	No	Maharashtra	Alibaug	3	13,42,386	13,42,386	-	No	EdelGive Foundation	CSR00000514
8	The Collaborators for Transforming Education	Education-Schedule VII(ii)	No	Maharashtra	Nandurbar Parbhani Satara Solapur	1	3,47,258	3,47,258	-	No	EdelGive Foundation	CSR00000514
	TOTAL						2,78,75,000	2,78,75,000	-	-		

- c. Details of CSR amount spent against **other than ongoing projects** for the financial year: Not Applicable
- d. Amount spent in Administrative Overheads : Nil
- e. Amount spent on Impact Assessment, if applicable

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- f. Total amount spent for the Financial Year (8b+8c+8d+8e) : Rs. 2,78,75,000
- g. Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 2,78,72,490
(ii)	Total amount spent for the Financial Year	Rs. 2,78,75,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs. 2,510
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Rs. 2,510

9.

- a. Details of Unspent CSR amount for the preceding three financial years: 13.09 million for FY 19-20
- b. Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):

For Financial Year 2021-22:

Amount Spent

Sr. No.	Name of CSR project	Item from List of activities in Schedule VII to the Act	Local Area (Yes /No)	Location of project		Project duration	Amount allocated for the project (INR)	Amount spent in the current financial year	Mode of implementation - Direct (Yes/No)	Mode of implementation through implementation agency	
				State	District					Name	CSR registration no.
1	The collaborates for Transforming Education	Education-Schedule VII(ii)	No	Maharashtra	Nandurbar Parbhani Satara Solapur	1	62,91,980	62,91,980	No	EdelGive Foundation	CSR00000514
2	Enhancing access to adequate, quality Drinking water through gender just community mechanisms	Livelihood - Schedule VII(ii)	No	Gujarat	Bharuch	2	37,75,713	37,75,713	No	EdelGive Foundation	CSR00000514

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	in Bharuch district										
3	Namma Mathu Namma Jagga - (Our Discourse, Our Space)	Women Empowerment- Schedule VII(iii)	No	Karnataka	Mysuru	3	4,81,710	4,81,710	No	EdelGive Foundation	CSR00000514
4	Salamat Kutch	Women Empowerment- Schedule VII(iii)	No	Gujarat	Kutch	3	6,65,552	6,65,552	No	EdelGive Foundation	CSR00000514
5	Grassroots Resilience Ownership and Wellness(GROW)	Reducing Inequalities - Schedule VII(iii)	No	PAN India	PAN India	3	1,88,85,045	1,88,85,045	No	EdelGive Foundation	CSR00000514
	TOTAL						3,01,00,000	3,01,00,000	-		

For the Financial Year 2020-21:

Amount Spent:

S. No.	Name of CSR project	Item from List of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of project		Project duration	Amount allocated for the project (INR)	Amount spent in the current financial year	Amount transferred to unspent CSR account for the project as per Section 135(6)	Mode of implementation - Direct (Yes/No)	Mode of implementation through implementation agency	
				State	District						Name	CSR registration no.
1	Saving lives and promoting quality of life	Livelihood	No	Rajasthan	Udaipur	3	46,76,351	46,76,351	-	No	EdelGive Foundation	CSR00000514
2	Building wealthy resilient and responsible	Livelihood	No	Tamil Nadu	Pudukottai	2	1,23,95,026	1,23,95,026	-	No	EdelGive Foundation	CSR00000514

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	farmers through Vrutti's 3-fold model											
3	The Collaborator for Transforming Education	Education	No	Maharashtra	Nandurbar, Parbhani, Satara, Solapur	3	30,74,823	30,74,823	-	No	EdelGive Foundation	CSR00000514
4	Integrated community based development programme for socio-economic empowerment of marginalized girls and women	Women Empowerment	No	Telangana	Hyderabad	3	27,08,260	27,08,260	-	No	EdelGive Foundation	CSR00000514

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5	Empowering Women And Women Institutions For Rights And Entitlements	Women Empowerment	No	Rajasthan	Alwar	3	24,45,540	24,45,540	-	No	EdelGive Foundation	CSR00000514
	TOTAL						2,53,00,000	2,53,00,000	-	-		

For the Financial Year 2019-20:

Total amount to be spent for the financial year: Rs. 13.09 million

Amount unspent, if any: Rs. 13.09 million.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)	: Not Applicable
Date of creation or acquisition of the capital asset(s).	: Not Applicable

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Amount of CSR spent for creation or acquisition of capital asset.	: Not Applicable
Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	: Not Applicable
Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	: Not Applicable
Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).	: Not Applicable

For and on behalf of the Board of Directors
Nuvama Clearing Services Limited
(Formerly known as Edelweiss Custodial Services Limited)


Udit Sureka
Executive Director
DIN: 02190342


Shiv Sehgal
Non-Executive Director
DIN: 07112524

Mumbai, May 24, 2023

CS. SURESH VISWANATHAN, FCS • CS. VENKATESWARAN SAMBAMURTHY, FCS
CS. SUDHIR BABU, FCS • CS. PANKAJ NIGAM, FCS

ADDING VALUE, ADHERING TO VALUES

Annexure III

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members,
Nuvama Clearing Services Limited
(formerly known as Edelweiss Custodial Services Limited)
801 to 804 Wing A Building No 3
Inspire BKC G Block BKC Bandra (East)
Mumbai MH 400051 IN

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Nuvama Clearing Services Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder¹;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

¹ Not applicable to the company during the audit period



- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011²;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018³;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014⁴;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021⁵;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client⁶;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021⁷;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018⁸;
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015⁹; and
- (vi) Other laws as may be applicable specifically to the Company, namely:
- (i) SEBI (Stock Brokers & Sub Brokers) Regulations, 1992, and the Circulars issued by SEBI thereunder,
 - (ii) The Byelaws, Rules, and Circulars issued by Stock Exchanges of which the Company is the member;

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the

² Not applicable to the Company during the Audit period

³ ibid

⁴ ibid

⁵ ibid

⁶ ibid

⁷ ibid

⁸ ibid

⁹ ibid



composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes¹⁰.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines (Please see **Annexure B**).

We further report that during the audit period, the Company has not accomplished/encountered any specific events / actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc. referred to above.

May 24, 2023
Mumbai

For SVVS & Associates Company Secretaries LLP



CS. Suresh Viswanathan
Designated Partner
UDIN : F004453E000346333
FCS : 4453
CP No : 11745



Note: This report is to be read with the list of Applicable Laws and our letter of even date which are attached as **Annexure A** and **Annexure B** respectively and form an integral part of this report.

¹⁰ All resolutions were carried unanimously

ANNEXURE A

The Members,

Nuvama Clearing Services Limited

(formerly known as Edelweiss Custodial Services Limited)

801 to 804 Wing A Building No 3
Inspire BKC G Block BKC Bandra (East)
Mumbai MH 400051 IN

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. No audit has been conducted on the compliance with finance and taxation laws as the same are subject to audit by the Statutory Auditor and Internal Auditor to the Company and their observations, if any, shall hold good for the purpose of this audit report.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance with the provisions of Corporate and other applicable laws rules, regulations the responsibility of management, our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.



8. Audit of the compliance with Other Laws has been undertaken based on scope of audit and the applicability of such Laws as ascertained by the Company and informed to us.
9. We have relied on reports of Internal Audit, Regulatory Inspection/Audit to the extent made available to us and the observations, if any, contained in such reports shall hold good for the purpose of this audit report.
10. NSE Clearing Limited ("NCL") had conducted regular inspection on the Company for the period January 01, 2018 to June 30, 2020. During the audit period, NCL issued Show cause notice and sought clarifications on certain points vide letter September 22, 2022 which were responded by the Company on October 14, 2022. Further Company has received supplementary show cause notice on October 25, 2022 and the same was responded by the Company on December 13, 2022. MCSGFC committee of NCL has vide its letter dated March 31, 2023 gave its decision on the matter and proposed to levy a penalty of Rs 25 lakhs. The Company has filed an appeal before SAT on May 11, 2023 which was heard on June 08, 2023, and the SAT has directed to deposit the penalty amount with NCL which will be subject to the result of the captioned appeal. NCSL has deposited the said amount with NCL. This matter is currently pending for hearing before SAT
11. During the audit period, NCL had also sought clarifications on certain points vide letter June 22, 2022, in connection with a joint inspection with Securities and Exchange Board of India (SEBI) for the period April, 2020 to December, 2021, and the same has been responded by the company on July 04, 2022. Consequent to the proceedings conducted thereon, a penalty of Rs. 7,50,000 + GST was levied on the company.
12. There have been other investigations/ inspection conducted during the earlier years, for which actions are pending from stock exchanges/ SEBI/ SAT. However, we have been informed that during the audit period there have been no specific developments on such investigation/ inspections.

May 24, 2023
Mumbai

For SVVS & Associates Company Secretaries LLP



CS. Suresh Viswanathan
Designated Partner
UDIN : F004453E000346333
FCS : 4453
CP No : 11745



ANNEXURE B

No. Laws applicable to the Company

The following laws have been taken into account to verify if that there are adequate systems and processes to monitor and ensure compliance with, in the Company, commensurate with its with the size and operations:

1. The Maternity Benefit Act, 1961
2. Payment of Wages Act, 1936
3. Minimum wages act-regional
4. The Payment of Bonus Act, 1965
5. Equal Remuneration Act, 1976
6. The Maharashtra Labour Welfare Fund Act, 1953
7. The Maharashtra Workmen's Minimum House Rent Allowance Act, 1983
8. Employee's Provident Fund & Miscellaneous Provisions Act, 1952
9. The Payment of Gratuity Act, 1972
10. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
11. Employee Compensation Act, 1923
12. Contract Labour (Regulation and Abolition) Act, 1970
13. The Maharashtra Private Security Guards (Regulation of Employment & Welfare) Act, 1981 & Maharashtra Private Security Agencies, 2005
14. Employees' State Insurance Act, 1948



INDEPENDENT AUDITOR'S REPORT

To the Members of Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)

Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

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

Other Information

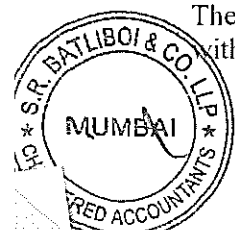
The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors report, but does not include the financial statements and our auditor's report thereon.

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

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial



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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



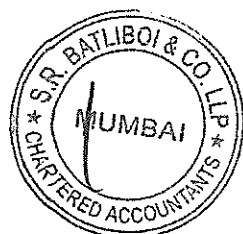
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.35 to the financial statements;

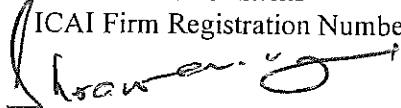


- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
 - a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 2.51 (iv) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 2.51 (v) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The interim dividend declared and paid by the Company during the year is in accordance with section 123 of the Act.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Shrawan Jalan

Partner

Membership Number: 102102

UDIN: 23102102BGXJEI5225

Place of Signature: Mumbai

Date: May 24, 2023

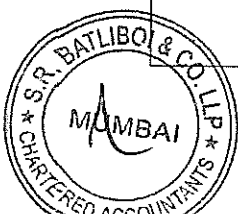


Annexure 1 referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our report of even date

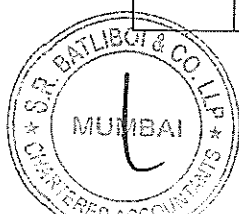
Re: Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited) (“the Company”)

The Information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i)	(a) (A)	The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
	(a) (B)	The Company has maintained proper records showing full particulars of intangible assets.
	(b)	The Company has a regular programme of physical verification of its property, plant and equipment and are verified by the management according to a phased programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the policy, the Company has physically verified certain property, plant and equipment during the year and no discrepancies were noticed in respect of assets verified during the year.
	(c)	The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
	(d)	The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.
	(e)	There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
(ii)	(a)	The Company’s business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
	(b)	The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
(iii)	(a)	During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
	(b)	During the year the investments made, guarantees provided, the terms and conditions of the grant of all loans and guarantees to companies and other parties are not prejudicial to the Company's interest.

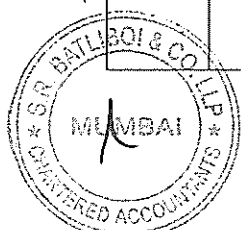


	(c)	The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
	(d)	The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
	(e)	There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
	(f)	The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
(iv)		The Company has not advanced loans to directors / to a Company in which the director is interested to which provisions of section 185 of the Companies Act 2013 apply and hence not commented upon. The Company has made investments/ given loans /guarantees/ provided security which is in compliance to the provisions of section 186 of the Companies Act 2013.
(v)		The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
(vi)		The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
(vii)	(a)	<p>The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:</p> <p>There has been a delay in depositing provident fund dues under the Provident Fund and Miscellaneous Provisions Act, 1952 of an amount of Rs. 0.09 million pertaining to the period from April 01, 2022 to March 31, 2023. The due date for depositing this amount is 15th of the following month to which they pertain. As represented by the Company, the delay in the deposit of provident fund within the stipulated time as the Aadhaar number of the new employees could not be linked to their UAN as per the government norms. Further, the Company is making the efforts to pay the amount and resolve the matter.</p> <p>As informed, the provisions of sales tax, wealth tax, value added tax, excise duty and customs duty are currently not applicable to the Company.</p>



	(b)	<p>There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute.</p> <p>As informed, the provisions of sales tax, wealth tax, value added tax, excise duty and customs duty are currently not applicable to the Company.</p>
(viii)		<p>The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.</p>
(ix)	(a)	<p>The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.</p>
	(b)	<p>The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.</p>
	(c)	<p>The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.</p>
	(d)	<p>On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.</p>
	(e)	<p>The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.</p>
	(f)	<p>The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.</p>
(x)	(a)	<p>The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.</p>
	(b)	<p>The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.</p>
(xi)	(a)	<p>No fraud by the Company or no fraud on the Company has been noticed or reported during the year.</p>
	(b)	<p>During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.</p>
	(c)	<p>As represented to us by the management, there are no whistle blower complaints received by the Company during the year.</p>

(xii)		The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
(xiii)		Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.
(xiv)	(a)	The Company has an internal audit system commensurate with the size and nature of its business.
	(b)	The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
(xv)		The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
(xvi)	(a)	The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
	(b)	The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
	(c)	The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
	(d)	As at March 31, 2023, there are no Core Investment Company as part of the Group.
(xvii)		The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year respectively.
(xviii)		There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
(xix)		On the basis of the financial ratios disclosed in note 2.47 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due



