

INDEPENDENT AUDITOR'S REPORT

To the Members of Nuvama Clearing Services Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Nuvama Clearing Services Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, 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 material 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, 2025, 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.

Emphasis of Matter Paragraph

We draw attention to Note 2.39(A)(iii), to the financial statements which describes that an appeal has been filed by the Company before the Hon'ble Supreme Court of India in relation to liquidation of collaterals to regularize outstanding debit obligation by the Company. Pending the outcome of such appeal and based on the legal opinion, no adjustments have been made by the management of the Company to these financial statements.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the



financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matters	How our audit addressed the key audit matter
IT systems and controls	
<p>The financial accounting and reporting systems of the Company are fundamentally reliant on information technology ('IT') systems and IT controls to process significant transaction volumes.</p> <p>Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure accurate financial reporting.</p> <p>Therefore, due to the pervasive nature and complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.</p>	<p>Our audit procedures focused on the IT infrastructure and applications relevant to financial reporting of the Company included following:</p> <ul style="list-style-type: none"> • Tested the design and operating effectiveness of the Company's IT access controls, including audit trail over the information systems that are important to financial reporting and various interfaces, configuration and other identified application controls. • Tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing requests for access to systems were reviewed and authorized. • Tested the Company's periodic review of access rights. Also tested requests of changes to systems for approval and authorization. • In addition to the above, tested the design and operating effectiveness of certain automated controls that were considered as key internal controls. • Tested the design and operating effectiveness of compensating controls in case deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's 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.

From the matters communicated with management, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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, to the extent applicable, 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, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 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, 2025 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 2.39 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, as disclosed in the note 2.53 (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, as disclosed in the note 2.53 (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

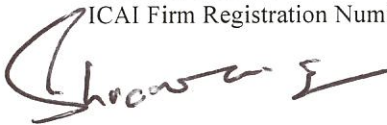
c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

- v. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software (refer Note 2.56 (b) to the financial statements). Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Shrawan Jalan

Partner

Membership Number: 102102

UDIN: 25102102BMOBFY1102



Place of Signature: Mumbai

Date: May 26, 2025

Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date

In terms of 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 and relevant details of Right of Use Assets.
- (i)(a)(B) The Company has maintained proper records showing full particulars of Intangibles Assets recognized in the financial statements.
- (i)(b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (i)(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (i)(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, 2025.
- (i)(e) There are no proceedings initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) 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.
- (ii)(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.
- (iii)(b) During the year the Company has not made investments, provided guarantees, provided security and 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)(b) of the Order is not applicable to the Company.
- (iii)(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.
- (iii)(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.
- (iii)(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.



- (iii)(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) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-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, no 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.

As informed, the provision of sales tax, duty of customs, duty of excise, wealth tax and value added tax are currently not applicable to the Company.

- (vii)(b) There dues of goods and services tax, provident fund, employees' state insurance, income-tax, service tax, cess, and other statutory dues which have not been deposited on account of any dispute, are as follows:

Name of Statute	Nature of dues	Amount	Period to which the amount relates	Forum where dispute is pending
GST Act 2017	Goods and Service Tax	145.96 million *	FY 2017-18 to 2020-21	GSTAT

*Amount paid under protest Rs 13.24 Mn

As informed, the provision of sales tax, duty of customs, duty of excise, wealth tax and value added tax are currently not applicable to the Company.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix)(a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (ix)(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (ix)(c) 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.



- (ix)(d) 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.
- (ix)(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (ix)(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x)(a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (x)(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi)(a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (xi)(b) 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.
- (xi)(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on 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.
- (xiv)(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.
- (xvi)(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (xvi)(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.



- (xvi)(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year or the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 2.50 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx)(a) 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 2.48 to the financial statements.
- (xx)(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 2.48 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: 25102102BMOBFY1102



Place of Signature: Mumbai

Date: May 26, 2025

Annexure 2 to the Independent Auditor's report of even date on the financial statements of Nuvama Clearing 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 the financial statements of Nuvama Clearing Services Limited ("the Company") as of March 31, 2025 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 authorizations 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 these 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 these 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 these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at March 31, 2025, 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: 25102102BMOBFY1102



Place of Signature: Mumbai

Date: May 26, 2025

Nuvama Clearing Services Limited

Balance Sheet as at March 31, 2025

(Currency : Indian rupees in million)

	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non current assets			
(a) Property, plant and equipment	2.1	1.76	114.91
(b) Investment property	2.2	-	114.00
(c) Other intangible assets	2.3	80.63	43.79
(d) Intangible assets under development	2.4	0.73	-
(e) Financial assets			
(i) Investments	2.5	-	110.73
(ii) Other financial assets	2.6	45.39	141.51
(f) Other non current assets	2.7	13.24	13.24
(g) Deferred tax assets (net)	2.8	19.26	44.48
Total non current assets		161.01	582.66
Current assets			
(a) Financial assets			
(i) Securities held for trading	2.9	0.02	2.87
(ii) Trade receivables	2.10	171.77	260.27
(iii) Cash and cash equivalents	2.11	149.56	544.55
(iv) Bank balances other than cash and cash equivalents	2.12	1,63,462.61	1,06,476.58
(v) Other financial assets	2.13	2,204.22	3,060.17
(b) Other current assets	2.14	102.42	61.06
(c) Current tax assets (net)	2.15	12.17	9.44
Total current assets		1,66,102.77	1,10,414.94
Total assets		1,66,263.78	1,10,997.60
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	2.16	62.68	62.68
(b) Other equity	2.17	9,681.41	6,323.28
Total equity		9,744.09	6,385.96
Liabilities			
Non current liabilities			
(a) Financial liabilities			
Other financial liabilities	2.18	-	64.85
(b) Provision	2.19	29.44	25.16
Total non current liabilities		29.44	90.01
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	2.20		
(a) total outstanding dues of micro enterprises and small enterprises		11.51	0.50
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		113.20	82.51
(ii) Debt securities	2.21	5,074.68	48.97
(iii) Borrowings (other than debt securities)	2.22	-	1.44
(iv) Other financial liabilities	2.23	1,51,135.66	1,04,229.09
(b) Other current liabilities	2.24	78.64	97.29
(c) Provisions	2.25	6.91	7.28
(d) Current tax liabilities (net)	2.26	69.65	54.55
Total current liabilities		1,56,490.25	1,04,521.63
Total liabilities		1,56,519.69	1,04,611.64
Total equity and liabilities		1,66,263.78	1,10,997.60

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 Shravan Jalan

Partner

Membership No:102102



For and on behalf of the Board of Directors

Udit Sureka

Executive Director & CEO

DIN : 02190342

Shiv Sehgal

Non-Executive Director

DIN : 07112524

Girija Joshi

Company Secretary

Mumbai

May 26, 2025

Arbinda Ghimire

Executive Director

DIN : 06530441

Mahoj Sharma

Chief Financial Officer



Mumbai

May 26, 2025

Nuvama Clearing Services Limited

Statement of Profit and Loss for the year ended March 31, 2025

(Currency : Indian rupees in million)

	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from operations			
Fee and commission income	2.27	1,338.93	911.98
Interest income	2.28	8,752.32	4,602.77
Net gain / (loss) on fair value changes	2.29	1.84	(3.71)
Total revenue from operations		10,093.09	5,511.04
Other income	2.30	21.81	6.01
Total income		10,114.90	5,517.05
Expenses			
Employee benefits expense	2.31	452.38	336.43
Finance costs	2.32	2,285.45	1,336.38
Impairment on financial instruments	2.33	100.39	103.37
Depreciation, amortisation and impairment	2.1, 2.2, 2.3	37.10	57.64
Other expenses	2.34	402.54	328.50
Total expenses		3,277.86	2,162.32
Profit before tax		6,837.04	3,354.73
Tax expenses: (refer note 2.35)			
Current tax		1,748.89	929.88
Deferred tax		25.39	(91.96)
Profit for the year		5,062.76	2,516.81
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement loss on defined benefit plans		(0.69)	(0.76)
Income tax relating to items that will not be reclassified to profit or loss		0.17	0.19
Other comprehensive income		(0.52)	(0.57)
Total comprehensive income		5,062.24	2,516.24
Earnings per equity share (Face value of Rs. 10 each):			
Basic and Diluted (Rs.)	2.38	807.78	401.57

The accompanying notes are an integral part of the financial statements

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 26, 2025

For and on behalf of the Board of Directors

Udit Sureka
Udit Sureka
Executive Director & CEO
DIN : 02190342

Arbinda Ghimire
Arbinda Ghimire
Executive Director
DIN : 06530441

Shiv Sehgal
Shiv Sehgal
Non-Executive Director
DIN : 07112524

Manoj Sharma
Manoj Sharma
Chief Financial Officer

Girija Joshi
Girija Joshi
Company Secretary
Mumbai
May 26, 2025



Nuvama Clearing Services Limited

Statement of changes in equity for the year ended March 31, 2025

(Currency : Indian rupees in million)

A. Equity share capital

Particulars	No. of shares	Amount
Balance as at April 01, 2024	62,67,500	62.68
Changes in equity share capital during the year	-	-
Balance as at March 31, 2025	62,67,500	62.68
Balance as at April 01, 2023	62,67,500	62.68
Changes in equity share capital during the year	-	-
Balance as at March 31, 2024	62,67,500	62.68

B. Other Equity

	Securities premium reserve	Deemed capital contribution - ESOP	Debenture redemption reserve	Retained earnings	Total
Balance as at April 1, 2024	652.10	-	-	5,671.18	6,323.28
Profit for the year	-	-	-	5,062.76	5,062.76
Other comprehensive income	-	-	-	(0.52)	(0.52)
Total comprehensive income for the year	-	-	-	5,062.24	5,062.24
Reversal of ESOP cost on cancellation of options	-	-	-	0.65	0.65
Transfer to debenture redemption reserve	-	-	100.00	(100.00)	-
Dividend paid	-	-	-	(1,704.76)	(1,704.76)
Balance as at March 31, 2025	652.10	-	100.00	8,929.31	9,681.41
Balance as at April 01, 2023	652.10	8.92	-	3,143.86	3,804.88
Profit for the year	-	-	-	2,516.81	2,516.81
Other comprehensive income	-	-	-	(0.57)	(0.57)
Total comprehensive income for the year	-	-	-	2,516.24	2,516.24
Reversal of ESOP cost on cancellation of options	-	-	-	2.16	2.16
Transfer from deemed capital contribution - ESOP	-	(8.92)	-	8.92	-
Balance as at March 31, 2024	652.10	-	-	5,671.18	6,323.28

