

INDEPENDENT AUDITOR'S REPORT

To the Members of Nuvama Wealth Finance Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Nuvama Wealth Finance Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the financial year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, the profit including other comprehensive income, changes in equity and its cash flows for the financial year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's '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.

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 of the current period. 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

a) Computation of Expected Credit Loss on Loan Assets

Description of Key Audit Matter:

Ind AS 109 requires the Company to provide for impairment of its loan assets (financial instruments) using the Expected Credit Losses (ECL) approach. ECL involves an estimation of probability-weighted loss on financial instruments over their life, considering reasonable and supporting information about past events, current conditions and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances.



In the process, a significant degree of judgement has been applied by the management in respect of:

- a) unbiased, probability weighted outcome under various scenarios;
- b) time value of money;
- c) impact arising from forward looking macro-economic factors and;
- d) management overlays.

Applying these principles involves significant estimation in various aspects, such as:

- a) grouping of borrowers based on homogeneity by using appropriate statistical techniques;
- b) staging of loans and estimation of behavioural life;
- c) determining macro-economic factors impacting credit quality of receivables;
- d) estimation of losses for loan products with no/minimal historical defaults.

In view of the high degree of management's judgement involved in estimation of ECL, this was considered to be a key audit matter.

How the matter was addressed in our audit:

We read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109 and the governance framework approved by the board of directors pursuant to Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Directions, 2025 dated November 28, 2025.

- Tested the assumptions used by the Company for staging of loan portfolio into various categories and default buckets for determining the Probability of Default (PD) and Loss Given Default (LGD) rates.
- Assessed the criteria for staging of loans based on their past-due status. Tested samples of performing (Stage 1 and Stage 2) loans to assess, whether any loss indicators were present requiring them to be classified under stage 2 or 3 as per Ind AS 109.
- Tested the arithmetical accuracy of computation of ECL provision performed by the Company.
- Assessed the disclosures included in the Ind AS financial statements in respect of expected credit losses with the requirements of Ind AS 107 and 109.

b) Information System applications and controls

Description of Key Audit Matter:

The Company's financial reporting processes are dependent on technology considering significant number of transactions that are processed daily across multiple and discrete Information Technology ('IT') systems. The financial accounting system of the Company is interfaced with several other IT systems including Loan Management and Originating systems and several other systemic workflows.

Due to the pervasive nature of role of information technology systems in financial reporting, the testing of the general computer controls of these systems was considered to be a key audit matter.



How the matter was addressed in our audit:

- Obtained an understanding of the Company's key IT systems, IT General Controls which covered access controls, program/system changes, program development and computer operations.
- Tested the design, implementation and operating effectiveness of the general IT controls over the key IT systems that are critical to financial reporting.
- Reviewed user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems and related application controls.
- Reviewed the report of IS Audit carried by an independent firm pertaining to IT systems.
- Evaluated the design, implementation and operating effectiveness of the significant accounts related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission.

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

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

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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Management's Responsibility 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 total comprehensive income) changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

The Board of Directors are 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 scepticism 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period 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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - (e) On the basis of the written representations received from the directors as on March 31, 2026 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 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 financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the provisions of section 197 of the Act are not applicable to the Company.
 - (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 35 of the financial statements.



Batliboi & Purohit

Chartered Accountants

- ii. The Company has made provisions as required under the applicable law or accounting standards for material foreseeable losses on derivative contracts – Refer Note 44.05 of the financial statements. The Company did not have any other long-term 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 during the financial year ended March 31, 2026.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity (“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, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“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;

Based on the audit procedures 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the financial year.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the financial year for all relevant transactions recorded in the respective software. 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 the prior financial year has been preserved by the Company as per the statutory requirements for record retention.

For BATLIBOI & PUROHIT

Chartered Accountants

ICAI Firm Reg. No.101048W



Janak Mehta

Partner

Membership No. 116976



Place: Mumbai

Date: May 8, 2026

ICAI UDIN: 26116976PXRNZJ2924

Batliboi & Purohit

Chartered Accountants

Annexure A to the Independent Auditors' Report

(As referred to in paragraph "1." under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of **Nuvama Wealth Finance Limited** of even date)

To the best of our knowledge and according to the information and explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, 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.

(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its Property, Plant and Equipment once in every three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with a planned physical verification programme, all Property, Plant and Equipment were physically verified by the management in the previous financial year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment or intangible assets during the financial year. Accordingly, paragraph 3(i)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us, no proceedings have been initiated, or were pending, during the financial year against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) The Company is engaged primarily in lending and financial instruments trading activities and consequently does not hold any physical inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned any working capital limits in excess of Rs. 5 crore, in aggregate, at any point of time during the financial year, from banks or financial institutions on the basis of security of current assets. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has made investments, granted secured / unsecured loans to other parties, during the financial year, in respect of which:
 - (a) The Company's principal business is to give loans. Accordingly, reporting under the paragraph 3(iii)(a) of the Order is not applicable.
 - (b) In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of loans, and investments made during the financial year, prima-facie, are not prejudicial to the Company's interest.



Batliboi & Purohit

Chartered Accountants

- (c) In respect of the loans/ advances in the nature of loan, the schedule of repayment of principal and payment of interest has been stipulated by the Company. Considering that the Company is a Non-Banking Financial Company engaged in the business of granting loans, the entity-wise details of the amount, due date for payment and extent of delay (that has been suggested in the Guidance Note on CARO 2020 issued by the Institute of Chartered Accountants of India for reporting under this clause) have not been reported since it is not practicable to furnish such details owing to the voluminous nature of the data generated in the normal course of Company's business. Further except for the instances where there are delays in repayment of principal and/or interest and in respect of which the Company has recognised necessary provisions in accordance with the principles of Ind AS and the guidelines issued by the RBI for Income Recognition and Asset Classification (which has been disclosed by the Company in Note 43.28 of the financial statements), the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding for more than 90 days as at the balance sheet date.
- (e) The Company's principal business is to give loans. Accordingly, reporting under paragraph 3(iii)(e) of the Order is not applicable.
- (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 during the financial year. Accordingly, reporting under paragraph 3(iii)(f) of the Order is not applicable.
- iv. In our opinion, the Company has complied with the provisions of section 185 and sub-section (1) of section 186 of the Act in respect of the loans and investments made and guarantees and security provided by it, as applicable. The provisions of sub-sections (2) to (11) of section 186 are not applicable to the Company as it is a non-banking financial company registered with the RBI engaged in the business of granting loans.
- v. According to information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 or any relevant provisions of the Act and rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.
- vii. In Respect of Statutory Dues:



Batliboi & Purohit

Chartered Accountants

- (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, income tax and other material statutory dues applicable to it with the appropriate authorities except for slight delay in few cases in deposit of provident fund dues.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, goods and service tax, cess and other material statutory dues were in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

- (b) According to information and explanations given to us, there are no dues of income tax, sales-tax, wealth tax, goods and service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute except the following:

Name of the statute	Nature of dues	Amount (Rs. In crores)*	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	41.53	A.Y. 2013-14 A.Y. 2015-16 to A.Y. 2018-19, A.Y. 2023-24	Commissioner of Income Tax (Appeals)
		5.69	A.Y. 2008-09 to A.Y. 2009-10	High Court
Goods and Service Tax Act, 2017	Goods and Service Tax	0.18	F.Y. 2021-22	Commissioner (Appeals)

*Net of amounts deposited in protest / advance tax.

- viii. According to the information and explanations given to us, no transactions have been surrendered or disclosed as income during the financial year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which was not recorded in the books of account. Accordingly, paragraph 3(viii) of the Order is not applicable.
- ix. (a) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the financial year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the Company has utilised the money obtained by way of term loans during the financial year for the purposes for which they were obtained.



Batliboi & Purohit

Chartered Accountants

- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
 - (e) According to the information and explanations given to us and based on the audit procedures performed by us, the Company does not have any subsidiaries, joint ventures or associate companies. Accordingly, paragraph 3(ix)(e) of the Order is not applicable.
 - (f) According to the information and explanations given to us and based on the audit procedures performed by us, the Company does not have any subsidiaries, joint ventures or associate companies. Accordingly, paragraph 3(ix)(f) of the Order is not applicable.
- x.
 - (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the financial year. Accordingly, paragraph 3(x)(a) of the Order is not applicable.
 - (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly or optionally) during the financial year. Accordingly, paragraph 3(x)(b) of the Order is not applicable.
- xi.
 - (a) According to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the financial year.
 - (b) According to the information and explanations given to us, in our opinion and based on the audit procedures performed by us, no report under sub-section (12) of section 143 of the Companies Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was filed with the Central Government during the financial year or upto the date of this Report.
 - (c) As represented to us by the management, no whistle blower complaints were received by the Company during the financial year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a 'nidhi' company and it has not accepted any deposits. Accordingly, paragraph 3(xii)(a), paragraph 3(xii)(b) and paragraph 3(xii)(c) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on the audit procedures performed by us, the Company is in compliance with sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv.
 - (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
 - (b) We have considered the internal audit reports of the Company issued upto the date of this Report, for the period under audit.



Batliboi & Purohit

Chartered Accountants

- xv. According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, provisions of section 192 of the Act and paragraph 3(xv) of the Order is not applicable.
- xvi. (a) According to the information and explanations given to us, the Company is registered, as required, under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) According to the information and explanations given to us and based on audit procedures performed by us, the Company has not conducted any Non-Banking Financial activities during the financial year without a valid certificate of registration (CoR) from the RBI. Further as represented by the Management, the Company has not engaged in Housing Finance Activities.
- (c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us, the 'Group' (as defined in the Core Investment Companies (Reserve Bank) Direction 2016) does not have any Core Investment Companies as part of the Group.
- xvii. In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the financial 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, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) According to the information and explanations given to us and based on audit procedures performed by us, there was no unspent amount as at the expiry of the financial year, in respect of other than ongoing projects, which was required to be transferred to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section (5) of section 135 of the Act.



Batliboi & Purohit

Chartered Accountants

- (b) According to the information and explanations given to us and based on audit procedures performed by us, the Company did not have any ongoing project in terms of Section 135 of the Act during the financial year. Accordingly, provision of sub-section (6) of section 135 of the said Act and paragraph 3(xx)(b) of the Order is not applicable.

For BATLIBOI & PUROHIT

Chartered Accountants

ICAI Firm Reg. No.101048W



Janak Mehta

Partner

Membership No. 116976

Place: Mumbai



Date: May 8, 2026

ICAI UDIN: 26116976PXRNZJ2924

Annexure B to the Independent Auditors' Report

(As referred to in paragraph '2.(f)' under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of the Company of even date)

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

We have audited the internal financial controls with reference to financial statements of **Nuvama Wealth Finance Limited** ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the financial 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 (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to 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, issued by the ICAI and deemed to be prescribed 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 financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to 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 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For BATLIBOI & PUROHIT

Chartered Accountants

ICAI Firm Reg. No.101048W



Janak Mehta

Partner

Membership No. 116976



Place: Mumbai

Date: May 8, 2026

ICAI UDIN: 26116976PXRNZJ2924

Nuvama Wealth Finance Limited
Balance Sheet as at March 31, 2026

(Currency : Indian rupees in crore)

	Note	As at March 31, 2026	As at March 31, 2025
ASSETS			
Financial assets			
Cash and cash equivalents	3	130.32	315.48
Bank balances other than cash and cash equivalents	4	4.62	19.40
Derivative financial instruments	5	441.49	208.57
Securities held for trading	6	1,160.25	833.27
Receivables	7		
(i) Trade receivables		47.06	76.17
(ii) Other receivables		5.51	0.05
Loans	8	5,184.40	3,170.87
Investments	9	207.60	97.70
Other financial assets	10	37.23	10.59
Total Financial assets		7,218.48	4,732.10
Non-financial assets			
Current tax assets (net)	11	11.09	16.72
Deferred tax assets (net)	12	5.70	0.21
Property, Plant and Equipment	13	0.25	0.26
Intangible assets under development	13	0.08	-
Other Intangible assets	13	0.04	0.07
Other non- financial assets	14	5.45	4.74
Total Non-financial assets		22.61	22.00
TOTAL ASSETS		7,241.09	4,754.10
LIABILITIES AND EQUITY			
Financial liabilities			
Derivative financial instruments	5	52.45	45.73
Trade payables	15		
(i) total outstanding dues of micro enterprises and small enterprises		2.96	0.44
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		80.71	12.57
Debt securities	16	5,749.07	3,614.40
Borrowings (other than debt securities)	17	84.98	113.55
Other financial liabilities	18	69.28	54.30
Total Financial liabilities		6,039.45	3,840.99
Non-financial liabilities			
Current tax liabilities (net)	19	2.79	1.92
Provisions	20	4.79	3.81
Other non-financial liabilities	21	4.19	6.67
Total Non-financial liabilities		11.77	12.40
TOTAL LIABILITIES		6,051.22	3,853.39
EQUITY			
Equity share capital	22	13.96	11.46
Other equity	23	1,175.91	889.25
TOTAL EQUITY		1,189.87	900.71
TOTAL LIABILITIES AND EQUITY		7,241.09	4,754.10

The accompanying notes are an integral part of the Financial Statements

1 to 49

As per our report of even date.

For Batliboi & Purohit
Chartered Accountants
ICAI Firm Registration Number: 101048W

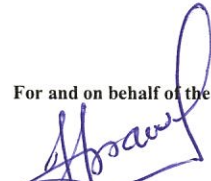


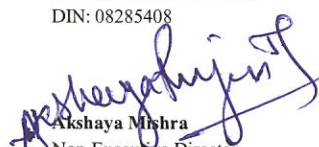
Janak Mehta
Partner
Membership No: 116976



Mumbai
May 08, 2026

For and on behalf of the Board of Directors


Tushar Agrawal
Executive Director & CEO
DIN: 08285408


Akshaya Mishra
Non-Executive Director
DIN: 10118262


Pooja Doshi
Company Secretary
Mumbai
May 08, 2026


Ashish Kehair
Non-Executive Director
DIN: 07789972


Gitanjali Made
Chief Financial Officer



Nuvama Wealth Finance Limited

Statement of Profit and Loss for the year ended March 31, 2026

(Currency : Indian rupees in crore)

	Note	For the year ended March 31, 2026	For the year ended March 31, 2025
I. Revenue from operations			
Interest income	24	484.62	402.56
Dividend income	25	1.73	0.35
Fee and commission income	26	11.50	8.63
Net gain on fair value change	27	230.46	220.76
Total revenue from operations		728.31	632.30
II. Other income	28	0.71	0.38
III. Total Income (I + II)		729.02	632.68
IV. Expenses			
Finance costs	29	388.25	326.44
Fee and commission expenses		32.75	20.83
Impairment on financial instruments	30	5.76	0.63
Employee benefit expenses	31	123.47	106.67
Depreciation and amortisation expenses	13	0.08	0.06
Other expenses	32	58.23	54.22
Total expenses		608.54	508.85
V. Profit before tax (III - IV)		120.48	123.83
VI. Tax expenses			
(1) Net Current Tax	33	36.38	30.08
(2) Deferred tax (net)	33	(5.49)	1.45
VII. Profit after tax for the year (V - VI)		89.59	92.30
VIII. Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
a) Remeasurement gain/(loss) on defined benefit plans (OCI)		(0.64)	(0.48)
b) Income Tax - OCI - that will not be reclassified		0.16	0.12
Total		(0.48)	(0.36)
IX. Total Comprehensive Income (VII + VIII)		89.11	91.94
Earnings per equity share (Face value of Rs. 10 each) (in Rs.):			
Basic	34	72.07	80.55
Diluted	34	72.07	80.55

The accompanying notes are an integral part of the Financial Statements
As per our report of even date.

For Batliboi & Purohit
Chartered Accountants
ICAI Firm Registration Number: 101048W



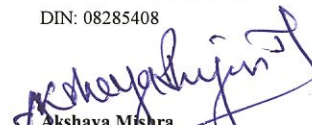
Janak Mehta
Partner
Membership No: 116976

Mumbai
May 08, 2026



For and on behalf of the Board of Directors


Tusbar Agrawal
Executive Director & CEO
DIN: 08285408


Akshaya Mishra
Non-Executive Director
DIN: 10118262


Pooja Doshi
Company Secretary

Mumbai
May 08, 2026


Ashish Kehair
Non-Executive Director
DIN: 07789972


Gitanjali Made
Chief Financial Officer



Nuvama Wealth Finance Limited
Statement of Changes in Equity for the year ended March 31, 2026
(Currency : Indian rupees in crore)

A. Equity Share Capital

	No. of shares	Amount
Equity share Capital as at April 01,2024	1,14,59,105	11.46
Changes in Equity Share Capital due to prior period errors	-	-
Balance at the beginning of the current reporting year	1,14,59,105	11.46
Shares Issued during the year	-	-
Equity share Capital as at March 31,2025	1,14,59,105	11.46
Equity share Capital as at April 01,2025	1,14,59,105	11.46
Changes in Equity Share Capital due to prior period errors	-	-
Balance at the beginning of the current reporting year	1,14,59,105	11.46
Shares Issued during the year	25,00,000	2.50
Equity share Capital as at March 31,2026	1,39,59,105	13.96

B. Other Equity

Particulars	Reserves & Surplus				
	Capital redemption reserve	Securities Premium	Statutory Reserve	Retained Earnings	Total Attributable to equity holders
Balance as at April 01, 2024	32.35	508.64	139.70	163.43	844.12
Profit for the year	-	-	-	92.30	92.30
Other Comprehensive Income	-	-	-	(0.36)	(0.36)
	32.35	508.64	139.70	255.37	936.06
ESOPs/ ESAR cost reversed	-	-	-	0.17	0.17
Transfer to Statutory Reserve	-	-	18.46	(18.46)	-
Interim Dividend paid	-	-	-	(46.98)	(46.98)
Balance as at March 31, 2025	32.35	508.64	158.16	190.10	889.25
Balance as at April 01, 2025	32.35	508.64	158.16	190.10	889.25
Profit for the year	-	-	-	89.59	89.59
Other Comprehensive Income	-	-	-	(0.48)	(0.48)
	32.35	508.64	158.16	279.21	978.36
Premium received on issue of equity shares	-	197.50	-	-	197.50
ESOPs/ ESAR cost reversed	-	-	-	0.05	0.05
Transfer to Statutory Reserve	-	-	17.92	(17.92)	-
Balance as at March 31, 2026	32.35	706.14	176.08	261.34	1,175.91

The accompanying notes are an integral part of these financial statements.

1 to 49

As per our report of even date.