S.R. BATLIBOI & Co. LLP

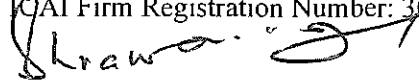
Chartered Accountants

		within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
(xx)	(a)	There are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 2.44 to the financial statements.
	(b)	There are no unspent amounts that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 2.44 to the financial statements.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Shrawan Jalan

Partner

Membership Number: 102102

UDIN: 23102102BGXJEI5225

Place of Signature: Mumbai

Date: May 24, 2023



Annexure 2 to the Independent Auditor's report of even date on the financial statements of Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)

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

We have audited the internal financial controls with reference to financial statements of Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited) ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls With Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to 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 Financial Statements

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

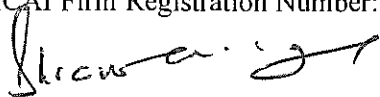
Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Shrawan Jalan

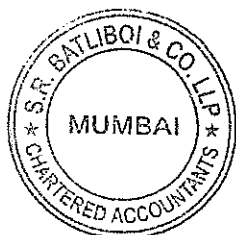
Partner

Membership Number: 102102

UDIN: 23102102BGXJEI5225

Place of Signature: Mumbai

Date: May 24, 2023



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Balance Sheet

(Currency : Indian rupees in millions)

	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non current assets			
(a) Property, plant and equipment	2.1	173.24	539.03
(b) Investment property	2.2	147.35	155.10
(c) Intangible assets	2.3	12.47	11.70
(d) Intangible assets under development	2.4	17.40	-
(e) Financial assets			
(i) Investments	2.5	231.61	240.77
(ii) Other financial assets	2.6	187.28	191.75
(f) Current tax assets (net)	2.7	61.94	50.69
(g) Deferred tax assets (net)	2.8	-	9.35
		831.29	1,198.39
Current assets			
(a) Financial assets			
(i) Stock in trade		2,608.88	380.03
(ii) Trade receivables	2.9	520.65	4,685.31
(iii) Cash and cash equivalents	2.10	4,352.86	5,013.28
(iv) Bank balances other than cash and cash equivalents	2.11	38,145.00	30,559.04
(v) Other financial assets	2.12	296.07	107.06
(b) Other current assets	2.13	124.48	94.52
		46,047.94	40,839.24
Total assets		46,879.23	42,037.63
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	2.14	62.68	62.68
(b) Other equity	2.15	3,804.88	2,891.56
		3,867.56	2,954.24
Non current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	2.16	56.22	112.16
(b) Provision	2.17	21.42	20.17
(c) Deferred tax liabilities (net)	2.8	47.67	-
		125.31	132.33
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	2.18		
(i) total outstanding dues of micro enterprises and small enterprises		0.51	0.03
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		196.66	225.75
(ii) Other financial liabilities	2.19	42,615.10	38,645.98
(b) Other current liabilities	2.20	35.94	46.67
(c) Provisions	2.21	6.13	5.59
(d) Current tax liabilities (net)	2.22	32.02	27.04
		42,886.36	38,951.06
Total equity and liabilities		46,879.23	42,037.63

The accompanying notes are an integral part of the financial statements

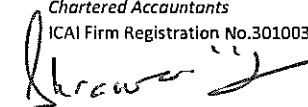
1 & 2

As per our report of even date attached

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No.301003E/E300005



per Shrawan Jalan

Partner

Membership No:102102

Mumbai

May 24, 2022



For and on behalf of the Board of Directors



Udit Sureka

Executive Director

DIN : 02190342

Mumbai

May 24, 2022



Arbinda Ghimire

Executive Director

DIN : 10097420



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Statement of Profit and Loss

(Currency : Indian rupees in millions)

	Note	For the year ended March 31, 2023	For the year ended 31 March 2022
Revenue from operations			
Fee and commission income	2.23	426.95	130.53
Interest income	2.24	2,052.05	2,297.70
Rental income	2.25	182.76	203.29
Net gain on fair value changes	2.26	261.59	117.46
Total Revenue from operations		2,923.35	2,748.98
Other income	2.27	67.59	27.40
Total Revenue		2,990.94	2,776.38
Expenses			
Employee benefits expense	2.28	277.84	296.45
Finance costs	2.29	739.15	822.10
Depreciation, amortisation and impairment	2.1, 2.2, 2.3	152.05	148.28
Other expenses	2.30	515.63	693.61
Total expenses		1,684.67	1,960.44
Profit before tax		1,306.27	815.94
Tax expenses: (refer note 2.31)			
Current tax			
(1) Current tax		266.84	204.08
(2) Short / (Excess) provision for earlier years		3.49	(27.90)
Deferred tax		57.36	11.73
Profit for the year from continuing operations		978.58	628.03
Profit from discontinued operations (refer note 2.46)		-	3.48
Tax expense of discontinued operations		-	0.88
Profit from discontinued operations (after tax)		-	2.60
Profit for the year		978.58	630.63
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement gain / (loss) on defined benefit plans - gratuity (OCI)		(1.30)	(1.48)
Less: Income tax relating to items that will not be reclassified to profit or loss		(0.33)	(0.37)
Total		(0.97)	(1.11)
Total Comprehensive Income		977.61	629.52
Earnings per equity share (Face value of ₹ 10 each):			
Basic and Diluted (INR)		156.14	100.20
Earnings per equity share (for discontinued operation:) (Face value of ₹ 10 each):			
Basic and Diluted (INR)		-	0.42
Earnings per equity share (for discontinued and continuing operation:) (Face value of ₹ 10 each):			
Basic and Diluted (INR)	2.34	156.14	100.62

The accompanying notes are an integral part of the financial statements

1 & 2

As per our report of even date attached

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No.301003E/E300005

Shrawan Jalan

per Shrawan Jalan

Partner

Membership No:102102

Mumbai

May 24, 2022

For and on behalf of the Board of Directors

Udit Sureka

Udit Sureka
Executive Director
DIN : 02190342

Mumbai

May 24, 2022

Arbinda Ghimire

Arbinda Ghimire
Executive Director
DIN : 10097420



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Statement of changes in Equity

(Currency : Indian rupees in millions)

A. Equity share capital

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning of the period	62.68	62.68
Issue of shares during the period	-	-
Balance at the end of the period	62.68	62.68

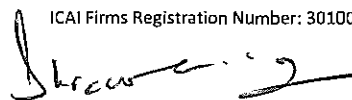
B. Other Equity

	Securities Premium Account	Deemed capital contribution - ESOP	Retained earnings	Total
Balance at April 01, 2021	652.10	8.92	1,597.77	2,258.79
Adjustment of share based payments on lapsed /cancelled			3.25	3.25
Profit for the year	-	-	630.63	630.63
Other comprehensive income	-	-	(1.11)	(1.11)
Total Comprehensive Income	-	-	632.77	632.77
Balance at April 01, 2022	652.10	8.92	2,230.54	2,891.56
Reversal of ESOP cost on cancellation	-	-	1.47	1.47
Reversal of SAR cost on cancellation	-	-	0.05	0.05
Profit for the period	-	-	978.58	978.58
Other comprehensive income	-	-	(0.97)	(0.97)
Total Comprehensive Income	-	-	979.13	979.13
Dividends to shareholders	-	-	(65.81)	(65.81)
Balance at March 31, 2023	652.10	8.92	3,143.86	3,804.88

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firms Registration Number: 301003E/E300005



per Shrawan Jalan

Partner

Membership No:102102

Mumbai

May 24, 2023

For and on behalf of the Board of Directors



Udit Sureka

Executive Director

DIN : 02190342

Mumbai

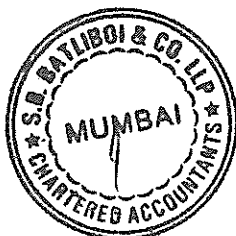
May 24, 2023



Azbinda Ghimire

Executive Director

DIN : 10097420



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Cash Flow Statement for the year ended March 31, 2023

(Currency : Indian rupees in millions)

	For the year ended March 31, 2023	For the year ended 31 March 2022
A Cash flow from operating activities		
Profit before taxation from continuing operations	1,306.27	815.94
Profit before taxation from discontinued operations	-	3.48
Profit before taxation	<u>1,306.27</u>	<u>819.42</u>
Adjustments for		
Depreciation	152.05	148.28
Impairment of financial instruments	(5.29)	(23.33)
Loss on sale of fixed assets	(0.02)	(0.01)
Unrealised gain on NSE shares	(206.76)	(43.13)
MTM on investment in fund	(0.03)	-
ESOP cost cancellation	1.47	3.25
SAR cost cancellation	0.05	-
Interest expense	42.45	51.55
Interest income on Pref. shares	(15.81)	(5.77)
Gain on termination of lease	(31.97)	-
Operating cash flow before working capital changes	<u>1,242.41</u>	<u>950.26</u>
Add / (Less): Adjustments for working capital changes		
Decrease / (increase) in trade receivables	4,169.95	(3,657.92)
(Increase) / decrease in other bank balances	(7,585.96)	6,487.66
Increase in stock-in-trade	(2,022.09)	(336.90)
(Increase) / decrease in other financial assets	(184.54)	2,235.99
Increase in other non financial assets	(29.97)	(56.11)
Increase / (decrease) in liabilities and provisions	<u>4,248.74</u>	<u>(861.72)</u>
Cash (used in) / generated from operations	<u>(161.46)</u>	<u>4,762.26</u>
Income taxes paid	<u>(276.61)</u>	<u>(296.60)</u>
Net cash (used in) / generated from operating activities - A	<u>(438.07)</u>	<u>4,465.66</u>
B Cash flow from investing activities		
Purchase of fixed assets (Refer note 4)	(27.62)	(165.06)
Sale of fixed assets	0.04	39.90
Dividend on Preference shares	16.45	-
Sale of non current investment	13.55	-
Purchase of investment	<u>(5.00)</u>	<u>(235.00)</u>
Net cash used in investing activities - B	<u>(2.58)</u>	<u>(360.16)</u>
C Cash flow from financing activities		
Principal repayment of leases (Ind AS 116)	(153.96)	(150.33)
Dividend paid to shareholders	<u>(65.81)</u>	<u>-</u>
Net cash used in financing activities - C	<u>(219.77)</u>	<u>(150.33)</u>
Net (decrease) / increase in cash and cash equivalents (A+B+C)	<u>(660.42)</u>	<u>3,955.17</u>
Cash and cash equivalent as at the beginning of the year (Refer note 2.10)	5,013.28	1,059.11
Cash and cash equivalent as at the end of the year	4,352.86	5,013.28



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Cash Flow Statement for the year ended March 31, 2023

(Currency : Indian rupees in millions)

For the year ended
March 31, 2023

For the year ended
31 March 2022

Notes:

1 Net figures have been reported on account of volume of transactions.

2 Component of cash and cash equivalents

Cash and Cash equivalents

Balances with banks

in current accounts

4,352.86

5,013.28

4,352.86

5,013.28

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

4 Purchase of tangible and intangible assets includes movement of intangible asset under development and capital expenditure during the period.

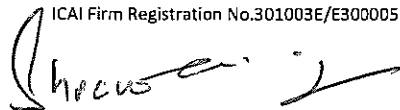
5 Particulars	March 31, 2023	March 31, 2022
Net cash inflow /(outflow) from operating activities (discontinued operations)	-	3.48
Net cash outflow from investing activities (discontinued operations)	-	-

As per our report of even date attached

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No.301003E/E300005



per Shrawan Jalan

Partner

Membership No:102102

Mumbai

May 24, 2023

For and on behalf of the Board of Directors



Udit Sureka

Executive Director

DIN : 02190342

Mumbai

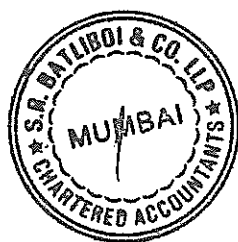
May 24, 2023



Arbinda Ghimire

Executive Director

DIN : 10097420



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements

for the year ended March 31, 2023

(Currency : Indian rupees in million)

1. Significant accounting policies

1.1 Company background:

Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited] ('The Company') was incorporated on 16 October 2008 having CIN US1109MH2008PLC187594. The registered office of the company is located at Tower 3, Wing B, Kohinoor City Mall, Kohinoor City, Kiroli Road, Kurla (West), Mumbai- 400070.

PAGAC Ecstasy Pte. Limited is the Ultimate Holding company.

The Company is a Professional Clearing Member (PCM) of National Securities Clearing Corporation Limited (NSCCL) and Indian Clearing Corporation Limited (ICCL). The Company is also a SEBI registered custodian of securities who settles trades of clients and maintains a record of client holdings and monitors receipt of corporate action benefits to eligible clients. Other services provided include fund accounting services. (Refer note 2.46 for discontinued operations of Custody business.) Company invests in fixed deposits & other highly liquid callable instruments as part of its treasury activities.

1.2 Basis of preparation and presentation of financial statements:

The financial statements have been prepared in accordance with Indian Accounting Standards (referred hereinafter as 'Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III).

The Company's financial statements have been prepared on a historical cost basis, except for certain financial instruments such as financial asset measured at fair value through other comprehensive income (FVOCI) instruments, derivative financial instruments, and other financial assets held for trading, which have been measured at fair value. The Company's financial statements are presented in Indian Rupees (INR).

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

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:

1. The normal course of business
2. The event of default
3. The event of insolvency or bankruptcy of the Company and/or its counterparties



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

for the year ended March 31, 2023

(Currency : Indian rupees in million)

1.2 Basis of preparation and presentation of financial statements:

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible are not depreciated, or amortised assets once classified as held for sale.

Assets classified as held for sale are presented separately from other items in the balance sheet.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

Or

- Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

Additional disclosures are provided in Note 2.46. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

for the year ended March 31, 2023

(Currency : Indian rupees in million)

1.3 Use of estimates

The preparation of the financial statements requires management to make certain estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported revenue and expense during the reporting period. Actual results could differ from the estimates.

1.4 Revenue recognition:

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. When (or as) a performance obligation is satisfied, the Company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation. The Company applies the five-step approach for recognition of revenue:

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

Revenue recognition for different heads of Income are as under:

- Fee income includes fees for clearing services, custody fees & fund accounting. The right to receive the clearing fees arises when the trade is executed and a valid contract is generated for the trade. All types of fee income is accounted for, on an accrual basis in accordance with the terms and contracts entered into between the Company and the counterparty.
- Interest income is recognised on accrual basis of accounting.
- Profit / loss earned on sale of investment is recognised on trade date basis. Profit / loss on sale of investments is determined based on the weighted average cost of the investments sold.
- Dividend income is recognised when the right to receive payment is established.
- Trade exposure charges are recognised on accrual basis.

1.5 Financial instruments:

Date of recognition

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

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.