As per our report of even date attached

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firms Registration Number: 301003E/E300005

per Shrawan Jalan
Partner
Membership No:102102



Mumbai
May 26, 2025

For and on behalf of the Board of Directors

Udit Sureka
Executive Director & CEC
DIN : 02190342

Arbinda Ghimire
Executive Director
DIN : 06530441

Shiv Sehgal
Non-Executive Director
DIN : 07112524

Mahoj Sharma
Chief Financial Officer

Girija Joshi
Company Secretary
Mumbai
May 26, 2025



Nuvama Clearing Services Limited

Cash flow statement for the year ended March 31, 2025

(Currency : Indian rupees in million)

	For the year ended March 31, 2025	For the year ended March 31, 2024
A Cash flow from operating activities		
Profit before tax	6,837.04	3,354.73
Adjustments for		
Depreciation, amortisation and impairment (refer note below 1)	64.31	105.49
Impairment of financial instruments	4.48	2.03
Gain on termination of leases	(21.55)	-
Impairment of investment	95.22	101.34
Loss on sale of property, plant and equipment	0.01	0.62
Fair value loss on financial instruments	0.10	249.93
Interest expense on lease liabilities (refer note below 2)	5.63	13.86
Interest expenses	187.54	26.63
Interest income on investments	(14.49)	(15.50)
Operating cash flow before working capital changes	7,158.29	3,839.13
Add / (Less): Adjustments for working capital changes		
(Increase) / decrease in trade receivables	85.90	258.35
(Increase) / decrease in other bank balances	(56,986.03)	(68,331.58)
(Increase) / decrease in securities held for trading	2.75	2,356.11
(Increase) / decrease in other financial assets	951.39	(2,718.33)
(Increase) / decrease in other non financial assets	(42.56)	50.18
Increase / (decrease) in liabilities and provisions	47,007.86	61,632.35
Cash used in operations	(1,822.40)	(2,913.79)
Income taxes paid (net of refund)	(1,736.52)	(854.84)
Net cash used in operating activities - A	(3,558.92)	(3,768.63)
B Cash flow from investing activities		
Purchase of property, plant and equipment and intangibles (Refer note 4)	(66.27)	(28.42)
Proceeds from sale of property, plant and equipment	110.00	0.04
Interest income on investments	14.49	15.50
Redemption of investment	15.51	19.50
Net cash generated from investing activities - B	73.73	6.62
C Cash flow from financing activities		
Proceeds from unsecured loan	28,351.60	12,497.60
Repayment of unsecured loan	(28,351.60)	(12,497.60)
Proceeds from inter corporate deposit	-	1,500.00
Repayment of inter corporate deposit	-	(1,500.00)
Proceeds from issue/(redemption) of commercial papers (refer note 5)	3,838.36	47.98
Proceeds from issue of Non-convertible debentures	1,000.00	-
Repayment of lease liabilities	(41.77)	(70.08)
Dividend paid	(1,704.76)	-
Interest paid	(1.63)	(24.20)
Net cash generated from / (used in) financing activities - C	3,090.20	(46.30)
Net decrease in cash and cash equivalents (A+B+C)	(394.99)	(3,808.31)
Cash and cash equivalent as at the beginning of the year (Refer note 2.11)	544.55	4,352.86
Cash and cash equivalent as at the end of the year	149.56	544.55

Notes:

- Depreciation, amortisation and impairment is gross of reimbursement received of Rs. 27.21 million for the year ended March 31, 2025. (Previous Year: Rs. 47.85 million)
- Interest expenses on lease liabilities is gross of reimbursement received of Rs. 4.72 million for the year ended March 31, 2025. (Previous Year: Rs. 11.60 million)
- 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.
- Purchase of property, plant and equipment and intangibles includes movement of intangible assets under development during the year.
- Net figures have been reported on account of volume of transactions.

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 26, 2025

For and on behalf of the Board of Directors

Udit Sureka
Executive Director & CEO
DIN : 02190342

Arbinda Ghimire
Executive Director
DIN : 06530441

Shiv Sehgal
Non-Executive Director
DIN : 07112524

Manoj Sharma
Chief Financial Officer

Girija Joshi
Company Secretary
Mumbai
May 26, 2025



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025

(Currency : Indian rupees in million)

1.1 Corporate information

Nuvama Clearing Services Limited ('The Company') was incorporated on 16 October 2008 having CIN U51109MH2008PLC187594. The registered office of the company is located at Tower 3, Wing B, Kohinoor City Mall, Kohinoor City, Kirod Road, Kurla (West), Mumbai- 400070.

PAGAC Ecstasy Pte. Limited is the Ultimate Holding company.

The Company is registered as a Professional Clearing Member (PCM) with NSE Clearing Limited (NCL), Indian Clearing Corporation Limited (ICCL), Multi Commodity Clearing Corporation of India Limited (MCXCCL) and National Commodity Clearing Limited (NCCL) which clears and settles trades of various trading members and custodial participants. Other services provided include fund accounting services. Company invests in fixed deposits & other highly liquid callable instruments as part of its treasury activities.

1.2 Summary of material accounting policy information

1.2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III). These financial statements have been approved for issue by the Board of Directors of the Company on May 26, 2025.

These financial statements have been prepared on a historical cost basis, except for certain financial instruments such as derivative financial instruments and other financial assets held for trading, which have been measured at fair value. The financial statements are presented in Indian Rupees (Rs.) and all values are rounded off to the nearest million, except when otherwise indicated.

1.2.2 Presentation of financial statements

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

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

1.2.3 Revenue from contract with customer

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

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

The company recognises revenue from the following sources:

- Fee income includes fees for clearing services, referral & 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 other fee income including referral fees, fund accounting etc is accounted on an accrual basis as per Ind AS 115 in accordance with the terms and contracts entered with the client.
- Interest income is recognized on accrual basis.
- Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

1.2.4 Financial Instruments

Date of recognition

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

Initial measurement of financial instruments

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 1.2.3 Revenue from contracts with customers.



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

1.2.4 Financial Instruments (Continued)

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.

1.2.5 Classification of financial instruments

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

Financial assets carried at amortised cost (AC)

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

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

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

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

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

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

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

- the financial asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

1.2.6 Financial assets and liabilities

Amortized cost and effective interest rate (EIR)

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

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

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

Financial assets held for trading

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

Financial assets at fair value through profit or loss

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily 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 recognizing gains or losses on them on a different basis; Or
- The liabilities are part of a group of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; Or
- The liabilities containing one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited.

Financial assets and financial liabilities at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in 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

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

1.2.6 Financial assets and liabilities (Continued)

Investment in equity instruments

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

Financial liabilities

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

Debt securities and other borrowed funds

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

Financial liabilities and equity instruments

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

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

1.2.7 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.

1.2.8 Derecognition of financial instruments

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

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

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

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

Derecognition of financial liabilities

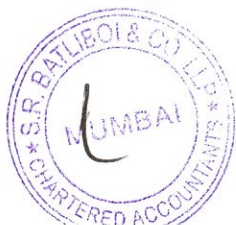
A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such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

1.2.9 Impairment of financial assets

The Company records allowance for expected credit loss (ECL) for all financial assets, other than financial assets held at FVTPL together with financial guarantee contracts. Equity instruments are not subject to impairment.

Simplified approach

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables and is adjusted for forward-looking estimates.



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

1.2.10 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

Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

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



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

1.2.11 Write-offs

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

1.2.12 Property, plant and equipment, Right-of-use assets and Capital work in progress

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.

Depreciation is recognized so as to write off the cost of assets less their residual values over their useful lives. Depreciation is provided on a written down value basis from the date the asset is ready for its intended use or put to use whichever is earlier. In respect of assets sold, depreciation is provided upto the date of disposal.

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

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

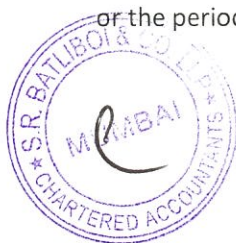
The estimated useful lives of the property, plant and equipment are as follows:

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

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

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

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



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

1.2.13 Intangible assets

The Company's intangible assets mainly include the value of software. An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

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

1.2.14 Investment properties

Investment Properties are properties held to earn rentals and/or capital appreciation and are measured. Upon initial recognition, an investment property is measured at cost, including transaction costs. Subsequent to the initial recognition, investment property is reported at cost less accumulated depreciation.

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.

1.2.15 Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.2.16 Cash and cash equivalents

Cash and cash equivalents include cash on hand and on bank and other short term highly liquid investments with original maturities of upto three months that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

1.2.17 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.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively)

1.2.18 Retirement and other employee benefits

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

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 independent actuarial valuation using the Projected Unit Credit Method. 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.

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

Remeasurement are not reclassified to profit or loss in subsequent periods.

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 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.



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

1.2.19 Share-based payment arrangements

Equity-settled share-based payments to employees by Nuvama Wealth Management Limited ("the Holding Company") and by Edelweiss Financial Services Limited ("the erstwhile ultimate parent Group") are measured by reference to the fair value of the equity instruments at the grant date.

The fair value of Equity-settled share-based payments determined at the grant date is expensed over the vesting period, based on the estimate of equity instruments that will eventually vest, with a corresponding increase in equity. In cases where the share options granted vest in instalments over the vesting period, each instalment is treated as a separate grant, because each instalment has a different vesting period, and hence the fair value of each instalment differs.