For Batliboi & Purohit

Chartered Accountants

ICAI Firm Registration Number: 101048W

Janak Mehta

Janak Mehta
Partner

Membership No: 116976

Mumbai
May 08, 2026



For and on behalf of the Board of Directors

Tushar Agrawal
Tushar Agrawal
Executive Director & CEO
DIN: 08285408

Akshaya Mishra
Akshaya Mishra
Non-Executive Director
DIN: 10118262

Pooja Doshi
Pooja Doshi
Company Secretary

Mumbai
May 08, 2026

Ashish Kehair
Ashish Kehair
Non-Executive Director
DIN: 07789972

Gitanjali Made
Gitanjali Made
Chief Financial Officer



Nuvama Wealth Finance Limited
Statement of Cash Flows for year ended March 31, 2026

(Currency : Indian rupees in crore)

	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Cash flow from operating activities		
Profit before tax	120.48	123.83
Adjustments for		
Depreciation and amortisation expense	0.08	0.06
Fair value loss/(gain) of financial instruments	47.90	9.89
Provision for compensated absences and gratuity	0.98	1.02
Income from Investments	(14.19)	(5.73)
Impairment on financial instruments	5.76	0.63
Loss/(Profit) on sale of of Property, Plant and Equipment	(0.07)	-
Operating cash flow before working capital changes	160.94	129.70
Adjustments for working capital changes		
(Increase)/Decrease in Loans	(2,021.78)	(98.70)
(Increase)/Decrease in Trade and other receivables	26.12	(68.48)
(Increase)/Decrease in Securities held for trading	(335.67)	(217.02)
(Increase)/Decrease in Bank balances other than cash and cash equivalents	14.78	(17.18)
(Increase)/Decrease in Derivative Financial Instrument and Other financial assets	(53.95)	109.19
(Increase)/Decrease in Non financial assets	(0.71)	(2.00)
Increase/(Decrease) in Trade payables	70.66	(1.49)
Increase/(Decrease) in Non-financial liabilities and Provisions	(2.96)	(0.24)
Increase/(Decrease) in Derivative Financial Instrument and Other financial liabilities	21.98	(55.74)
Cash used in operations	(2,120.59)	(221.96)
Income taxes paid (Net of refund, if any)	(29.88)	(35.29)
Net cash (used) in operating activities -A	(2,150.47)	(257.25)
B. Cash flow from investing activities		
Purchase of Property, Plant and Equipment and other intangible assets under development	(0.22)	(0.11)
Sale of Property, Plant and Equipment	0.17	-
Purchase of Investments	(448.57)	(193.48)
Sale of Investments	341.97	193.25
Interest Income from Investments	10.89	6.75
Net cash generated from investing activities - B	(95.76)	6.41
C. Cash flow from financing activities (Refer Note-2)		
Proceeds from issuance of Share capital (including Securities Premium)	200.00	-
Proceeds from issuance of Debt Securities ¹	1,889.64	428.35
Proceeds/repayment from Borrowings other than Debt Securities ¹	(28.57)	47.51
Dividend paid on equity shares	-	(46.98)
Net cash generated from financing activities - C	2,061.07	428.88
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(185.16)	178.04
Cash and cash equivalent as at the beginning of the year	315.48	137.44
Cash and cash equivalent as at the end of the year	130.32	315.48
Operational cash flows from interest and dividends		
Interest paid	578.77	252.18
Interest received	411.13	355.69
Dividend received	1.73	0.35
Dividend Paid	-	46.98

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

The accompanying notes are an integral part of the Financial Statements

1 to 49

Notes:

- Statement of Cash Flows has been prepared under the Indirect Method as set out in Ind As 7 (Statement of Cash Flows) prescribed under the Companies Act (Indian Accounting Standards) Rules, 2015 under the Companies Act 2013.
- Refer Note 37 for change in liabilities arising from financing activities.

As per our report of even date.

For Batliboi & Purohit

Chartered Accountants

ICAI Firm Registration Number: 101048W


Janak Mehta

Partner

Membership No: 116976

Mumbai
May 08, 2026

For and on behalf of the Board of Directors
Tushar Agrawal

Executive Director & CEO

DIN: 08285408

Akshaya Mishra

Non-Executive Director

DIN: 10118262

Pooja Doshi

Company Secretary

Mumbai

May 08, 2026

Ashish Kehair

Non-Executive Director

DIN: 07789972

Gitanjali Made

Chief Financial Officer



Nuvama Wealth Finance Limited

Notes to the financial statements for the year ended March 31, 2026

1. Corporate information

Nuvama Wealth Finance Limited with CIN: U67120MH1994PLC286057 a public limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India is wholly owned subsidiary of Nuvama Wealth Management Limited. The Ultimate Holding Company of the company is PAGAC Ecstasy Pte. Ltd ('PAG'). The Registered office of the company is located at 801- 804, Wing A, Building No. 3, Inspire BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051.

The Company was incorporated on October 27, 1994 and is registered with the Reserve Bank of India ('RBI') with Registration No. B-13.02144 as a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-ND-SI) and company has classified as Middle layer (NBFC-ML) pursuant to Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 dated November 28, 2025 and listed its non-convertible debentures and with stock exchanges.

The Company is engaged in the business of advancing of loans against securities, advisory services and fund-based activities being investment and trading in capital market and other securities.

2. Material accounting policy Information

2.1 Basis of preparation:

The financial statements of the Company 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 notified under section 133 of the Companies Act, 2013 (referred to as "the Act") along with other relevant provisions of the Act, Master Direction -Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025, guidelines issued by Reserve Bank of India (RBI) as applicable and other accounting principles general accepted In India. The accounting policies have been consistently applied, except in cases where a newly issued Ind AS is initially adopted or when a revision to an existing Ind AS required a change in the accounting policy previously in use. These financial statements have been approved for issue by the Board of Directors of the Company on May 08, 2026. The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are required to be measured at fair value. The financial statements are presented in Indian Rupees (INR), and all values are rounded to the nearest crore, except when otherwise indicated.

2.2 Presentation of financial statements:

The Company prepares and presents its Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the format prescribed by Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'. The Company presents its balance sheet in order of liquidity in compliance with the Division III of the Schedule III to the Companies Act, 2013 including Ministry of Corporate Affairs (MCA) Notification Dated 24th March 2021. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in note 38.



Nuvama Wealth Finance Limited

Notes to the financial statements (continued)

The company generally reports financial assets and financial liabilities on a gross basis in balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

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

Derivative assets and liabilities with master netting arrangements are only presented net when they satisfy the eligibility of netting for all of the above criteria and not just in the event of default.

2.3 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

2.3.1 Interest Income:

As per Ind AS 109 'Financial Instruments' interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost and debt instrument measured at FVOCI. The EIR is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument or, when appropriate a shorter period to the gross carrying amount of financial instrument.

The EIR is calculated by considering any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the financial asset. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle.

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

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

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

Delayed payment interest, levied at the standard rate applicable to customers for late settlement of contractual cash flows, is recognised on an accrual basis.

2.3.2 Dividend income:

Dividend income is recognised when the right to receive the payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.



2.3.3 Fee and Commission income:

Revenue in the form of fees and commission income (other than for those items to which Ind AS 109 – “Financial Instruments” are applicable) is measured at the transaction price allocated to the performance obligation, and is recognised at a point in time or over a time in accordance with the terms and contracts entered between the Company and the counterparty as per Ind AS 115 - Revenue from contracts with customers.

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

2.3.4 Net gain on fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss, held by the Company on the Balance Sheet date is recognised as an unrealised gain/(loss). Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL is recognised in net gain on fair value changes.

2.3.5 Other Income

Penal and other transaction charges levied on customers for delay payment of contractual cashflows is recognised on accrual basis.

2.3.6 Foreign currency translation

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion at the Reporting date

Foreign currency monetary items are re-translated using the exchange rate prevailing at the reporting date. Nonmonetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Exchange differences

All exchange differences are accounted in the Statement of Profit and Loss or other comprehensive income as permitted under the relevant Ind AS 21- ‘Effect of Changes in Foreign Exchange Rates’.



2.4 Expenses

2.4.1 Finance Cost

Finance costs represent Interest expense recognised by applying the effective interest rate (EIR) method to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL. Interest expense includes issue costs that are initially recognised as part of the carrying value of the financial liability and amortised over the expected life using EIR method.

2.4.2. Fee and Commission Expense

Fees and commission expenses including commission and incentives paid in respect of value-added services, third-party product distribution, cross-sell arrangements and other ancillary services and which are not directly attributable to the origination or acquisition of financial assets, are recognised in the Statement of Profit and Loss on an accrual basis as and when the related services are rendered.

2.4.3 Other Expenses

Expenses are recognised on accrual basis net of goods and services tax, except where credit for the input credit is not statutorily permitted.

2.5 Financial Instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities, debt securities and other borrowings, preferential and equity capital etc. are some examples of financial instruments.

2.5.1 Financial assets

(a) Initial measurement:

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets as appropriate, on initial recognition. Transaction costs of financial assets carried at fair value through the profit or loss account are recognised immediately in the Statement of Profit or Loss. Trade Receivables are measured at transaction price.

Day 1 profit and 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 / loss 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 profit or loss when the inputs become observable, or when the instrument is derecognised.



(b) Subsequent measurement:

The Company classifies all 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 is 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 Statement Profit and loss.

The Company subsequently measures all equity investments at fair value through profit or loss, unless the management has elected to classify irrevocably some of its strategic equity investments to be measured at FVTOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

(c) 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.

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.

(d) Impairment of financial assets:

The Company records allowance for expected credit losses for all financial assets, other than financial assets held at FVTPL, together with loan commitment and financial guarantee contracts. Equity instruments, other than those measured under cost model as per Ind AS 27 or measured under equity method as per Ind AS 28 if any, 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 expected credit loss (ECL) at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables. However, if receivables contain a significant financing component, the Company chooses as its accounting policy to measure the loss allowance by applying general approach to measure ECL.

General approach

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

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

The measurement of ECL is a function of the probability of default (PD), loss given default (LGD) (i.e. the magnitude of the loss if there is a default) and the exposure at default (EAD). The assessment of the PD and LGD is based on historical data adjusted by forward-looking information. As for the EAD, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.



Company categorises its financial assets as follows:

Stage 1 assets:

Stage 1 assets includes financial instruments that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. For these assets, 12-month ECL (resulting from default events possible within 12 months from reporting date) are recognised.

Stage 2 assets:

Stage 2 Assets includes financial instruments that have had a significant increase in credit risk since initial recognition. For these assets lifetime ECLs are recognised.

Stage 3 assets:

Stage 3 for Assets considered credit-impaired the Company recognises the lifetime ECL for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

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

The recognition and measurement of ECL involves the use of estimation. It is necessary to formulate multiple forward-looking economic forecasts and its impact as an integral part of ECL model. It is possible that internal estimates of PD and LGD rates used in the ECL model may not always capture all the characteristics of the market and the external environment as at the reporting date. To reflect this, qualitative adjustments or overlays are made to reflect the emerging risks reasonably.

The Company's product offering includes a facilities with a right to company to cancel and/or reduce the facilities with one day's notice. The Company does not limit its exposure to credit losses to the contractual notice period, but, instead calculates ECL over a period that reflects the Company's expectations of the customer behaviour, its likelihood of default and the Company's future risk mitigation procedures, which could include reducing or cancelling the facilities.

Collateral valuation:

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, power of attorney, credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the Company's balance sheet. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a monthly/quarterly basis. However, some collateral, for example, securities relating to margin requirements, is valued daily.

To the extent possible, the Company uses active market data for valuing financial assets held as collateral.

Write-offs:

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



(e) Reclassification of financial assets

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.

2.5.2 Financial liabilities

(a) Initial measurement:

The Company recognises all financial liabilities initially at fair value adjusted for transaction costs and revenues that are directly attributable to the issue of financial liabilities except in the case of financial liabilities recorded at FVTPL where the transaction costs and revenues are charged to Statement of Profit and Loss. Generally, the transaction price is treated as fair value unless there are circumstances which prove to the contrary in which case, the difference, if material, is charged to Statement of Profit and Loss.

(b) Subsequent measurement:

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

Financial Liabilities carried at Amortised Cost (AC):

The Company measures debt issued and other borrowed funds at amortised cost at each reporting date. Amortised cost is calculated by considering any discount or premium on issue funds, and costs that are an integral part of the EIR.

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

Financial liabilities at fair value through profit or loss (FVTPL):

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

- The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis; or



- The liabilities are part of a group of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; or
- The liabilities containing one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited.

Loan commitment

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

Derivative financial Instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and market risk. Embedded derivatives are separated from the host contract and accounted for separately if certain criteria are met. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss.

(c) 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, including modified contractual cash flow recognised as new financial liability, is recognised in statement of profit or loss.

2.6 Determination of fair value:

The Company measures financial instruments at fair value at each reporting 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 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.

2.7 Leases:

The Company assesses at contract inception whether a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee:

The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. The Company applies a single recognition and measurement approach for all leases except for short-term leases and leases of low-value 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 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.

Short term lease

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

2.8 Earnings per share:

Basic earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding for the year.

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

2.9 Retirement and other employee benefit:

2.9.1 Provident fund and national pension scheme:

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



2.9.2 Gratuity:

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

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.

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

2.9.3 Compensated absences:

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

2.9.4 Share-based payment arrangements:

Equity-settled share-based payments to employees by the parent Company and by 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 Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. These include Stock Appreciation Rights (SARs) where the right to receive the difference between the SAR price and the market price of equity shares of the ultimate parent Company on the date of exercise, either by way of cash or issuance of equity shares of the ultimate parent Company, is at the discretion of the ultimate parent Company. These are classified as equity settled share-based transaction.

In cases where the share options granted vest in instalments over the vesting period, the Group treats each instalment as a separate grant, because each instalment has a different vesting period, and hence the fair value of each instalment differs.

2.10 Property, plant and equipment:

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



Nuvama Wealth Finance Limited

Notes to the financial statements (continued)

Depreciation is recognised 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. In respect of assets sold, depreciation is provided upto the date of disposal.

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

Nature of assets	Estimated useful lives
Building (other than Factory Building)	60 years
Vehicles	8 years
Office Equipment	5 years
Furniture and fixtures	10 years
Computers - End user devices, such as desktops, laptops, etc.	3 years

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

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

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

2.11 Intangible assets:

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company. Intangible assets are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

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

Class of asset	Useful life
Computers and data processing units – Servers and networks	6 years
Computer software	3-5 years



2.12 Impairment of non-financial assets:

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

2.13 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.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A 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.



2.14 Tax expenses:

Tax expenses represents the sum of the income tax payable in respect of taxable profit of the reporting period and deferred tax.

2.14.1 Current tax:

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

2.14.2 Deferred tax:

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

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

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

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

2.14.3 Current and deferred tax for the year:

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

2.15 Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.



2.16 Significant accounting judgements, estimates and assumptions:

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

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

Critical judgements in applying accounting policies:

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

2.16.1 Business model assessment:

Classification and measurement of financial assets depend on the results of the solely payments of principal and interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how Company's financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance is measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the quantum, the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets

2.16.2 Significant increase in credit risk:

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



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.

2.16.3 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.

2.16.4 Effective Interest Rate (EIR) Method:

The Company's EIR methodology recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle including prepayments and penalty interest and charges.

This estimation, by nature requires an element of judgement regarding the expected behaviour and life cycle of the instrument, as well expected changes India's base rate and other fee income, expenses that are integral part of the instrument.

2.16.5 Impairment of Financial assets:

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

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



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

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

2.16.6 Impairment of Non-Financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exist, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is higher of an asset's fair value less cost of disposal and its value in use. Where the carrying amount exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2.16.7 Provisions and contingent liabilities:

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of its business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.



2.16.8 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.

2.17 Statement of cash flows:

The Statement of Cash Flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The Statement of Cash Flows from operating, investing and financing activities of the Company are segregated. Cash flows arising from interest and dividends, whether received as income or paid as expenses, on loans, investments, and borrowings are treated as part of operating cash flows. These cash flows are disclosed separately to provide relevant information about their impact on the entity's cash flow position.

2.18 Segment Reporting:

Identification of Segments –

Operating Segment is identified based on the nature of products and services, the different risks and returns, and in alignment with the internal business reporting system provided to chief operating decision maker (CODM). Further based on monitoring of operating results by the CODM separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss of the Company.

Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company.

Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments, which is primarily market based.

Unallocated Corporate Items include general corporate income and expenses, which are not attributable to segments.



2.19 Standards issued but not yet effective along with Other statutory amendments:

The Ministry of Corporate Affairs (MCA) has amended certain Indian Accounting Standards (Ind AS) through the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025.

The amendments to Ind AS 21 (dealing with the lack of exchangeability in foreign exchange rates) under the first amendment rules, as well as amendments to Ind AS 7 and Ind AS 107 (Supplier Finance Arrangements) and Ind AS 12 (International Tax Reform – Pillar Two Model Rules) under the second amendment rules, are effective from the financial year ended March 31, 2025.

The amendments to Ind AS 1 (Classification of Liabilities as Current or Non-Current with covenants) under the second amendment rules are effective from the subsequent period, with strict compliance applying entirely to reporting periods beginning on or after April 1, 2026, following the transition grace period ending March 31, 2026.

There was no impact of above-mentioned amendments on these financial statements, and no material impact is expected on financial statements for subsequent financial periods based on the information as on the date of issue.



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)

(Currency : Indian rupees in crore)

	As at March 31, 2026	As at March 31, 2025
3. Cash and cash equivalents		
Balances with banks		
- in current accounts	130.32	315.48
	130.32	315.48
4. Bank balances other than cash and cash equivalents		
Term deposits with banks*	4.60	19.20
Accrued interest on fixed deposits	0.02	0.20
	4.62	19.40
4.A Encumbrances on fixed deposits held by the Company:		
Fixed deposit pledged with bank for securing overdraft credit facilities	4.62	19.40
	4.62	19.40
* Fixed deposit with bank earns interest at fixed rate.		
5. Derivative financial instruments		
5.A Breakup of Derivative financial instruments		
Fair Value Assets		
Premium paid on outstanding exchange traded options (including MTM)	106.89	118.77
Embedded derivatives in market-linked debentures (Assets)	334.60	89.80
	441.49	208.57
Fair Value Liabilities		
Premium received on outstanding exchange traded options (including MTM)	31.79	24.84
Embedded derivatives in market-linked debentures (liabilities)	20.66	20.89
	52.45	45.73



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)
(Currency : Indian rupees in crore)

5.B Derivative financial instruments

Particulars	As at March 31, 2026					
	Units	Notional Amounts	Fair value Asset	Units	Notional Amounts	Fair value liability
(i) Embedded derivatives*						
In market linked debentures			334.60			20.66
Subtotal(i)			334.60			20.66
(ii) Equity linked derivatives						
Stock Futures	1,96,250.00	7.63	0.24	27,43,876.00	101.00	2.71
Options purchased	46,21,101.00	184.01	7.01			
Options sold (written)				43,93,702.00	172.72	4.62
Less: Offset with Margin		-	(0.24)			(2.71)
Subtotal(ii)		191.64	7.01		273.72	4.62
(iii) Index linked derivatives						
Index Futures	-	-	-	6,21,205.00	1,393.13	34.93
Options purchased	4,41,610.00	1,096.54	99.88			
Options sold (written)				4,41,740.00	1,096.88	27.17
Less: Offset with Margin		-	-			(34.93)
Subtotal(iii)		1,096.54	99.88		2,490.01	27.17
(iv) Commodity linked derivatives						
Commodity Futures*	5.00	6.18	0.25	-	-	-
Options purchased	-	-	-	-	-	-
Options sold (written)				-	-	-
Less: Offset with Margin		-	(0.25)		-	-
Subtotal(iv)		6.18	-		-	-
Total Derivative Financial Instruments		1,294.36	441.49		2,763.73	52.45

Particulars	As at March 31, 2025					
	Units	Notional Amount	Fair value Asset	Units	Notional Amount	Fair value liability
(i) Embedded derivatives*						
In market linked debentures			89.80			20.89
Subtotal(i)			89.80			20.89
(ii) Equity linked derivatives						
Stock Futures	1,28,07,296.00	279.72	4.18	52,95,180.00	416.80	13.22
Options purchased	1,80,81,126.00	752.43	81.35			
Options sold (written)				1,80,81,126.00	752.43	13.73
Less: Offset with Margin			(4.18)			(13.22)
Subtotal(ii)		1,032.15	81.35		1,169.23	13.73
(iii) Index linked derivatives						
Index Futures	1,95,405.00	644.32	3.45	2,65,800.00	628.29	4.58
Options purchased	2,89,650.00	872.23	37.42			
Options sold (written)				2,77,950.00	845.32	11.11
Less: Offset with Margin			(3.45)			(4.58)
Subtotal(iii)		1,516.55	37.42		1,473.61	11.11
(iv) Commodity linked derivatives						
Commodity Futures*	23.00	20.86	0.54			
Options purchased						
Options sold (written)	-		-			
Less: Offset with Margin			(0.54)			
Subtotal(iv)		20.86	-			-
Total Derivative Financial Instruments		2,569.56	208.57		2,642.84	45.73

*An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.

Commodity Futures consist of Gold Futures contracts having different trading unit/ lot size per contract.

Hedging activities and derivatives

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are interest rate risk and equity index risk. The Company's risk management strategy and how it is applied to manage risk are explained in Note 42.

Derivatives designated as hedging instruments

The Company has not designated any derivatives as hedging instruments.