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

for the year ended March 31, 2023

(Currency : Indian rupees in million)

1.5 Financial instruments: (Continued)

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Day 1 profit or loss

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

Classification of financial instruments

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

Financial assets carried at amortised cost (AC)

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

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

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

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

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

Amortized cost and effective interest rate (EIR)

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

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



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

for the year ended March 31, 2023

(Currency : Indian rupees in million)

1.5 Financial Instruments (Continued)

For purchased or originated credit impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

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

Financial assets held for trading

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

Financial assets at fair value through profit or loss

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis.

- The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis; Or
- The liabilities are part of a group of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; Or

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

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



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

for the year ended March 31, 2023

(Currency : Indian rupees in million)

1.5 Financial Instruments (Continued)

Disclosure requirement of Ind AS 107-Financial Instruments:

Investment in equity instruments

The Company subsequently measures all equity investments (other than subsidiaries, associates and joint ventures, group companies) at fair value through profit or loss, unless the management has elected to classify irrevocably some of its strategic equity investments to be measured at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis. Investments in subsidiaries are carried at amortised cost.

Financial liabilities

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

Financial liabilities and equity instruments

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

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

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

Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. The company didn't reclassify any of its financial assets or liabilities in current period and previous period.

Derecognition of financial assets and financial liabilities

Derecognition of financial asset

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

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

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



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

for the year ended March 31, 2023

(Currency : Indian rupees in million)

1.5 Financial Instruments (Continued)

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

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

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

A transfer only qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset; or

Derecognition of financial asset (Continued)

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

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

The Company also derecognises a financial asset, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new financial asset, 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 assets are classified as Stage 1 for ECL measurement purposes, unless the new financial asset is deemed to be POCI.

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

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.



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

for the year ended March 31, 2023

(Currency : Indian rupees in million)

1.5 Financial Instruments (Continued)

The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

Impairment of financial assets

The Company records provisions based on expected credit loss model ("ECL") on all loans, other debt financial assets measured at amortised cost together with undrawn loan commitment and financial guarantee contracts, in this section all referred to as "Financial instrument". Equity instruments are not subject to impairment.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables and is adjusted for forward-looking estimates. For the receivables which are highly illiquid in nature, the Company may choose to disclose them as Stage III assets considering the liquidity risk around it.

Business model assessment

Classification and measurement of financial assets depends on the results of the 'Solely Payments of Principal and Interest' (SPPI) criterion and the business model test. The Company determines the business model at a level that reflects how group of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the

assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed.

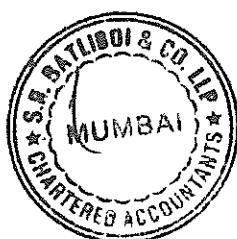
Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price)

regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

Write-offs

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



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

for the year ended March 31, 2023

(Currency : Indian rupees in million)

1.5 Financial Instruments (Continued)

Determination of fair value

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

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

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

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

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments:

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

Level 2 financial instruments:

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

Level 3 financial instruments:

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



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

for the year ended March 31, 2023

(Currency : Indian rupees in million)

1.5 Financial Instruments (Continued)

Determination of fair value (Continued)

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

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

1.6 Leases:

As a lessee:

The Company has applied IND AS 116 using the modified retrospective approach.

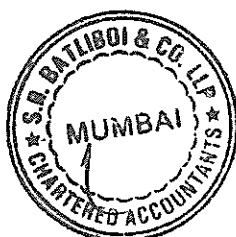
The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company 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 Company recognises a right-of-use asset on the balance sheet 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 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 right-of-use assets are also subject to impairment. Refer to the accounting policies in section 1.7 Impairment of non-financial assets.

Lease Liabilities:

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of 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 Company 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 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 (e.g. changes to future payments resulting from a change in an index or a rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

for the year ended March 31, 2023

(Currency : Indian rupees in million)

1.7 Property, plant and equipment:

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

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

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

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

Property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in other income / expense in the statement of profit and loss in the year the asset is derecognised.

The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

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

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

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

Intangible assets

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



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

for the year ended March 31, 2023

(Currency : Indian rupees in million)

1.7 Property, plant and equipment (Continued):

Intangible assets (Continued):

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

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

Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

1.8 Investment properties

Investment Properties are properties held to earn rentals and/or capital appreciation and are measured and reported at cost, including transaction costs.

Depreciation is recognised using Written Down 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.

1.9 Cash and cash equivalents:

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

1.10 Foreign currency transactions:

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



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

for the year ended March 31, 2023

(Currency : Indian rupees in million)

1.10 Foreign currency transactions: (Continued)

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

1.11 Retirement and other employee benefits:

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

Provident fund and national pension scheme

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

Gratuity

Every employee is entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service in line with The Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

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

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

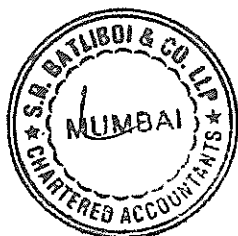
The obligation is measured at present values of estimated future cash flows. The discounted rates used for determining the present value are based on the market yields on Government Securities as at the balance sheet date.

Compensated leave absences

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

1.12 Share-based payment arrangements:

Equity-settled share-based payments to employees are granted by Edelweiss Financial Services Limited 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 Edelweiss Financial Services Limited 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.



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

for the year ended March 31, 2023

(Currency : Indian rupees in million)

1.12 Share-based payment arrangements: (Continued)

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

1.13 Income tax expenses:

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

Current tax

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

Deferred tax

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

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

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

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

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



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

for the year ended March 31, 2023

(Currency : Indian rupees in million)

1.13 Income tax expenses: (Continued)

Deferred tax (Continued)

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

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

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

1.14 Good and service tax expenses:

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

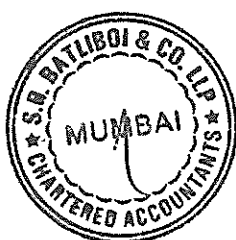
1.15 Earnings per share:

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

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

1.16 Provisions and other contingent liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

for the year ended March 31, 2023

(Currency : Indian rupees in million)

1.16 Provisions and other contingent liabilities: (Continued)

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

1.17 Significant accounting judgements, estimates and assumptions:

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

Judgements

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

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

1.18 Standards issued but not yet effective:

There are no new standards or amendments issued but not yet effective. Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

- Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023. The Group has evaluated the amendment and the impact of the amendment is insignificant in the Company's Consolidated financial statements.
- Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.
- Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statement.



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

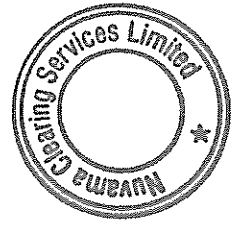
(Currency : Indian rupees in millions)

2.1 Property, Plant and Equipment

Description of Assets	Gross Block				Accumulated Depreciation and Impairment				Net Block As at March 31, 2023
	As at April 1, 2022	Additions during the year	Disposals during the year	Assets included in a disposal group classified as held for sale	As at April 1, 2022	Charge for the year	Disposals during the year	Assets included in a disposal group classified as held for sale	As at March 31, 2023
Leasehold improvements	0.94	-	-	-	0.12	0.81	-	-	0.01
Furniture and Fixtures	1.31	0.05	-	-	0.71	0.16	-	-	0.49
Office equipment	1.25	-	-	-	1.03	0.11	-	-	0.11
Computers	12.97	-	0.60	-	10.55	1.00	0.58	-	1.40
Right of use	668.62	-	318.97	-	133.65	132.83	88.06	-	171.23
Total	685.09	0.05	319.57	-	148.06	134.91	88.64	-	173.24

Description of Assets	Gross Block				Accumulated Depreciation and Impairment				Net Block As at March 31, 2022
	As at April 1, 2021	Additions during the year	Disposals during the year	Assets included in a disposal group classified as held for sale	As at April 1, 2021	Charge for the year	Disposals during the year	Assets included in a disposal group classified as held for sale	As at March 31, 2022
Leasehold improvements	-	0.94	-	-	-	0.12	-	-	0.82
Furniture and Fixtures	1.31	-	-	-	0.51	0.20	-	-	0.60
Office equipment	1.41	0.02	0.18	-	0.97	0.18	0.12	-	0.22
Computers *	13.62	0.81	8.28	(6.82)	9.69	2.07	6.25	(5.04)	2.42
Vehicle	0.50	-	0.50	-	0.34	0.05	0.39	-	-
Right of use	-	668.62	-	-	-	133.65	-	-	534.97
Total	16.84	670.39	8.96	(6.82)	11.51	136.27	6.76	(5.04)	539.03

* Includes assets held for sale



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

2.2 Investment property

Description of Assets	Gross Block			Accumulated Depreciation and Impairment			Net Block As at March 31, 2023
	As at April 1, 2022	Additions during the year	Disposals during the year	Assets included in a disposal group classified as held for sale	As at April 1, 2022	Charge for the year	As at March 31, 2023
Real estate	158.53	-	-	-	3.43	7.75	11.18
Total	158.53	-	-	-	3.43	7.75	11.18

Description of Assets	Gross Block			Accumulated Depreciation and Impairment			Net Block As at March 31, 2022
	As at April 1, 2021	Additions during the year	Disposals during the year	Assets included in a disposal group classified as held for sale	As at April 1, 2021	Charge for the year	As at March 31, 2022
Real estate	-	158.53	-	-	-	3.43	3.43
Total	-	158.53	-	-	-	3.43	155.10

The Company has acquired possession of residential property in satisfaction of the debts and intends to dispose them in due course, subject to conducive market conditions. The said property has been valued taking into consideration various factors such as location, facilities & amenities, quality of construction, residual life of building, supply & demand, local nearby enquiry, market feedback of investigation and ready reckoner rate published by local authorities. These valuations have been performed by external independent valuer, having appropriate recognised professional qualification and experience in the location and category of property being valued. The fair values are based on market values, being the estimated amount for which a property could be exchanged at an arm's length transaction.

2.3 Intangible Assets

Description of Assets	Gross Block			Accumulated Amortisation and Impairment			Net Block As at March 31, 2023
	As at April 1, 2022	Additions during the year	Disposals during the year	Assets included in a disposal group classified as held for sale	As at April 1, 2022	Charge for the year	As at March 31, 2023
Software	38.96	10.16	-	-	27.26	9.39	36.65
Total	38.96	10.16	-	-	27.26	9.39	12.47

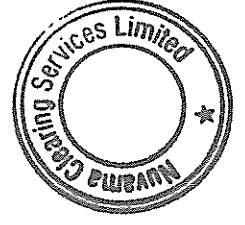
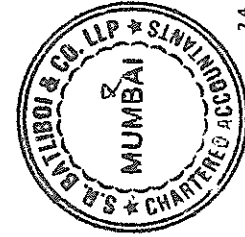
Description of Assets	Gross Block			Accumulated Amortisation and Impairment			Net Block As at March 31, 2022
	As at April 1, 2021	Additions during the year	Disposals during the year	Assets included in a disposal group classified as held for sale	As at April 1, 2021	Charge for the year	As at March 31, 2022
Software *	32.12	5.90	81.56	(82.50)	14.38	8.58	27.26
Total	32.12	5.90	81.56	(82.50)	14.38	8.58	11.70

* Includes assets held for sale

2.4

Intangible assets under development

Particulars	As at March 31, 2023				As at March 31, 2022			
	Amount in intangible assets under development for a period of		Amount in intangible assets under development for a period of		Amount in intangible assets under development for a period of		Amount in intangible assets under development for a period of	
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project in progress	17.40	-	-	-	-	-	-	-
Total	17.40	-	-	-	17.40	-	-	-



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

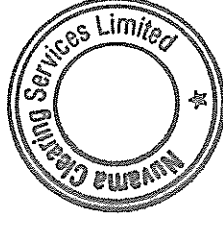
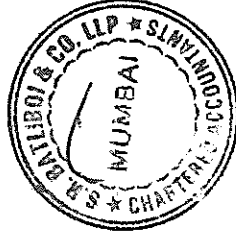
Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

2.5

	As at March 31, 2023		As at March 31, 2022	
	Face Value	Quantity	Face Value	Quantity
Investments (in India)				
Unquoted				
Preference shares (at amortised at cost)				
7% Cumulative Non-Convertible Redeemable Preference Shares (ref	10.00	2,35,00,000	10.00	2,35,00,000
(Includes dividend ₹ 5.13 million, March 31, 2022 ₹ 5.77 million)				
Investments in mutual funds (at FVTPL)				
Edelweiss Crossover Yield Opportunities Fund (VDF fund)	10.00	5,00,000	-	-
(NAV ₹ 10.06, March 31 2022 ₹ Nil)				
		231.61		240.77

Investment in Outside India ₹ Nil (March 31, 2022 ₹ Nil)



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at 31 March 2023	As at 31 March 2022
2.6 Other financial assets		
Deposits placed with exchange	36.93	41.40
Security deposits - rent	148.87	148.87
Other deposits	1.48	1.48
	<u>187.28</u>	<u>191.75</u>
2.7 Current tax assets (net)		
Income tax	61.94	50.69
(net of provision for tax ₹ 239.60, March 31, 2022 ₹ Nil)	<u>61.94</u>	<u>50.69</u>
2.8 Deferred tax assets (net)		
Deferred tax assets		
i) Receivable		
ECL provision on trade and other receivables	0.82	2.15
ii) Property, plant and equipment and intangibles		
Difference between book and tax depreciation	4.84	3.93
iii) Employee benefit obligations		
Disallowances under section 43B of the Income Tax Act, 1961	6.93	6.48
iv) Others		
Difference between rent paid, interest on lease and ROU asset amortisation	6.10	8.78
Sub total A	<u>18.69</u>	<u>21.34</u>
Deferred tax liabilities		
i) Investments and other financial instruments		
Fair valuation of investments and stock-in-trade	65.71	11.99
ii) Others	0.65	-
Sub total B	<u>66.36</u>	<u>11.99</u>
Total (A - B)	<u>(47.67)</u>	<u>9.35</u>
2.9 Trade receivables		
Secured, considered good *	417.96	4,663.95
Unsecured, considered good	102.69	21.36
Trade receivable - credit impaired	3.25	2.01
Total (I)	<u>523.90</u>	<u>4,687.32</u>
Less : Impairment allowance (provision for expected credit loss)		
Trade receivable - credit impaired	3.25	2.01
Total (II)	<u>3.25</u>	<u>2.01</u>
Total (I - II)	<u>520.65</u>	<u>4,685.31</u>
Other receivables		
Other receivable - credit impaired	-	6.53
Less : Impairment allowance (provision for expected credit loss)	-	(6.53)
	<u>-</u>	<u>-</u>
	<u>520.65</u>	<u>4,685.31</u>

* Secured by securities, fixed deposits and bank guarantees



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

(Currency : Indian rupees)