1.2.20 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. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. 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 provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

1.2.20 Income tax expenses (Continued)

Deferred tax (Continued)

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

1.2.21 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.

1.2.22 Leases

Company as a lessee:

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

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



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

1.2.22 Leases (Continued)

Lease Liabilities (Continued)

reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

Short term lease and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

1.2.23 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Indian Accounting Standard 33 - Earnings Per Share. Basic earnings per share is computed by dividing the net profit or loss attributable to the equity holders of parent company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of EPS, the potential ordinary shares that would be issued on conversion are included in the weighted average number of ordinary shares used in the calculation of basic EPS (and, therefore, also diluted EPS) from the date of issue of the instrument, since their issue is solely dependent on the passage of time.

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.



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

1.2.24 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.

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) the amount of the obligation cannot be measured with sufficient reliability.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents.

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

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

1.2.25 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 in estimating the useful lives of tangible assets reported under property, plant and equipment (refer note 1.2.12).



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

1.2.25 Significant accounting judgements, estimates and assumptions (Continued)

Provision and contingent liability

On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss contingencies that are considered possible are not provided for but disclosed as contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

Defined benefit plan

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Leases

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company consider all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Company reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.

Investment property

Investment property is defined as assets held primarily for rental income, capital appreciation, or both, rather than for operational use or sale, reflecting management's strategic intent. Upon initial recognition, investment properties are recorded at cost, with management making informed decisions regarding direct costs attributable to acquisition. Subsequent measurement at fair value entails management's assessment of various factors, including market conditions and property-specific attributes. Management exercises judgment in determining fair values, often relying on independent valuations or recent transaction prices for similar properties.

Provisions for Income Taxes

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

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



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

1.2.25 Significant accounting judgements, estimates and assumptions (Continued)

Business model assessment

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

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

1.2.26 Key sources of estimation uncertainty

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

Effective interest rate method

The Company's EIR methodology, recognises interest income/expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioral life of financial instruments and recognises the effect of characteristics of the product life cycle

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

Incremental borrowing rate

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



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

1.2.26 Key sources of estimation uncertainty (Continued)

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.

1.2.27 Standards issued and effective

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Ind AS 117 Insurance Contracts

The Ministry of Corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated 12 August 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after 1 April 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The application of Ind AS 117 does not have material impact on the Company's financial statements as the Company has not entered any contracts in the nature of insurance contracts covered under Ind AS 117.

(ii) Amendments to Ind AS 116 Leases – Lease Liability in a Sale and Leaseback

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after 1 April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

The amendments do not have a material impact on the Company's financial statements.

1.2.28 Standards notified but not yet effective

There are no standards that are notified and not yet effective as on the date



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)
(Currency : Indian rupees in million)

2.1 Property, plant and equipment

Description of Assets	Gross Block			Accumulated Depreciation and Impairment				Net Block	
	As at April 1, 2024	Additions during the year	Disposals during the year	As at March 31, 2025	As at April 1, 2024	Charge for the year	Disposals during the year	Impairment	As at March 31, 2025
Furniture and Fixtures	0.52	-	-	0.52	0.37	0.04	-	-	0.41
Office equipment	0.16	-	-	0.16	0.12	0.01	-	-	0.13
Computers	5.71	1.21	-	6.92	5.05	0.25	-	-	5.30
Right of use *	349.65	-	349.65	-	235.59	32.53	268.12	-	-
Total	356.04	1.21	349.65	7.60	241.13	32.83	268.12	-	5.84
1.76									
Description of Assets	Gross Block			Accumulated Depreciation and Impairment				Net Block	
	As at April 1, 2023	Additions during the year	Disposals during the year	As at March 31, 2024	As at April 1, 2023	Charge for the year	Disposals during the year	Impairment	As at March 31, 2024
Leasehold improvements	0.94	-	0.94	-	0.93	0.01	0.94	-	-
Furniture and Fixtures	1.36	-	0.84	0.52	0.87	0.10	0.60	-	0.37
Office equipment	1.25	0.08	1.17	0.16	1.14	0.07	1.09	-	0.12
Computers	12.37	-	6.66	5.71	10.97	0.40	6.32	-	5.05
Right of use *	349.65	-	-	349.65	178.42	57.17	-	-	235.59
114.06									
Total	365.57	0.08	9.61	356.04	192.33	57.75	8.95	-	241.13
114.91									

* during the year the Company has recovered ROU amortisation amounting to Rs. 27.21 million (Previous year: Rs. 47.85 million) for usage of Right of use assets from its group companies.



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

2.2 Investment property

Description of Assets	Gross Block				Accumulated Depreciation and Impairment				Net Block	
	As at April 1, 2024	Additions during the year	Disposals during the year	As at March 31, 2025	As at April 1, 2024	Charge for the year	Disposals during the year	Impairment	As at March 31, 2025	As at March 31, 2025
Real estate	158.53	-	158.53	-	44.53	3.99	48.52	-	-	-
Total	158.53	-	158.53	-	44.53	3.99	48.52	-	-	-

Description of Assets	Gross Block				Accumulated Depreciation and Impairment				Net Block	
	As at April 1, 2023	Additions during the year	Disposals during the year	As at March 31, 2024	As at April 1, 2023	Charge for the year	Disposals during the year	Impairment	As at March 31, 2024	As at March 31, 2024
Real estate	158.53	-	-	158.53	11.18	7.37	-	25.98	44.53	114.00
Total	158.53	-	-	158.53	11.18	7.37	-	25.98	44.53	114.00

The Company has acquired possession of residential property in financial year 2021-22, 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 recknor 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.

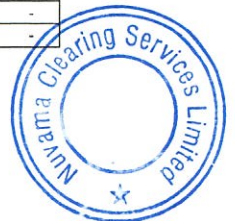
2.3 Other intangible assets

Description of Assets	Gross Block				Accumulated Amortisation and Impairment				Net Block	
	As at April 1, 2024	Additions during the year	Disposals during the year	As at March 31, 2025	As at April 1, 2024	Charge for the year	Disposals during the year	Impairment	As at March 31, 2025	As at March 31, 2025
Software	94.83	64.33	-	159.16	51.04	27.49	-	-	78.53	80.63
Total	94.83	64.33	-	159.16	51.04	27.49	-	-	78.53	80.63

Description of Assets	Gross Block				Accumulated Amortisation and Impairment				Net Block	
	As at April 1, 2023	Additions during the year	Disposals during the year	As at March 31, 2024	As at April 1, 2023	Charge for the year	Disposals during the year	Impairment	As at March 31, 2024	As at March 31, 2024
Software	49.12	45.71	-	94.83	36.65	14.39	-	-	51.04	43.79
Total	49.12	45.71	-	94.83	36.65	14.39	-	-	51.04	43.79

2.4 Intangible assets under development

Particulars	As at March 31, 2025					As at March 31, 2024				
	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	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	0.73	-	-	-	0.73	-	-	-	-	-
Total	0.73	-	-	-	0.73	-	-	-	-	-

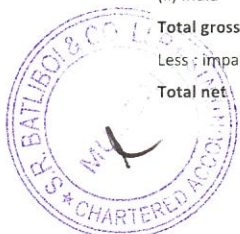


Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

	As at March 31, 2025	As at March 31, 2024
2.5 Investments		
Preference shares (at amortised at cost)	191.44	206.95
Less: Impairment loss allowance	(191.44)	(96.22)
7% Cumulative Non-Convertible Redeemable Preference Shares -Face Value Rs 10 each. No. of shares held - 1,91,43,811 (Previous year - 2,06,95,150)		
	-	110.73
Investments in India	-	110.73
Investments outside India	-	-
	-	110.73
Reconciliation of impairment loss allowance on investment:		
Particulars	Amount	
Impairment loss allowance measured		
Impairment loss allowance as on March 31, 2023	-	
Add/ (less): asset originated/ recovered (net)	96.22	
Impairment loss allowance as on March 31, 2024	96.22	
Add/ (less): asset originated/ recovered (net)	95.22	
Impairment loss allowance as on March 31, 2025	191.44	
2.6 Other financial assets		
(Unsecured considered good, unless stated otherwise)		
Deposits placed with exchange/ depositories	44.39	75.40
Security deposits	-	64.43
Other deposits	1.00	1.68
	45.39	141.51
2.7 Other non current assets		
Other deposits	13.24	13.24
	13.24	13.24
2.8 Deferred tax assets (net)		
Deferred tax assets		
i) Trade receivable		
ECL provision on trade receivables	1.98	1.35
ii) Property, plant and equipment and intangibles		
Difference between book and tax depreciation	0.77	2.83
iii) Investment property		
Difference between book and tax depreciation	-	2.01
iv) Investments and other financial instruments		
Fair valuation of investments and securities held for trading	-	25.66
v) Employee benefit obligations		
Provision for leave accumulation and gratuity	9.15	8.14
Provision for deferred bonus	7.55	-
vi) Others		
Others	0.47	-
Lease liability	-	35.06
Sub total A	19.92	75.05
Deferred tax liabilities		
i) Others		
Right of use	-	28.71
Unamortised loan origination costs - EIR on borrowings	0.66	1.86
Sub total B	0.66	30.57
Total (A - B)	19.26	44.48
2.9 Securities held for trading		
At fair value through profit and loss		
Equity shares - unlisted	0.02	2.87
Total gross	0.02	2.87
Less : impaired loss allowance	-	-
Total net	0.02	2.87
(i) Outside India	-	-
(ii) India	0.02	2.87
Total gross	0.02	2.87
Less : impaired loss allowance	-	-
Total net	0.02	2.87



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

2.10 Trade receivables

	As at March 31, 2025	As at March 31, 2024
Secured, considered good *	96.96	191.34
Unsecured, considered good	77.28	70.71
Trade receivable - credit impaired	5.41	3.50
Total (I)	179.65	265.55
Less : Impairment loss allowance		
Unsecured, considered good	2.47	1.78
Trade receivable - credit impaired	5.41	3.50
Total (II)	7.88	5.28
Total (I - II)	171.77	260.27