5.C Offsetting

See table below, summarizes the financial assets and liabilities subject to offsetting enforceable master netting and similar agreements, as well as financial collateral received to mitigate credit exposures for these financial assets, and whether offset is achieved in the balance sheet.

Certain derivative financial assets and financial liabilities are subject to master netting arrangements, whereby in the case of insolvency, derivative financial assets and financial liabilities will be settled on a net basis. The tables below summarise the financial assets and liabilities subject to netting, and enforceable master netting and similar agreements, as well as financial collateral received to mitigate credit exposures for these financial assets, and whether offset is achieved in the balance sheet:

Financial Assets and Liabilities subject to offsetting, netting arrangements

As at March 31, 2026	Offsetting recognised in balance sheet			Netting potential not recognised in balance sheet			Assets not subject to netting arrangements	Total Assets	Maximum Exposure to Risk
	Gross asset before offset	Amount offset*	Net asset recognised on the balance sheet	Financial Assets	Collaterals paid	Assets after consideration of netting potential			
Derivative Assets	0.49	(0.49)	-	-	-	-	441.49	441.49	441.49
Margin Placed with Brokers	64.20	(37.15)	27.05	-	-	27.05	-	27.05	27.05
As at March 31, 2026	Offsetting recognised in balance sheet			Netting potential not recognised in balance sheet			Liabilities not subject to netting arrangements	Total liabilities	Maximum Exposure to Risk
	Gross liability before offset	Amount offset*	Net liability recognised in balance sheet	Financial liabilities	Collaterals received	Liabilities after consideration of netting potential			
Derivative Liabilities	37.64	(37.64)	-	-	-	-	52.45	52.45	52.45
As at March 31, 2025	Offsetting recognised in balance sheet			Netting potential not recognised in balance sheet			Assets not subject to netting arrangements	Total Assets	Maximum Exposure to Risk
	Gross asset before offset	Amount offset*	Net asset recognised on the balance sheet	Financial Assets	Collaterals paid	Assets after consideration of netting potential			
Derivative Assets	8.17	(8.17)	-	-	-	-	208.57	208.57	208.57
Margin Placed with Brokers	3.09	0.54	3.63	-	-	3.63	-	3.63	3.63
As at March 31, 2025	Offsetting recognised in balance sheet			Netting potential not recognised in balance sheet			Liabilities not subject to netting arrangements	Total liabilities	Maximum Exposure to Risk
	Gross liability before offset	Amount offset*	Net liability recognised in balance sheet	Financial liabilities	Collaterals received	Liabilities after consideration of netting potential			
Derivative Liabilities	17.80	(17.80)	-	-	-	-	45.73	45.73	45.73
Margin payable to Brokers	(2.67)	10.16	7.49	-	-	7.49	-	7.49	7.49

*Note: As of the reporting date, each margin received has been offset against the gross derivative assets. Also, cash margin paid has been offset against the gross derivative liabilities.



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)

(Currency : Indian rupees in crore)

	As at March 31, 2026	As at March 31, 2025
6. Securities held for trading		
<u>At Fair Value through Profit and Loss</u>		
- Government Securities	286.33	118.40
- Debt Securities	688.29	337.15
- Exchange Traded Funds / Mutual funds	121.36	354.73
- Equity Shares [^]	0.00	0.00
- Alternate investment fund (AIF)	19.14	1.74
- Infrastructure investment trusts (InvIT)	45.13	21.25
Gross Total	<u>1,160.25</u>	<u>833.27</u>
Less: Impairment loss allowance	-	-
Net Total	<u>1,160.25</u>	<u>833.27</u>
(i) Investments outside India	-	-
(ii) Investments in India	1,160.25	833.27
Total	<u>1,160.25</u>	<u>833.27</u>
Note: Refer note 42.D.2 for details of pledge created as collateral and contractually / legally restricted to use.		
7. Receivables		
a) Trade receivables		
Receivables considered good - Unsecured	47.10	76.17
Receivables - Credit impaired	0.01	2.96
Less : Allowance for expected credit losses	(0.05)	(2.96)
Trade receivables (a)	<u>47.06</u>	<u>76.17</u>
b) Other receivables		
Receivables considered good - Unsecured	5.51	0.05
Other receivables (b)	<u>5.51</u>	<u>0.05</u>
Total Receivables (a) + (b)	<u>52.57</u>	<u>76.22</u>
c) Reconciliation of impairment allowance on trade receivables:		
Impairment allowance measured as per simplified approach		
Impairment allowance - Opening Balance	2.96	2.59
Add/ (less): asset originated or recovered (net)	(2.91)	0.37
Impairment allowance - Closing Balance	<u>0.05</u>	<u>2.96</u>

Notes:

- 1) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.
- 2) No trade or other receivables are due from firms or private companies in which directors is partner, a director or a member.

[^] 0.00 refers to amount less than Rs. 0.01 crore



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)

(Currency : Indian rupees in crore)

7d. Trade receivables Ageing:

As at March 31, 2026	Unbilled	Not Due	Outstanding for following periods from due date of payments ^a				Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
A. Gross receivables							
Undisputed		46.33	6.28	-	-	-	52.61
Receivables - considered good	-	-	-	-	-	-	-
Receivables - having significant increase in credit risk	-	-	-	-	-	0.01	0.01
Receivables - credit impaired	-	-	-	-	-	-	-
Disputed							
Receivables - considered good	-	-	-	-	-	-	-
Receivables - having significant increase in credit risk	-	-	-	-	-	-	-
Receivables - credit impaired	-	-	-	-	-	-	-
Total (A)	-	46.33	6.28	-	-	0.01	52.62
B. Allowance for Expected Credit Losses							
Undisputed			0.04	-	-	-	0.04
Receivables - considered good	-	-	-	-	-	-	-
Receivables - having significant increase in credit risk	-	-	-	-	-	0.01	0.01
Receivables - credit impaired	-	-	-	-	-	-	-
Disputed							
Receivables - considered good	-	-	-	-	-	-	-
Receivables - having significant increase in credit risk	-	-	-	-	-	-	-
Receivables - credit impaired	-	-	-	-	-	-	-
Total (B)	-	-	0.04	-	-	0.01	0.05
Net carrying amount (A)-(B)	-	46.33	6.24	-	-	-	52.57

As at March 31, 2025	Unbilled	Not Due	Outstanding for following periods from due date of payments ^a				Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
A. Gross receivables							
Undisputed		74.97	1.25	-	-	-	76.22
Receivables - considered good	-	-	-	-	-	-	-
Receivables - having significant increase in credit risk	-	-	-	2.48	0.16	-	2.96
Receivables - credit impaired	-	-	-	-	-	0.32	-
Disputed							
Receivables - considered good	-	-	-	-	-	-	-
Receivables - having significant increase in credit risk	-	-	-	-	-	-	-
Receivables - credit impaired	-	-	-	-	-	-	-
Total (A)	-	74.97	1.25	2.48	0.16	-	79.18
B. Allowance for Expected Credit Losses							
Undisputed							
Receivables - considered good	-	-	-	-	-	-	-
Receivables - having significant increase in credit risk	-	-	-	2.48	0.16	-	2.96
Receivables - credit impaired	-	-	-	-	-	0.32	-
Disputed							
Receivables - considered good	-	-	-	-	-	-	-
Receivables - having significant increase in credit risk	-	-	-	-	-	-	-
Receivables - credit impaired	-	-	-	-	-	-	-
Total (B)	-	-	-	2.48	0.16	-	2.96
Net carrying amount (A)-(B)	-	74.97	1.25	-	-	0.32	76.22

^aWhere no due date of payment is specified in that case disclosure shall be from the date of the transaction.



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)
(Currency : Indian rupees in crore)

	As at March 31, 2026	As at March 31, 2025
8. Loans (at Amortised cost)		
Corporate credit	-	-
Retail Credit	5,205.66	3,183.88
Gross Total	5,205.66	3,183.88
Less: Impairment loss allowance (Refer Note 8.B)	(21.26)	(13.01)
Net Total	5,184.40	3,170.87
<u>Secured</u>		
- Loan against Securities	5,204.82	3,177.94
<u>Unsecured</u>		
- ESOP funding	0.84	5.32
- Others	-	0.62
Gross Total	5,205.66	3,183.88
Less: Impairment loss allowance (Refer Note 8.B)	(21.26)	(13.01)
Net Total	5,184.40	3,170.87
Loans in India		
Public sector	-	-
Others	5,205.66	3,183.88
Gross Total	5,205.66	3,183.88
Less: Impairment loss allowance (Refer Note 8.B)	(21.26)	(13.01)
Net Total	5,184.40	3,170.87

Notes:

- There is no loan outstanding as on March 31, 2026 with Directors, KMP, Promoters and related party in the nature of demand loan or loan without specifying the term of repayment period.
- For charge created on loans refer note 42.D.2.

8.A Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's year-end stage classification. The amounts presented are gross of impairment allowances.

Loans at Amortised Cost

Particulars	As at March 31, 2026			
	Stage 1	Stage 2	Stage 3	Total
Performing				
High grade	5,205.17	0.49	-	5,205.66
Standard grade	-	-	-	-
Sub-standard grade	-	-	-	-
Non-performing				
Individually impaired	-	-	-	-
Total	5,205.17	0.49	-	5,205.66

Particulars	As at March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
Performing				
High grade	3,183.88	-	-	3,183.88
Standard grade	-	-	-	-
Sub-standard grade	-	-	-	-
Non-performing				
Individually impaired	-	-	-	-
Total	3,183.88	-	-	3,183.88



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)
(Currency : Indian rupees in crore)

8.B Credit quality of assets (continued)

Reconciliation of changes in gross carrying amount and corresponding ECL allowances for loans and advances:

The following disclosure provides stage wise reconciliation of the Company's gross carrying amount and ECL allowances for loans and advances to corporates and retail customers.

The 'New assets originated / repayments received (net)' represent the gross carrying amount and associated allowance ECL impact from transactions within the Company's lending portfolio is based on year end staging.

Reconciliation / movement for the year ended March 31, 2026

Particulars	Non credit impaired			Credit impaired			Total
	Stage 1		Stage 2		Stage 3		
	Gross Carrying Amount	Allowance for ECL	Gross carrying Amount	Allowance for ECL	Gross carrying Amount	Allowance for ECL	
Opening balance	3,183.88	13.01	-	-	-	-	13.01
Transfer of financial assets							
Stage 1 to Stage 2 [^]	(0.46)	(0.00)	0.46	0.00	-	-	-
Stage 2 to Stage 1	-	-	-	-	-	-	-
New assets originated / repayments received (net) [^]	2,021.75	8.25	0.03	0.00	-	-	8.25
Closing balance	5,205.17	21.26	0.49	0.00	-	-	21.26

Reconciliation / movement for the year ended March 31, 2025

Particulars	Non credit impaired				Credit impaired		Total	
	Stage 1		Stage 2		Stage 3			
	Gross Carrying Amount	Allowance for ECL	Gross carrying Amount	Allowance for ECL	Gross carrying Amount	Allowance for ECL	Gross carrying Amount	Allowance for ECL
Opening balance	3,005.15	12.04	80.03	0.32	-	-	3,085.18	12.36
Transfer of financial assets					-	-	-	-
Stage 1 to Stage 2	-	-	-	-	-	-	-	-
Stage 2 to Stage 1	-	-	-	-	-	-	-	-
New assets originated / repayments received (net)	178.73	0.97	(80.03)	(0.32)	-	-	98.70	0.65
Closing balance	3,183.88	13.01	-	-	-	-	3,183.88	13.01

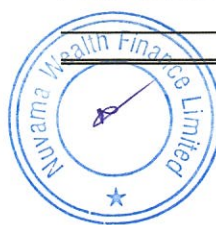
[^] 0.00 refers to amount less than Rs. 0.01 crore



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)
(Currency : Indian rupees in crore)

	As at March 31, 2026	As at March 31, 2025
9. Investments		
<u>At Amortised cost</u>		
- Government Securities	207.60	-
- Treasury Bill	-	97.70
	207.60	97.70
(i) Investments outside India	-	-
(ii) Investments in India	207.60	97.70
Total	207.60	97.70
Note: Refer note 42.D.2 for details of pledge created as collateral and contractually / legally restricted to use.		
10. Other financial assets		
(Unsecured considered good, unless stated otherwise)		
Security Deposits	0.14	0.14
Deposits placed with exchange/depositories	6.95	6.45
Deposits- others	0.06	0.06
Margin placed with broker (refer note 5.C)	27.05	3.63
Receivable from exchange /clearing house (net) (refer note 5.C)^	0.00	0.00
Triparty Repo	2.00	-
Advances recoverable in cash or in kind or for value to be received	1.07	0.36
Gross Total	37.27	10.64
Less: Impairment loss allowance on deposits- others	(0.04)	(0.05)
Net Total	37.23	10.59
11. Current tax assets (net)		
Advance income taxes (net of provision for tax)	11.09	16.72
	11.09	16.72
12. Deferred tax assets / Liabilities (net) (refer note 33.C)		
<u>Deferred tax assets</u>		
<u>Financial Asset</u>		
Expected credit loss	5.37	4.03
Unamortised processing fees - EIR on loan	1.51	1.27
<u>Property, Plant and Equipment & Intangible assets</u>		
Difference between book and tax depreciation^	-	0.00
<u>Investment and other financials instruments</u>		
Unrealised loss on derivatives	3.49	5.34
<u>Employee benefit obligations</u>		
Disallowances under section 43B of the Income Tax Act, 1961	0.40	0.40
	10.77	11.04
<u>Deferred tax liabilities</u>		
<u>Property, Plant and Equipment & Intangible assets</u>		
Difference between book and tax depreciation	0.03	-
<u>Borrowing</u>		
Unamortised processing fees - EIR on Borrowing	1.76	1.95
<u>Investment and other financials instruments</u>		
Fair valuation - securities held for trading	0.25	1.84
Unrealised gain on derivatives	3.03	7.04
	5.07	10.83
Net Deferred tax assets /(Net Deferred tax liabilities)	5.70	0.21

^ refers to amount less than Rs. 0.01 crore



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)
(Currency : Indian rupees in crore)

13. Property, plant and equipment and intangible assets

Particulars	Property, plant and equipment				Other Intangible Assets	
	Building*	Office equipment	Computers	Furniture	Computer Software	Total
Cost						
As at April 1, 2025	0.27	0.04	0.26	0.01	1.13	1.71
Additions/Adjustment during the year	-	0.01	0.13	-	-	0.14
Disposals/Adjustment during the year	(0.15)	(0.01)	(0.16)	-	-	(0.32)
As at March 31, 2026	0.12	0.04	0.23	0.01	1.13	1.53
Depreciation and amortisation:						
As at April 1, 2025	0.08	0.02	0.22	0.00	1.06	1.38
Depreciation/Amortisation during the year ^a	0.01	0.01	0.03	0.00	0.03	0.08
Disposals/Adjustment during the year	(0.07)	(0.01)	(0.14)	-	-	(0.22)
As at March 31, 2026	0.02	0.02	0.11	0.00	1.09	1.24
Net Book Value						
As at March 31, 2026	0.10	0.02	0.12	0.01	0.04	0.29

Particulars	Property, plant and equipment				Other Intangible Assets	
	Building*	Office equipment	Computers	Furniture	Computer Software	Total
Cost						
As at April 1, 2024	0.27	0.04	0.22	-	1.07	1.60
Additions/Adjustment during the year	-	-	0.04	0.01	0.06	0.11
Disposals/Adjustment during the year	-	-	-	-	-	-
As at March 31, 2025	0.27	0.04	0.26	0.01	1.13	1.71
Depreciation and amortisation:						
As at April 1, 2024	0.07	0.01	0.20	-	1.04	1.32
Depreciation/Amortisation during the year	0.01	0.01	0.02	-	0.02	0.06
Disposals/Adjustment during the year	-	-	-	-	-	-
As at March 31, 2025	0.08	0.02	0.22	-	1.06	1.38
Net Book Value						
As at March 31, 2025	0.19	0.02	0.04	0.01	0.07	0.33

* Charged against secured redeemable non-convertible debentures (Refer note 16.B)

Intangible assets under development

Particulars	As at March 31, 2026	As at March 31, 2025
	As at	As at
Cost		
Opening balance at the beginning of the year	-	-
Additions/Adjustment during the year	0.08	-
Disposals/Adjustment during the year	-	-
Closing balance at the year end	0.08	-

Particulars	Amount in Intangible assets under development for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
As at March 31, 2026	-	-	-	-
Projects in Progress	0.08	-	-	0.08
Total	0.08	-	-	0.08

Particulars	Amount in Intangible assets under development for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
As at March 31, 2025	-	-	-	-
Projects in Progress	-	-	-	-
Total	-	-	-	-

^a 0.00 refers to amount less than Rs. 0.01 crore



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)

(Currency : Indian rupees in crore)

	As at March 31, 2026	As at March 31, 2025
14. Other non-financial assets (Unsecured considered good, unless stated otherwise)		
Input tax credit	2.70	1.77
Other deposits [^]	0.01	0.00
Vendor Advances	0.83	1.27
Prepaid expenses	0.98	0.72
Advances to employees	0.03	0.08
Others	0.90	0.90
	5.45	4.74
15. Trade Payables		
(i) Total outstanding dues of micro enterprises and small enterprises	2.96	0.44
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	80.71	12.57
	83.67	13.01

15.A Details of dues to micro and small enterprises

Trade Payables includes Rs 2.96 Crores (March 31, 2025: Rs. 0.44 Crores) 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 period to "Suppliers" registered under this act. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said Act.

15.B Ageing of Trade Payables

As at March 31, 2026	Unbilled	Outstanding for following periods from due date of payments [*]				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	1.04	1.92	-	-	-	2.96
Others [^]	74.31	5.94	0.00	0.20	0.26	80.71
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	75.35	7.86	0.00	0.20	0.26	83.67
As at March 31, 2025	Unbilled	Outstanding for following periods from due date of payments [*]				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	0.34	0.10	-	-	-	0.44
Others [^]	8.07	4.05	0.20	0.00	0.25	12.57
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	8.41	4.15	0.20	0.00	0.25	13.01

^{*}Where no due date of payment is specified in that case disclosure shall be from the date of the transaction.

[^] 0.00 refers to amount less than Rs. 0.01 crore



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)
(Currency : Indian rupees in crore)

	As at March 31, 2026	As at March 31, 2025
16. Debt securities		
<i>at amortised cost</i>		
(Refer Note 16.A, 16.B and 16.C)		
Redeemable non-convertible debentures (Secured)	4,489.95	3,231.77
Commercial paper (Unsecured)	1,295.00	401.00
Less: Unamortised discount	(35.88)	(18.37)
Total	5,749.07	3,614.40
Debt securities in India	5,749.07	3,614.40
Debt securities outside India	-	-
Total	5,749.07	3,614.40

16. A Maturity profile and rate of interest of debt securities are set out below:

16. A. I. **Redeemable non-convertible debentures (Secured)**

Residual Maturity***	Rate of Interest				As at
	8% to 8.99%	9% to 9.99%	10% to 10.99%	MLD**	March 31, 2026
Upto 1 year	5.87	726.56	-	641.75	1,374.18
Over 1 year upto 3 years	459.00	804.39	-	773.25	2,036.64
Over 3 years	-	26.34	27.63	684.07	738.04
Sub-Total	464.87	1,557.29	27.63	2,099.07	4,148.86
Add: interest accrued *					76.18
Add: interest accrued on MLD**					271.56
Less: unamortised issuance cost					(6.65)
Total					4,489.95

Residual Maturity***	Rate of Interest				As at
	8% to 8.99%	9% to 9.99%	10% to 10.99%	MLD**	March 31, 2025
Upto 1 year	5.37	5.00	-	513.93	524.30
Over 1 year upto 3 years	29.87	898.12	-	1,109.27	2,037.26
Over 3 years	-	26.34	27.63	98.71	152.68
Sub-Total	35.24	929.46	27.63	1,721.91	2,714.24
Add: interest accrued *					27.37
Add: interest accrued on MLD **					497.47
Less: unamortised issuance cost					(7.31)
Total					3,231.77

* Interest accrued but not due is payable on next interest payment date for respective ISINs.