2.9 Trade receivables (Continued)

Reconciliation of impairment allowance on trade and lease receivables:

Particulars	Amount
Impairment allowance measured as per simplified approach	
Impairment allowance as on March 31, 2021	31.87
Add/ (less): asset originated or acquired (net)	(23.33)
Impairment allowance as on March 31, 2022	8.54
Add/ (less): asset originated or acquired (net)	(5.29)
Impairment allowance as on March 31, 2023	3.25

Trade Receivables ageing schedule

Particulars	Outstanding for following periods from date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
March 31, 2023						
i) Undisputed Trade receivables – considered good	520.65	-	-	-	-	520.65
(ii) Undisputed Trade Receivables – credit impaired	1.54	-	-	0.26	1.45	3.25
(iii) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Gross receivables (A)	522.19	-	-	0.26	1.45	523.90
i) Undisputed Trade receivables – considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – credit impaired	1.54	-	-	0.26	1.45	3.25
(iii) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total ECL provision on receivables (B)	1.54	-	-	0.26	1.45	3.25
Total receivables net of provision (A - B)	520.65	-	-	-	-	520.65

Particulars	Outstanding for following periods from date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
March 31, 2022						
i) Undisputed Trade receivables – considered good	4,685.21	0.10	-	-	-	4,685.31
(ii) Undisputed Trade Receivables – credit impaired	0.50	0.17	0.05	-	7.82	8.54
(iii) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Gross receivables (A)	4,685.71	0.27	0.05	-	7.82	4,693.85
i) Undisputed Trade receivables – considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – credit impaired	0.50	0.17	0.05	-	7.82	8.54
(iii) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total ECL provision on receivables (B)	0.50	0.17	0.05	-	7.82	8.54
Total receivables net of provision (A - B)	4,685.21	0.10	-	-	-	4,685.31



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at 31 March 2023	As at 31 March 2022
2.10 Cash and cash equivalents		
Balances with banks		
- in current accounts	4,352.86	5,013.28
	<u>4,352.86</u>	<u>5,013.28</u>
2.11 Bank balances other than cash and cash equivalents		
Fixed Deposits with Banks	978.89	737.34
Fixed deposits with banks to the extent held as margin money or guarantees or lien for bank overdraft (refer below note 2.11A)	37,166.11	29,821.70
	<u>38,145.00</u>	<u>30,559.04</u>
2.11A Encumbrances on fixed deposits held by the Company		
i) Pledged with exchanges for meeting margin requirements	32,728.08	26,348.68
ii) Pledged with banks for obtaining bank guarantees as per sanction terms	4,400.63	3,438.12
iii) Pledged with banks for obtaining bank overdraft	37.40	34.90
Total	<u>37,166.11</u>	<u>29,821.70</u>
2.12 Other financial assets		
Deposits placed with exchange	2.20	12.10
Receivable from exchange /clearing house (net)	289.13	92.82
Advances recoverable in cash or in kind or for value to be received	4.74	2.14
	<u>296.07</u>	<u>107.06</u>
2.13 Other current assets		
Input tax credit	50.96	25.71
Other deposits	0.05	0.05
Prepaid expenses	72.14	62.21
Vendor Advances	1.32	6.11
Advances recoverable in cash or in kind or for value to be received	-	0.43
Advances to employees	0.01	0.01
	<u>124.48</u>	<u>94.52</u>



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

2.14 Equity share capital

	As at 31 March 2023	As at March 31, 2022
Authorised :		
10,000,000 (Previous year: 10,000,000) Equity Shares of Re.10 each	100.00	100.00
	100.00	100.00
Issued, Subscribed and Paid up:		
6,267,500 (Previous year: 6,267,500) equity shares of Re.10 each, fully paid-up	62.68	62.68
	62.68	62.68

a. Movement in share capital :

	31 March 2023	March 31, 2022
No of shares		
Outstanding at the beginning of the year	62,67,500	62,67,500
Shares issued during the year	-	-
Outstanding at the end of the year	62,67,500	62,67,500
	62.68	62.68

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

	31 March 2023	March 31, 2022
No of shares		
Nuvama Wealth Management Limited [Formerly known as Edelweiss Securities Limited], the holding company	62.68	62.68
	100%	100%
	62.68	62.68
	100%	100%

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

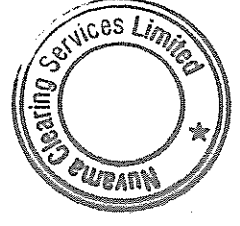
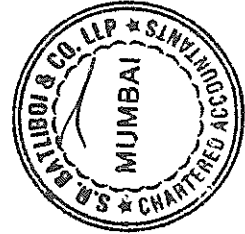
	31 March 2023	March 31, 2022
No of shares		
Nuvama Wealth Management Limited [Formerly known as Edelweiss Securities Limited], the holding company	62,67,500	62,67,500
	100%	100%
	62,67,500	62,67,500
	100%	100%

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

Promoter name	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Nuvama Wealth Management Limited [Formerly known as Edelweiss Securities Limited]	62,67,500	100%	-	62,67,500	100%	-
	62,67,500	100%	-	62,67,500	100%	-

e. Terms/ights attached to equity shares :

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



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at 31 March 2023	As at March 31, 2022
2.15 Other equity		
Securities premium reserve	652.10	652.10
Deemed capital contribution	8.92	8.92
Retained earnings	3,143.86	2,230.54
	3,804.88	2,891.56

A. Nature and purpose of reserves

a. Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

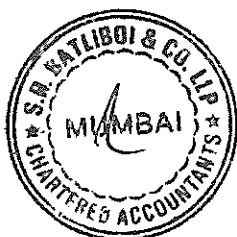
b. Deemed capital contribution

Deemed capital contribution relates to share options granted to eligible employees of the Company by the Edelweiss Financial Services Limited, erstwhile parent company of Nuvama Wealth Management Limited [Formerly known as Edelweiss Securities Limited], under its employee share option plan.

c. Retained earnings

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

	As at 31 March 2023	As at March 31, 2022
A. Movement in other equity		
Securities Premium Account	652.10	652.10
Add : Additions during the year	-	-
	652.10	652.10
Deemed capital contribution - ESOP	8.92	8.92
Add : Additions during the year	-	-
	8.92	8.92
Opening Balance	2,230.54	1,597.77
Adjustment of share based payments on lapsed /cancelled	1.47	3.25
Reversal of SAR cost on cancellation	0.05	-
Add: Profit for the year	978.58	630.63
Add: Other comprehensive income for the year	(0.97)	(1.11)
Amount available for appropriation	3,209.67	2,230.54
Appropriations:		
Interim dividend	65.81	-
	3,143.86	2,230.54
	3,804.88	2,891.56



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at 31 March 2023	As at March 31, 2022
2.16 Other financial liabilities		
Lease Liability	56.22	112.16
	56.22	112.16
2.17 Provisions - non-current		
Provision for employee benefits		
Gratuity (refer note 2.42)	18.98	18.40
Compensated leave absences	2.44	1.77
	21.42	20.17
2.18 Trade Payables		
	0.51	0.03
Total outstanding dues of micro enterprises and small enterprises		
Total outstanding dues to creditors other than micro enterprises and small enterprises	196.66	225.75
	197.17	225.78

Trade payables

Particulars	Outstanding for following periods from date of transaction					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
March 31, 2023						
(i) MSME	0.39	0.12	-	-	-	0.51
(ii) Others	155.58	39.24	0.01	1.29	0.54	196.66
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
Total	155.97	39.36	0.01	1.29	0.54	197.17

Particulars	Outstanding for following periods from date of transaction					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
March 31, 2022						
(i) MSME	-	0.03	-	-	-	0.03
(ii) Others	193.40	31.66	0.17	0.31	0.21	225.75
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
Total	193.40	31.69	0.17	0.31	0.21	225.78

Trade Payables includes ₹ 0.51 million (Previous year: ₹ 0.03 million) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Company during the year to "Suppliers" registered under this Act. The above mentioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said Act.



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at 31 March 2023	As at March 31, 2022
2.19 Other financial liabilities		
Margin money		
Payable to client (net)	39,805.70	30,479.11
(Deployed in the form of bank balances and fixed deposits amounting to ₹ 42,497.86 millions, March 31, 2022 ₹ 35,572.32 millions)		
Accrued salaries and benefits	79.90	79.79
Payable to exchange / clearing house (net)	1.69	7,112.96
Retention money payable	0.03	0.03
Outstanding expenses payable	142.23	128.43
Advances from customers	2,440.99	376.12
Lease liability	139.22	457.68
Other	5.34	11.86
	42,615.10	38,645.98
2.20 Other non-financial liabilities		
Revenue received in advance		
Income received in advance	0.03	0.02
Others		
Statutory liabilities*	35.90	46.49
Others	0.01	0.16
	35.94	46.67
* Includes withholding taxes, other taxes payable		
2.21 Provisions		
Provision for employee benefits		
Gratuity (refer note 2.42)	5.41	5.01
Compensated leave absences	0.72	0.58
	6.13	5.59
2.22 Current tax liabilities (net)		
Provision for taxation	32.02	27.04
(net of advance tax and tds ₹ 1,648.06 millions, March 31, 2022 ₹ 1,386.20 millions)		
	32.02	27.04



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	For the year ended March 31, 2023	For the year ended March 31, 2022
2.23 Fee and commission income		
Clearing fees	325.61	81.72
Advisory and other fees	101.34	48.81
	426.95	130.53
2.23A Service transferred at a point in time	388.62	130.53
Service transferred over time	38.33	-
	426.95	130.53
2.24 Interest income		
Interest income on deposits	2,036.21	1,833.26
Trade exposure charges	0.03	458.64
Interest income - Preference Capital	15.81	5.77
Interest income - Others	-	0.03
	2,052.05	2,297.70
2.25 Rental income		
Rental Income (refer note 2.36)	182.76	203.29
	182.76	203.29
2.26 Net gain on fair value changes		
Gain on securities	261.56	117.46
Profit on investment in hand	0.03	-
	261.59	117.46
Net gain on fair value changes		
Fair Value changes:		
Realised	54.80	74.33
Unrealised	206.79	43.13
	261.59	117.46
2.27 Other income		
Dividend on stock in trade	0.04	-
Miscellaneous income	67.55	27.40
	67.59	27.40



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	For the year ended March 31, 2023	For the year ended March 31, 2022
2.28 Employee benefit expenses		
Salaries and wages	252.96	272.62
Contribution to provident and other funds (refer note 2.42)	13.44	12.78
Expense on share based payments - refer note below	1.54	3.19
Staff welfare expenses	9.90	7.86
	277.84	296.45

Note:

- 1) Nuvama Wealth Management Limited [Formerly known as Edelweiss Securities Limited] has granted Employee Stock Option Plans ("ESOP") to the Group's employees on an equity-settled basis. The Company has recognised share based payment expenses of ₹ 1.26 million (previous year: ₹ 1.37 million) for the year ended March 31, 2023 based on fair value as on the grant date calculated as per option pricing model.
- 2) Edelweiss Financial Services Limited ("EFSL") the entity exercising significant influence over the Company (till March 30, 2023), has granted ESOP/ESAR option to acquire equity shares of EFSL that would vest in a graded manner to Company's employees. Based on policy / arrangement, EFSL has charged the fair value of such stock options, Company has accepted such cross charge and recognised the same under the employee cost.

2.29 Finance costs

At amortised cost

Financial and bank charges	93.94	190.81
Interest on Margin	602.47	579.74
Interest - others	0.29	-
Interest on lease liability	42.45	51.55
	739.15	822.10

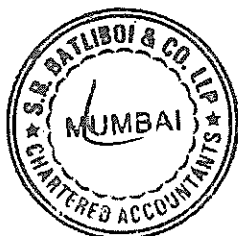


Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	For the year ended March 31, 2023	For the year ended March 31, 2022
2.30 Other expenses		
Advertisement and business promotion (refer note 2.36)	25.52	20.60
Auditors' remuneration (refer note below)	2.50	2.37
Commission and brokerage	177.92	186.96
Communication	4.32	1.27
Insurance	0.32	0.18
Legal and professional fees	59.20	281.53
Printing and stationery (refer note 2.36)	0.13	0.25
Rates and taxes	-	0.13
Rent (refer note 2.36)	36.83	17.21
Repairs and maintenance	1.16	4.77
Electricity charges (refer note 2.36)	14.10	5.20
Foreign exchange loss (net)	0.57	2.57
Bad- debts and advances written off	0.05	0.86
Provision for doubtful debts	(5.29)	(23.33)
Computer expenses (refer note 2.36)	61.70	61.77
Computer software	15.01	12.94
Corporate social responsibility (refer note 2.44)	27.88	28.04
Clearing & custodian charges	0.10	0.09
Dematerialisation charges	0.08	0.10
Rating support fees	0.84	1.08
Loss on sale of of fixed assets	(0.02)	(0.01)
Membership and subscription	12.00	15.30
Office expenses (refer note 2.36)	56.06	50.13
Postage and courier	0.05	0.08
ROC expenses	0.01	0.02
Seminar & conference	-	0.55
Goods & Service tax expenses	2.19	1.21
Stamp duty	1.46	2.24
Stock exchange expenses	2.44	2.67
Travelling and conveyance	8.85	5.09
Warehousing charges	0.04	-
Miscellaneous expenses	0.40	0.01
Interest on shortfall in payment of Advance Income Tax	-	1.30
Outside services cost	9.21	8.43
	515.63	693.61
Note: Auditor's remuneration		
For statutory audit fee	0.95	0.55
For limited review fee	1.05	1.05
Others (includes certification fees)	0.42	0.95
Towards reimbursement of expenses	0.08	0.01
	2.50	2.56
Towards discontinued operations	-	(0.19)
Net total	2.50	2.37



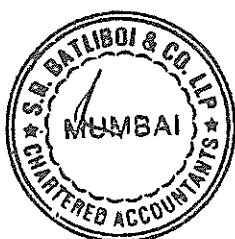
Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency : Indian rupees in millions)