* Secured by securities

Reconciliation of impairment loss allowance on trade receivables:

Particulars	Amount
Impairment loss allowance measured as per simplified approach	
Impairment loss allowance as on March 31, 2023	3.25
Add/ (less): asset originated/ recovered (net)	2.03
Impairment loss allowance as on March 31, 2024	5.28
Add/ (less): asset originated/ recovered (net)	2.60
Impairment loss allowance as on March 31, 2025	7.88

Trade Receivables ageing

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, 2025						
i) Undisputed Trade receivables – considered good	173.22	1.02	-	-	-	174.24
(ii) Undisputed Trade Receivables – credit impaired	-	-	2.04	2.08	1.29	5.41
(iii) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Gross receivables (A)	173.22	1.02	2.04	2.08	1.29	179.65
i) Undisputed Trade receivables – considered good	1.97	0.50	-	-	-	2.47
(ii) Undisputed Trade Receivables – credit impaired	-	-	2.04	2.08	1.29	5.41
(iii) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total impairment loss allowance on receivables (B)	1.97	0.50	2.04	2.08	1.29	7.88
Total receivables net of ECL provision (A - B)	171.25	0.52	-	-	-	171.77

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, 2024						
i) Undisputed Trade receivables – considered good	261.96	0.09	-	-	-	262.05
(ii) Undisputed Trade Receivables – credit impaired	-	-	2.02	0.19	1.29	3.50
(iii) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Gross receivables (A)	261.96	0.09	2.02	0.19	1.29	265.55
i) Undisputed Trade receivables – considered good	1.73	0.05	-	-	-	1.78
(ii) Undisputed Trade Receivables – credit impaired	-	-	2.02	0.19	1.29	3.50
(iii) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total impairment loss allowance on receivables (B)	1.73	0.05	2.02	0.19	1.29	5.28
Total receivables net of ECL provision (A - B)	260.23	0.04	-	-	-	260.27



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

	As at March 31, 2025	As at March 31, 2024
2.11 Cash and cash equivalents		
Balances with banks	149.56	544.55
- in current accounts	<u>149.56</u>	<u>544.55</u>
2.12 Bank balances other than cash and cash equivalents		
Fixed deposits with banks	75.07	0.07
Fixed deposits with banks (refer below note 2.12A)	1,60,548.73	1,05,005.53
Interest accrued on fixed deposits	2,838.81	1,470.98
	<u>1,63,462.61</u>	<u>1,06,476.58</u>
2.12A Encumbrances on fixed deposits held by the Company		
i) Fixed Deposits pledged with exchanges to meet margin requirements	1,56,460.10	1,01,477.40
ii) Fixed Deposits pledged with banks to obtain bank guarantees as per sanction terms	4,050.00	3,500.50
iii) Fixed Deposits pledged with banks for securing credit facilities	38.63	27.63
Total	<u>1,60,548.73</u>	<u>1,05,005.53</u>
2.13 Other financial assets (Unsecured Considered good, unless stated otherwise)		
Deposits placed with exchange	48.72	2.00
Receivable from exchange /clearing house (net)	2,154.98	3,056.66
Other assets	0.52	1.51
	<u>2,204.22</u>	<u>3,060.17</u>
2.14 Other current assets (Unsecured Considered good, unless stated otherwise)		
Input tax credit	32.33	11.50
Other deposits	-	0.04
Prepaid expenses	68.56	48.78
Vendor advances	1.44	0.71
Advances to employees	0.09	0.03
	<u>102.42</u>	<u>61.06</u>
2.15 Current tax assets (net)		
Income tax	12.17	9.44
(net of provision for tax Rs. 300.89 million, March 31, 2024 Rs. 300.89 million)	<u>12.17</u>	<u>9.44</u>



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

	As at March 31, 2025	As at March 31, 2024
2.16 Equity share capital		
Authorised :		
10,000,000 (Previous year: 10,000,000) equity shares of Rs.10 each	100.00	100.00
	<u>100.00</u>	<u>100.00</u>
Issued, Subscribed and Paid up:		
6,267,500 (Previous year:6,267,500) equity shares of Rs.10 each, fully paid-up	62.68	62.68
	<u>62.68</u>	<u>62.68</u>

a. Movement in share capital :

	March 31, 2025		March 31, 2024	
	No of shares	Amount	No of shares	Amount
Outstanding at the beginning of the year	62,67,500	62.68	62,67,500	62.68
Shares issued during the year	-	-	-	-
Outstanding at the end of the year	<u>62,67,500</u>	<u>62.68</u>	<u>62,67,500</u>	<u>62.68</u>

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

	March 31, 2025			March 31, 2024		
	No of shares	Amount	%	No of shares	Amount	%
Nuvama Wealth Management Limited, the holding company	62,67,500	62.68	100%	62,67,500	62.68	100%
	<u>62,67,500</u>	<u>62.68</u>	<u>100%</u>	<u>62,67,500</u>	<u>62.68</u>	<u>100%</u>

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

	March 31, 2025		March 31, 2024	
	No of shares	%	No of shares	%
Nuvama Wealth Management Limited, the holding company	62,67,500	100%	62,67,500	100%
	<u>62,67,500</u>	<u>100%</u>	<u>62,67,500</u>	<u>100%</u>

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

Promoter name	March 31, 2025			March 31, 2024		
	No. of Shares	% holding	% Change during the year	No. of Shares	% holding	% Change during the year
Nuvama Wealth Management Limited	62,67,500	100%	-	62,67,500	100%	-
	<u>62,67,500</u>	<u>100%</u>	<u>-</u>	<u>62,67,500</u>	<u>100%</u>	<u>-</u>

e. Terms/rights attached to equity shares :

The Company has only one class of equity shares referred to as equity shares having a par value of Rs. 10. Each holder of equity shares is entitled to one vote per share held. The Company declares and pays dividend in Indian rupees. 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

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

	As at March 31, 2025	As at March 31, 2024
2.17 Other equity		
Securities premium reserve	652.10	652.10
Debenture redemption reserve	100.00	-
Deemed capital contribution - ESOP	-	-
Retained earnings	8,929.31	5,671.18
	9,681.41	6,323.28

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. Debenture redemption reserve

Debenture redemption reserve represents reserves created as per the Companies Act, 2013 w.r.t. outstanding redeemable debentures out of free reserves. The amounts credited to the debenture redemption reserve may not be utilised except to redeem debentures. On redemption of debentures, the amount may be transferred from debenture redemption reserve to retained earnings.

c. Deemed capital contribution

Deemed capital contribution relates to share options granted to eligible employees of the Company by the erstwhile parent company, under its employee share option plan.

d. Retained earnings

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

	As at March 31, 2025	As at March 31, 2024
B. Movement in other equity		
(a) Securities premium reserve		
Opening balance	652.10	652.10
Add : Additions during the year	-	-
	652.10	652.10
(b) Debenture redemption reserve		
Opening balance	-	-
Add : Additions during the year	100.00	-
	100.00	-
(c) Deemed capital contribution - ESOP		
Opening balance	-	8.92
Less : Transfer to retained earnings	-	(8.92)
	-	-
(d) Retained earnings		
Opening Balance	5,671.18	3,143.86
Reversal of share based payments cost	0.65	2.16
Transfer from Deemed capital contribution - ESOP	-	8.92
Transfer to debenture redemption reserve	(100.00)	-
Add: Profit for the year	5,062.76	2,516.81
Add: Other comprehensive income for the year	(0.52)	(0.57)
Amount available for appropriation	10,634.07	5,671.18
Appropriations:		
Less : dividend paid	1,704.76	-
	8,929.31	5,671.18
	9,681.41	6,323.28



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

	As at March 31, 2025	As at March 31, 2024
2.18 Other financial liabilities		
Lease liability (refer note 2.39)	-	64.85
	-	64.85
2.19 Provisions - non-current		
Provision for employee benefits		
Gratuity (refer note 2.46)	25.08	21.92
Compensated leave absences	4.36	3.24
	29.44	25.16
2.20 Trade Payables		
Total outstanding dues of micro enterprises and small enterprises	11.51	0.50
Total outstanding dues to creditors other than micro enterprises and small enterprises	113.20	82.51
	124.71	83.01

Trade payables ageing

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, 2025						
(i) MSME	8.74	2.77	-	-	-	11.51
(ii) Others	45.60	66.06	0.02	-	1.52	113.20
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
Total	54.34	68.83	0.02	-	1.52	124.71
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, 2024						
(i) MSME	0.47	0.03	-	-	-	0.50
(ii) Others	35.06	45.88	-	-	1.57	82.51
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
Total	35.53	45.91	-	-	1.57	83.01

Trade Payables includes Rs. 11.51 million (Previous year: Rs. 0.50 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 and no amount was paid to the supplier beyond the appointed day. 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.