** MLD represents market linked debentures. The interest rate is linked to the performance of the underlying benchmark and is fluctuating in nature and interest is payable at maturity.

*** Residual maturity is calculated based on the original maturity date, except in cases where a put or call option date is available.

16. A. II. **Commercial Paper (CP):**

Residual Maturity	Rate of Interest			As at
	7% to 7.99%	8% to 8.99%	9% to 9.99%	March 31, 2026
Upto 1 year	15.00	1,280.00	-	1,295.00
Sub-Total	15.00	1,280.00	-	1,295.00
Less: Unamortised Discount				(35.88)
Total				1,259.12

Residual Maturity	Rate of Interest			As at
	7% to 7.99%	8% to 8.99%	9% to 9.99%	March 31, 2025
Upto 1 year	-	165.00	236.00	401.00
Sub-Total	-	165.00	236.00	401.00
Less: Unamortised Discount				(18.37)
Total				382.63

16.B Details of debt securities:

Redeemable non-convertible debentures - secured

Non-convertible debentures (Public issue):

Debentures are secured by way of a charge in favour of the Debenture Trustee on present and/or future receivables and/or pari passu charge on an identified immovable property of the Company as may be decided mutually by our Company and the Debenture Trustee.

Market linked debentures and Non-Convertible debentures (Privately placed):

Market linked debentures are secured by first charge / pari passu charge, as the case may be, on property and on present & future receivables, loans, securities, investments & other financial assets.

16.C **Buyback of Debt Securities:**

The Company redeemed 5,193 debentures of Face value Rs. 1,00,000 each during the FY 2025-26 (13,002 debenture in FY 2024-25) and 183 debentures of Face value Rs. 10,00,000 (Nil in FY 2024-25) each prior to their maturity date. The total amount paid towards redemption of debenture was Rs. 103.59 crore in the FY 2025-26 (Rs. 191.49 crore in FY 2024-25). The redemption was made to take advantage of favourable market conditions and to reduce the company's debt servicing costs.

The Company did not redeem any commercial paper before its maturity date during FY 2025-26. However, during FY 2024-25, the Company redeemed 2,500 units of commercial paper before their maturity dates, with a face value of Rs. 5,00,000 each, for an aggregate redemption amount of Rs. 123.97 crore.



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)
(Currency : Indian rupees in crore)

	As at March 31, 2026	As at March 31, 2025
17. Borrowings other than Debt Securities (at amortised cost)		
<u>Secured</u>		
Term loan from NBFC	85.00	113.20
Unamortized EIR - Term Loan	(0.02)	(0.17)
[March 31,2026: Secured by first pari pasu charge on all movable assets including current assets, receivables both present and future and standard loan receivable with a minimum cover of 1.5x and rate of interest is 9.10% to 9.25%		
March 31,2025: Secured by first pari pasu charge on all movable assets including current assets, receivables both present and future and standard loan receivable with a minimum cover of 1.5x and rate of interest is 9.75%]		
Interest accrued on term loan from NBFC		
Interest accrued but not due on borrowings	-	0.52
	84.98	113.55
Borrowings in India	84.98	113.55
Borrowings outside India	-	-
	84.98	113.55

17 A. Terms of repayment of term loans from NBFC:

Residual Maturity*	As at March 31, 2026	As at March 31, 2025
Upto 1 year	85.00	22.80
Over 1 year upto 3 years	-	90.40
Sub-Total	85.00	113.20
Add: interest accrued	-	0.52
Less: Unamortized EIR - Term Loan	(0.02)	(0.17)
Total	84.98	113.55

* Residual maturity is calculated based on the original maturity date, except in cases where a put or call option date is available.



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)

(Currency : Indian rupees in crore)

	As at March 31, 2026	As at March 31, 2025
18. Other financial liabilities		
Other payables*	6.48	5.70
Advances from customers	33.82	16.32
Accrued salaries and benefits	28.76	24.79
Margin Payable to Brokers (net) (refer note 5.C)	0.22	7.49
	69.28	54.30
*Other payables also include unclaimed amounts aggregating to Rs. 5.09 crore (Previous Year: Rs. 3.98 crore) representing amounts payable on the maturity of Redeemable non -convertible debentures.		
19. Current tax liabilities (net)		
Provision for taxation (net of advance tax and TDS asset)	2.79	1.92
	2.79	1.92
20. Provisions		
Gratuity and Compensated leave absences	3.89	2.91
Others	0.90	0.90
	4.79	3.81
21. Other non-financial liabilities		
Statutory liabilities*	3.76	6.53
Others	0.01	0.14
Income received in advance	0.42	-
	4.19	6.67

* Includes withholding taxes, provident fund, profession tax and other statutory dues payables.



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)

(Currency : Indian rupees in crore)

	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
22. Equity share capital				
Authorised :				
Equity Shares of Rs.10 each	4,16,20,000	41.62	4,16,20,000	41.62
Preference Shares of Rs. 10 each	3,13,80,000	31.38	3,13,80,000	31.38
	7,30,00,000	73.00	7,30,00,000	73.00
Issued, Subscribed and Paid up:				
Equity Shares of Rs.10 each	1,39,59,105	13.96	1,14,59,105	11.46
	1,39,59,105	13.96	1,14,59,105	11.46
22.A Reconciliation of number of shares				
Outstanding at the beginning of the year	1,14,59,105	11.46	1,14,59,105	11.46
Shares issued during the year	25,00,000	2.50	-	-
Outstanding at the end of the year	1,39,59,105	13.96	1,14,59,105	11.46

During the financial year 2025-26, the Company has issued 25,00,000 fully paid-up equity shares of Rs. 10 each at a premium of Rs. 790 each for the consideration of Rs. 200 crore to Nuvama Wealth Management Limited (Parent Company) through right issue. Further subsequent to the year end, the Company has allotted 11,97,605 equity shares of face value Rs.10 each to Parent Company on April 06, 2026 by way of Rights Issue at Rs. 835 per share including premium of Rs. 825 per share.

22.B Terms/rights attached to equity shares :

The Company has only one class of equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share held.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholders.

22.C Shares held by holding/ultimate holding company

	As at March 31, 2026		As at March 31, 2025	
	No of shares	% holding	No of shares	% holding
Holding company				
Nuvama Wealth Management Limited [#]	1,39,59,105	100.00%	1,14,59,105	100.00%
	1,39,59,105	100.00%	1,14,59,105	100.00%

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

Holding company				
Nuvama Wealth Management Limited [#]	1,39,59,105	100.00%	1,14,59,105	100.00%
	1,39,59,105	100.00%	1,14,59,105	100.00%

[#] including 6 shares held by nominees of Nuvama Wealth Management Limited

22.E There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

22.F Details of Shareholding of Promoters

For year ended March 31, 2026

Name of Promoter	No. of Shares	% of Total Shares	% Change during the year
Nuvama Wealth Management Limited	1,39,59,105	100.00%	Nil
PAGAC Ecstasy Pte Limited (Ultimate holding company)	-	-	-

For year ended March 31, 2025

Name of Promoter	No. of Shares	% of Total Shares	% Change during the year
Nuvama Wealth Management Limited	1,14,59,105	100.00%	Nil
PAGAC Ecstasy Pte Limited (Ultimate holding company)	-	-	-

22.G During the year 2024-25, the Company has paid an Interim Dividend for FY 23-24 in second quarter FY 24-25 Rs. 30.94 crore (₹ 27 per share) and for FY24-25 in third quarter FY 24-25 Rs.16.04 crore (₹ 14 per share).



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)

(Currency : Indian rupees in crore)

	As at March 31, 2026	As at March 31, 2025
23. Other Equity		
a. Capital redemption reserve	32.35	32.35
b. Securities Premium Reserve	706.14	508.64
c. Statutory Reserve	176.08	158.16
d. Retained Earnings	261.34	190.10
	1,175.91	889.25

A. Nature and purpose of Reserves

a. Capital redemption reserve

The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

b. 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 such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

c. Statutory Reserve

Reserve created under section 45-IC(1) in the Reserve Bank of India Act, 1934 a sum of not less than twenty per cent of its net profit of every year as disclosed in the statement of profit and loss and before any dividend is declared. No appropriation of any sum from the reserve fund is permitted except for the purpose as may be specified by the Reserve Bank of India from time to time.

d. Retained Earnings

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

B. Movement in Other Equity

	As at March 31, 2026	As at March 31, 2025
I. Capital redemption reserve		
Opening Balance	32.35	32.35
Add : Additions during the year	-	-
	32.35	32.35
II. Securities Premium Reserve		
Opening Balance	508.64	508.64
Add : Premium received on issue of equity shares	197.50	-
	706.14	508.64
III. Statutory Reserve		
Opening Balance	158.16	139.70
Add : Reserve created for the year	17.92	18.46
	176.08	158.16
IV. Retained Earnings		
Opening Balance	190.10	163.43
Add: Profit / (loss) for the period	89.59	92.30
Add: Other Comprehensive Income	(0.48)	(0.36)
Add: ESOPs/ ESAR cost reversed	0.05	0.17
Amount available for appropriation (a)	279.26	255.54
Appropriations:		
Interim dividend on equity shares	-	(46.98)
Transfer to Statutory Reserve	(17.92)	(18.46)
Appropriations (b)	(17.92)	(65.44)
Total IV - (a - b)	261.34	190.10
Total = (I+II+III+IV)	1,175.91	889.25



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)
(Currency : Indian rupees in crore)

	For the year ended March 31, 2026	For the year ended March 31, 2025
24. Interest Income		
On Financial assets measured at amortised cost		
Interest income on Loans	404.77	358.34
Interest income on fixed deposits with Bank	1.85	1.93
Interest income from debt securities held till maturity	14.19	5.72
Other interest income		
- On margin with brokers	0.02	0.09
- On others	1.08	1.10
On Financial assets measured at fair value through profit or loss		
Interest income from debt securities held for trading	62.71	35.38
	484.62	402.56
25. Dividend Income		
Dividend on securities held for trading	1.73	0.35
	1.73	0.35
26. Fee and commission income		
Service transferred at a point in time:		
Advisory Fees	11.35	8.54
Service transferred over time:		
Platform Usage Fees	0.15	0.09
	11.50	8.63
27. Net gain/(loss) on fair value changes		
Net gain/ (loss) on financial instruments at fair value through profit or loss		
On securities held for trading	268.25	233.05
On derivative financial instruments	(37.79)	(12.29)
	230.46	220.76
Fair value changes		
Realised	247.79	210.92
Unrealised	(17.33)	9.84
	230.46	220.76
28. Other income		
Profit on sale of property, plant and equipment (net)	0.07	-
Interest on income tax refund	0.43	-
Penal Charges	0.21	0.37
Other	-	0.01
	0.71	0.38



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)

(Currency : Indian rupees in crore)

	For the year ended March 31, 2026	For the year ended March 31, 2025
29. Finance costs		
On Financial Liabilities measured at amortised cost		
Interest on borrowings		
- Interest on collateralised borrowing and lending operations	8.98	11.25
- Interest on Term Loan	11.57	3.99
- Discount charges on commercial Papers	64.54	64.41
Interest on Redeemable non-convertible debentures	291.08	231.11
Other Finance cost		
- Finance and bank charges	10.25	14.21
- Collateralised borrowing and lending charges	1.83	1.47
	388.25	326.44
30. Impairment on financial instruments		
Loans	8.25	0.65
Receivables	(2.91)	0.37
Security Deposits	(0.02)	0.03
Investments/ Securities held for Trading	-	(0.42)
Bad Debts	0.44	-
	5.76	0.63
31. Employee benefits expense		
Salaries, wages and bonus	109.58	96.16
Contribution to provident and other funds	6.76	4.82
Share based payments to employees	2.04	1.21
Staff welfare expenses	5.09	4.48
	123.47	106.67

Notes:

Nuvama Wealth Management Limited ("NWML") and Edelweiss Financial Services Limited (Company having significant influence over the holding company till March 30, 2023, "EFSL") has Employee Stock Option Plans (ESOP) & Stock Appreciation Rights Plans (SAR) in force. Based on such ESOP/SAR schemes, NWML and EFSL has granted an ESOP/SAR option to acquire equity shares of NWML and EFSL that would vest in a graded manner to Company's employees. Based on group policy / arrangement, NWML and EFSL has charged the fair value of such stock options, Company has accepted such cross charge and recognised amount of Rs. 2.04 crore and the same is disclosed under the employee benefit expense.

Effective 21 November 2025, The Government of India has consolidated multiple existing labour legislations into a unified framework comprising four Labour Codes collectively referred to as the 'New Labour Codes'. Under Ind AS 19, changes to employee benefit plans arising from legislative amendments constitute a plan amendment, requiring recognition of past service cost immediately in the Statement of Profit and Loss.

Pursuant to the notified provisions of the Code on Social Security, 2020, the Company has reassessed its employee benefit obligations and consequently, based on actuarial valuation and management's best estimates, the Company has recognised an incremental expense of Rs. 1.86 crore (including Rs.1.74 crore as past service cost) during the year. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)
(Currency : Indian rupees in crore)

31. Employee benefits expense (continued)

a) Defined contribution plan - provident funds

Amount of Rs.3.54 crore (March 31,2025: Rs. 3.54 crore) is recognised as expenses and included in "Employee benefits expense". (refer note 31).

b) Defined benefit plan - gratuity

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2026. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date.

Reconciliation of Defined Benefit Obligation (DBO)

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Present Value of DBO at Start of the year	9.56	7.63
<i>Service Cost</i>		
a.Current Service Cost	1.18	1.01
b.Past Service Cost	1.74	-
c.Loss/(Gain) from Settlement		
Interest Cost	0.58	0.55
Benefits Paid	(0.67)	(0.60)
Re-measurements		
a.Actuarial Loss/(Gain) from changes in demographic assumptions	0.02	0.04
b.Actuarial Loss/(Gain) from changed in financials assumptions	-	0.19
c.Actuarial Loss/(Gain) from experience over last past year	0.10	0.34
Effect of acquisition / (divestiture)		
Changes in foreign exchange rate		
Transfer In / (Out)	(0.57)	0.40
Present Value of DBO at end of the year	11.94	9.56

Reconciliation of Fair Value of Plan Assets

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Fair Value of Plan Assets at start of the year	8.22	6.86
<i>Contributions by Employer</i>	2.01	1.37
Benefits Paid	(0.67)	(0.60)
Interest Income Plan Assets	0.58	0.50
Re-measurements		
Return on plan assets excluding amount including in net interest on the net defined benefit liability / (asset)	(0.52)	0.09
Effect of acquisition / (divestiture)		
Changes in foreign exchange rate		
Fair Value of Plan Assets at end of the year	9.62	8.22
<i>Actual Return on Plan Assets</i>	0.06	0.59
<i>Expected Employer Contributions for the coming year</i>	2.30	1.35



Nuvama Wealth Finance Limited

Notes to Financial Statements (continued)

(Currency : Indian rupees in crore)

Expenses recognised in the Profit and Loss Account

Particulars	For the year ended	For the year ended
	March 31, 2026	March 31, 2025
<i>Service Cost</i>		
a.Current Service Cost	1.18	1.01
b.Past Service Cost	1.74	-
c.Loss/(Gain) from Settlement		-
Net Interest on net defined benefit liability / (asset)^	0.00	0.05
Changes in foreign exchange rate		-
Employer Expenses	2.92	1.06

Net Liability / (Asset) recognised in the Balance sheet

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Present Value of DBO	11.94	9.56
Fair Value of Plan Assets	9.62	8.22
Liability / (Asset) recognised in the Balance Sheet	2.32	1.34
Funded Status [Surplus/ (Deficit)]	(2.32)	(1.34)
Less: Amount not recognized as asset [Effect of limiting net assets to asset ceiling]	-	-
(Liability) / Asset recognised in the Balance Sheet	(2.32)	(1.34)
Of which, Short term Liability	-	-
Experience Adjustment on Plan Liabilities:(Gain)/Loss	0.10	0.34

Percentage Break-down of Total Plan Assets

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Equity instruments	-	-
Debt instruments	-	-
Real estate	-	-
Derivatives	-	-
Investment Funds with Insurance Company	99.88%	99.86%
Of which, Unit Linked	99.88%	99.86%
Of which, Traditional/ Non-Unit Linked	-	-
Asset-backed securities	-	-
Structured debt	-	-
Cash and cash equivalents	0.12%	0.14%
Total	100%	100%

Actuarial assumptions:

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Salary Growth Rate (% p.a)	7.00%	7.00%
Discount Rate (% p.a)	6.40%	6.40%
Withdrawal Rate (% p.a)	17.00%	19.00%
Mortality Rate	IALM 2012-14 (Ultimate)	IALM 2012-14 (Ultimate)
Interest Rate on Net DBO / (Asset) (% p.a)	6.40%	6.90%
Expected weighted average remaining working life (years)	4	4



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)

(Currency : Indian rupees in crore)

Movement in Other Comprehensive Income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Balance at start of year (Loss)/ Gain	(1.53)	(1.05)
<i>Re-measurements on DBO</i>		
a. Actuarial Loss/(Gain) from changes in demographic assumptions	(0.02)	(0.04)
b. Actuarial Loss/(Gain) from changed in financials assumptions	-	(0.19)
c. Actuarial Loss/(Gain) from experience over last past year	(0.10)	(0.34)
<i>Re-measurements on Plan Assets</i>		
Return on plan assets excluding amount including in net interest on the net defined benefit liability / (asset)	(0.52)	0.09
<i>Re-measurements on asset ceiling</i>		
Changes in the effect of limiting a net defined benefit asset to the asset ceiling	-	-
excluding amount included in net interest on the net defined benefit liability/ (asset)		
Balance at end of year (Loss)/ Gain	(2.17)	(1.53)

Sensitivity Analysis

Particulars	As at March 31, 2026	As at March 31, 2025
DBO increases / (decreases) by		
1 % Increase in Salary Growth Rate	0.55	0.43
1 % Decrease in Salary Growth Rate	(0.51)	(0.42)
1 % Increase in Discount Rate	(0.51)	(0.42)
1 % Decrease in Discount Rate	0.56	0.43
1 % Increase in Withdrawal Rate	(0.03)	(0.03)
1 % Decrease in Withdrawal Rate	0.04	0.03
Mortality (Increase in expected lifetime by 1 year)^	0.00	0.00
Mortality (Increase in expected lifetime by 3 year)^	0.00	0.00

Note: The sensitivity is performed on the DBO at the respective valuation date by modifying one parameter whilst retaining other parameters constant there are no changes from the previous year to the methods and assumptions underlying the sensitivity analyses.

Movement in Surplus / (Deficit)

Particulars	As at March 31, 2026	As at March 31, 2025
Surplus / (Deficit) at start of year	(1.34)	(0.77)
Net (Acquisition) / Divestiture		
Net Transfer (In)/ Out	0.57	(0.40)
<i>Movement during the year</i>		
Current Service Cost	(1.18)	(1.01)
Past Service Cost	(1.74)	
Net Interest on net DBO^	(0.00)	(0.05)
Changes in foreign exchange rate		
Re-measurements	(0.64)	(0.48)
Contributions / Benefits	2.01	1.37
Surplus / (Deficit) at end of year	(2.32)	(1.34)

c) Compensated absences

The Company recognises the liability for accumulated compensated absences as at the balance sheet date using the projected unit credit method, based on actuarial valuation and assumptions consistent with those used for gratuity valuation. The liability for compensated absences as at March 31, 2026 amounts to Rs. 1.57 crore (March 31, 2025: Rs. 1.57 crore).