	For the year ended March 31, 2023	For the year ended March 31, 2022
2.31 Income tax		
The components of income tax expenses for the period /year ended March 31, 2023, March 31, 2022 are :		
Current tax	266.84	204.96
Adjustment in respect of income tax of prior years	3.49	(27.90)
Deferred tax relating to origination and reversal of temporary differences	57.03	11.36
Total tax charge	327.36	188.42
Current tax	270.33	177.06
Deferred tax	57.03	11.36
2.31a Reconciliation of total tax charge		
Accounting profit before tax from continuing operation as per financial statements	1,306.27	815.94
Accounting profit before tax before discontinuing operation as per financial statements	-	3.48
Tax rate (in percentage)	25.17%	25.17%
Income tax expenses for current period as per above rate	328.76	206.22
Adjustment in respect of current income tax of prior years	3.49	(27.90)
Effect of income not subject to tax: Loss / (Profit) on property, plant and equipment	(1.23)	-
Effect of income not subject to tax: Loss / (Profit) on ROU assets and lease liability	(0.37)	(0.24)
Effect of income not subject to tax: Loss / (Profit) on employee benefit	-	-
Effect of non-deductible expenses: Penalties	0.05	0.33
Effect of non-deductible expenses: ESOP/SAR	-	0.81
Effect of non-deductible expenses: Corporate social responsibility	7.02	7.63
Effect of non-deductible expenses: Others	0.01	0.00
Effect of deductible expenses: section 35D	-	(0.00)
Effect of deductible expenses: Bonus PY	(6.22)	-
Effect of deductible expenses: Dividend	(4.15)	-
Effect of capital gain on slump sale - taxed at different rates	-	1.57
Total	327.36	188.42



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency : Indian rupees in millions)

2.31b The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

Movement for the year ended March 31, 2023								
	Opening deferred tax asset / (liability) as per Ind AS	Recognised in profit or loss	Recognised in other comprehensive income	Recognised directly in equity	Reclassified from equity to profit or loss	Others	Total movement	Closing deferred tax asset / (liability) as per Ind AS
Deferred taxes in relation to:								
Property, plant and equipment	3.94	0.90	-	-	-	-	0.90	4.84
Investments (property)	(1.13)	(1.84)	-	-	-	-	(1.84)	(2.97)
Stock-in-trade	(10.86)	(52.04)	-	-	-	-	(52.04)	(62.90)
Employee benefits obligations	0.56	-	0.33	-	-	-	0.33	0.89
Gratuity and compensated absence	5.90	0.12	-	-	-	-	0.12	6.02
Provision on expected credit loss	2.15	(1.33)	-	-	-	-	(1.32)	0.83
ROU Asset	8.79	(2.68)	-	-	-	-	(2.68)	6.11
Unamortised processing fees	-	(0.64)	-	-	-	-	(0.64)	(0.64)
Interest income on Preference shares	-	0.15	-	-	-	-	0.15	0.15
Total	9.35	(57.36)	0.33	-	-	-	(57.02)	(47.67)

Movement for the year ended March 31, 2022								
	Opening deferred tax asset / (liability) as per Ind AS	Recognised in profit or loss	Recognised in other comprehensive income	Recognised directly in equity	Reclassified from equity to profit or loss	Others	Total movement	Closing deferred tax asset / (liability) as per Ind AS
Deferred taxes in relation to:								
Property, plant and equipment	6.35	(2.41)	-	-	-	-	(2.41)	3.94
Investments (property)	-	(1.13)	-	-	-	-	(1.13)	(1.13)
Stock-in-trade	-	(10.86)	-	-	-	-	(10.86)	(10.86)
Employee benefits obligations	0.19	-	0.37	-	-	-	0.37	0.56
Gratuity and compensated absence	6.15	(0.25)	-	-	-	-	(0.25)	5.90
Provision on expected credit loss	8.02	(5.87)	-	-	-	-	(5.87)	2.15
ROU Asset	-	8.79	-	-	-	-	8.79	8.79
Total	20.71	(11.73)	0.37	-	-	-	(11.36)	9.35



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]**Notes to the financial statements (Continued)**

For the year ended March 31, 2023

(Currency : Indian rupees in millions)

2.32 Segment reporting

During the year ended March 31, 2023, the underlying businesses of the reportable segments, namely 'Agency business' was reclassified into 2 new reportable segments, namely 'Wealth Management', 'Capital Markets'. The said reclassification of business segments was based on internal review of businesses carried out by the Chief Operating Decision Maker (CODM) post the internal restructuring exercise carried out by the Company. The Managing Director and Chief Executive Officer who is responsible for allocating resources and assessing performance of the operating segments has been identified as the CODM. The Company has now 2 reportable segments, namely: -

Segment	Activities covered
Capital market business	Includes clearing services
Wealth management business	Includes dealing in financial products

Income for each segment has been specifically identified, expenditure, 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.

Revenue contributed by any single customer in any of the operating segment, whether reportable or otherwise, does not exceed for percent of the Company's total revenue

Reportable segments

An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.

Accordingly the Company is considered to operate in 'Capital Market' and 'Wealth Management' segments.

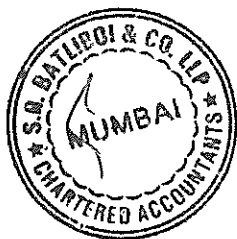
Secondary segment

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

The following table gives information as required under the Indian Accounting Standard - 108 on Segment Reporting.

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022*
I.	Segment revenue		
	Capital market	2,636.96	2,584.24
	Wealth management	339.31	-
	Unallocated	14.67	192.14
	Total income	2,990.94	2,776.38
II.	Segment result		
	Capital market	1,137.80	841.58
	Wealth management	179.71	-
	Unallocated	(11.24)	(22.16)
	Total	1,306.27	819.42
III.	Segment assets		
	Capital market	44,185.88	41,539.07
	Wealth management	2,693.35	-
	Unallocated	-	498.56
	Total	46,879.23	42,037.63
IV.	Segment liabilities		
	Capital market	40,570.68	38,707.45
	Wealth management	2,440.99	-
	Unallocated	-	375.94
	Total	43,011.67	39,083.39

*The above segmental information includes information for discontinued operations (refer note 2.46)



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency : Indian rupees in millions)

2.32 Segment reporting

Following table provides details about reclassification adjustment carried out :

Sr. No.	Particulars	Amount as per audited Financial Statements March 31, 2022	Reclassification adjustments	Reclassified segments
I.	Segment revenue			
	Agency	2,776.38	(2,776.38)	-
	Capital Markets	-	2,584.24	2,584.24
	Wealth Management	-	-	-
	Unallocated	-	192.14	192.14
	Total	2,776.38	-	2,776.38
II.	Segment result			
	Agency	819.42	(819.42)	-
	Capital Markets	-	841.58	841.58
	Wealth Management	-	-	-
	Unallocated	-	(22.16)	(22.16)
	Total	819.42	-0.00	819.42
III.	Segment assets			
	Agency	42,037.63	(42,037.63)	-
	Capital Markets	-	41,539.07	41,539.07
	Wealth Management	-	-	-
	Unallocated	-	498.56	498.56
	Total	42,037.63	0.00	42,037.63
IV.	Segment liabilities			
	Agency	39,083.39	(39,083.39)	-
	Capital Markets	-	38,707.45	38,707.45
	Wealth Management	-	-	-
	Unallocated	-	375.94	375.94
	Total	39,083.39	-	39,083.39



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency : Indian rupees in millions)

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

(A) Names of related parties by whom control is exercised

PAGAC Ecstasy Pte Limited - Ultimate Holding Company (w.e.f. March 27, 2021)

Nuvama Wealth Management Limited [Formerly known as Edelweiss Securities Limited] - Holding company

(B) Names of related parties who exercise significant influence

Edelweiss Financial Services Limited (w.e.f. March 27, 2021 and Upto March 30, 2023)

(C) Fellow subsidiaries with whom the Company has transactions:

Nuvama Wealth & Investment Limited [Formerly known as Edelweiss Broking Limited]

Nuvama Financial Services (UK) Limited [Formerly known as Edelweiss Financial Services (UK) Limited]

Nuvama Investment Advisors Pte. Limited [Formerly known as Edelweiss Investment Advisors Pte. Limited]

Nuvama Securities (Hong Kong) Pvt. Limited [Formerly known as Edelweiss Securities (Hong Kong) Pvt Limited]

Nuvama Capital Services (IFSC) Limited [Formerly known as Edelweiss Securities (IFSC) Limited]

Nuvama Asset Management Limited [Formerly known as ESL Securities Limited]

Nuvama Wealth and Finance Limited [Formerly known as Edelweiss Finance & Investments Limited]

(D) Subsidiaries of entities exercising significant influence with whom the Company has transactions (Upto March 30, 2023)

EC Commodity Limited

ECap Equities Limited

ECL Finance Limited

Edel Finance Company Limited

Edel Finance Limited

Edel Investment Limited

Edel Land Limited

Edelcap Securities Limited

EdelGive Foundation

Edelweiss Asset Management Limited

Edelweiss Asset Reconstruction Company Limited

Edelweiss Capital Services Limited

Edelweiss Comtrade Limited

Edelweiss Finvest Private Limited

Edelweiss Gallagher Insurance Brokers Limited

ZUNO General Insurance Limited [Formerly known as Edelweiss General Insurance Company Limited]

Edelweiss Housing Finance Limited

Edelweiss Investment Advisors Limited

Edelweiss Retail Finance Limited

Edelweiss Rural & Corporate Services Limited

Edelweiss Securities And Investments Private Limited

Edelweiss Alternative Asset Advisors Limited

(E) Key management persons with whom transactions have taken place

Mr. Dipesh Shah (Managing Director & Chief Executive Officer till January 12, 2022)

Mr. Sandesh Sawant (Chief Financial Officer till November 01, 2022)

Mr. Pradeep Khandelwal (Executive Director till April 04, 2022)

Mr. Udit Sureka (Executive Director w.e.f. April 04, 2022)

Mr. Arbinda Ghimire (Executive Director w.e.f. May 08, 2023)

(F) Other key management persons

Mr. Shiv Sehgal (Non-executive director)

(G) Key management person of holding company

Mr. Ashish Kehair (Managing Director & CEO)



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

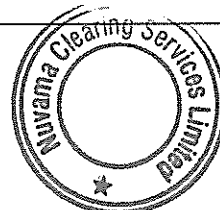
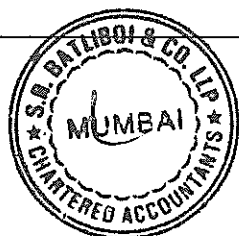
Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency : Indian rupees in millions)

2.33 Transactions with related parties during the period ended March 31, 2023

Sr. No.	Nature of Transaction	Related Party Name	March 31, 2023	March 31, 2022
Current account transaction				
1	Margin received aggregate from	Edel Land Limited ** #	-	4,626.83
		Edel Land Limited **	-	28,455.63
		ECL Finance Limited	2,057.82	12,254.27
		Edel Investments Limited	5,555.90	12,883.71
		Edel Land Limited	54,614.21	10,006.49
		Edelcap Securities Limited	7,701.52	12,856.00
		Nuvama Wealth and Investment Limited [Formerly Edelweiss Broking Limited]	1,46,484.76	1,40,366.80
		Nuvama Wealth Finance Limited [Formerly Edelweiss Finance & Investments Limited]	53,229.96	63,707.27
		Nuvama Wealth Management Limited [Formerly Edelweiss Securities Limited]	13,01,063.29	2,99,825.87
		Edelweiss Comtrade Limited	0.10	0.31
		Edelweiss Financial Services Limited #	0.00	48.87
		Edelweiss Investment Advisors Limited	1,720.53	572.11
			0.81	3,037.88
		Edelweiss Securities And Investments Private Limited		
		Edelweiss Rural & Corporate Services Limited	0.55	880.10
		Edelweiss Retail Finance Limited #	0.00	-
2	Margin repaid aggregate to	Edel Land Limited ** #	-	5,129.65
		Edel Land Limited **	-	28,386.35
		ECL Finance Limited	2,415.26	12,310.95
		Edel Investments Limited	6,250.48	12,327.75
		Edel Land Limited	53,859.86	10,296.13
		Edelcap Securities Limited	7,792.35	12,882.67
		Nuvama Wealth and Investment Limited [Formerly Edelweiss Broking Limited]	1,41,214.29	1,38,355.86
		Nuvama Wealth Finance Limited [Formerly Edelweiss Finance & Investments Limited]	52,682.37	66,496.27
		Edelweiss Financial Services Limited #	0.00	76.16
		Nuvama Wealth Management Limited [Formerly Edelweiss Securities Limited]	13,00,246.51	3,00,199.40
		Edelweiss Comtrade Limited	0.17	0.47
		Edelweiss Investment Advisors Limited #	1,724.35	569.67
			0.81	3,037.38
		Edelweiss Securities And Investments Private Limited		
		Edelweiss Rural & Corporate Services Limited	2.05	880.10
		Edel Finance Company Limited***	-	0.01
		Edelweiss Retail Finance Limited #	0.00	-
		Edel Finance Company Limited	-	0.01
3	Business Service Charges Income from	Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited)	2.81	2.83
		Edelweiss Global Wealth Management Limited (Formerly FINPRO)	-	1.03
		Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited)	1.95	2.42
		Edel Land Limited	-	-
		Edelweiss Financial Services Limited (Formerly ECL)	1.58	1.67
		Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited)	5.96	7.58
		Nuvama Asset Management Limited (Formerly ESL Securities Limited)	0.70	0.98
		Nuvama Custodial Services Limited (Formerly Edelweiss Capital Services Limited)	0.39	0.32
		Edelweiss Global Wealth Management Limited	-	1.03
4	Clearing charges income received from	Edel Land Limited **	39.47	3.68
		Edel Land Limited ** #	-	0.83
		ECL Finance Limited	0.91	0.26
		Edel Investments Limited	58.24	1.12
		Edel Land Limited	-	1.65
		Edel Land Limited **	-	0.83
		Edelcap Securities Limited	6.63	1.52
		Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited)	11.98	2.46



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

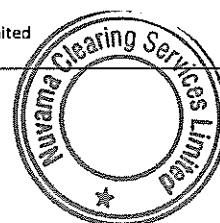
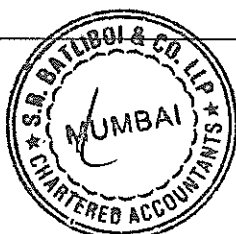
Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency : Indian rupees in millions)