	As at 31 March 2025	As at 31 March 2024
2.21 Debt securities		
Unsecured		
Non-convertible redeemable debentures	1,000.00	-
Accrued interest on debt securities	50.80	-
	1,050.80	-
Commercial paper	4,150.00	50.00
Less: Unamortised discount	(126.12)	(1.03)
	4,023.88	48.97
	5,074.68	48.97
Debt securities in India	5,074.68	48.97
Debt securities outside India	-	-
Total	5,074.68	48.97



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

		As at March 31, 2025	As at March 31, 2024
2.21 A Maturity profile of Debt Securities			
A) Non-convertible redeemable debentures			
Residual maturity	Rate of interest		
Upto 1 Year	9.92%	1,000.00	-
		1,000.00	-
Add: Accrued interest on debt securities		50.80	-
Total (A)		1,050.80	-
B) Commercial paper			
Residual maturity	Rate of interest		
Upto 1 Year	8% to 8.99%	2,500.00	50.00
Upto 1 Year	9% to 9.99%	1,650.00	-
		4,150.00	50.00
Less: Unamortised discount		(126.12)	(1.03)
Total (B)		4,023.88	48.97
Total (A + B)		5,074.68	48.97
2.21 B Details of securities (Non-convertible redeemable debentures - secured)			
Non-convertible redeemable debentures issued by the Company and outstanding as on reporting date are fully secured by first ranking exclusive pledge over the Eligible Securities in accordance with and pursuant to the terms of the Security Documents. Accordingly, the Company is maintaining security cover of 1.2x sufficient to discharge the principal and coupon amount for all its then outstanding Debentures, as maybe required from time to time, as per transaction documents..			
2.22 Borrowings (other than debt securities)			
At amortised cost			
Interest accrued but not due on borrowings		-	1.44
(Interest rate payable @ Nil %; March 2024 : 10.90%)		-	1.44
(i) Borrowing outside India		-	-
(ii) Borrowing in India		-	1.44
Total		-	1.44
2.23 Other financial liabilities			
Margin money payable to client (net) (refer note 2.49)		1,50,327.22	1,03,640.53
(Deployed in the form of bank balances and fixed deposits)			
Accrued salaries and benefits		209.44	116.47
Payable to exchange / clearing house (net)		48.99	19.94
Retention money payable		0.03	0.03
Outstanding expenses payable		547.75	374.88
Advances from customers		-	0.03
Lease liability (refer note 2.39)		-	74.37
Other		2.23	2.84
		1,51,135.66	1,04,229.09
2.24 Other current liabilities			
Statutory liabilities*		78.32	97.28
Others		0.32	0.01
		78.64	97.29
* Includes withholding taxes, other taxes payable			
2.25 Provisions			
Provision for employee benefits			
Gratuity (refer note 2.46)		5.84	6.33
Compensated leave absences		1.07	0.95
		6.91	7.28
2.26 Current tax liabilities (net)			
Provision for taxation		69.65	54.55
(net of advance tax and TDS assets Rs. 3,776.79 million; March 31, 2024 Rs. 2,554.20 million)		69.65	54.55



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

	For the year ended March 31, 2025	For the year ended March 31, 2024
2.27 Fee and commission income		
(In India)		
Clearing fees	1,035.71	716.74
Fund accounting fees	85.17	48.28
Advisory and other fees	218.05	146.96
	1,338.93	911.98
2.27A Service transferred at a point in time	1,227.93	833.70
Service transferred over time	111.00	78.28
	1,338.93	911.98
2.28 Interest income		
Interest on deposits with Banks	8,737.83	4,587.25
Interest income on investment	14.49	15.50
Other interest income	-	0.02
	8,752.32	4,602.77
2.29 Net gain / (loss) on fair value changes		
Loss on securities	(0.07)	(3.68)
Gain / (loss) on investment	1.91	(0.03)
	1.84	(3.71)
Fair Value changes:		
Realised income	1.94	246.22
Unrealised loss	(0.10)	(249.93)
	1.84	(3.71)
2.30 Other income		
Dividend on securities held for trading	-	1.93
Gain on termination of leases	21.55	-
Interest on income tax refund	-	3.61
Miscellaneous income	0.26	0.47
	21.81	6.01



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

	For the year ended March 31, 2025	For the year ended March 31, 2024
2.31 Employee benefit expenses		
Salaries and wages	419.57	296.11
Contribution to provident and other funds (refer note 2.46)	15.55	13.57
Expense on share based payments - refer note below	4.46	2.60
Staff welfare expenses	12.80	24.15
	452.38	336.43

Note:

Nuvama Wealth Management Limited has granted Employee Stock Option Plans ("ESOP") and Employee Stock Appreciation Rights [ESARs] to the Group's employees on an equity-settled basis. Nuvama Wealth Management Limited charged to the Company and the Company has recognised share based payment expenses of Rs. 3.51 million (previous year: Rs. 1.86 million) for the year ended March 31, 2025 based on fair value as on the grant date calculated as per option pricing model.

2.32 Finance costs

On financial liabilities measured at amortised cost

Interest on Margin	1,949.36	1,167.28
Interest on borrowing (other than debt securities)	0.19	25.64
Discount on commercial paper	136.55	0.99
Interest on debentures	50.80	-
Financial and bank charges	133.92	140.01
Interest on lease liability *	0.91	2.26
Interest - others	13.72	0.20
	2,285.45	1,336.38

*Net of cost reimbursement recoveries from its group companies amounting to Rs. 4.72 million for the year ended March 31, 2025. (Previous Year: Rs. 11.60 million)

2.33 Impairment on financial instruments

On financial instruments measured at amortised cost

Bad- debts and advances written off	0.69	-
Diminution in value of investments	95.22	101.34
Provision for expected credit loss	4.48	2.03
	100.39	103.37

2.33A Impairment on financial instruments based on category of financial instrument

On trade receivables	3.29	2.03
On investment #	95.22	101.34
On others	1.88	-
	100.39	103.37

represents impairment on investment in 7% Cumulative Non-Convertible Redeemable Preference Shares



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

	For the year ended March 31, 2025	For the year ended March 31, 2024
2.34 Other expenses		
Advertisement and business promotion (refer note 2.40)	21.68	6.25
Auditors' remuneration (refer note below)	3.74	3.45
Commission and brokerage	59.96	78.31
Communication	6.95	4.66
Director's sitting fees	0.30	0.20
Insurance	0.29	0.24
Legal and professional fees	9.20	25.38
Printing and stationery (refer note 2.40)	0.10	0.06
Rates and taxes	0.03	0.02
Rent (refer note 2.40)	41.74	18.99
Repairs and maintenance	1.29	1.24
Electricity charges (refer note 2.40)	0.55	1.65
Foreign exchange loss (net)	0.37	0.10
Computer expenses (refer note 2.40)	65.93	74.38
Computer software	49.36	19.40
Corporate social responsibility (refer note 2.48)	37.51	22.08
Dematerialisation charges	0.08	0.15
Rating support fees	2.55	2.89
Loss on sale of property, plant and equipment	0.01	0.62
Membership and subscription	20.63	13.30
Office expenses (refer note 2.40)	53.72	35.62
ROC expenses	0.01	0.05
Goods & Service tax expenses	0.52	1.21
Stamp duty	0.31	0.85
Stock exchange expenses	2.32	2.91
Travelling and conveyance	15.75	10.17
Miscellaneous expenses	1.04	0.03
Outside services cost	6.60	4.29
	402.54	328.50
Note: Auditor's remuneration		
For statutory audit fee	1.58	1.35
For limited review fee	1.39	1.28
Others (includes certification fees)	0.56	0.67
Towards reimbursement of expenses	0.21	0.15
Net total	3.74	3.45



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

	For the year ended March 31, 2025	For the year ended March 31, 2024
2.35 Income tax		
The components of income tax expenses		
Current tax	1,755.57	939.12
Adjustment in respect of income tax of prior years	(6.68)	(9.24)
Deferred tax relating to origination and reversal of temporary differences	25.39	(92.15)
Total tax charge	1,774.28	837.73
Current tax	1,748.89	929.89
Deferred tax	25.39	(92.15)
	1,774.28	837.73
2.35a Reconciliation of total tax charge		
Profit before taxes	6,837.04	3,354.73
Statutory income tax rate applicable to the Company	25.168%	25.168%
Tax charge at statutory rate	1,720.75	844.32
Tax effect of :		
Adjustment in respect of current income tax of prior years	(6.68)	(9.24)
Non-deductible expenses: Corporate social responsibility	9.44	5.56
Non-deductible expenses: Short term capital loss	3.02	-
Non-deductible expenses: Impairment on investment	49.63	-
Deductible expenses: Bonus previous year	(1.01)	(2.90)
Deductible expenses: Dividend income	(3.65)	-
Non-deductible expenses: Others	2.78	(0.01)
Total	1,774.28	837.73



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

2.35b 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, 2025								
	Opening deferred tax asset / (liability)	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)
Deferred taxes in relation to:								
Property, plant and equipment	2.83	(2.06)	-	-	-	-	(2.06)	0.77
Investment property	2.01	(2.01)	-	-	-	-	(2.01)	-
Employee benefits obligations	8.14	8.39	0.17	-	-	-	8.56	16.70
Trade receivable	1.35	0.63	-	-	-	-	0.63	1.98
Right of use & lease liability	6.35	(6.35)	-	-	-	-	(6.35)	-
Unamortised processing fees	(1.86)	1.20	-	-	-	-	1.20	(0.66)
Investments and other financial instruments	25.66	(25.66)	-	-	-	-	(25.66)	-
Others	-	0.47	-	-	-	-	0.47	0.47
Total	44.48	(25.39)	0.17	-	-	-	(25.22)	19.26

Movement for the year ended March 31, 2024								
	Opening deferred tax asset / (liability)	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)
Deferred taxes in relation to:								
Property, plant and equipment	4.84	(2.01)	-	-	-	-	(2.01)	2.83
Investment property	(2.97)	4.98	-	-	-	-	4.98	2.01
Securities held for trading	(62.90)	62.90	-	-	-	-	62.90	-
Employee benefits obligations	6.91	1.04	0.19	-	-	-	1.23	8.14
Trade receivable	0.83	0.52	-	-	-	-	0.52	1.35
Right of use & lease liability	6.11	0.24	-	-	-	-	0.24	6.35
Unamortised processing fees	(0.64)	(1.22)	-	-	-	-	(1.22)	(1.86)
Investments and other financial instruments	0.15	25.51	-	-	-	-	25.51	25.66
Total	(47.67)	91.96	0.19	-	-	-	92.15	44.48

2.36 Segment reporting

The Company has a single business segment.

The primary business of the Company is to provide clearing services to its clients in India. The primary segment is identified as a Capital Market. The Company financial statements are largely reflective of the clearing business and accordingly, there is no separate reportable segment as per IND AS 108, Operating Segment.