^ 0.00 refers to amount less than Rs. 0.01 crore



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)

(Currency : Indian rupees in crore)

	For the year ended March 31, 2026	For the year ended March 31, 2025
32. Other expenses		
Advertisement and business promotion	1.59	0.80
Auditors' remuneration (refer note 32.A)	0.28	0.27
Clearing and custodian charges	0.64	0.71
Commission paid to Directors	0.53	0.50
Communication	1.27	1.43
Compensation paid to client	1.86	-
Computer expenses	8.84	5.96
Computer software expenses	1.98	1.99
Corporate social responsibility (refer note 32.B)	2.28	1.86
Dematerialisation charges	0.18	0.06
Directors' sitting fees	0.49	0.60
Goods and Service tax expenses	6.15	5.21
Insurance	0.07	0.05
Legal and professional fees	3.11	2.60
Membership and subscription	0.82	0.93
Miscellaneous expenses	0.02	0.02
Office expenses	3.13	3.40
Outside Services - Others	1.04	0.89
Postage and courier^	0.00	0.03
Printing and stationery	0.08	0.03
Rates and taxes	0.03	0.02
Rating support fees	0.77	0.57
Rent (refer note 32.C)	11.10	10.93
Securities transaction tax	4.73	7.19
Seminar and Conference^	0.00	0.01
Stamp duty	1.17	1.15
Stock exchange expenses	1.99	2.73
Travelling and conveyance	4.08	4.28
	58.23	54.22
32.A Auditors' remuneration:		
As a Auditor		
Audit fees	0.12	0.11
Limited Review	0.13	0.12
Other services including certification work	0.02	0.02
Reimbursement of expenses	0.01	0.02
	0.28	0.27
32.B Details of Corporate Social Responsibility Expenditure:		
a) Amount required to be spent by the Company during the year	2.27	1.84
b) Amount of expenditure incurred	2.28	1.86
c) Shortfall at the end of the year	-	-
d) Total of Previous Year's shortfall	-	-
e) Reason for shortfall	NA	NA
	(i)- Education	(i)- Education
	(ii)- Well-being and Skill Development	(ii)- Well-being and Skill Development
	(iii) Environmental Sustainability	(iii) Environmental Sustainability
f) Nature of CSR activities		
Administrative cost towards CSR incurred included in above paid to fellow subsidiary	0.11	0.09
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	NA	NA

^ 0.00 refers to amount less than Rs. 0.01 crore



Nuvama Wealth Finance Limited

Notes to Financial Statements (continued)

(Currency : Indian rupees in crore)

32.C Operating leases

The Company has taken premises on operating lease on cancellable basis. The terms of renewal and escalation clauses are those normally prevalent in similar agreement. There are no undue restrictions or onerous clauses in the agreement. Rental expenses for the year aggregated to Rs. 9.05 crore (March 31, 2025 Rs.9.17 crores) which has been included under the head Other expenses – Rent in the statement of profit and loss.

32.D Cost sharing

Nuvama Wealth Management Limited, being the holding company along with fellow subsidiaries incurs expenditure like common senior management compensation cost, Group mediclaim, etc. which is for the common benefit of itself and its certain subsidiaries including the Company. This cost so expended is reimbursed by the Company on the basis of number of employees, time spent by employees of other companies, actual identifications etc. On the same lines, costs like rent, electricity charges incurred by the Company for the benefit of fellow subsidiaries and associate companies (if any) are recovered as reimbursement by the Company from the subsidiaries and associate companies on similar basis. Accordingly, and as identified by the management, the expenditure heads in note 31 and 32 include reimbursements paid and are net of the reimbursements received based on the management's best estimate for which details are available in Note- 39.



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)
(Currency : Indian rupees in crore)

	For the year ended March 31, 2026	For the year ended March 31, 2025
33. Income Tax		
33.A Component of Income Tax Expenses		
Current tax	36.32	29.91
Adjustment in respect of current income tax of prior years	0.06	0.17
Deferred tax relating to temporary differences	(5.49)	1.45
Total Tax Charge for the year	30.89	31.53
Current Tax	36.38	30.08
Deferred Tax	(5.49)	1.45
33.B Reconciliation of total tax charge		
Profit / (Loss) before Taxes	120.48	123.83
Statutory Income Tax rate	25.17%	25.17%
Tax Charge at Statutory Rate	30.32	31.16
Adjustment in respect of current income tax of prior years	0.06	0.17
Non deductible expenses		
Interest on shortfall of advance tax^	0.00	0.01
Corporate social responsibility - Donation expense	0.57	0.47
Others	(0.06)	(0.28)
Total tax expenses reported in Statement of Profit and Loss	30.89	31.53
Effective Income Tax Rate	25.64%	25.46%

^ 0.00 refers to amount less than Rs. 0.01 crore



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)
(Currency : Indian rupees in crore)

33.C Movement of Deferred Tax assets/(Liabilities)

Financial year 2025-26	Movement for the Financial year 2025-26					
	As on April 1, 2025	Recognised in profit or loss (expense)/Income	Recognised in OCI	Recognised in other equity	Others	Total movement
Deferred tax assets						
Unrealised loss on Derivatives	5.35	(1.85)	-	-	-	(1.85)
Employee benefits obligations	0.39	-	-	-	-	-
Expected credit loss provision	4.03	1.34	-	-	-	1.34
Deferred tax liabilities						
Property, Plant and Equipment & Intangible assets [^]	0.00	(0.03)	-	-	-	(0.03)
Fair valuation of investments and securities held for trading - gain in valuation	(1.84)	1.59	-	-	-	1.59
Unrealised gain on derivatives	(7.04)	4.01	-	-	-	4.01
Unamortised Processing Fees (EIR)	(0.68)	0.43	-	-	-	0.43
Deferred tax assets / (Liabilities) (net)	0.21	5.49	-	-	-	5.49
						5.70

Financial year 2024-25	Movement for the Financial year 2024-25					
	As on April 1, 2024	Recognised in profit or loss (expense)/Income	Recognised in OCI	Recognised in other equity	Others	Total movement
Deferred tax assets						
Property, Plant and Equipment & Intangible assets [^]	0.02	(0.02)	-	-	-	(0.02)
Unrealised loss on Derivatives	1.35	4.00	-	-	-	4.00
Employee benefits obligations	0.28	0.11	-	-	-	0.11
Expected credit loss provision	3.77	0.26	-	-	-	0.26
Diminution in value of Investments	0.10	(0.10)	-	-	-	(0.10)
Deferred tax liabilities						
Fair valuation of investments and securities held for trading - gain in valuation	(0.55)	(1.29)	-	-	-	(1.29)
Unrealised gain on derivatives	(1.69)	(5.35)	-	-	-	(5.35)
Unamortised Processing Fees (EIR)	(1.62)	0.94	-	-	-	0.94
Deferred tax assets / (Liabilities) (net)	1.66	(1.45)	-	-	-	(1.45)
						0.21

[^] 0.00 refers to amount less than Rs. 0.01 crore



Nuvama Wealth Finance Limited**Notes to Financial Statements (continued)**

(Currency : Indian rupees in crore)

34. Earnings per Share

Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company with the weighted average number of equity shares outstanding during the year adjusted for assumed conversion of all dilutive potential equity shares.

		For the year ended March 31, 2026	For the year ended March 31, 2025
Net profit / (loss) attributable to Equity holders of the Company	(A)	89.59	92.30
Weighted average Number of Shares			
- Number of equity shares outstanding at the beginning of the year		1,14,59,105.00	1,14,59,105.00
- Number of equity shares issued during the year		25,00,000.00	-
Total number of equity shares outstanding at the end of the year		1,39,59,105.00	1,14,59,105.00
Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	(B)	1,24,31,707.74	1,14,59,105.00
Basic and diluted earnings per share (in rupees)	(A / B)	72.07	80.55

The basic and diluted earnings per share are the same as there are no dilutive/ potential equity shares issued or outstanding as at the end of the year.

35. Contingent Liability and Capital Commitment:

In the ordinary course of business, the Company faces claims and assertions by various parties. The Company assesses such claims and assertions and monitors the legal environment on an ongoing basis, with the assistance of external legal counsel, wherever necessary. The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

35.01 Contingent Liability

	As at March 31, 2026	As at March 31, 2025
Taxation matters related to income tax for various Assessment years in respect of which appeal is pending	3.18	4.15
Civil Suit pending in High Court of Madras	0.25	0.25

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, The 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.

The Company believes that the outcome of these proceedings, based on preceding year favourable tax order will not have a materially adverse effect on the Company's subsequent assessment orders on the same issues, financial position and results of operations.

35.02 Capital Commitment

	As at March 31, 2026	As at March 31, 2025
a) Uncalled liabilities on non-current investments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	0.24	-



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)
(Currency : Indian rupees in crore)

36. Segment Reporting

Primary Segment (Business segment)

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

Segment	Activities covered
Wealth management	Wealth Management business includes lending against securities , distribution and dealing in financial products for clients.
Capital market	Capital Market business includes debt advisory and related activities.

Income for each segment has been specifically identified. Expenditure, assets and liabilities are either specifically identified with individual segments or have been allocated to segments on a systematic basis. Based on such allocations, segment disclosures relating to revenue, results, assets and liabilities have been prepared.

Secondary Segment

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

Segment information for the Year ended March 31, 2026

Particulars	Wealth Management	Capital Market	Unallocated	Total
Segment revenues	617.48	105.42	6.12	729.02
Segment results	112.33	6.23	1.92	120.48
Segment assets	6,544.00	679.36	17.73	7,241.09
Segment liabilities	5,468.19	579.35	3.68	6,051.22

Segment information for the Year ended March 31, 2025

Particulars	Wealth Management	Capital Market	Unallocated	Total
Segment revenues	550.11	79.27	3.30	632.68
Segment results	117.46	2.07	4.30	123.83
Segment assets	4,417.52	318.75	17.83	4,754.10
Segment liabilities	3,590.19	260.39	2.81	3,853.39

37. Cash Flow Disclosure : Change in Liabilities arising from financing activities

Particulars	As at April 01, 2025	Cash Flows(Net)	Changes in Fair value*	Other	As at March 31, 2026
Debt Securities	3,614.40	1,889.64	245.03	-	5,749.07
Borrowings (other than debt securities)	113.55	(28.57)	-	-	84.98
Proceeds from issuance of Share capital (including Securities Premium)	-	200.00	-	-	200.00
	3,727.95	2,061.07	245.03	-	6,034.05

Particulars	As at April 01, 2024	Cash Flows(Net)	Changes in Fair value*	Other	As at March 31, 2025
Debt Securities	3,122.44	428.35	63.61	-	3,614.40
Borrowings (other than debt securities)	66.04	47.51	-	-	113.55
Dividend Paid on equity share	-	(46.98)	-	-	(46.98)
	3,188.48	428.88	63.61	-	3,680.97

* Change in fair value on account of embedded derivatives in market-linked debentures



Nuvama Wealth Finance Limited

Notes to Financial Statements (continued)

(Currency : Indian rupees in crore)

38. Maturity Analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Securities held for trading have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the company uses the same basis of expected repayment behaviour as used for estimating the EIR.

Particulars	As at March 31, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial Assets						
Cash and cash equivalents	130.32	-	130.32	315.48	-	315.48
Bank balances other than cash and cash equivalents	4.62	-	4.62	19.40	-	19.40
Derivative financial instruments	139.78	301.71	441.49	119.72	88.85	208.57
Securities held for trading	1,160.25	-	1,160.25	833.27	-	833.27
Trade receivables	47.06	-	47.06	76.17	-	76.17
Other receivables	5.51	-	5.51	0.05	-	0.05
Loans	2,415.76	2,768.64	5,184.40	3,170.87	-	3,170.87
Investments	49.05	158.55	207.60	97.70	-	97.70
Other financial assets	30.11	7.12	37.23	3.99	6.60	10.59
Non-financial assets						
Current tax assets (net)	-	11.09	11.09	-	16.72	16.72
Deferred tax assets (net)	-	5.70	5.70	0.21	-	0.21
Property, Plant and Equipment	-	0.25	0.25	-	0.26	0.26
Intangible assets under development	-	0.08	0.08	-	-	-
Other Intangible assets	-	0.04	0.04	-	0.07	0.07
Other non- financial assets	3.56	1.89	5.45	3.11	1.63	4.74
Total Assets	3,986.02	3,255.07	7,241.09	4,639.97	114.13	4,754.10
Financial Liabilities						
Derivative financial instruments	43.80	8.65	52.45	34.70	11.03	45.73
Trade payables	83.67	-	83.67	13.01	-	13.01
Debt securities	2,975.87	2,773.20	5,749.07	1,171.35	2,443.05	3,614.40
Borrowings (other than debt securities)	84.98	-	84.98	23.32	90.23	113.55
Other financial liabilities	69.28	-	69.28	54.30	-	54.30
Non-financial liabilities						
Current tax liabilities (net)	2.79	-	2.79	1.92	-	1.92
Provisions	3.89	0.90	4.79	1.57	2.24	3.81
Other non-financial liabilities	3.77	0.42	4.19	6.65	0.02	6.67
Total Liabilities	3,268.05	2,783.17	6,051.22	1,306.82	2,546.57	3,853.39
Net Assets	717.97	471.90	1,189.87	3,333.15	(2,432.44)	900.71



Nuvama Wealth Finance Limited
(Currency : Indian rupees in crore)

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 :

39.

i. List of related parties and relationship For Financial Year 2025-26:

Relationship	Name of related parties
Ultimate Holding Company	PAGAC Escstasy Pte Limited
Holding Company	Nuvama Wealth Management Limited
Fellow entity of the ultimate Holding Company	Asia Pragati Strategic Investment Fund
Fellow Subsidiaries (with whom transaction have taken place during FY 2025-26)	Nuvama Clearing Services Limited Nuvama Asset Management Limited Nuvama Wealth and Investment Limited
Associate of Holding Company (with whom transaction have taken place during FY 2025-26)	Nuvama Custodial Services Limited
Key Management Personnel and Directors	Mr. Ramesh Abhishek (Non-executive Director) Mr. Nikhil Srivastava (Non-executive Director) Mr. Ashish Kehair (Non- executive Director) Mr. Birendra Kumar (Independent Director) Mr. Kamlesh Vikamsey (Independent Director) Mr. Tushar Agrawal (Executive Director and Chief Executive Officer) Ms. Akshaya Mishra (Non-executive Director) Mr. Sankarson Banerjee (Independent Director) Mr. Bharat Kalsi (Chief Financial Officer) upto May 31, 2025 Ms. Gitanjali Made (Chief Financial Officer) w.e.f. June 01, 2025 Ms. Pooja Doshi (Company Secretary)



Nuvama Wealth Finance Limited
(Currency : Indian rupees in crore)

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 :

i. List of related parties and relationship For Financial Year 2025-26:

Relationship	Name of related parties
Key Management Personnel and Directors of Holding Company	Mr. Ashish Kehair (Managing Director and Chief Executive Officer) Mr. Shiv Shegal (Executive Director) Mr. Anthony Miller (Non- executive Director) upto May 20, 2025 Mr. Aswin Vikram (Non- executive Director) Mr. Nikhil Srivastava (Non-executive Director) Ms. Anisha Motwani (Independent Director) Mr. Birendra Kumar (Independent Director) Mr. Sameer Kaji (Independent Director) Mr. Kamlesh Shivji Vikamsey (Independent Director) Mr. Bharat Kalsi (Chief Financial Officer) Ms. Sneha Patwardhan (Company Secretary)
Relatives of Key Management Personnel and Directors (with whom transaction have taken place during FY 2025-26)	Mr. Pravin Vrindavandas Agrawal Ms. Sarita Pravin Agrawal Ms. Neha Tushar Agrawal
Relatives of Key Management Personnel and Directors of Holding Company (with whom transaction have taken place during FY 2025-26)	Ms. Ranya Aswin



Nuvama Wealth Finance Limited
(Currency : Indian rupees in crore)

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 : (continued)

i. List of related parties and relationship For Financial Year 2024-25:

Relationship	Name of related parties
Ultimate Holding Company	PAGAC Escstasy Pte Limited
Holding Company	Nuvama Wealth Management Limited
Fellow entity of the ultimate Holding Company	Asia Pragati Strategic Investment Fund
Fellow Subsidiaries (with whom transaction have taken place during FY 2024-25)	Nuvama Clearing Services Limited Nuvama Asset Management Limited Nuvama Wealth and Investment Limited
Associate of Holding Company (with whom transaction have taken place during FY 2024-25)	Nuvama Custodial Services Limited
Key Management Personnel and Directors	Mr. Ramesh Abhishek (Non-executive Director) Mr. Nikhil Srivastava (Non-executive Director) Mr. Ashish Kehair (Non- executive Director) Mr. Birendra Kumar (Independent Director) Mr. Kamlesh Vikamsey (Independent Director) w.e.f August 01, 2023 Mr. Tushar Agrawal (Executive Director and Chief Executive Officer) Ms. Akshaya Mishra (Non-executive Director) w.e.f February 01, 2024 Mr. Sankarson Banerjee (Independent Director) w.e.f March 15, 2024 Mr. Manishkumar Jain (Chief Financial Officer) upto June 03, 2024 Mr. Bharat Kalsi (Chief Financial Officer) w.e.f. August 26, 2024 Ms. Pooja Doshi (Company Secretary)



Nuvama Wealth Finance Limited
(Currency : Indian rupees in crore)

39. 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 : (continued)

i. List of related parties and relationship For Financial Year 2024-25:

Relationship	Name of related parties
Key Management Personnel and Directors of Holding Company	Mr. Ashish Kehair (Managing Director and Chief Executive Officer) Mr. Shiv Shegal (Executive Director) Mr. Anthony Miller (Non- executive Director) Mr. Aswin Vikram (Non- executive Director) Mr. Nikhil Srivastava (Non-executive Director) upto June 10, 2024 Mr. Ramesh Abhishek (Non-executive Director) Ms. Anisha Motwani (Independent Director) Mr. Birendra Kumar (Independent Director) Mr. Navtej S. Nandra (Independent Director) upto August 05, 2024 Mr. Sameer Kaji (Independent Director) Mr. Kamlesh Shivji Vikamsey (Independent Director) Mr. Mihir Nanavati (Chief Financial Officer) upto May 14, 2024 Mr. Bharat Kalsi (Chief Financial Officer) w.e.f. May 15, 2024 Ms. Sheha Patwardhan (Company Secretary)
Relatives of Key Management Personnel and Directors of Holding Company (with whom transaction have taken place during FY 2024-25)	Ms. Ranya Aswin Ms. Sarita Pravin Agrawal Ms. Priya Kehair Svastha Consulting LLP



Nuvama Wealth Finance Limited

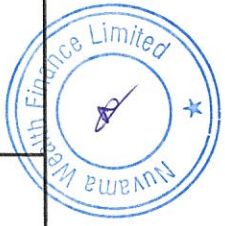
(Currency: Indian Rupees in Crore)

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 : (continued)

39

List of related parties transactions and balances

Name of the related party	Nature of Transactions	Amount of transaction as on March 31, 2026	Amount of transaction as on March 31, 2025
Transactions Nuvama Wealth and Investment Limited	Loans given (refer note 1) Repayment of loans (refer note 1) Maximum Loan Outstanding during the period (refer note 4) Interest income on loan given^ Purchase of securities held for trading Sale of securities held for trading Margin placed (refer note 2) Margin refund received (refer note 2) Maximum margin outstanding during the period Interest received on debt instruments Shared premises cost Cost reimbursements paid (others) Cost reimbursements received (others) Commission and brokerage including other charges paid	115.00 115.00 - 0.00 793.74 799.47 2,035.12 2,075.09 59.92 0.35 4.02 0.11 4.69 1.63	1,417.76 1,417.76 120.00 0.35 1,058.31 839.74 128.68 133.69 8.94 0.84 3.73 0.10 0.02 1.00
Nuvama Custodial Services Limited	Loans given (refer note 1) Repayment of loans (refer note 1) Maximum Loan Outstanding during the period Interest income on loan given Cost reimbursements paid (others) Cost reimbursements received (others) Shared premises - rent income	502.55 502.55 76.00 1.70 2.76 - 0.12	62.05 62.05 35.00 0.04 - 0.08 -
Nuvama Wealth Management Limited	Loans given (refer note 1) Repayment of loans (refer note 1) Maximum Loan Outstanding during the period (refer note 4) Interest income on loan given^ Margin placed (refer note 2) Margin refund received (refer note 2) Maximum margin outstanding during the period Corporate cost allocation Shared premises cost Other Reimbursements (ESOP & SAR) paid Cost reimbursements paid (others) Cost reimbursements received (others)^ Commission and brokerage including other charges paid^ Brand Usage fees paid Issue of equity share capital (including securities premium) Interim Dividend on Equity Shares	400.00 400.00 - 0.00 - - 8.78 4.70 1.97 0.35 0.00 - 0.64 200.00 -	1,898.05 1,898.05 25.00 0.09 66.43 68.43 4.50 7.33 4.21 1.16 0.35 0.00 0.00 - - 46.98