2.33 Transactions with related parties during the period ended March 31, 2023

Sr. No.	Nature of Transaction	Related Party Name	March 31, 2023	March 31, 2022
4	Clearing charges income received from	Edelweiss Financial Services Limited #	-	0.00
		Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited)	83.05	27.60
		Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited)	85.44	0.02
		Edelweiss Securities and Investments Private Limited	-	0.06
		Edelweiss Investment Advisors Limited	2.04	0.24
		Edelweiss Rural & Corporate Services Limited	-	0.17
5	Chaperoning fees paid to	Edelweiss Investment Advisors Pte. Limited	24.32	94.25
		Edelweiss Financial Services (UK) Limited	12.81	14.30
		Nuvama Investment Advisors (Hongkong) Private Limited (Formerly Edelweiss Securities (Hong Kong) Private Limited)	19.34	41.60
6	Trade exposure charges	Edel Land Limited **	-	23.39
		Edel Land Limited **	-	97.84
		ECL Finance Limited	-	0.21
		Edel Investments Limited	-	79.76
		Edel Land Limited	-	55.17
		Edelcap Securities Limited	-	30.22
		Nuvama Wealth Finance Limited [Formerly Edelweiss Finance & Investments Limited]]	-	0.56
		Nuvama Wealth and Investment Limited [Formerly Edelweiss Broking Limited]	-	39.01
		Nuvama Wealth Management Limited [Formerly Edelweiss Securities Limited]	-	88.61
		Edelweiss Securities and Investments Private Limited	-	4.98
		Edelweiss Investment Advisors Limited	-	6.59
		Edelweiss Rural & Corporate Services Limited	-	0.34
7	Infrastructure service charges received from	Edel Investments Limited	8.33	-
		Edelcap Securities Limited	10.00	-
		Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited)	10.00	-
		Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited)	10.00	-
8	Rating fees paid	Edelweiss Rural & Corporate Services Limited	-	0.03
9	Cost reimbursement received from	Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited)	77.94	88.15
		Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited)	25.63	28.40
		Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited)	37.13	12.16
		Edelweiss Financial Services Limited (Formerly ECL)	151.12	19.24
		Edelweiss Asset Management Limited	-	-
		Nuvama Wealth Management Limited [Formerly Edelweiss Securities Limited]	-	30.81
		Nuvama Asset Management Limited (Formerly ESL Securities Limited)	9.38	11.36
		Nuvama Custodial Services Limited (Formerly Edelweiss Capital Services Limited)	5.13	3.89
10	Cost reimbursement paid to	Edel Land Limited **	12.19	75.72
		Edelweiss Financial Services Limited (Formerly ECL)	0.55	0.76
		Edelweiss Rural & Corporate Services Limited - ECSL	107.54	96.81
		Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited)	118.08	86.35
		Edelweiss Housing Finance Limited	0.10	0.26
		ECL Finance Limited*	0.10	-
		Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited)	3.28	0.04
		Edelweiss Alternative Asset Advisors Limited	-	0.59
		Edel Land Limited	66.75	0.26



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

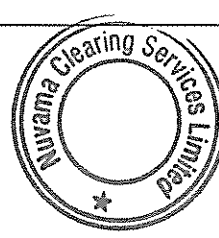
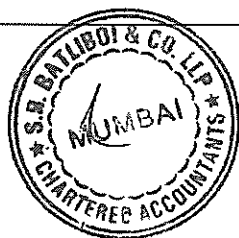
Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency : Indian rupees in millions)

2.33 Transactions with related parties during the period ended March 31, 2023

Sr. No.	Nature of Transaction	Related Party Name	March 31, 2023	March 31, 2022
10	Cost reimbursement paid to	Edel Finance Company Limited	-	2.40
		Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited)	0.01	-
11	Custody Fees Income received from	Edelweiss Asset Management Limited	-	0.29
12	Fund Accounting Fee Income received from	Edelweiss Asset Management Limited	0.32	0.88
13	Interest expenses on margin placed by	Edel Land Limited #	-	0.37
		Edel Land Limited **	2.98	0.57
		ECL Finance Limited	6.14	10.92
		Edel Investments Limited	1.07	3.98
		Edel Land Limited	-	0.01
		Edelcap Securities Limited	0.49	1.55
		Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited)	513.05	306.01
		Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited)	1.08	3.00
		Edelweiss Financial Services Limited	-	0.24
		Edelweiss Rural & Corporate Services Limited	-	0.16
		Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited)	23.78	23.85
		Edelweiss Securities and Investments Private Limited #	-	0.28
14	Referral & Other Fees Income from	Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited)	-	0.04
		Nuvama Custodial Services Limited (Formerly Edelweiss Capital Services Limited)	26.51	-
15	Referral & Other Fees expenses to	Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited)	43.91	101.13
		Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited)	107.03	61.71
		PAG Investment Advisors Pte. Ltd.	-	24.12
		Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited)	25.00	-
16	Research Service Fees paid to	Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited)	12.00	12.00
17	Fixed Assets purchased from	ECL Finance Limited #	-	0.00
		Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited)	-	0.02
		Edelweiss Housing Finance Limited #	-	0.00
		Edelweiss Rural & Corporate Services Limited #	-	0.00
		Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited)	-	0.02
		Edel Finance Company Limited*** #	-	0.00
		Edelweiss Asset Reconstruction Company Limited #	-	0.00
18	Fixed Assets sold to	Edel Land Limited	-	0.04
		Edelweiss Asset Management Limited #	-	0.00
		Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited)	-	0.03
		Edelweiss Capital Services Limited	-	0.11
		Edelweiss Rural & Corporate Services Limited #	-	0.00
		Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited) #	-	0.00
		Edel Investments Limited	0.01	-
		Edelcap Securities Limited	0.00	-
19	Transfer of gratuity liability to	Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited)	-	0.74
		Nuvama Custodial Services Limited (Formerly Edelweiss Capital Services Limited)	0.15	2.67



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

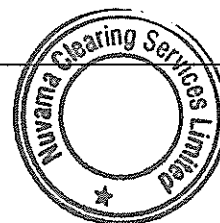
Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency : Indian rupees in millions)

2.33 Transactions with related parties during the period ended March 31, 2023

Sr. No.	Nature of Transaction	Related Party Name	March 31, 2023	March 31, 2022
19	Transfer of gratuity liability to	Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited)	0.75	0.06
		Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited)	-	0.01
20	Gratuity liability transferred from	Edelweiss Rural & Corporate Services Limited	0.10	0.43
		Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited)	0.01	-
		Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited)	0.09	-
21	Interim dividend paid to	Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited)	65.81	-
22	Expenses for employee stock option plans	Edelweiss Financial Services Limited (Formerly ECL)	-0.15	0.25
		Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited)	1.26	1.37
23	Expenses for employee Stock Appreciation Rights	Edelweiss Financial Services Limited (Formerly ECL)	0.43	1.78
24	Insurance premium paid to	Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited)	0.20	0.16
		Edelweiss Tokio Life Insurance Company Limited	0.02	1.80
		ZUNO General Insurance Limited (Formerly known as Edelweiss General Insurance Company Limited)	-	1.24
25	Mediclaime expenses paid to	ZUNO General Insurance Limited (Formerly known as Edelweiss General Insurance Company Limited)	4.44	2.52
26	CSR expenses	EdelGive Foundation	27.88	30.10
27	Branding fee paid to	Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited)	4.47	6.09
28	Security deposit paid to	Edel Land Limited **	-	64.43
		Edelweiss Rural & Corporate Services Limited	-	84.44
29	Slump sale of custody, SLB and DOP business	Nuvama Custodial Services Limited (Formerly Edelweiss Capital Services Limited)	-	101.16
30	Liquidity support fees to	Asia Pragati Strategic Investment Fund	-	90.00
31	ESOP charge Reversal recovered (through Reserves & Surplus)	Edelweiss Financial Services Limited	1.47	1.17
32	SAR charge Reversal recovered (through Reserves & Surplus)	Edelweiss Financial Services Limited	-	1.88
32	Managerial remuneration (refer note 3)	Key managerial personnel	15.76	26.04
33	Sale of shares	Key managerial personnel	-	7.11
	Balances with related parties			
34	Accrued interest expenses on margin placed by	Edel Land Limited **	-	0.00
		Edel Land Limited **	-	0.09
		ECL Finance Limited	-	6.59
		Edel Investments Limited	-	0.41
		Edelcap Securities Limited #	-	0.00
		Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited)	0.17	0.04
		Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited)	126.21	91.68
		Edel Land Limited	-	0.00
		Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited)	7.08	8.65
		Edelcap Securities Limited	-	-



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

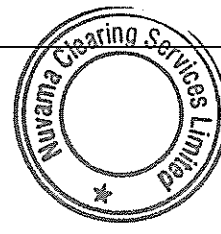
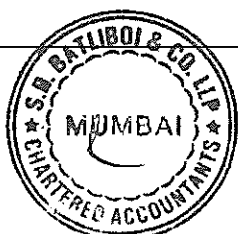
Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency : Indian rupees in millions)

2.33 Transactions with related parties during the period ended March 31, 2023

Sr. No.	Nature of Transaction	Related Party Name	March 31, 2023	March 31, 2022
35	Trade Payables to	Edelweiss Financial Services Limited (Formerly ECL)	-	0.29
		Edelweiss Housing Finance Limited	-	0.02
		Edelweiss Rural & Corporate Services Limited - ECSL	-	8.66
		Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited) #	2.44	-
		Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited)	6.06	3.18
		Edel Land Limited ** #	-	0.00
		Edelweiss Retail Finance Limited #	-	0.00
		Edelweiss Gallagher Insurance Brokers Limited #	-	0.00
		Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited)	32.05	17.29
			-	26.06
		Nuvama Investment Advisors Private Limited [Formerly Edelweiss Investment Advisors Pte. Limited]	-	4.65
		Nuvama Investment Advisors (Hongkong) Private Limited [Formerly Edelweiss Securities (Hong Kong) Private Limited]	-	0.88
		Nuvama Financial Services (UK) Limited [Edelweiss Financial Services (UK) Limited]	-	-0.08
		ZUNO General Insurance Limited [Formerly known as Edelweiss General Insurance Company Limited]	-	0.33
		Edelweiss Alternative Asset Advisors Limited	-	6.83
		Edel Land Limited	-	0.06
		Edelweiss Capital Services Limited	-	24.12
		PAG Investment Advisors Pte. Ltd.	-	90.00
		Asia Pragati Strategic Investment Fund	90.00	90.00
		Nuvama Asset Management Limited (Formerly ESL Securities Limited)	1.65	-
36	Trade receivables from	Edelweiss Asset Management Limited	-	0.10
		Nuvama Wealth Management Limited [Formerly Edelweiss Securities Limited] * #	-	1.15
		Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited)	-	3.02
		Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited)	-	481.44
		ECL Finance Limited	-	1.24
		Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited)	-	8.42
		Edelweiss Retail Finance Limited	-	0.72
		Nuvama Custodial Services Limited (Formerly Edelweiss Capital Services Limited)	-	0.48
		Edelweiss Financial Services Limited (Formerly ECL)	-	1.86
		Edel Land Limited	-	190.87
		Nuvama Asset Management Limited (Formerly ESL Securities Limited)	-	1.07
		Edel Land Limited **	-	0.01
		Edel Land Limited ** #	-	0.00
		Edelweiss General Insurance Company Limited	-	-
37	Advances recoverable in cash or kind	Edelweiss Rural & Corporate Services Limited - ECSL	-	0.43
		Nuvama Wealth Management Limited (Formerly Edelweiss Broking Limited)	0.01	-
		Nuvama Wealth and Investment Limited (Formerly Edelweiss Tokio Life Insurance Company Limited)	0.09	0.02
		Edelweiss Financial Services Limited (Formerly ECL)	-	1.59
38	Others payable	Edelweiss Financial Services Limited (Formerly ECL)	-	5.15
		Nuvama Custodial Services Limited (Formerly Edelweiss Capital Services Limited) #	-	2.67
		Nuvama Wealth Management Limited [Formerly Edelweiss Securities Limited] #	-	-0.00
		Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited)	0.75	0.06
39	Others payable	Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited)	0.07	2.11
		Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited) #	-0.00	0.01



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency : Indian rupees in millions)

2.33 Transactions with related parties during the period ended March 31, 2023

Sr. No.	Nature of Transaction	Related Party Name	March 31, 2023	March 31, 2022
39	Margins payable to clients	Edelweiss Rural & Corporate Services Limited #	-	0.00
		ECL Finance Limited	-	474.90
		Edel Investments Limited	-	694.58
		Edelweiss Financial Services Limited (Formerly ECL)	-	0.47
		Edelcap Securities Limited	-	91.98
		Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited)	68.96	-
		ECap Equities Limited	-	-
		Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited)	931.73	114.95
		Edelweiss Comtrade Limited	-	0.10
		Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited)	14,309.71	9,039.24
		Edelweiss Rural & Corporate Services Limited	-	1.50
		Edelweiss Retail Finance Limited	-	0.47
		Edelweiss Securities And Investments Private Limited - Magnolia	-	0.50
		Edelweiss Investment Advisors Limited	-	4.80
40	Corporate guarantee received from	Nuvama Wealth Management Limited [Formerly Edelweiss Securities Limited]	10,500.00	1,750.00
		Edelweiss Financial Services Limited	-	8,950.00
41	Security deposit received from	Edel Land Limited	-	64.43
		Edelweiss Rural & Corporate Services Limited	-	84.44

Amount is less than ₹ 0.01 million

Note 1 * Pertains to Wealth Management Business undertaking demerged from Edelweiss Global Wealth Management Limited and merged into Nuvama Wealth Management Limited [Formerly Edelweiss Securities Limited].

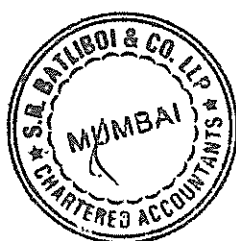
Note 2 ** Pursuant to composite scheme of arrangement and amalgamation under section 230 to 232 of the Companies Act, 2013 as sanctioned by NCLT Hyderabad on February 9, 2022 and as sanctioned by NCLT Mumbai on February 10, 2022, Edel Land Limited ("Amalgamated or Resultant Company"), ECap Equities Limited ("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 April 01, 2020 ("the Appointed date"). The merger order has been filed with ROC on March 25, 2022. Accordingly, the financial statements of Edel Land Limited have been prepared taking into account the effect of the composite scheme of

Note 3 Information relating to remuneration paid to key managerial person 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

Note 4 *** Edelweiss Finvest Limited (formerly Edelweiss Finvest Private Limited) was merged into Edel Finance Company Limited with effect from April 09, 2021. Hence all related party transactions transacted during the year and the outstanding balances thereof, as at the end of the year relating to the Merged entity are considered to be transacted with Edel Finance Company Limited and disclosed accordingly.

Note 5 Edelweiss Financial Services Limited (the "Company" or "EFSL") along with its subsidiaries holds 43.74% in the equity shares of Nuvama Wealth Management Limited ("NWML"). Till March 30, 2023, EFSL had significant influence over NWML.

With effect from March 31, 2023, pursuant to the amendment agreement dated March 9, 2023 made to the amended and restated shareholders' agreement dated March 18, 2021 between EFSL, Edelweiss Global Wealth Management Limited ("EGWML"), PAGAC Ecstasy Pte Ltd ("PAGAC") and NWML, the amendment to the articles of association of NWML, EFSL has lost its significant influence as per Ind AS 28 on NWML.