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

2.37 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
Nuvama Wealth Management Limited - Holding company

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

Nuvama Wealth & Investment Limited
Nuvama Asset Management Limited
Nuvama Wealth Finance Limited
Nuvama Investment Advisors LLC (w.e.f. September 06, 2023)

(C) Key managerial personnel

Mr. Udit Sureka
Mr. Arbinda Ghimire (w.e.f. May 08, 2023)
Mr. Shiv Sehgal
Mr. Riyaz Marfatia (w.e.f. June 04, 2024)
Ms. Sneha Patwardhan (w.e.f. September 05, 2024)
Mr. Birendra Kumar (w.e.f. November 13, 2023)
Mr. Manoj Sharma (w.e.f. January 1, 2024)
Ms. Girija Joshi (w.e.f. January 1, 2024)

Executive Director & Chief Executive Officer
Executive Director
Non-Executive Director
Non-Executive Director
Non-Executive Director
Independent Director
Chief Financial Officer
Company Secretary

(D) Associate of Holding Company with whom transactions have taken place

Nuvama Custodial Services Limited



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

2.37 Transactions with related parties during the year ended March 31, 2025

Name of the related party	Nature of Transactions	March 31, 2025	March 31, 2024
Nuvama Wealth and Investment Limited	Margin received aggregate from	5,13,153.26	5,42,118.46
	Margin repaid aggregate to	5,34,004.07	5,34,449.73
	Advisory and other fees income	67.46	140.67
	Shared premises cost received	23.93	35.08
	Shared premises cost paid	3.32	-
	Cost reimbursement received from	0.03	3.59
	Cost reimbursement paid to	1.89	0.03
	Interest expenses on margin placed by	613.74	802.21
Nuvama Wealth Finance Limited	Margin received aggregate from	30,298.11	36,628.96
	Margin repaid aggregate to	30,703.91	36,367.02
	Loan taken	28,351.60	12,497.60
	Loan repaid	28,351.60	12,497.60
	Advisory and other fees income	8.00	10.23
	Cost reimbursement received from	-	1.05
	Cost reimbursement paid to	0.01	0.01
	Shared premises cost received	6.93	11.33
	Shared premises cost paid	1.56	-
	Interest expenses on borrowing	0.19	1.60
	Interest expenses on margin placed by	0.93	0.85
Nuvama Wealth Management Limited	Margin received aggregate from	23,01,482.58	15,27,042.69
	Margin repaid aggregate to	22,72,914.82	15,08,540.89
	Sale of securities	-	5.00
	Advisory and other fees income	909.06	514.37
	Cost reimbursement received from	0.02	1.24
	Cost reimbursement paid to	30.32	22.20
	Shared premises cost received	8.12	11.89
	Shared premises cost paid	29.41	11.18
	Corporate cost allocation paid to	53.26	26.77
	Technology cost paid to	37.35	56.02
	Interest expenses on margin placed by	692.67	183.71
	Referral & other Fees expenses to	26.12	60.98
	ESOP/ SAR cost reimbursement	3.51	1.86
	Branding fee paid to	-	(0.07)
	Dividend paid to	1,704.76	-
Nuvama Custodial Services Limited	Advisory and other fees income	192.22	87.02
	Cost reimbursement received from #	0.00	0.42
	Shared premises cost received	2.24	4.12
	Cost reimbursement paid to	-	13.50
Nuvama Asset Management Limited	Cost reimbursement received from	-	0.20
	Shared premises cost received	1.41	2.29
Nuvama Investment Advisors LLC	Referral & other Fees expenses to	33.85	9.08
Managerial remuneration (refer note 1)	Key managerial personnel	35.40	21.39
Director sitting fees	Key managerial personnel	0.30	0.20



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

2.37 Transactions with related parties during the year ended March 31, 2025

Name of the related party	Nature of Transactions	March 31, 2025	March 31, 2024
Balances with related parties			
Nuvama Wealth Finance Limited	Accrued interest expenses on margin placed by	0.15	0.06
	Trade receivables from	74.90	1.26
	Trade payables to	0.41	-
	Others payable #	-	0.00
	Accrued interest expenses on borrowing	-	1.44
	Margins payable to clients	-	330.90
Nuvama Wealth and Investment Limited	Accrued interest expenses on margin placed by	10.62	263.36
	Trade payables to	0.33	0.58
	Trade receivables from #	0.00	4.32
	Advances recoverable in cash or kind	-	0.09
	Others payable	-	0.07
	Margins payable to clients	1,127.63	21,978.44
Nuvama Wealth Management Limited	Accrued interest expenses on margin placed by	295.88	82.57
	Trade payables to	64.10	36.36
	Trade receivables from	0.08	1.45
	Others payable	1.40	1.07
	Margins payable to clients	48,001.28	19,433.53
	Advances recoverable in cash or kind #	0.00	0.54
Nuvama Custodial Services Limited	Trade receivables from	47.47	5.50
	Trade payables to	-	14.58
	Others payable #	0.43	0.00
Nuvama Asset Management Limited	Trade receivables from	-	0.25
Nuvama Investment Advisors LLC	Trade payables to	6.21	2.83
Off Balance sheet balances (refer note 2)			
Nuvama Wealth Management Limited	Corporate guarantee received from	15,000.00	12,500.00

Amount is less than ₹ 0.01 million

Note 1: Information relating to remuneration paid (short term) to key managerial person mentioned above excludes provision made for gratuity and leave encashment which are provided for group of employees on an overall basis and perquisites on exercise of ESOPs. These are included on cash basis. The variable compensation included herein is on cash basis.

Note 2: Corporate guarantee amount disclosed basis utilisation as at Balance sheet date

Terms and conditions of transactions with related parties:

All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis. Outstanding balances at the year-end are unsecured and gross amounts are settled in cash. There have been no guarantees provided or received against these related party receivables or payables as at balance sheet date.



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

2.38 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, 2025	For the year ended March 31, 2024
(a) Profit after tax (as per Statement of Profit and Loss)	5,062.76	2,516.81
(b) 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) Weighted average number of dilutive potential equity shares	-	-
(d) Basic and diluted earnings per share (Rs.) (a)/(b+c)	807.78	401.57

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

2.39 Contingent liabilities, Capital commitments and lease arrangements

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

(i) Bank guarantee

a) The Company has provided bank guarantees aggregating to ₹ 13,250.00 million (March'24: ₹ 12,500.00 million) as on 31 March 2025 to The National Stock Exchange of India Limited for meeting margin requirements.

The Company has pledged fixed deposits with banks aggregating of ₹ 3,612.50 million (March'24: ₹ 3,500.50 million) as on 31 March 2025 for obtaining the above bank guarantees as per sanction terms.

b) The Company has provided bank guarantees aggregating to ₹ 1,750.00 million (March'24: ₹ Nil million) as on 31 March 2025 to The Multi Commodity Exchange Clearing Corporation Limited. for meeting margin requirements.

The Company has pledged fixed deposits with banks aggregating of ₹ 437.50 million (March'24: ₹ Nil million) as on 31 March 2025 for obtaining the above bank guarantees as per sanction terms.

There are no obligations as on 31st March 2025 other than those disclosed above and in note 2.12A.

(ii) Taxation matters

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

b) During the year ended March 31, 2025, the Holding Company has received an order for the assessment year 2018-2019 from the Income tax department disallowing ESOP perquisite value. Considering the same, the Company has disclosed Rs. 49.48 million as a contingent liability for the assessment years 2018-2019 and 2019-2020 being the tax effect on such ESOP perquisite value deduction claimed in the return of Income and for which the provision for taxation for respective years have been adjusted in the books. In respect of assessment years other than above, on a conservative basis, the Company has not claimed any deduction while making tax provision in the books of account and hence there is no contingent liability for such assessment years.

(iii) Litigation pending against the Company

a) Trading member V-rise

V-Rise Securities Private Limited ('VRise'), a trading member and client of NCSL, defaulted in its obligation to maintain required margin with NCSL as prescribed under SEBI Circular No.: MRD/DoP/SE/Cir-07/2005 dated Feb 23, 2005 on Comprehensive Risk Management Framework and guidelines/regulations of Clearing Corporation, resulting in margin shortfalls between November 2019 to January 2020. To make good such shortfall NCSL liquidated the available collateral securities amounting Rs. 222.67 million during the aforesaid period. NCL, subsequently on January 8, 2020, while inspecting the above matter, noted that liquidation of securities by NCSL was not in compliance with its instructions and NCSL failed to perform adequate due diligence of the collaterals of the end clients for ensuring that collaterals were liquidated only in respect of those with a margin shortfall as against liquidation of overall collaterals placed by VRise. Consequently, Membership and Core Settlement Guarantee Fund Committee ("MCSGFC") of NCL passed an order on February 13, 2020 against NCSL for its failure to adhere to the NCL instructions which resulted in a violation of securities laws and directed NCSL to reinstate the securities of the end clients of VRise which were wrongly liquidated. Thereafter, NCSL filed an appeal against the above order with Securities Appellate Tribunal ("SAT") on February 17, 2020 and was able to secure a stay on the matter on February 26, 2020. However, on December 15, 2023, SAT passed an order dismissing the appeal of NCSL and upheld the NCL's order for reinstatement of securities. On February 12, 2024, NCSL filed an appeal before the Hon'ble Supreme Court of India ('Supreme Court'), inter-alia, seeking a stay against the impugned order of the SAT, which as at March 31, 2025 and May 26, 2025 is pending hearing for admission. Based on its assessment, legal opinions obtained and no change in the status, NCSL is confident that it is in compliance with applicable laws and regulations in this regard and therefore of the favourable outcome at the Supreme Court. Accordingly, the Company believes that no adjustment in respect of the above matter is required to be made in the financial results for the quarter and year ended March 31, 2025.