Nuvama Wealth Finance Limited

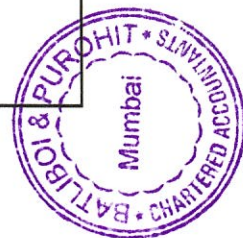
(Currency: Indian Rupees in Crore)

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 : (continued)

39

List of related parties transactions and balances

Name of the related party	Nature of Transactions	Amount of transaction as on March 31, 2026	Amount of transaction as on March 31, 2025
Nuvama Clearing Services Limited	Loans given (refer note 1)	-	2,835.16
	Repayment of loans (refer note 1)	-	2,835.16
	Maximum Loan Outstanding during the period	-	50.00
	Interest income on loan given	-	0.02
	Margin placed (refer note 2)	2,167.06	3,029.81
	Margin refund received (refer note 2)	2,143.32	3,070.39
	Maximum margin outstanding during the period	92.98	99.12
	Interest received on margin	0.02	0.09
	Shared premises cost	-	0.68
	Cost reimbursements received (others)	-	0.14
	Clearing charges and other charges paid	0.54	0.80
	Shared premises - rent income	0.47	-
	Loans given (refer note 1)	65.04	17.00
Nuvama Asset Management Limited	Repayment of loans (refer note 1)	65.04	17.00
	Maximum Loan Outstanding during the period	7.10	10.00
	Interest income on loan given	0.11	0.03
	Other Fees Paid	9.99	10.23
	Cost reimbursements received (others)	-	0.00
	Commission and brokerage paid to	-	-
	Loan Given including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	6.04	7.89
	Loan repaid including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	8.36	4.50
	Maximum Loan Outstanding during the period	3.88	3.71
	Interest income on loan given KMP, its Relative and its entity in which KMP/ Relative has substantial Interest	0.22	0.17
	Purchase of securities held for trading	0.34	-
	Sale of securities held for trading	1.40	1.39
Mr. Tushar Agrawal	Loan Given including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	19.68	-
	Loan repaid including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	19.68	-
	Maximum Loan Outstanding during the period	13.00	-
	Interest income on loan given KMP, its Relative and its entity in which KMP/ Relative has substantial Interest	0.08	-
	Sale of securities held for trading	0.75	-
Mr. Ashish Kehair	Loan Given including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	19.68	-
	Loan repaid including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	19.68	-
	Maximum Loan Outstanding during the period	13.00	-
	Interest income on loan given KMP, its Relative and its entity in which KMP/ Relative has substantial Interest	0.08	-
	Sale of securities held for trading	0.75	-



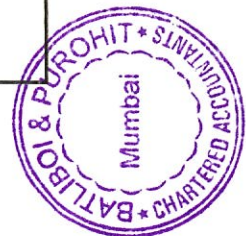
Nuvama Wealth Finance Limited

(Currency: Indian Rupees in Crore)

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 : (continued)

List of related parties transactions and balances

Name of the related party	Nature of Transactions	Amount of transaction as on March 31, 2026	Amount of transaction as on March 31, 2025
Ms. Neha Tushar Agrawal	Sale of securities held for trading	0.25	-
Ms. Sarita Pravin Agrawal	Sale of securities held for trading	0.09	-
Svastha Consulting LLP	Sale of securities held for trading	-	0.71
Priya Kehair	Sale of securities held for trading	-	0.67
Key Management Personnel (KMP)	Remuneration to Key Management Personnel (Refer Note 3)	2.63	2.09
Mr. Birendra Kumar	Sitting fees paid to non executive director	0.15	0.20
	Commission paid to non executive director	0.08	-
Mr. Ramesh Abhishek	Sitting fees paid to non executive director	0.12	0.15
	Commission paid to non executive director	0.25	0.25
Mr. Kamlesh Shivji Vikamsey	Sitting fees paid to non executive director	0.13	0.17
	Commission paid to non executive director	0.05	-
Mr. Sankarson Banerjee	Sitting fees paid to non executive director	0.08	0.08
	Commission paid to non executive director	0.15	0.25
Balances			
Nuvama Wealth and Investment Limited	Trade and Other Payables	0.53	0.38
	Debt securities held	0.17	2.89
	Securities held for trading - Debentures	0.67	8.94
	Accrued interest income on debentures^	0.00	0.05
	Trade & other receivables	5.44	0.06
	Margin Placed with Brokers	10.80	3.63
Nuvama Custodial Services Limited	Trade and Other Payables^	0.00	0.00
	Trade & other receivables	0.02	0.01
Nuvama Wealth Management Limited	Trade and Other Payables	2.90	2.59
	Trade & other receivables	0.01	0.10
Nuvama Clearing Services Limited	Trade & other receivables	0.05	0.04
	Margin Placed with Brokers	16.25	-
	Margin Payable to Brokers	-	7.48
Nuvama Asset Management Limited	Trade and Other Payables	1.11	0.95
	Trade & other receivables^	-	0.00



Nuvama Wealth Finance Limited

(Currency: Indian Rupees in Crore)

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 : (continued)

List of related parties transactions and balances

Name of the related party	Nature of Transactions	Amount of transaction as on March 31, 2026	Amount of transaction as on March 31, 2025
Mr. Tushar Agrawal	Loan Given including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	1.54	3.86
	Debt securities held	-	0.10
Mr. Birendra Kumar	Commission payable to non executive director	0.08	-
Mr. Ramesh Abhishek	Commission payable to non executive director	0.25	0.25
Mr. Kamlesh Shivji Vikamsey	Commission payable to non executive director	0.05	-
Mr. Sankarson Banerjee	Commission payable to non executive director	0.15	0.25
Mr. Pravin Vrindavandas Agrawal	Debt securities held	0.11	0.11
Ms. Sarita Pravin Agrawal	Debt securities held	0.32	0.32
Ms. Ramya Aswin	Debt securities held	0.40	0.40
Off Balance sheet Balances			
Nuvama Wealth Management Limited	Corporate Guarantee availed	255.00	220.00
	- On Sanction basis		
	- On utilisation basis	85.00	113.20

₹0.00 refers to amount less than Rs. 0.01 crore

Note 1 : The intra group Company loans includes loans in the nature of demand loans and revolving credit facility . Loan given/taken to/from parties are disclosed based actual amount/ given/taken during the reporting period.

Note 2 : Margin paid with and Margin refund received from brokers are disclosed based on actual amount/ placed/refunded during the reporting period.

Note 3 : Information relating to remuneration paid to key managerial person mentioned above excludes provision made for gratuity, leave encashment and performance bonus, which are provided on an overall basis. These are included on cash basis. Further, perquisites include company car and PF benefits, excluding those from ESOP exercise.

Note 4 : Nil Maximum Loan Outstanding during the period as intraday loan facility has been availed.

Note 5 : All above transactions are in the ordinary course of business and are at arms length price.



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)

(Currency : Indian rupees in crore)

40. Capital Management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements from its regulators and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Pillars of its policy are as follows:

- Maintain diversity of sources of financing and spreading the maturity across tenure buckets in order to minimize liquidity risk.
- Maintain investment grade ratings for all its liability issuances domestically and internationally by ensuring that the financial strength of the balance sheets is
- Manage financial market risks arising from interest rate, equity prices and minimise the impact of market volatility on earnings.
- Leverage optimally in order to maximise shareholder returns while maintaining strength and flexibility of balance sheet.

This framework is adjusted based on underlying macro-economic factors affecting business environment, financial market conditions and interest rates environment.

Regulatory Capital

The Company, being an NBFC, has to maintain a minimum capital to risk-weighted asset ratio of 15% in accordance with Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Directions, 2025 issued vide DOR.CAP.REC.264/21-01-002/2025-26 dated November 28, 2025.

The regulatory capital is computed as below:

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Capital Funds		
Net owned funds (Tier I capital)	1,166.35	885.60
Tier II capital	21.26	13.01
Total capital	1,187.61	898.61
Total risk weighted assets/ exposures	6,684.41	4,304.91
% of capital funds to risk weighted assets/exposures:		
Tier I capital	17.45%	20.57%
Tier II capital	0.32%	0.30%
Total capital Funds	17.77%	20.87%

No major changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)
(Currency : Indian rupees in crore)

41. Fair Value measurement

A. Valuation principles

Fair value 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 a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques:

Level 1 – valuation technique using quoted market price: Financial instruments with quoted prices for identical instruments in active markets that company can access at the measurement date.

Level 2 – valuation technique using observable inputs: 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 – valuation technique with significant unobservable inputs: Those that include one or more unobservable input that is significant to the measurement as whole.

Refer note 2.11 for more details on fair value hierarchy.

B. Valuation governance framework

The Company's fair value methodology and the governance over its models includes a number of controls and other procedures to ensure appropriate safeguards are in place to ensure its quality and adequacy. All new product initiatives (including their valuation methodologies) are subject to approvals by various functions of the Company including the risk and finance functions.

Where fair values are determined by reference to externally quoted prices or observable pricing inputs to models, independent price determination or validation is used. For inactive markets, Company sources alternative market information, with greater weight given to information that is considered to be more relevant and reliable.

The responsibility of ongoing measurement resides with the business and product line divisions. However finance department is also responsible for establishing procedures governing valuation and ensuring fair values are in compliance with accounting standards.

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

As at March 31, 2026	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Derivative financial instruments				
Embedded derivatives in market-linked debentures	-	-	334.60	334.60
Exchange traded derivatives (including Futures open position)	107.38	-	-	107.38
Total derivative financial instruments - A	107.38	-	334.60	441.98
Financial Assets held for trading				
Government Securities	286.33	-	-	286.33
Debt securities	538.02	150.27	-	688.29
Equity Shares^	-	0.00	-	0.00
Exchange traded fund/ Mutual funds	121.36	-	-	121.36
Alternate investment fund (AIF)	-	19.14	-	19.14
Infrastructure investment trusts (InvIT)	45.13	-	-	45.13
Total Financial assets held for trading - B	990.84	169.41	-	1,160.25
Total Financial assets measured at fair value (A+B)	1,098.22	169.41	334.60	1,602.23
Liabilities measured at fair value on a recurring basis				
Derivative financial instruments				
Embedded derivatives in market-linked debentures	-	-	20.66	20.66
Exchange traded derivatives (including Futures open position)	69.43	-	-	69.43
Total derivative financial instruments	69.43	-	20.66	90.09
Total Financial liabilities measured at fair value	69.43	-	20.66	90.09
As at March 31, 2025	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Derivative financial instruments				
Embedded derivatives in market-linked debentures	-	-	89.80	89.80
Exchange traded derivatives (including Futures open position)	98.23	28.72	-	126.95
Total derivative financial instruments - A	98.23	28.72	89.80	216.75
Financial Assets held for trading				
Government Securities	118.40	-	-	118.40
Debt securities	187.00	150.15	-	337.15
Equity Shares^	-	0.00	-	0.00
Exchange traded fund/ Mutual funds	354.73	-	-	354.73
Alternate investment fund (AIF)	-	1.74	-	1.74
Infrastructure investment trusts (InvIT)	21.25	-	-	21.25
Total Financial assets held for trading - B	681.38	151.89	-	833.27
Total Financial assets measured at fair value (A+B)	779.61	180.61	89.80	1,050.02
Liabilities measured at fair value on a recurring basis				
Derivative financial instruments				
Embedded derivatives in market-linked debentures	-	-	20.89	20.89
Exchange traded derivatives (including Futures open position)	41.81	0.82	-	42.63
Total derivative financial instruments	41.81	0.82	20.89	63.52
Total Financial liabilities measured at fair value	41.81	0.82	20.89	63.52

^ 0.00 refers to amount less than Rs. 0.01 crore



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)

(Currency : Indian rupees in crore)

D. Valuation techniques:

Government securities:

Government securities are financial instruments issued by sovereign governments and include long term bonds and short-term Treasury bills with fixed or floating rate interest payments. These instruments are generally highly liquid and traded in active markets resulting in a Level 1 classification.

Debt securities:

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

Equity instruments, units of mutual fund (MF), Exchange traded fund (ETF), Alternate Investment Funds (AIF) and Infrastructure investment trusts (InvIT):

The majority of equity instruments, ETF and units of InvITs are actively traded on stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1. Units held in MF are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are also classified as Level 1. Equity instruments in non-listed entities are initially recognised at transaction price and re-measured at each reporting date at valuation provided by external valuer at instrument level. Unlisted equity securities are classified at Level 2. AIF are measured based on their published net asset value (NAV) and classified as Level 2 as same is close ended fund and not actively traded.

Exchange traded derivatives:

Exchange traded derivatives includes index/stock options, index/stock/commodity futures and the company values these derivatives using exchange-traded prices and categorizes them as level 1 instruments, with the exception of derivatives which are consistently valued internally using observable inputs that are derived from observable market data and form the basis for the valuation and the same are being classified as Level 2.

Embedded derivative:

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.

The Company uses valuation models which calculate the present value of expected future cash flows, based upon 'no arbitrage' principles. Inputs to valuation models are determined from observable market (Indices) data wherever possible, including prices available from exchanges, dealers, brokers. company classify these embedded derivative as level 3 instruments.

E. There have been no transfers between levels during the year ended March 31, 2026 and March 31, 2025.

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

As at March 31, 2026

At April 1, 2025

Issuances

Settlements

Change in Value of the Options

As at March 31, 2026

As at March 31, 2025

At April 1, 2024

Issuances

Settlements

Change in Value of the Options

As at March 31, 2025

G. Fair value of financial instruments not measured at fair value

With respect to financial instruments not measured at fair value, their carrying amounts approximate fair value. Further financial instruments which are part of investments are valued at amortised cost which are held till maturity.

H. Valuation Methodologies of Financial Instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained in notes.

Short Term Financial Assets and Liabilities

Carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents, trade and other receivables, trade payables, Borrowings (other than debt securities) approximate the fair value because of their short-term nature. Difference between carrying amounts and fair values of other financials assets and other financial liabilities is not significant in each of the years presented.

Financial assets & liabilities at amortised cost

The fair values of financial assets & liabilities measured at amortised cost are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the counterparties' credit risk.

Issued debt securities

The fair value of issued debt is estimated by a discounted cash flow model.

Embedded derivative options		
Assets	Liabilities	Net balance
89.80	20.89	68.91
126.92	7.27	119.65
(0.94)	(9.86)	8.92
118.82	2.36	116.46
334.60	20.66	313.94

Embedded derivative options		
Assets	Liabilities	Net balance
82.96	77.66	5.30
31.80	-	31.80
(0.60)	(57.90)	57.30
(24.36)	1.13	(25.49)
89.80	20.89	68.91



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)

(Currency : Indian rupees in crore)

41. Fair Value measurement (Continued)

I. Impact on fair value of level 3 financial instrument of changes to key unobservable inputs

The below table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Company's Level 3 Instruments. The range of values indicates the highest and lowest level input used in the valuation technique and, as such, only reflects the characteristics of the instruments as opposed to the level of uncertainty to their valuation. Relationships between unobservable inputs have not been incorporated in this summary.

Type of Financial Instruments	Fair value of Assets as on March 31, 2026	Valuation Techniques	Significant Unobservable input	Range of estimates for unobservable input	Increase in the unobservable input	Change in fair value	Decrease in the unobservable input	Change in fair value
Embedded derivatives (net)	313.94	Fair value using Black Scholes model or Monte Carlo approach based on the embedded derivative	Nifty level	22,331.40	5% increase in Nifty Index curve	67.85	5% Decrease in Nifty Index curve	(80.44)
			Underlying discount rate	5.5% to 7%	1% increase in Risk-adjusted discount rate	26.30	1% Decrease in Risk-adjusted discount rate	(27.18)
			Gold level	1,46,919.00	5% increase in Gold rate	3.87	5% Decrease in Gold rate	(4.01)
			Underlying discount rate	5% to 6.5%	1% increase in Risk-adjusted discount rate	1.83	1% Decrease in Risk-adjusted discount rate	(1.90)
Embedded derivatives (net)	68.91	Fair value using Black Scholes model or Monte Carlo approach based on the embedded derivative	Nifty level	23,637.65	5% increase in Nifty Index curve	25.00	5% Decrease in Nifty Index curve	(33.20)
			Underlying discount rate	5.5% to 7%	1% increase in Risk-adjusted discount rate	9.70	1% Decrease in Risk-adjusted discount rate	(10.50)
			Gold level	88,384.00	5% increase in Gold rate	1.00	5% Decrease in Gold rate	(1.70)
			Underlying discount rate	5% to 6.5%	1% increase in Risk-adjusted discount rate	0.40	1% Decrease in Risk-adjusted discount rate	(0.50)



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)
(Currency : Indian rupees in crore)

42. Risk Management

42.A Introduction and risk profile

Risk is an inherent part of Company's business activities. When the Company extends a corporate or retail loan, buys or sells securities in market, or offers other products or services, the Company takes on some degree of risk. The Company's overall objective is to manage its businesses, and the associated risks, in a manner that balances serving the interests of its customers and investors and protects the safety and soundness of the Company.

The Company believes that effective risk management requires:

- 1) Acceptance of responsibility, including identification and escalation of risk issues, by all individuals within the Company;
- 2) Ownership of risk identification, assessment, data and management within each of the lines of business and Corporate; and
- 3) Firmwide structures for risk governance

The Company strives for continual improvement through efforts to enhance controls, ongoing employee training and development and other measures.

42.B Risk Management Structure

The Company has a well-defined risk management policy framework for risk identification, assessment and control to effectively manage risks associated with the various business activities. The risk function is monitored primarily by the business risk group. The Company has also established a Global Risk Committee that is responsible for managing the risk arising out of various business activities at a central level.

The Company's risk management policy ensures that the margin requirements are conservative to be able to withstand market volatility and scenarios of sharply declining prices. As a result, we follow conservative lending norms. The Company centralises the risk monitoring systems to monitor our client's credit exposure which is in addition to the monitoring undertaken by the respective businesses.

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

42.C Risk mitigation and risk culture

The Company's business processes ensure complete independence of functions and a segregation of responsibilities. Credit appraisal & credit control processes, centralised operations unit, independent audit unit for checking compliance with the prescribed policies and approving loans at transaction level as well as our risk management processes and policies allow layers of multiple checks and verifications. Our key business processes are regularly monitored by the head of our business or operations. Our loan approval and administration procedures, collection and enforcement procedures are designed to minimise delinquencies and maximise recoveries.

At all levels of the Company's operations, specifically tailored risk reports are prepared and distributed in order to ensure that all business divisions have access to extensive, necessary and up-to-date information.

It is the Company's policy that a monthly briefing is given to the Board of Directors and all other relevant members of the Company in the utilisation of market limits, proprietary investments and liquidity, plus any other risk developments.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits. Compliance breaches and internal audit findings are important elements of employees' annual ratings and remuneration reviews.