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency : Indian rupees in millions)

2.34 Earnings per Share

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

Particulars	For the year ended March 31, 2023	For the year ended 31 March 2022
(a) Shareholders earnings (as per Statement of Profit and Loss)	978.58	630.63
Less: dividend on preference share including dividend distribution tax	Nil	Nil
Net profit for the year attributable to equity shareholders	978.58	630.63
(b) Calculation of weighted average number of equity Shares of Rs. 10 each		
Number of shares outstanding at the beginning of the year	62,67,500	62,67,500
Number of Shares issued during the year	-	-
Total number of equity shares outstanding at the end of the year	62,67,500	62,67,500
Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	62,67,500	62,67,500
(c) Number of dilutive potential equity shares	-	-
(d) Basic and diluted earnings per share (in rupees) (a)/(b)	156.14	100.62

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

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

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

2.35 Contingent liabilities, Capital commitments and lease arrangements**A. Contingent liabilities (to the extent not provided for)**

a) The Company has provided bank guarantees aggregating to ₹ 14,500.00 million (March'22: ₹ 10,695.00 million) as on 31 March 2023 to The National Stock Exchange of India Limited for meeting margin requirements.

The Company has pledged fixed deposits with banks aggregating of ₹4,400.64 million (March'22: ₹ 3,435.57 million) as on 31 March 2023 for obtaining the above bank guarantees as per sanction terms.

b) The Company has provided bank guarantees aggregating to ₹NIL million (March'22: ₹ 5.00 million) as on 31 March 2023 to The Bombay Stock Exchange of India Limited for meeting margin requirements.

The Company has pledged fixed deposits with banks aggregating of ₹NIL million (March'22: ₹ 2.55 million) as on 31 March 2023 for obtaining the above bank guarantees as per sanction terms.

c) The Company has claims not acknowledged as debts of ₹Nil million (March'22: ₹22.50 million).

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

There are no obligations as on 31st March 2023 other than those disclosed above and in note 2.11A.



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency : Indian rupees in millions)

2.35 Contingent liabilities, Capital commitments and lease arrangements

A. Contingent liabilities (to the extent not provided for) (Continued)

d) Trading member V-rise

1. NSE Clearing Ltd (NCL) conducted an inspection in the matter of trading member Vrise Securities Pvt Ltd and issued a show cause notice to Nuvama Clearing Services Ltd (Formerly Edelweiss Custodial Services Ltd) (NCSL). The MCSGF Committee of NSE Clearing Limited issued order to reinstate securities worth Rs. 293.3 million. NCSL had filed an appeal against the impugned order of NCL with Securities Appellate Tribunal (SAT) and SAT by its order had granted a stay on the matter. The matter has been listed for further hearing. NCSL has assessed such liability to be remote. Accordingly, there is no adjustment required in the financial results for the quarter ended March 2023.

2. NCSL has challenged an order, by an investigating agency, marking lien on its clearing account, before the 47th Additional Chief Metropolitan Magistrate Court, Mumbai. Since the investigation against one of the trading member for which NCSL was a Clearing Member was under process, the Court contended that it had no objection to setting aside the lien order issued by the investigating agency, upon NCSL providing an undertaking to keep sufficient assets unencumbered. NCSL has since provided undertaking to keep sufficient assets amounting to Rs. 4,606.9 million unencumbered and the said lien order has been set aside. Subsequently, the Misc. Application filed by NCSL before 47th Additional Chief Metropolitan Magistrate's Court at Esplanade, Mumbai has now been transferred to the City Civil & Sessions Court under M.P.I.D. Act. The matter has been listed for further hearing.

NSE Clearing Ltd (NCL) had conducted an inspection in the matter of trading member Anugrah Share & Brokers Pvt Ltd (Anugrah) and issued a show cause notice to NCSL. The MCSGF Committee of NCL has directed NCSL to adhere to instructions of National Stock Exchange / NCL. NCSL filed an appeal against the impugned order with Securities Appellate Tribunal ("SAT") and SAT by its order had granted a stay on the matter. The matter has been listed for further hearing.

Various Arbitration/Writ Petitions have been filed before the Hon'ble Bombay High Court ("Hon'ble Court") by various end clients of Anugrah against Anugrah and its associates. NCSL has been made party to the same. Some of the Writ Petitions have been tagged together and common orders have been passed to be heard together. The matters are under process for further hearing.

NCSL believes that it has acted in accordance with the agreement entered with the trading member i.e. Anugrah and in accordance with applicable laws and regulations. Accordingly, there is no adjustment required in the financial statement for the year ended March 2023.

C. Capital commitment (to the extent not provided for)

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 4.96 million (March'22: Rs. 1.78 million).



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency : Indian rupees in millions)

2.35 Contingent liabilities, Capital commitments and lease arrangements (Continued)**C. Operating Leases**

The Company has entered into commercial leases for premises. This lease has a life of five years. There are no restrictions placed upon by the lessor by entering into these leases.

The statement of profit and loss shows the following amounts relating to leases

	FY 2022-23	FY 2021-22
Depreciation on ROU of building	132.83	133.65
Interest cost	42.45	51.55
Expenses related to short term lease	-	-
Expenses related to low value lease	-	-

Measurement of lease liability

Particulars	Amount
Opening lease commitment disclosed as at 31 st March 2022	569.84
Addition during the year	-
Accretion of interest	42.45
Payments	(153.96)
Write-off	262.89
Less: De-recognised during the financial year	-
Lease liability recognized as at 31 st March 2023	195.44

Set out below are the carrying amounts of right-to-use assets and the movements during the period:

Particulars	Amount
As at 1 st April, 2022	-
Opening (Transition to Ind AS)	534.97
Addition during the year	-
Amortisation	(132.83)
Write-off	(230.91)
As at 31 st March, 2023	171.23

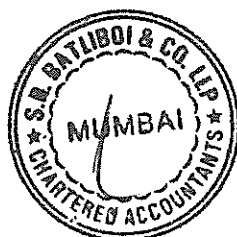
Minimum lease payments under non-cancellable operating leases as at March 31, 2023

Particulars	FY 2022-23	FY 2021-22
Within one year	70.09	155.41
After one year but not more than five years	150.86	514.43
Total	220.95	669.84

D. Sponsor capital commitments (net of investments) Rs 5 million (previous year Nil million)**2.36 Cost sharing**

Nuvama Wealth Management Limited [Formerly known as Edelweiss Securities Limited] being the Holding company incurred expenditure like branding fee, senior management cost, technology and administrative cost etc. which is for the common benefit of itself and its subsidiaries and associate. These costs expended are reimbursed by the Company on the basis of number of employees, actual identifications etc. On the same lines, branch running costs expended (if any) by the Holding company for the benefit of its subsidiaries and associate are recovered by the Holding company. Accordingly, and as identified by the management, the expenditure heads in note 2.25, 2.28 and 2.30 include reimbursements paid and are net of reimbursements received based on the management's best estimate.

Edelweiss Financial Services Limited, being the erstwhile entity having significant influence over the Holding company (till March 30, 2023) along with fellow subsidiaries incurs expenditure like Group Mediclaim, insurance, rent, electricity charges etc. which is for the common benefit of itself and its subsidiaries including the Company. These costs expended are reimbursed by the Company on the basis of number of employees, actual identifications etc. On the same lines, branch running costs expended (if any) by the Company for the benefit of fellow subsidiaries and associate are recovered by the Company. Accordingly, and as identified by the management, the expenditure heads in note 2.25, 2.28 and 2.30 include reimbursements paid and are net of reimbursements received based on the management's best estimate.



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency : Indian rupees in millions)

2.37 Fair Values of Financial Instruments

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy

Particulars	March 31, 2023			Total
	Level 1	Level 2	Level 3	
Assets measured at fair value on a recurring basis				
Total derivative financial instruments (assets)	-	-	-	-
Stock-in-trade	-	2,608.88	-	2,608.88
Total stock-in-trade	-	2,608.88	-	2,608.88
Investments	-	5.03	-	5.03
Total investments measured at fair value	-	5.03	-	5.03
Total financial assets measured at fair value on a recurring basis	-	2,613.91	-	2,613.91

Particulars	March 31, 2022			Total
	Level 1	Level 2	Level 3	
Assets measured at fair value on a recurring basis				
Total derivative financial instruments (assets)	-	-	-	-
Stock-in-trade	-	380.03	-	380.03
Total stock-in-trade	-	380.03	-	380.03
Investments	-	-	-	-
Total investments measured at fair value	-	-	-	-
Total financial assets measured at fair value on a recurring basis	-	380.03	-	380.03



NuVama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency : Indian rupees in millions)

A.

2.38 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 as at 31 March.

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 March 31, 2023	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Trade payables	-	-	197.17	-	-	-	-	-	-	-	197.17
Borrowings (other than debt securities)	-	-	-	-	-	-	-	-	-	-	-
Other financial liabilities	39,947.93	1.69	-	-	2,458.20	93.81	28.70	139.22	1.77	-	42,671.32
Total undiscounted non-derivative financial liabilities	39,947.93	1.69	197.17	-	2,458.20	93.81	28.70	139.22	1.77	-	42,868.49

As at March 31, 2022	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Trade payables	-	-	225.78	-	-	-	-	-	-	-	225.78
Borrowings (other than debt securities)	-	-	-	-	-	-	-	-	-	-	-
Other financial liabilities	30,995.52	7,112.96	-	79.79	27.55	28.04	58.06	283.52	172.70	-	38,758.14
Total undiscounted non-derivative financial liabilities	30,995.52	7,112.96	225.78	79.79	27.55	28.04	58.06	283.52	172.70	-	38,983.92

B.

2.39A Analysis of non-derivative financial assets by remaining contractual maturities

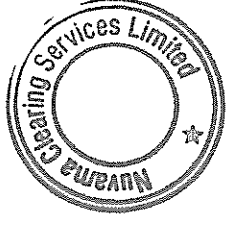
The table below summarises the maturity profile of the undiscounted cash flows of the Group's non-derivative financial assets as at 31 March.

As at March 31, 2023	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Cash and cash equivalent and other bank balances	42,497.86	-	-	-	-	-	-	-	-	-	42,497.86
Stock-in-trade	-	-	-	-	2,608.88	-	-	-	-	-	2,608.88
Trade receivables	520.65	-	-	-	-	-	-	-	-	-	520.65
Investments at amortised through profit or loss	-	-	-	-	-	-	19.62	32.11	36.77	138.08	226.58
Investments at fv through profit or loss	-	-	-	-	-	-	-	-	-	5.03	5.03
Other financial assets	-	289.13	-	-	84.44	5.75	-	-	104.03	-	483.35
Total	43,018.51	289.13	-	-	2,693.32	5.75	19.62	32.11	140.80	143.11	46,342.35

As at March 31, 2022	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Cash and cash equivalent and other bank balances	35,572.32	-	-	-	-	-	-	-	-	-	35,572.32
Stock-in-trade	-	-	-	-	380.03	-	-	-	-	-	380.03
Trade receivables	4,685.31	-	-	-	-	-	-	-	-	-	4,685.31
Investments at amortised through profit or loss	-	-	-	-	-	-	-	-	240.77	240.77	240.77
Other financial assets	-	92.82	-	-	-	2.14	-	-	203.05	298.01	298.01
Total	40,257.64	92.82	-	-	380.03	2.14	-	-	444.62	41,177.24	

2.39 Financial instruments not measured at fair value

Carrying amount of cash and cash equivalent, trade receivables and other trade payables as on March 31, 2023 approximate the fair value because of their short term nature. Difference between carrying amount and fair value of bank deposits, other financial assets, other financial liabilities and borrowing subsequently measured at amortised cost is not significant in each of the years presented.



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency : Indian rupees in millions)

2.40 Risk management framework:-

a) Regulatory controls

Introduction and risk profile

The Company's overall objective is to manage its clearing business, and the associated risks, (such as credit risk, liquidity risk, market risk, operational risk etc.) in a manner that balances serving the interests of its customers and investors and protects the safety and soundness of the Company.

The Company is regulated by SEBI & respective exchanges with special focus on trade clearing, client fund/security management, exchange & client reporting etc. The Company strives for continual improvement through efforts to enhance systemic & manual controls, ongoing employee training and development and other measures.

Risk Management Structure

The Company has a well-defined risk management process framework for risk identification, assessment and control in order to effectively manage risks associated with the various business activities. The risk function is monitored primarily by the business risk group. At the Company level, there is a 'Global Risk Group' which is responsible for managing the risks arising out of various business activities at a central level.

The Company's multi-level risk management process ensures that the margin monitoring processes withstand market volatility. As a result, the Company follows strict margin call process and limits are set and monitored on an ongoing basis.

The Company's board of directors have overall responsibility for the establishment and oversight of the Company's risk management framework. They are assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Risk mitigation and risk culture

The Company's business processes ensure complete independence of functions and a segregation of responsibilities. Client introduction, client on-boarding, credit control processes, centralised operations unit, independent internal auditors for checking compliance with the prescribed policies/processes at each transaction level are all segregated. The Company's risk management processes and policies allow layers of multiple checks and verifications.

b) Approach to capital management

The primary objectives of the Company's capital management policy are to ensure that the Group complies with externally imposed capital requirements.

The Company is regulated by Securities and Exchange Board of India ("SEBI") and various Exchanges. It complies with the rules laid down by the regulator and the Exchanges.

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Share holders fund + Reserve (net-worth)	3,867.56	2,954.24

2.41 Credit risk

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables. Company has no significant concentration of credit risk with any counterparty.

The Company's management policy is to closely monitor creditworthiness of counterparties by reviewing their credit ratings, financial statements and press release on regular basis.

The Company's financial assets are subject to the expected credit loss model are only short-term trade and other receivables. All trade receivables are expected to be collected in less than twelve months. Company applies the expected credit loss model for all financial assets and simplified approach for trade receivables for recognition of impairment loss. Expected credit loss allowance based on simplified approach in respect of receivables is computed based on a provision matrix which takes into account historical credit loss experience.



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency : Indian rupees in millions)

Market risks

Risk which can affect the Company's income or the value of its holdings of financial instruments due to adverse movements in market prices of instrument due to price risk.

The Company is a professional clearing member. The client trades as executed by broker (trading member) are settled by the Company. The client & its broker keeps sufficient margin in the form of cash, fixed deposits, bank guarantees, etc. as per the prescribed norms of the exchanges. The same is onwards kept on the respective exchanges. Margin calls are made daily in the normal course of trading hours so as to adequately cover client positions. All trades are confirmed to automated straight through process to the client and/or its custodian. Default if any devolves on either client or the custodian. Hence, there is no market risk to the Company as a professional clearing member.