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

2.39 Contingent liabilities, Capital commitments and lease arrangements (Continued)

b) Trading member Anugrah

1) Nuvama Clearing Services Limited ("NCSL" or "the Company") is registered as a clearing member with NSE Clearing Limited ("NCL") and provides clearing services to various trading members/custodial participant in derivatives segment. NCSL client namely Anugrah Stock & Broking Private Limited ("Anugrah"), a trading member, defaulted in its obligation to maintain required margin with NCSL as prescribed under SEBI Circular No.: MRD/DoP/SE/Cir-07/2005 dated February 23, 2005 on Comprehensive Risk Management Framework and guidelines/regulations of Clearing Corporation, resulting in margin shortfalls between January 2020 to June 2020. To make good such shortfall NCSL liquidated the available collateral securities which were received from Anugrah's demat account amounting Rs. 4,603.20 million during the aforesaid period. In July 2020, Anugrah transferred its clearing account from NCSL to a different professional clearing member. As a part of said transfer, Anugrah had given confirmation to NCSL that there are no dues and no client complaints against Anugrah on July 13, 2020. NCL, subsequently on September 19, 2020, while inspecting the above matter, noted that liquidation of securities by NCSL was not in compliance with the relevant NCL rules as NCSL failed to perform adequate due diligence of the collaterals of the end clients for ensuring that collaterals were liquidated only in respect of those with a margin shortfall as against liquidation of overall collaterals placed by Anugrah. Consequently, Membership and Core Settlement Guarantee Fund Committee ("MCSGFC") of NCL passed an order on October 20, 2020 against NCSL for its failure to adhere to the NCL instructions which resulted in a violation of securities laws and directed NCSL to reinstate the securities of the end clients of Anugrah which were wrongly liquidated. Thereafter, NCSL filed an appeal against the above order with Securities Appellate Tribunal ("SAT") on October 28, 2020 on the grounds, inter-alia, that end client level debit obligations were only available with the trading members and NCSL had no basis to assess the liability of end client and was able to secure a stay on the matter on November 5, 2020. Further, the collateral posted by a trading member (Anugrah) comes from the demat account of the trading member (Anugrah) and not from the end clients of the trading member (Anugrah). However, on December 15, 2023, SAT passed an order dismissing the appeal of NCSL and upheld the NCL's order for reinstatement of securities. On December 22, 2023, NCSL filed an appeal before the Hon'ble Supreme Court of India ('Supreme Court'), inter-alia, seeking a stay against the impugned order of the SAT, which as at March 31, 2025 and May 26, 2025 is pending hearing for admission. Based on its assessment, legal opinions obtained and no change in the status, NCSL is confident that it is in compliance with applicable laws and regulations in this regard and therefore of the favourable outcome at the Supreme Court. Accordingly, the management of the Company believes that no adjustment in respect of the above matter is required to be made in the financial results for the quarter and year ended March 31, 2025.

2) On a complaint made by certain end-clients of Anugrah Stock and Broking Private Limited ("Anugrah"), the Economic Offence Wing ("EOW") registered first information report against Anugrah and its affiliates/promoters for defrauding customers under Ponzi scheme. Although NCSL is not an accused in that matter, EOW passed a direction marking a debit lien on NCSL's clearing account to the tune of ~ Rs. 4,600 million. NCSL challenged this direction before the 47th Additional Chief Metropolitan Magistrate's Court at Esplanade, Mumbai and Court temporarily lifted the lien on NCSL's Clearing Account by passing a stay order. NCSL along with its current and former associates have since provided undertaking to keep sufficient assets amounting to ~ Rs. 4,600 million unencumbered. The Misc. Application filed by NCSL before 47th Additional Chief Metropolitan Magistrate's Court at Esplanade, Mumbai was transferred to the City Civil & Sessions Court under M.P.I.D. Act. The MPID Court vide its order dated November 28, 2024, rejected and disposed off the Misc. Application, against which NCSL has filed an appeal before the Hon'ble High Court of Bombay (the "Court") and the Court passed order extending the status quo. i.e. no lien on NCSL's clearing account in lieu of the undertaking before the Magistrate Court to keep assets worth at least ~ Rs. 4,600 million unencumbered. The Court had directed EOW to ascertain the valuation of the said assets and that they still remain unencumbered. The Court on March 19, 2025 ordered that the interim relief granted be continued till further hearing. The matter is under hearing stage.

3) Further, various FIR/Complaints have been filed before EOW at Mumbai/Amravati/Hyderabad /Cyberabad by various end clients of Anugrah against Anugrah and its associates. NCSL has been made party to the same. The investigations are under process and NCSL is providing relevant documents/ clarifications to the investigating authorities as and when called for.

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. Some of the matters has been listed 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 results for the quarter and year ended March 31, 2025.

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

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 4.37 million (March'24: Rs. 2.61 million).



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

2.39 Contingent liabilities, Capital commitments and lease arrangements (Continued)

C. Lease commitments

The Company has entered into commercial lease for premises.

Measurement of lease liability	For the year ended March 31, 2025	For the year ended March 31, 2024
i) Movement in the Right to use assets		
Opening Balance	114.06	171.23
Transition impact of Ind AS 116	-	-
Addition / (disposal) during the year	(81.53)	-
Less: Amortisation on Right of Use - leasehold premises	(32.53)	(57.17)
Closing Balance	-	114.06
ii) Movement in the Lease liabilities		
Opening Balance	139.22	195.44
Transition impact of Ind AS 116	-	-
Addition / (disposal) during the year	(103.08)	-
Add: Accretion of interest	5.63	13.86
Less: Payment during the year	(41.77)	(70.08)
Closing Balance	-	139.22
iii) Amounts recognised in statement of profit and loss		
Depreciation on Right to use lease assets	32.53	57.17
Interest on lease liabilities	5.63	13.86
	38.16	71.03
iv) Maturity analysis – contractual undiscounted cash flows		
Within one year	-	73.59
After one year but not more than	-	77.27
Total	-	150.86

Note:

1. Amortisation on Right of Use is gross of reimbursement received of Rs. 27.21 million for the year ended March 31, 2025. (Previous Year: Rs. 47.85 million)
2. Accretion of interest on lease liabilities is gross of reimbursement received of Rs. 4.72 million for the year ended March 31, 2025. (Previous Year: Rs. 11.60 million)

2.40 Cost sharing

Nuvama Wealth Management 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 2.31 and 2.34 include reimbursements paid and are net of reimbursements received based on the management's best estimate.

2.41 Fair value measurement

Financial assets by fair value hierarchy

Particulars	Total carrying value	Total fair value	March 31, 2025		
			Level 1	Level 2	Level 3
Securities held for trading	0.02	0.02	-	0.02	-

Particulars	Total carrying value	Total fair value	March 31, 2024		
			Level 1	Level 2	Level 3
Securities held for trading	2.87	2.87	-	2.87	-

Valuation techniques for equity instruments: Equity instruments (Securities held for trading) in non-listed entities are initially recognised at transaction price and re-measured at each reporting date at lowest selling price of respective tranche and/or agreed sale price.



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

2.42A Analysis of non-derivative financial liabilities by remaining contractual maturities

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

As at March 31, 2025	Upto 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	Over 3 years	Total
Trade payables	124.71	-	-	-	-	124.71
Debt securities	919.10	2,960.72	1,194.86	-	-	5,074.68
Other financial liabilities	1,51,135.66	-	-	-	-	1,51,135.66
Total undiscounted non-derivative financial liabilities	1,52,179.47	2,960.72	1,194.86	-	-	1,56,335.05

As at March 31, 2024	Upto 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	Over 3 years	Total
Trade payables	83.01	-	-	-	-	83.01
Debt securities	-	48.97	-	-	-	48.97
Borrowings (other than debt securities)	1.44	-	-	-	-	1.44
Other financial liabilities	1,04,170.40	16.05	33.11	74.37	0.01	1,04,293.94
Total undiscounted non-derivative financial liabilities	1,04,254.85	65.02	33.11	74.37	0.01	1,04,427.36

2.42B Analysis of non-derivative financial assets by remaining contractual maturities

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

As at March 31, 2025	Upto 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	Over 3 years	Total
Cash and cash equivalent and other bank balances	1,56,319.19	981.52	6,246.28	65.18	-	1,63,612.17
Securities held for trading	0.02	-	-	-	-	0.02
Trade receivables	171.77	-	-	-	-	171.77
Other financial assets	2,203.70	-	0.52	-	45.39	2,249.61
Total	1,58,694.68	981.52	6,246.80	65.18	45.39	1,66,033.57

As at March 31, 2024	Upto 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	Over 3 years	Total
Cash and cash equivalent and other bank balances	1,07,021.13	-	-	-	-	1,07,021.13
Securities held for trading	2.87	-	-	-	-	2.87
Trade receivables	260.27	-	-	-	-	260.27
Investments at amortised cost	-	-	15.51	34.36	60.86	110.73
Other financial assets	3,056.66	2.51	-	64.43	78.08	3,201.68
Total	1,10,340.93	2.51	15.51	98.79	138.94	1,10,596.68

2.43 Financial instruments not measured at fair value

Carrying amount of cash and cash equivalent, trade receivables and other trade payables as on March 31, 2025 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

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

2.44 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.

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.

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 Company 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 (Refer note 2.50).

2.45 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 measured at amortised cost which 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. The 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 (refer note 2.5 and 2.10).



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

2.45 Credit risk (Continued)

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.

Total market risk exposure

Particulars	March 31, 2025			March 31, 2024		
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk
Financial assets						
Cash and cash equivalent and other bank balances	1,63,612.17	-	1,63,612.17	1,07,021.13	-	1,07,021.13
Securities held for trading	0.02	0.02	-	2.87	2.87	-
Trade receivables	171.77	-	171.77	260.27	-	260.27
Financial investments- Amortised cost	-	-	-	110.73	-	110.73
Other financial assets	2,249.61	-	2,249.61	3,201.68	-	3,201.68
Total financial assets	1,66,033.57	0.02	1,66,033.55	1,10,596.68	2.87	1,10,593.81
Financial liabilities						
Trade payables	124.71	-	124.71	83.01	-	83.01
Debt securities	5,074.68	-	5,074.68	48.97	-	48.97
Borrowing (other than debt securities)	-	-	-	1.44	-	1.44
Other liabilities	1,51,135.66	-	1,51,135.66	1,04,293.94	-	1,04,293.94
Total financial liabilities	1,56,335.05	-	1,56,335.05	1,04,427.36	-	1,04,427.36

Price risk

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.