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)

(Currency : Indian rupees in crore)

42.D Types of Risks

The Company's risks are generally categorized in the following risk types:

Notes	Risks	Arising from	Measurement, monitoring and management of
42.D.1	Credit risk Credit risk is the risk of financial loss if a customer or counterparty fails to meet an obligation under a contract.	Arises principally from financing, dealing in Corporate Bonds, investments in Mutual Fund, Equity, but also from certain other products such as derivatives	Measured as the amount that could be lost if a customer or counterparty fails to make repayments; Monitored using various internal risk management measures and within limits approved by individuals within a framework of delegated authorities; and Managed through a robust risk control framework, which outlines clear and consistent policies, principles and guidance for risk managers.
42.D.2	Liquidity risk Liquidity risk is the risk that we do not have sufficient financial resources to meet our obligations as they fall due or that we can only do so at an excessive cost.	Liquidity risk arises from mismatches in the timing of cash flows. Arises when illiquid asset positions cannot be funded at the expected terms and when required.	Measured using a range of metrics, including Asset Liability mismatch, Debt Equity Ratio Regular monitoring of funding levels to ensure to meet the requirement for Business and maturity of our liabilities. Maintain diverse sources of funding and liquid assets to facilitate flexibility in meeting our liquidity requirements of the Company.
42.D.3	Market risk Market risk is the risk that movements in market factors, such as Interest rates, equity prices and Index prices, will reduce our income or the value of our portfolios.	Exposure to market risk is separated into two portfolios: trading and non-trading.	Measured using sensitivities, detailed picture of potential gains and losses for a range of market movements and scenarios. Monitored using measures, including the sensitivity of net interest income. Managed using risk limits approved by the risk management committee.

42.D.1 Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's Trade receivables and Loans. The Company has adopted a policy of dealing with creditworthy counterparties and obtains sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. In case the loans are to be restructured, similar credit assessment process is followed by the Company.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties/Groups (Single Borrowing Limit/Group Borrowing Limit) and for industry concentrations, and by monitoring exposures in relation to such limits.

Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Company and market intelligence. Outstanding customer receivables are regularly monitored. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

Derivative financial Instruments:

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet. With gross-settled derivatives, the Company is also exposed to a settlement risk, being the risk that the Company honours its obligation, but the counterparty fails to deliver the counter value.

Impairment Assessment:

The Company applies the expected credit loss model for recognising impairment loss. The expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The expected credit loss is a product of exposure at default, probability of default and loss given default. The Company has devised an internal model to evaluate the probability of default and loss given default based on the parameters set out in Ind AS. Accordingly, the loans are classified into various stages as follows:



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)
(Currency : Indian rupees in crore)

42. **Risk Management (continued)**

Internal rating grade	Internal grading description	Stages
Performing		
High grade	0 dpd to 30 dpd	Stage 1
Standard grade	31 to 90 dpd	Stage 2
Non-performing		
Individually impaired	90+ dpd	Stage 3

Credit loss is the difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Expected Credit Loss (ECL) computation is not driven by any single methodology, however methodology and approach used must reflect the following:

- 1) An unbiased and probability weighted amount that evaluates a range of possible outcomes
- 2) Reasonable and supportable information that is available without undue cost and effort at the reporting date about past events, current conditions and forecasts of future economic conditions;
- 3) Time value of money

While the time value of money element is currently being factored into ECL measurement while discounting cash flows by the Effective Interest Rate (EIR), the objective of developing a macroeconomic model using exogenous macroeconomic variables (MEVs) is to address the first two requirements. This has been achieved by using the model output to adjust the PD risk component in order to make it forward looking and probability-weighted.

Significant increase in credit risk (SICR)

The Company considers a financial instrument defaulted, classified as Stage 3 (credit-impaired) for ECL calculations, in all cases when the borrower becomes 90 days past due. Classification of assets from stage 1 to stage 2 has been carried out based on SICR criterion. Accounts which are more than 30 days past due have been identified as accounts where significant increase in credit risk has been observed. These accounts have been classified as Stage 2 assets. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate.

Probability of Default

Probability of default (PD) is an estimate of the likelihood of default over a given time horizon. Since the Company has nil historical default in its portfolio, PD calculation is a challenge basis default history of the company. Hence stage 1 PD has been considered from a Discussion Paper on "Introduction of Dynamic Loan Loss Provisioning Framework for Banks in India" by RBI in Mar 2012.

Loss Given Default (LGD)

The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money. Since the Company is into the business of lending against securities, haircut as per company's risk policy is applied on the value of the collateral, based on Basel haircut values for corporate securities. The exposure amount that is over and above the collateral (with haircut) is considered as the "Loss Exposure".

Exposure at Default (EAD)

The amount which the borrower will owe to the financial institution at the time of default is defined as Exposure at Default (EAD). While the drawn credit line reflects the explicit exposure for the Company, there might be variable exposure that may change the EAD. For the current ECL computation exercise, the sum of all outstanding amounts has been taken as the total exposure.



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)
(Currency : Indian rupees in crore)

42. Risk Management (continued)

42.D.1 Credit Risk (continued)

Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral. The main types of collateral obtained are pledge over marketable securities such as equity shares, mutual fund units, bonds, AIF units etc. Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement.

The tables below shows the maximum exposure to credit risk by class of financial asset along with details on collaterals held against exposure.

	Maximum exposure to credit risk		Principal type of collateral
	As at March 31, 2026	As at March 31, 2025	
Financial Assets			
Cash and cash equivalents	130.32	315.48	
Bank balances other than cash and cash equivalents	4.62	19.40	
Derivative financial instruments	441.49	208.57	
Securities held for trading	1,160.25	833.27	The Company invest in highly liquid Central/State Government securities, high rated Corporate Bonds, Equity Shares & marketable securities.
Trade receivables	47.06	76.17	These are receivables mainly from Clearing houses / Stock exchanges and receivable towards Fees income.
Other receivables	5.51	0.05	Receivable from related party
Loans			
Retail Credit	5,184.40	3,170.87	Loan provided against collateral of Equity shares, mutual fund units, Bonds, AIF units etc.
Investments	207.60	97.70	The Company invests in highly liquid Central/State Government securities
Other financial assets	37.23	10.59	
Total	7,218.48	4,732.10	



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)
(Currency : Indian rupees in crore)

42. Risk Management (continued)

42.D.2 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.

The company ensures sufficient Liquidity Cushion is maintained in the form of Cash and cash equivalents and Investments in liquid securities. These assets carry minimal credit risk and can be liquidated in a very short period of time. This takes care of immediate obligations while continuing to honour our commitments as a going concern. The Company continues to focus on developing a diversified funding model to achieve an optimum cost of funds while balancing liquidity.

Analysis of financial assets and liabilities by maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31, 2026 and March 31, 2025. All derivatives used for hedging and natural hedges are shown by maturity, based on their contractual undiscounted payment obligations. Gross settled, non-trading derivatives are shown separately, by contractual maturity at the foot of the note.

Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Company expects that many customers will not request repayment on the earliest date it could be required to pay and the table does not reflect the expected cash flows indicated by its deposit retention history.

As at March 31, 2026 - Analysis of contractual maturities of financial assets and liabilities

	On Demand	Upto 3 Months	3 to 6 Months	6 Months to 1 year	1 year to 3 years	More than 3 years	Total
Financial Assets							
(a) Cash and cash equivalents	99.93	30.39	-	-	-	-	130.32
(b) Bank balances other than cash and cash equivalents	-	1.01	3.01	0.60	-	-	4.62
(c) Derivative financial instruments	-	106.88	0.72	32.18	134.31	167.40	441.49
(d) Securities held for trading	-	1,160.25	-	-	-	-	1,160.25
(e) Receivables	-	47.06	0.00	0.00	-	0.00	47.06
(i) Trade receivables [^]	-	5.51	-	-	-	-	5.51
(ii) Other receivables	-	1,269.82	697.84	448.10	2,768.64	-	5,184.40
(f) Loans	-	-	-	49.05	52.30	106.25	207.60
(g) Investments	-	29.21	-	0.90	-	7.12	37.23
(h) Other financial assets	-	-	-	-	-	-	-
Total undiscounted financial assets	99.93	2,650.13	701.57	530.83	2,955.25	280.77	7,218.48
Financial Liabilities							
(a) Derivative financial instruments	-	31.80	-	12.00	-	8.65	52.45
(b) Trade payables	-	83.67	-	-	-	-	83.67
(c) Debt securities	-	1,156.81	626.45	1,192.61	2,094.41	678.79	5,749.07
(d) Borrowings (other than debt securities)	-	7.50	47.48	30.00	-	-	84.98
(e) Other financial liabilities	-	68.50	0.01	0.77	-	-	69.28
Total undiscounted financial liabilities	-	1,348.28	673.94	1,235.38	2,094.41	687.44	6,039.45
Total net financial assets / (liabilities)	99.93	1,301.85	27.63	(704.55)	860.84	(406.67)	1,179.03



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)
(Currency : Indian rupees in crore)

As at March 31, 2025 - Analysis of contractual maturities of financial assets and liabilities

	On Demand	Upto 3 Months	3 to 6 Months	6 Months to 1 year	1 year to 3 years	More than 3 years	Total
Financial Assets							
(a) Cash and cash equivalents	299.28	16.20	-	-	-	-	315.48
(b) Bank balances other than cash and cash equivalents	-	1.00	18.20	0.20	-	-	19.40
(c) Derivative financial instruments	-	118.77	0.03	0.91	76.30	12.56	208.57
(d) Securities held for trading	-	833.27	-	-	-	-	833.27
(e) Receivables	-	-	-	-	-	-	-
(i) Trade receivables	-	76.12	0.01	0.04	-	-	76.17
(ii) Other receivables	-	0.05	-	-	-	-	0.05
(f) Loans	-	719.44	-	-	-	-	3,170.87
(f) Investments	-	-	665.35	1,786.08	-	-	97.70
(g) Other financial assets	-	3.98	-	-	-	6.60	10.59
Total undiscounted financial assets	299.28	1,768.83	781.29	1,787.24	76.30	19.16	4,732.10
Financial Liabilities							
(a) Derivative financial instruments	-	24.94	3.67	6.09	11.03	-	45.73
(b) Trade payables	-	13.01	-	-	-	-	13.01
(c) Debt securities	-	504.77	339.65	326.93	2,292.28	150.77	3,614.40
(d) Borrowings (other than debt securities)	-	6.01	5.63	11.68	90.23	-	113.55
(e) Other financial liabilities	-	53.28	-	1.02	-	-	54.30
Total undiscounted financial liabilities	-	602.01	348.95	345.72	2,393.54	150.77	3,840.99
Total net financial assets / (liabilities)	299.28	1,166.82	432.34	1,441.52	(2,317.24)	(131.61)	891.11

In the above table, cash flows have been considered basis contractual maturities of respective assets and liabilities.

^ 0.00 refers to amount less than Rs. 0.01 crore



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)
(Currency : Indian rupees in crore)

42. Risk Management (continued)

42.D.2 Liquidity risk (continued)

Assets available to support future funding

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

As at March 31, 2026

	Encumbered		Unencumbered		Total carrying amount
	Pledge as collateral	Contractually/ legally restricted assets ¹	Available as collateral	others ²	
a) Cash and cash equivalent including bank balance	-	-	130.32	-	130.32
b) Bank balances other than cash and cash equivalents	4.62	-	-	-	4.62
c) Derivative financial instrument	-	-	-	441.49	441.49
d) Securities held for trading	317.72	-	842.53	-	1,160.25
e) Trade receivables	-	-	-	47.06	47.06
f) Other receivables	-	-	-	5.51	5.51
g) Loans	-	4,621.14	563.26	-	5,184.40
h) Investments	-	-	207.60	-	207.60
i) Other financial assets	-	-	-	37.23	37.23
j) Property, Plant and Equipment	-	0.10	-	0.15	0.25
Total assets	322.34	4,621.24	1,743.71	531.44	7,218.73

As at March 31, 2025

	Encumbered		Unencumbered		Total carrying amount
	Pledge as collateral	Contractually/ legally restricted assets ¹	Available as collateral	others ²	
a) Cash and cash equivalent including bank balance	-	-	315.48	-	315.48
b) Bank balances other than cash and cash equivalents	19.40	-	-	-	19.40
c) Derivative financial instrument	-	-	-	208.57	208.57
d) Securities held for trading	144.45	234.60	454.22	-	833.27
e) Trade receivables	-	-	-	76.17	76.17
f) Other receivables	-	-	-	0.05	0.05
g) Loans	-	3,170.87	-	-	3,170.87
h) Investments	-	-	97.70	-	97.70
i) Other financial assets	-	-	-	10.59	10.59
j) Property, Plant and Equipment	-	0.11	-	0.15	0.26
Total assets	163.85	3,405.58	867.40	295.53	4,732.36

Notes :

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

2 Represents assets which are not restricted for use as collateral, but that the company would not consider readily available to secure funding in the normal course of business.



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)

(Currency : Indian rupees in crore)

42. Risk Management (continued)

42.D.3 Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, equity prices and Index movements. The company classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately. All the positions are managed and monitored using sensitivity analysis.

Total market risk exposure

Particulars	Carrying Amount	As at March 31, 2026		Primary risk sensitivity
		Traded Risk	Non traded risk	
Financial Assets				
Cash and cash equivalents	130.32	-	130.32	
Bank balances other than cash and cash equivalents	4.62	-	4.62	Interest rate risk
Derivative financial instruments	441.49	441.49	-	Price risk , Interest rate risk
Securities held for trading	1,160.25	1,160.25	-	Price risk , Interest rate risk
Trade receivables	47.06	-	47.06	
Other receivables	5.51	-	5.51	
Loans	5,184.40	-	5,184.40	Interest rate risk
Investments	207.60	207.60	-	Price risk , Interest rate risk
Other financial assets	37.23	-	37.23	
Total Financial Assets	7,218.48	1,809.34	5,409.14	
Financial Liabilities				
Derivative financial instruments	52.45	52.45	-	Price risk , Interest rate risk
Trade payables	83.67	-	83.67	
Debt securities	5,749.07	-	5,749.07	Interest rate risk
Borrowings (other than debt securities)	84.98	-	84.98	Interest rate risk
Other financial liabilities	69.28	-	69.28	
Total Financial Liabilities	6,039.45	52.45	5,987.00	

Particulars	Carrying Amount	As at March 31, 2025		Primary risk sensitivity
		Traded Risk	Non traded risk	
Financial Assets				
Cash and cash equivalents	315.48	-	315.48	
Bank balances other than cash and cash equivalents	19.40	-	19.40	Interest rate risk
Derivative financial instruments	208.57	208.57	-	Price risk , Interest rate risk
Securities held for trading	833.27	833.27	-	Price risk , Interest rate risk
Trade receivables	76.17	-	76.17	
Other receivables	0.05	-	0.05	
Loans	3,170.87	-	3,170.87	Interest rate risk
Investments	97.70	97.70	-	Price risk , Interest rate risk
Other financial assets	10.59	-	10.59	
Total Financial Assets	4,732.10	1,139.54	3,592.56	
Financial Liabilities				
Derivative financial instruments	45.73	45.73	-	Price risk , Interest rate risk
Trade payables	13.01	-	13.01	
Debt securities	3,614.40	-	3,614.40	Interest rate risk
Borrowings (other than debt securities)	113.55	-	113.55	Interest rate risk
Other financial liabilities	54.30	-	54.30	
Total Financial Liabilities	3,840.99	45.73	3,795.26	



Nuvama Wealth Finance Limited
Notes to Financial Statements (continued)

(Currency : Indian rupees in crore)

42. Risk Management (Continued)

42.E.1 Interest Rate Risk

The principal risk to which non-trading portfolios are exposed is the risk of loss from fluctuations in the future cash flows or fair values of financial instruments because of a change in market interest rates. Interest rate risk is managed principally through monitoring interest rate gaps and by having pre-approved limits for repricing bands.

ALCO is the monitoring body for compliance with these limits. ALCO reviews the interest rate gap statement and the mix of floating and fixed rate assets and liabilities. Balance Sheet Management Unit is in-charge for day to day management of interest rate risk.

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Board has established limits on the non-trading interest rate gaps for stipulated years. The Company's policy is to monitor positions on a daily basis and hedging strategies are used to ensure positions are maintained within the established limits.

The following table demonstrates on linear basis the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss and equity. The sensitivity of the statement of profit and loss is the effect of the assumed changes in interest rates on the profit or loss for a year, based on the floating rate non-trading financial assets and financial liabilities held at March 31, 2026 and March 31, 2025.

42.E.2 Interest rate sensitivity

As at March 31, 2026

	Increase in basis points	Sensitivity of Profit (Loss)	Sensitivity of Equity	Decrease in basis points	Sensitivity of Profit/(Loss)	Sensitivity of Equity
Loans	25	12.67	-	25	(12.67)	-
Government Securities	25	(1.23)	-	25	1.23	-
Debt securities	25	(1.72)	-	25	1.72	-
Exchange traded fund/ Mutual funds	25	(0.30)	-	25	0.30	-

As at March 31, 2025

	Increase in basis points	Sensitivity of Profit/(Loss)	Sensitivity of Equity	Decrease in basis points	Sensitivity of Profit/(Loss)	Sensitivity of Equity
Loans	25	7.71	-	25	(7.71)	-
Government Securities	25	(0.54)	-	25	0.54	-
Debt securities	25	(0.84)	-	25	0.84	-
Exchange traded fund/ Mutual funds	25	(0.89)	-	25	0.89	-

42.E.3 Price Risk

The Company's exposure to securities price risk arises from investments held in various securities classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from such investments, the Company diversifies its portfolio.

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.

As at March 31, 2026

	Increase in basis points	Sensitivity of Profit/(Loss)	Sensitivity of Equity	Decrease in basis points	Sensitivity of Profit/(Loss)	Sensitivity of Equity
Embedded derivative	25	0.78	-	25	(0.78)	-
Exchange traded derivatives	25	0.09	-	25	(0.09)	-
Government Securities	25	1.23	-	25	(1.23)	-
Debt securities	25	1.72	-	25	(1.72)	-
Equity Instrument [^]	25	0.00	-	25	0.00	-
Mutual funds & Exchange Traded fund	25	0.30	-	25	(0.30)	-
Alternate investment fund (AIF)	25	0.05	-	25	(0.05)	-
Infrastructure investment trusts (InvIT)	25	0.11	-	25	(0.11)	-

As at March 31, 2025

	Increase in basis points	Sensitivity of Profit/(Loss)	Sensitivity of Equity	Decrease in basis points	Sensitivity of Profit/(Loss)	Sensitivity of Equity
Embedded derivative	25	0.17	-	25	(0.17)	-
Exchange traded derivatives	25	0.21	-	25	(0.21)	-
Government Securities	25	0.54	-	25	(0.54)	-
Debt securities	25	0.84	-	25	(0.84)	-
Equity Instrument [^]	25	0.00	-	25	(0.00)	-
Mutual funds & Exchange Traded fund	25	0.89	-	25	(0.89)	-
Alternate investment fund (AIF)	25	0.01	-	25	(0.01)	-
Infrastructure investment trusts (InvIT)	25	0.05	-	25	(0.05)	-

42.E.4 Prepayment Risk

Prepayment risk is the risk that the Company will incur a financial loss because its counterparties request repayment earlier or later than expected, such as fixed rate borrowings in the falling interest rate scenario.

[^] 0.00 refers to amount less than Rs. 0.01 crore



Nuvama Wealth Finance Limited
Notes to the financial statements (Continued)
(Currency : Indian rupees in crore)

43. Regulatory disclosures - RBI

The following additional information is disclosed in the terms of Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 issued vide DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025.

43.01 Investments (Refer Note 6 and 9)

	As at March 31, 2026	As at March 31, 2025
1) Value of Investments (including securities held for trading) (Refer Note 6 & Note 9)		
i) Gross Value of Investments		
a) In India	1,367.85	930.97
b) Outside India	-	-
ii) Provisions for Depreciation		
a) In India	-	-
b) Outside India	-	-
iii) Net Value of Investments		
a) In India	1,367.85	930.97
b) Outside India	-	-
2) Movement of provisions held towards depreciation on investments.		
i) Opening balance	-	0.42
ii) Add : Provisions made during the year	-	-
iii) Less : Write-off / write-back of excess provisions during the year	-	(0.42)
iv) Closing balance	-	-

43.02 Derivatives

A) Forward Rate Agreement / Interest Rate Swap

	As at March 31, 2026	As at March 31, 2025
i) The notional principal of swap agreements entered during the year	-	-
ia) The notional principal of swap agreements outstanding (net liability)	-	-
ii) Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	-
iii) Collateral required by the NBFC upon entering into swaps	-	-
iv) Concentration of credit risk arising from the swaps [#]	-	-
v) The fair value of the swap book	-	-

[#] indicates % of concentration of credit risk arising from swaps with bank.