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 prices of financial instruments.

Liquidity Risk:

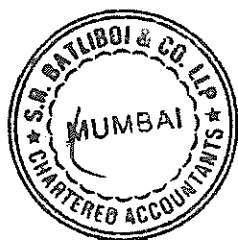
Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances.

Liquidity risk emanates from the mismatches existing on the balance sheet due to differences in maturity and repayment profile of assets and liabilities. These mismatches could either be forced in nature due to market conditions or created with an interest rate view. Such risk can lead to a possibility of unavailability of funds to meet upcoming obligations arising from liability maturities. To avoid such a scenario, Company ensures maintenance of adequate Liquidity Cushion in the form of Fixed Deposits, Mutual Funds, Cash etc. These assets carry minimal credit risk and can be liquidated in a very short period of time. Further, Company has undrawn bank facilities and liquidity support from its holding company.

The Company had access to the following undrawn borrowing facilities at the end of the reporting year

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Liquidity support arrangement	9,000.00	9,000.00

There is no committed lines from bank as on March 31, 2023 and March 31, 2022



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency : Indian rupees in millions)

2.42 Disclosure pursuant to Indian Accounting Standard 19 - Employee Benefits

A) Defined contribution plan - Provident fund and national pension scheme

Amount of ₹9.38 million (March'22: ₹ 7.89 million) is recognised as expenses in "Employee benefit expenses" – note 2.28 in the statement of profit and loss.

B) Defined benefit plan - Gratuity

The following tables summarize the components of the net benefit expenses recognized in the profit and loss account and the funded status and amounts recognized in the balance sheet for the Gratuity benefit plan.

Statement of Profit and Loss account

Expenses recognised in the Statement of Profit and Loss:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	2.82	2.83
Interest on defined benefit obligation	1.23	1.00
Expected return on plan assets	-	-
Net actuarial losses/(gains) recognized in the year	-	-
Past service cost	-	-
Actuarial (gains) / losses	-	-
Total included in 'Employee Benefit Expense'	4.05	3.83

Balance Sheet

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

Particulars	As at March 31, 2023	As at March 31, 2022
Liability at the beginning of the year	23.41	23.06
Interest cost	1.23	1.00
Current service cost	2.82	2.83
Transfer In / (Out)	(0.72)	(3.04)
Past service cost (vested benefit)	-	-
Benefit paid	(3.66)	(1.92)
Actuarial (gain)/loss on obligations	1.30	1.48
Liability at the end of the year	24.38	23.41

Defined benefit plan – Gratuity (Continued)

Reconciliation of fair value of plan assets

Particulars	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets at the start of the year	-	-
Expected return on plan assets	-	-
Contributions by employer	3.66	1.92
Benefits paid	(3.66)	(1.92)
Actuarial (loss)/gain on plan assets	-	-
Actual return on plan assets	-	-
Fair value of plan assets at the end of the year	-	-

Experience Adjustment:

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Defined Benefit Obligation	24.38	23.41	23.06	16.49	12.63
Fair Value of Plan Assets	-	-	-	-	-
Surplus/(Deficit)	(24.38)	(23.41)	(23.06)	(16.49)	(12.63)
Experience Adjustment on Plan Liabilities: (Gain) /Loss	1.30	1.86	(0.79)	(1.07)	(0.50)
Experience Adjustment on Plan Assets: Gain/ (Loss)	NA	NA	NA	NA	NA



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency : Indian rupees in millions)

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

Principle actuarial assumptions at the balance sheet date:

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate current	7.10%	5.40%
Salary escalation current	7.00%	7.00%
Employees attrition rate (based on categories)	0-25%	25%
Mortality Rate	IALM 2012- 14 (Ult.)	IALM 2012- 14 (Ult.)
Expected average remaining working lives of employees	3 years	3 years

Movement on Other Comprehensive Income

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at start of year (Loss)/ Gain	(1.88)	(0.40)
Re-measurement on DBO	-	-
a. Actuarial (Loss)/Gain from changes in demographic assumptions	(0.20)	-
b. Actuarial (Loss)/Gain from changes in financial assumptions	1.81	0.38
c. Actuarial (Loss)/Gain from experience over the past years	(2.92)	(1.86)
Re-measurement on Plan Assets	-	-
Return on plan assets excluding amount included in net interest on the net defined benefit liability/ (asset)	-	-
Balance at the end of period / year (Loss)/ Gain	(3.19)	(1.88)

B) Defined benefit plan – Gratuity (Continued)

Sensitivity Analysis

DOB increases / (decreases) by	As at March 31, 2023	As at 31 March 2022
1 % Increase in Salary Growth Rate	0.87	0.83
1 % Decrease in Salary Growth Rate	(0.82)	(0.79)
1 % Increase in Discount Rate	(0.81)	(0.79)
1 % Decrease in Discount Rate	0.88	0.85
1 % Increase in Withdrawal Rate	(0.04)	(0.05)
1 % Decrease in Withdrawal Rate	0.04	0.05
Mortality (Increase in expected lifetime by 1 year) #	-	-
Mortality (Increase in expected lifetime by 3 year) #	-	-

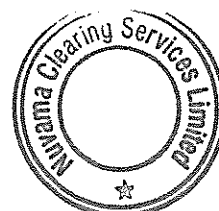
Movement in Surplus/(Deficit)

Particulars	As at March 31, 2023	As at 31 March 2022
Surplus/ (Deficit) at start of year	(23.43)	(23.07)
Net (Acquisition)/ Divestiture	-	-
Net Transfer (In)/ Out	0.72	3.04
Movement during the year	-	-
Current Service Cost	(2.82)	(2.83)
Past Service Cost	-	-
Net interest on net DBO	(1.23)	(1.00)
Changes in Foreign Exchange Rates	-	-
Re-measurement	(1.30)	(1.48)
Contributions/ Benefits	3.66	1.91
Surplus / (Deficit) at end of period / year	(24.40)	(23.43)

The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules there under. The Ministry of Labour and Employment has also released draft rules thereunder on November 13, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will evaluate the rules, assess the impact if any, and account for the same once the rules are notified and become effective.

Amount is less than ₹ 0.01 million

2.43 The Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]Notes to the financial statements *(Continued)*

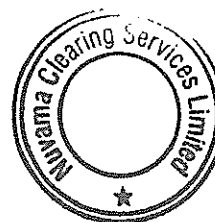
For the year ended March 31, 2023

*(Currency : Indian rupees in millions)***2.44 Corporate Social Responsibility (CSR)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022**
Gross amount required to be spent by the Company as per the provisions of section 135 of Companies Act, 2013	27.88	30.30
Amount spent (paid in cash)		
i) Construction / acquisition of any assets	Nil	Nil
ii) On purpose other than (i) above *	27.88	30.30
Amount spent (yet to be paid in cash)	-	-
ii) On purpose other than (i) above	-	-
Amount paid to EdelGive Foundation	27.88	30.10

* The amount spent towards corporate social responsibility as mentioned above has been incurred towards various project in the area of Women Empowerment and Education.

**The above corporate social responsibility (CSR) information includes information for discontinued operations (refer note 2.46)



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency : Indian rupees in millions)

2.45 Margin received from clients

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Cash margin	39,805.70	30,479.11
Non-cash margin		
- Securities*	94,789.02	74,130.41
- Fixed Deposits	-	22.42
- Bank guarantees	-	57.50
Total non-cash margin	94,789.02	74,210.33
Total margin received	1,34,594.72	1,04,689.44

*Includes the following:

a) Securities assigned under the "margin pledge" created in favour of the Company as non-cash margin from the clients in accordance with the SEBI circular no. SEBI/HO/MIRSD/DOP/CIR/P/2020/28 "Margin obligations to be given by way of Pledge/Re-pledge in the Depository System" applicable effectively from September 01, 2020 and

b) Securities received as non-cash margin from clients lying in the client demat account of the Company for disputed cases.

2.46 Discontinued Operations

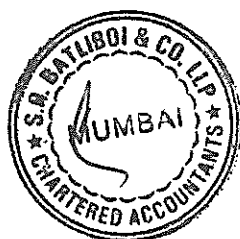
The Company had entered into an agreement dated March 17, 2021 with Nuvama Custodial Services Limited (Formerly known as Edelweiss Capital Services Limited), an associate entity, to slump sell its business of being a custodian of securities and designated depository participant, and securities lending and borrowing ("Transfer business"), for consideration as defined in the said slump sale has been effected as at June 18, 2021.

Basis above, the Company had classified net assets as at March 31, 2021, pertaining to the Transfer business as 'Assets held for sale' in accordance with IND AS 105. Correspondingly, the profit & loss and cash flows pertaining to the Transfer business have been presented as 'Profit/loss from discontinued operations' and 'Cash flows from discontinued operations' respectively. Corresponding representation has also been made for prior periods presented in the statement of profit & loss and in the statement of Cash flows.

The details of Profit/loss from discontinued operations is as below –

Particulars	For the year ended	For the period ended
	March 31, 2023	June 18, 2021
Revenue from operations		
(a) Interest income	-	0.35
(b) Fee and commission income	-	41.04
Total Revenue from operations	-	41.39
Total Income	-	41.39
Expenses		
(a) Finance costs	-	-
(b) Employee benefits expense	-	23.78
(c) Depreciation and amortisation expenses	-	-
(d) Impairment on financial instruments	-	-
(e) Other expenses	-	14.13
Total Expenses	-	37.91
Profit before tax	-	3.48
Tax expenses	-	0.88
Profit after tax	-	2.60

Since operation discontinues on June 18, 2021, all the assets and liabilities transferred on that date and no balances are adjusted as on March 31, 2023 and March 31, 2022.



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]

Notes to the financial statements (Continued)

For the year ended March 31, 2023

(Currency : Indian rupees in millions)

2.47 Ratio analysis and its estimates

Particulars	As at / for the period ended March 31, 2023	As at / for the period ended March 31, 2022	% change	Remarks (> 25% <)
Current ratio (refer note 1)	1.08	1.05	3%	
Return on equity ratio (refer note 2)	0.29	0.24	20%	
Return on capital employed (refer note 3)	0.52	0.48	8%	
Net profit ratio (refer note 4)	0.33	0.23	45%	On account of increase in income and decrease in expenses
Return on investment (refer note 5)	0.07	0.02	241%	Repayment of principal amount and payment of dividend on preference shares

Note

- 1 Current ratio = Current assets / Current liabilities
- 2 Return on equity ratio = Net profit after tax - preference dividend / Average shareholder's equity
- 3 Return on capital employed = Earning before interest and taxes / Capital employed = Tangible networth (net-worth - intangible assets) + Total debt + Deferred tax liability
- 4 Net profit - Exceptional items / Total income
- 5 Return on investment = Interest income / Investment

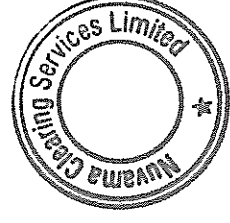
2.48 Transactions with Struck off Companies

March 31, 2023

Name of the struck off company	Nature of transactions with struck off company	Transaction value	Balance outstanding	Relationship with the struck off company, if any, to be disclosed
Moneyflow Securities Pvt. Ltd.	Clearing services	Nil	(0.20)	Client

March 31, 2022

Name of the struck off company	Nature of transactions with struck off company	Transaction value	Balance outstanding	Relationship with the struck off company, if any, to be disclosed
Writer Business Services Pvt. Ltd.	Warehouse services	0.04	Nil	Vendor
Moneyflow Securities Pvt. Ltd.	Clearing services	Nil	(0.20)	Client
Bulls and Bears (Brokers) Ltd.	Clearing services	Nil	0.04	Client



For the year ended March 31, 2023

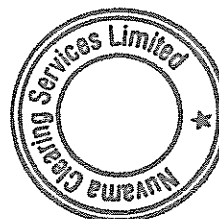
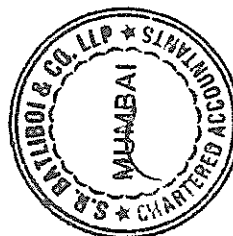
2.49 Price risk:

Index price risk is the risk that the value of a financial instrument will fluctuate due to changes in index rates / security value.

The table below indicates the mutual fund to which the Company had exposure at the end of the reported periods. The analysis calculates the effect of a reasonably possible movement of the mutual fund price (all other variables being constant) on the statement of profit and loss and equity.

March 31, 2023						
Mutual Fund	Increase in currency rate (%)	Effect on profit before tax	Effect on Equity	Decrease in currency rate (%)	Effect on profit before tax	Effect on Equity
INR	5	0.25	-	5	(0.25)	-

March 31, 2022						
Mutual Fund	Increase in currency rate (%)	Effect on profit before tax	Effect on Equity	Decrease in currency rate (%)	Effect on profit before tax	Effect on Equity
INR	5	-	-	5	-	-



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]**Notes to the financial statements (Continued)**

For the year ended March 31, 2023

(Currency : Indian rupees in millions)

2.50 Foreign currency transactions

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

	For the year ended March 31, 2023	For the year ended March 31, 2022
Expenditure incurred in foreign currency (on accrual basis)		
Professional fees	88.52	50.28
Membership Exps	1.81	0.92
Advertisement and Business promotion Exps	0.56	0.78
Software Maintenance Exps	-	0.47
Staff welfare Exps	0.30	-
Travelling Exps	0.28	-
Total	91.47	52.45
Income earned in foreign currency (on accrual basis)		
Custody fees Income	-	1.56
Total	-	1.56

2.51 Others statutory information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vi) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

2.52 Rounded off

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

- 2.52.1** The Group has complied with the Rule 3 of Companies (Accounts) Rules, 2014 amended on August 5, 2022 relating to maintenance of electronic books of account and other relevant books and papers. The Group's books of accounts and relevant books and papers are accessible in India at all times and backup of accounts and other relevant books and papers are maintained in electronic mode within India and kept in servers physically located in India on daily basis.



Nuvama Clearing Services Limited [Formerly known as Edelweiss Custodial Services Limited]
Notes to the financial statements (Continued)
For the year ended March 31, 2023

(Currency : Indian rupees in millions)

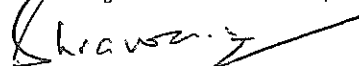
2.53 Previous year comparatives

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

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firms Registration Number: 301003E/E300005



per Shrawan Jalan

Partner

Membership No:102102

Mumbai

May 24, 2023



For and on behalf of the Board of Directors



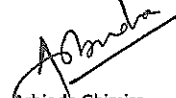
Udit Sureka

Executive Director

DIN : 02190342

Mumbai

May 24, 2023



Arbinda Ghimire

Executive Director

DIN : 10097420



SIGN