The Company's exposure to price risk arises from Securities held for trading in non-listed equity instruments.

As at March 31, 2025

Particulars	Increase in price (%)	Sensitivity of Profit	Sensitivity of Equity	Decrease in price (%)	Sensitivity of Profit	Sensitivity of Equity
Securities held for trading	0.25	0.01	-	0.25	(0.01)	-

As at March 31, 2024

Particulars	Increase in price (%)	Sensitivity of Profit	Sensitivity of Equity	Decrease in price (%)	Sensitivity of Profit	Sensitivity of Equity
Securities held for trading	0.25	0.72	-	0.25	(0.72)	-

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, 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 (refer note 2.42A & 2.42B).



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

2.46 Disclosure pursuant to Indian Accounting Standard 19 - Employee Benefits

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

Amount of Rs. 10.74 million (March'24: Rs. 9.13 million) is recognised as expenses in "Employee benefit expenses" – note 2.31 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, 2025	For the year ended March 31, 2024
Current service cost	2.94	2.69
Interest on defined benefit obligation	1.87	1.76
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'	4.81	4.45

Balance Sheet

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

Particulars	As at March 31, 2025	As at March 31, 2024
Liability at the beginning of the year	28.25	24.38
Interest cost	1.87	1.76
Current service cost	2.94	2.69
Transfer In / (Out)	(1.20)	0.38
Past service cost (vested benefit)	-	-
Benefit paid	(1.63)	(1.72)
Actuarial (gain)/loss on obligations	0.69	0.76
Liability at the end of the year	30.92	28.25

Reconciliation of fair value of plan assets

Particulars	As at March 31, 2025	As at March 31, 2024
Fair value of plan assets at the start of the year	-	-
Expected return on plan assets	-	-
Contributions by employer	1.63	1.72
Benefits paid	(1.63)	(1.72)
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, 2025	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Defined Benefit Obligation	30.92	28.25	24.38	23.41	23.06
Fair Value of Plan Assets	-	-	-	-	-
Surplus/(Deficit)	(30.92)	(28.25)	(24.38)	(23.41)	(23.06)
Experience Adjustment on Plan Liabilities: (Gain) / Loss	0.69	0.76	1.30	1.86	(0.79)
Experience Adjustment on Plan Assets: Gain/ (Loss)	NA	NA	NA	NA	NA



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

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

Defined benefit plan – Gratuity (Continued)

Principle actuarial assumptions at the balance sheet date:

Particulars	As at March 31, 2025	As at March 31, 2024
Discount rate current	6.40%	6.90%
Salary escalation current	7.00%	7.00%
Employees attrition rate (based on categories)	19%	22%
Mortality Rate	IALM 2012- 14 (Ult.)	IALM 2012- 14 (Ult.)
Expected average remaining working lives of employees	4 years	3 years

Movement on Other Comprehensive Income

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at start of year (Loss)/ Gain	(3.96)	(3.19)
Re-measurement on DBO	-	-
a. Actuarial (Loss)/Gain from changes in demographic assumptions	(0.11)	-
b. Actuarial (Loss)/Gain from changes in financial assumptions	(0.62)	(0.23)
c. Actuarial (Loss)/Gain from experience over the past years	0.04	(0.54)
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 year (Loss)/ Gain	(4.65)	(3.96)

Sensitivity Analysis

DOB increases / (decreases) by	As at March 31, 2025	As at 31 March 2024
1 % Increase in Salary Growth Rate	1.26	0.97
1 % Decrease in Salary Growth Rate	(1.17)	(0.91)
1 % Increase in Discount Rate	(1.17)	(0.91)
1 % Decrease in Discount Rate	1.28	0.98
1 % Increase in Withdrawal Rate	(0.10)	(0.05)
1 % Decrease in Withdrawal Rate	0.10	0.05
Mortality (Increase in expected lifetime by 1 year) #	1	-
Mortality (Increase in expected lifetime by 3 year) #	2	-

Movement in Surplus/(Deficit)

Particulars	As at March 31, 2025	As at 31 March 2024
Surplus/ (Deficit) at start of year	(28.25)	(24.38)
Net (Acquisition)/ Divestiture	-	-
Net Transfer (In)/ Out	1.20	(0.38)
<i>Movement during the year</i>		
Current Service Cost	(2.94)	(2.69)
Past Service Cost	-	-
Net interest on net DBO	(1.87)	(1.76)
Changes in Foreign Exchange Rates	-	-
Re-measurement	(0.69)	(0.76)
Contributions/ Benefits	1.63	1.72
Surplus / (Deficit) at end of year	(30.92)	(28.25)

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



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

2.48 Corporate Social Responsibility (CSR)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Gross Amount required to be spent by the Company during the year	37.51	22.08
Amount of expenditure incurred		
i) Construction / acquisition of any assets	Nil	Nil
ii) On purpose other than (i) above *	35.63	22.08
iii) Administrative cost	1.88	-
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
	37.51	22.08
Amount paid	37.51	22.08

Note:

- The amount spent towards corporate social responsibility as mentioned above has been incurred towards various project in the area of Cope with Cancer, children Education and environment sustainability.
- Administrative cost towards CSR incurred included above is paid to fellow subsidiary, Nuvama Wealth and Investment Limited

2.49 Margin received from clients

Particulars	As at March 31, 2025	As at March 31, 2024
Cash margin	1,50,327.22	1,03,640.53
Non-cash margin		
- Securities*	2,90,554.03	2,80,526.87
- Fixed Deposits	-	-
- Bank guarantees	-	-
Total non-cash margin	2,90,554.03	2,80,526.87
Total margin received	4,40,881.25	3,84,167.40

*Includes the following:

- 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.

2.50 Ratio Analysis and its elements

Particulars	As at / for the year ended March 31, 2025	As at / for the year ended March 31, 2024
1. Debt-equity Ratio (Refer note 1)	0.52	0.01
2. Net worth (Rs. in Million) (Refer note 2)	9,744.09	6,385.96
3. Debt service coverage Ratio (Refer note 3)	1.24	3.39
4. Interest service coverage Ratio (Refer note 4)	3.99	3.51
5. Outstanding redeemable preference shares (no. of shares)	Nil	Nil
6. Outstanding redeemable preference shares (Rs. in Million)	Nil	Nil
7. Capital redemption reserve (Rs. in Million)	Nil	Nil
8. Debenture redemption reserve (Rs. in Million)	100.00	-
9. Net profit after tax (Rs. in Million)	5,062.76	2,516.81
10. Earnings per share (Rs.) (Face Value of Rs. 10/- each)		
- Basic	807.78	401.57
- Diluted	807.78	401.57
11. Total debt to Total assets (Refer Note 5)	0.03	0.00
12. Net profit margin (%) (Refer Note 6)	50.05%	45.62%

Note :

- Debt-equity Ratio = Total debt [Debt securities + Borrowings (other than debt securities)] / Net worth
- Net worth = Equity share capital + Other equity
- Debt Service Coverage Ratio = (Profit before Tax and Finance cost excluding IND AS 116 impact) / (Finance cost excluding IND AS 116 impact + Total debt)
- Interest Service Coverage Ratio = (Profit before Tax and Finance cost excluding IND AS 116 impact) / (Finance cost excluding IND AS 116 impact)
- Total debt to Total assets = Total debt / Total assets
- Net profit margin = Net profit for the period / Total income
- Current ratio, Long term debt to working capital, Bad Debts to account receivables ratio, Current liability ratio, Debtors turnover, Inventory turnover and Operating margin (%) are not applicable owing to the business model of the company.

2.51 Transactions with Struck off Companies

The Company does not have any transactions with struck off companies during the year ended March 31, 2025 and March 31, 2024.



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

2.52 Foreign currency transactions

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

	For the year ended March 31, 2025	For the year ended March 31, 2024
Expenditure incurred in foreign currency (on accrual basis)		
Legal and professional fees	33.85	14.95
Membership and subscription	7.03	0.74
Advertisement and business promotion	-	1.08
Computer expenses	0.77	1.03
Travelling and conveyance	0.26	0.44
Total expenditure	41.91	18.24
Income earned in foreign currency (on accrual basis)	-	-
Total income	-	-

2.53 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 year.
- (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).

2.54 Dividends on equity shares declared and paid

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interim dividend for the year ended 31 March, 2024 (Rs. 96 per share)	601.68	-
First interim dividend for the year ended 31 March, 2025 (Rs. 176 per share)	1,103.08	-
Total	1,704.76	-

Note on event subsequent to the balance sheet date:

The Board of Directors at its meeting held on May 26, 2025 declared an interim dividend for the year ended March 31, 2025 amounting to Rs 1,541.81 million (Rs 246 per share).

- 2.55 There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2025 and as at March 31, 2024.



Nuvama Clearing Services Limited

Notes to the financial statements for the year ended March 31, 2025 (Continued)

(Currency : Indian rupees in million)

2.56 (a) The Company 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 Company'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.

(b) The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered with. Additionally, the audit trail of prior year(s) has been preserved as per the statutory requirements for record retention.

2.57 Rounding 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.

2.58 Previous year figures have been regrouped/ re-classified wherever necessary and the impact, if any, are not material to the financial statement.


The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firms Registration Number: 301003E/E300005


per Shrawan Jalan

Partner

Membership No:102102



For and on behalf of the Board of Directors


Udit Sureka

Executive Director & CEO
DIN : 02190342


Arbinda Ghimire

Executive Director
DIN : 06530441



Shiv Sehgal
Non-Executive Director
DIN : 07112524



Manoj Sharma
Chief Financial Officer



Girija Joshi
Company Secretary

Mumbai
May 26, 2025

Mumbai
May 26, 2025