B) Exchange Traded Interest Rate (IR) Derivatives

	As at March 31, 2026	As at March 31, 2025
i) Notional principal amount of exchange traded IR derivatives undertaken during the year	-	-
ii) Notional principal amount of exchange traded IR derivatives outstanding	-	-
iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective"	-	-
iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective"	-	-

C) Qualitative disclosure for Derivatives

The Company undertakes transactions in derivative products in the role of a user with counter parties. The Company deals in the derivatives for balance sheet management i.e. for hedging fixed rate, floating rate and for hedging the variable interest in case of benchmark linked debentures. All derivatives are marked to market on reporting dates and the resulting gain/loss is recorded in the statement of profit and loss.

Dealing in derivatives is carried out by specified groups of the treasury department of the Company based on the purpose of the transaction. Derivative transactions are entered into by the treasury front office. Mid office team conducts an independent check of the transactions entered into by the front office and also undertakes activities such as confirmation, settlement, risk monitoring and reporting.

The Company has a credit and market risk department that assesses counterparty risk and market risk limits, within the risk architecture and processes of the Company. The Company has in place a policy which covers various aspects that apply to the functioning of the derivative business. Limits are monitored on a daily basis by the mid-office.

D) Quantitative Disclosures

S.no.	Particulars	As at March 31, 2026		As at March 31, 2025	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
i)	Derivatives (Notional Principal Amount) For hedging	-	-	-	-
ii)	Marked to Market Positions (Notional Principal Amount)				
	a) Assets (+)	-	-	-	-
	b) Liability (-)	-	-	-	-
iii)	Credit Exposure	-	-	-	-
iv)	Unhedged Exposures	-	-	-	-



Nuvama Wealth Finance Limited
Notes to the financial statements (Continued)
(Currency : Indian rupees in crore)

43. Regulatory disclosures - RBI (Continued)

43.03 Capital to Risk Assets Ratio (CRAR)

Particulars	As at March 31, 2026	As at March 31, 2025
i. CRAR (%)	17.77%	20.87%
ii. CRAR - Tier I Capital (%)	17.45%	20.57%
iii. CRAR -Tier II Capital (%)	0.32%	0.30%

43.04 Details of Single Borrower Limit and Group Borrower Limit exceeded by the Company:

During the year ended March 31, 2026 and March 31, 2025 the Company credit exposure to single borrower and single group borrowers were within the limits as prescribed by Reserve Bank of India (Non-Banking Financial Companies - Concentration Risk Management) Directions, 2025 (Updated as on April 01, 2026) issued vide DOR CRE REC 270/07-03-008/2025-26 dated November 28, 2025

43.05 Exposure to real estate sector, both direct and indirect;

Particulars	As at March 31, 2026	As at March 31, 2025
A Direct exposure		
i. Residential Mortgages Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	-	-
ii. Commercial Real Estate Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	-	-
iii. Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
Residential	-	-
Commercial Real Estate	-	-
B Indirect exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	83.47	31.40
Total Exposure	83.47	31.40

43.06 Exposure to Capital Market (Gross)

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Direct investment in equity shares, convertible bonds, convertible debentures, Exchange traded funds (ETFs) and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt	854.78	713.12
(ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	5,205.66	3,183.88
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) Bridge loans to companies against expected equity flows / issues;	-	-
(viii) Undersubscribed commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(ix) Financing to stockbrokers for margin trading	-	-
(x) All exposures to Alternative Investment Funds:		
(i) Category I	15.77	1.49
(ii) Category II	3.37	0.26
(i) Category III	-	-
Total exposure to capital market	6,079.58	3,898.75



Nuvama Wealth Finance Limited
Notes to the financial statements (Continued)
(Currency : Indian rupees in crore)

43. Regulatory disclosures - RBI (continued)

43.07 Asset Liability Management

Maturity pattern of certain assets and liabilities as at March 31, 2026

Particulars	Liabilities		Assets		
	Deposit	Borrowings	Advances	Securities held for trading	Investments
1 to 7 days	-	15.18	170.02	1,141.11	-
8 to 14 days	-	-	175.80	-	-
15 day to 30/31 days	-	81.07	189.80	-	-
Over one month to 2 months	-	451.24	313.96	-	-
Over 2 months to 3 months	-	616.82	420.24	19.14	-
Over 3 months to 6 months	-	673.93	697.84	-	-
Over 6 months to 1 year	-	1,222.61	448.10	-	49.05
Over 1 year to 3 years	-	2,094.41	2,768.64	-	52.30
Over 3 years to 5 years	-	678.79	-	-	106.25
Over 5 years	-	-	-	-	-
Total	-	5,834.05	5,184.40	1,160.25	207.60

Maturity pattern of certain assets and liabilities as at March 31, 2025

Particulars	Liabilities		Assets		
	Deposit	Borrowings	Advances	Securities held for trading	Investments
1 to 7 days	-	10.92	115.10	831.53	-
8 to 14 days	-	147.96	116.34	-	-
15 day to 30/31 days	-	18.75	107.62	-	-
Over one month to 2 months	-	215.51	171.14	-	-
Over 2 months to 3 months	-	117.64	209.24	1.74	-
Over 3 months to 6 months	-	345.28	665.35	-	97.70
Over 6 months to 1 year	-	338.61	1,786.08	-	-
Over 1 year to 3 years	-	2,382.51	-	-	-
Over 3 years to 5 years	-	150.77	-	-	-
Over 5 years	-	-	-	-	-
Total	-	3,727.95	3,170.87	833.27	97.70

43.08 Movements in Non Performing Advances:

The following table sets forth, for the years indicated, the details of movement of gross non-performing assets (NPAs), Net NPAs and provisions:

Particulars	As at March 31, 2026	As at March 31, 2025
i) Net NPA to Net advances (%)		
ii) Movement of NPAs (Gross)		
a) Opening Balance	-	-
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing balance	-	-
iii) Movement of Net NPAs		
a) Opening Balance	-	-
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing balance	-	-
iv) Movement of Provisions for NPAs (Excluding provision on Standard assets)		
a) Opening Balance	-	-
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing balance	-	-



Nuvama Wealth Finance Limited
Notes to the financial statements (Continued)
(Currency : Indian rupees in crore)

43. Regulatory disclosures - RBI (continued)

43.09 Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss:

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Provisions for depreciation on investment	-	(0.42)
(ii) Provision towards NPA	-	-
(iii) Provision made towards income tax (net of deferred tax)	30.89	31.53
(iv) Provision for stage 1 / stage 2 assets	8.25	0.65
(v) Other Provision and Contingencies (Provision for doubtful debts)	(2.93)	0.40

43.10 Concentration of Deposits, Advances, Exposures and NPAs*

	As at March 31, 2026	As at March 31, 2025
A) Concentration of Advances		
Total advances to twenty largest borrowers	1,748.38	1,237.47
Percentage of advances to twenty largest borrowers to total advances	33.59%	38.87%
B) Concentration of Exposures		
Total exposures to twenty largest borrowers / customers	1,748.38	1,237.47
Percentage of exposures to twenty largest borrowers / customers to total exposures	33.59%	38.87%
C) Concentration of NPAs		
Total exposures to top four NPAs	-	-
D) Sector-wise NPAs		
	Percentage of NPAs to Total Advances in that sector	
	March 31, 2026	March 31, 2025
1 Agriculture & allied activities	-	-
2 MSME	-	-
3 Corporate borrowers	-	-
4 Services	-	-
5 Unsecured personal loans	-	-
6 Auto loans	-	-
7 Other personal loans	-	-

*Since company is Non-Deposit taking NBFC. Hence Concentration of Deposits disclosure is not applicable.

43.11 Customer Complaints

1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman:

Sr.No.	Particulars	FY2025-26	FY2024-25
	Complaints received by the NBFC from its customers:		
1	Number of complaints pending at beginning of the year	0	0
2	Number of complaints received during the year	0	9
3	Number of complaints disposed during the year	0	9
3.1	Of which, number of complaints rejected by the NBFC	0	0
4	Number of complaints pending at the end of the year	0	0
	Maintainable complaints received by the NBFC from Office of Ombudsman		
5 *	Number of maintainable complaints received by the NBFC from Office of Ombudsman	0	0
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	0	0
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman		
		0	0
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	0	0
6 *	Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

* It shall only be applicable to NBFCs which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021

2) Top five grounds of complaints received by the NBFCs from customers

FY 2025-26

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the FY25-26	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the FY 24-25	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Difficulty in Operating Account	-	-	0%	-	-
Processing Fees and other Charges	-	-	0%	-	-
Others	-	-	0%	-	-
Total	-	-	0%	-	-



Nuvama Wealth Finance Limited
Notes to the financial statements (Continued)
(Currency : Indian rupees in crore)

43. Regulatory disclosures - RBI (continued)

FY 2024-25

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the FY24-25	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the FY 23-24	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Difficulty in Operating Account	-	1.00	100%	-	-
Processing Fees and other Charges	-	4.00	100%	-	-
Others	-	4.00	300%	-	-
Total	-	9.00	200%	-	-

43.12 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)-Nil

43.13 The Company has not restructured any loans and advances during the year ended March 31, 2026 and March 31, 2025



Nuvama Wealth Finance Limited
Notes to the financial statements (Continued)

(Currency : Indian rupees in crore)

43. Regulatory disclosures - RBI (continued)

43.14 As required in Annexure I of paragraph 20 of (Schedule to the balance sheet) of Chapter III of Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 issued vide Master Direction DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025.

Liabilities side :

Particulars	As at March 31, 2026		As at March 31, 2025	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
(1) Loans and Advances availed by the NBFCs inclusive of interest accrued thereon but not paid:				
(a) Debentures				
(other than falling within the meaning of public deposits*)				
i) Secured	4,489.95	-	3,231.77	-
ii) Unsecured	-	-	-	-
(b) Deferred Credits	-	-	-	-
(c) Term Loans	84.98	-	113.55	-
(d) Inter-Corporate Loans and Borrowing	-	-	-	-
(e) Commercial Paper	1,259.12	-	382.63	-
(f) Other Loans:				
Borrowings (Repo)	-	-	-	-
Preference Share Capital	-	-	-	-
(* Please see Note 1 below)				

Assets side :

Particulars	Amount Outstanding (Gross)	
	As at March 31, 2026	As at March 31, 2025
(2) Break-up of Gross Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured	5,204.82	3,177.94
(b) Unsecured	0.84	5.94
(3) Break-up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial Lease	-	-
(b) Operating Lease	-	-
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on Hire	-	-
(b) Repossessed Assets	-	-
(iii) Other loans counting towards asset financing activities :		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
(4) Break-up of Investments:		
Current Investments:(including securities held for trading)		
1. Quoted:		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	608.86	184.85
(iii) Units of Mutual Funds (Including Exchange traded fund)	121.36	-
(iv) Government Securities	335.38	216.10
(v) Others (Including InvIT fund)	45.13	21.25



Nuvama Wealth Finance Limited
Notes to the financial statements (Continued)

(Currency : Indian rupees in crore)

43. Regulatory disclosures - RBI (continued)

43.14 As required in Annexure I of paragraph 20 of (Schedule to the balance sheet) of Chapter III of Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 issued vide Master Direction DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025 (Continued)

(4) <u>Break-up of Investments (Continued)</u>	Amount Outstanding (Gross)	
	As at March 31, 2026	As at March 31, 2025
2. <u>Unquoted</u> :		
(i) Shares : (a) Equity^	0.00	0.00
(b) Preference	-	-
(ii) Debentures and Bonds	79.43	152.30
(iii) Units of Mutual Funds	-	354.73
(iv) Government Securities	-	-
(v) Others (Including Alternate investment fund)	19.14	1.74
Long Term investments :		
1. <u>Quoted</u> :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	158.55	-
(v) Others	-	-
2. <u>Unquoted</u> :		
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-
(a) Warrants	-	-
(b) Units of Fund	-	-
(c) Investment in Security Receipts	-	-
(d) Share Application Money	-	-

(5) Borrower group-wise classification of all assets financed as in (2) and (3) above:

As at March 31, 2026

Category	Amount (net of provisions)		Total
	Secured	Unsecured	
1. Related Parties**			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties (including KMP)	1.54	-	1.54
2. Other than related parties	5,182.03	0.83	5,182.86

As at March 31, 2025

Category	Amount (net of provisions)		Total
	Secured	Unsecured	
1. Related Parties**			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties (including KMP)	3.84	-	3.84
2. Other than related parties	3,161.11	5.92	3,167.03

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

Category	Market value / Break-up or fair value or NAV		Book value (net of provisions)	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
1. Related parties**				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	0.67	8.98	0.67	8.98
(c) Other related parties	-	-	-	-
2. Other than related parties	1,367.18	921.99	1,367.18	921.99
Total	1,367.85	930.97	1,367.85	930.97

** As per Ind AS-24 Related Party Disclosures (Refer Note 39)



Nuvama Wealth Finance Limited
Notes to the financial statements (Continued)

(Currency : Indian rupees in crore)

43. Regulatory disclosures - RBI (continued)

43.14 As required in Annexure I of paragraph 20 of (Schedule to the balance sheet) of Chapter III of Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 issued vide Master Direction DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025. (Continued)

(7) Other information

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Gross Non-Performing Assets		
(a) Related Party	-	-
(b) Other than Related Parties	-	-
(ii) Net Non-Performing Assets		
(a) Related Party	-	-
(b) Other than Related Parties	-	-
(iii) Assets acquired in satisfaction of debts	-	-

Notes:

- As defined in the Reserve Bank of India (Non-Banking Financial Companies – Acceptance of Public Deposits) Directions, 2025
- Market value/Breakup Value or Fair Value or NAV is taken as same as book value in case of unquoted shares in absence of market value / breakup value or fair value or NAV.
- Since company is Non-Deposit taking NBFC. Hence Public Deposits related disclosure is not applicable.

43.15 Ratings assigned by credit rating agencies and migration of ratings during the year ended March 31, 2026

Instrument category	ICRA	CRISIL	CARE
(i) Long Term Instruments			
Rating	AA(Stable)	AA-/Positive	AA; Stable
Amount	2,100.00	1,513.62	2,700.00
(ii) Short Term Instruments			
Rating	A1+	A1+	A1+
Amount	2,300.00	2,300.00	1,800.00
(iii) Market linked debentures			
a. Short Term			
Rating	-	PPMLD A1+	-
Amount	-	100.00	-
b. Long Term			
Rating	PP-MLD AA(Stable)	PPMLD AA- /Positive	PP-MLD AA; Stable
Amount	1,000.00	1,193.10	1,000.00

Ratings assigned by credit rating agencies and migration of ratings during the year ended March 31, 2025

Instrument category	ICRA	CRISIL	CARE
(i) Long Term Instruments			
Rating	-	AA-/Stable	AA-; Stable
Amount	-	1,000.42	2,160.00
(ii) Short Term Instruments			
Rating	-	A1+	A1+
Amount	-	3,050.00	2,540.00
(iii) Market linked debentures			
a. Short Term			
Rating	-	PPMLD A1+	PP-MLD A1+
Amount	-	100.00	100.00
b. Long Term			
Rating	-	PPMLD AA- /Stable	PP-MLD AA-; Stable
Amount	-	1,753.20	200.00

^ 0.00 refers to amount less than Rs. 0.01 crore



Nuvama Wealth Finance Limited**Notes to the financial statements (Continued)**

(Currency : Indian rupees in crore)

43. Regulatory disclosures - RBI (continued)**43.16 Details of transaction with non executive directors**

Sr. No.	Name of the Non executive director	Nature of Transaction	For the year ended March 31, 2026	For the year ended March 31, 2025
1	Birendra Kumar	Sitting Fees	0.15	0.20
		Commission paid	0.08	-
2	Ramesh Abhishek	Sitting Fees	0.12	0.15
		Commission paid	0.25	0.25
3	Kamlesh Vikamsey	Sitting Fees	0.13	0.17
		Commission paid	0.05	-
4	Sankarson Banerjee	Sitting Fees	0.08	0.08
		Commission paid	0.15	0.25

43.17 The Company has not transferred Loan exposure and sold any financial assets to securitisation/reconstruction company during the year ended March 31, 2026 and March 31, 2025. Hence no disclosure has been made with respect to the same.

43.18 Unsecured Advances

Total amount of advances for which intangible securities (such as charge over the rights, licenses, authority, etc.) have been taken, as also the estimated value of such intangible collateral - Nil (Previous year Nil)

43.19 Impact of prior period items on current year's profit and loss: Nil (Previous year Nil)

43.20 Circumstances in which Revenue Recognition has been postponed: Nil (Previous year Nil)

43.21 Draw Down from Reserves: Nil (Previous year Nil)

43.22 Note to the Balance Sheet of a non-banking financial company as required in terms of Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs) (including Housing Finance Companies) issued vide DOS.CO.FMG.SEC.No.7/23.04.001/2024-25 date July 15, 2024- Nil (Previous year Nil)

43.23 Details of financing of parent company products - None (Previous year - none)

43.24 Off-Balance SPV sponsored - None (Previous year - none)

43.25 Registration obtained from other financial sector regulators - Nil (Previous year Nil)

43.26 Disclosure of Penalties and Strictures imposed by RBI and other regulators - Nil (Previous year Nil)

43.27 Disclosure of Breach of covenant - Nil (Previous year Nil)



Nuvama Wealth Finance Limited
Notes to the financial statements (Continued)
(Currency : Indian rupees in crore)

43. Regulatory disclosures - RBI (continued)

43.28 Prudential Floor for ECL

As required in paragraph 21 of (Disclosure requirements) of Chapter III Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 issued vide Master Direction DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025.

As at March 31, 2026

Asset classification as per RBI norms	Asset classification as per IND AS 109	Gross carrying amount as per IND AS	Loss allowances (provisions) as required under IND AS 109 (Including management overlay, if any)	Net carrying amount	Provisions required as per IRACP norms	Difference between IND AS 109 provisions and IRACP norms
A	B	C	D	E= C - D	F	G = D - F
Performing assets						
Standard	Stage 1	5,205.17	21.26	5,183.91	20.85	0.41
	Stage 2 [^]	0.49	0.00	0.49	0.00	0.00
Subtotal (i)		5,205.66	21.26	5,184.40	20.85	0.41
Non performing asstes (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful	Stage 3	-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal (ii)		-	-	-	-	-
	Stage 1	5,205.17	21.26	5,183.91	20.85	0.41
Total	Stage 2 [^]	0.49	0.00	0.49	0.00	0.00
	Stage 3	-	-	-	-	-
	Total	5,205.66	21.26	5,184.40	20.85	0.41

As at March 31, 2025

Asset classification as per RBI norms	Asset classification as per IND AS 109	Gross carrying amount as per IND AS	Loss allowances (provisions) as required under IND AS 109 (Including management overlay, if any)	Net carrying amount	Provisions required as per IRACP norms	Difference between IND AS 109 provisions and IRACP norms
A	B	C	D	E= C - D	F	G = D - F
Performing assets						
Standard	Stage 1	3,183.88	13.01	3,170.87	12.76	0.25
	Stage 2	-	-	-	-	-
Subtotal (i)		3,183.88	13.01	3,170.87	12.76	0.25
Non performing assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful	Stage 3	-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal (ii)		-	-	-	-	-
	Stage 1	3,183.88	13.01	3,170.87	12.76	0.25
Total	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Total	3,183.88	13.01	3,170.87	12.76	0.25

[^] 0.00 refers to amount less than Rs. 0.01 crore



Nuvama Wealth Finance Limited
Notes to the financial statements (Continued)
(Currency : Indian rupees in crore)

43. Regulatory disclosures - RBI (continued)

43.29 Disclosure on liquidity risk

A As required in paragraph 15 of Chapter II - Liquidity Risk Management Framework of Reserve Bank of India (Non-Banking Financial Companies – Asset Liability Management) Directions, 2025 issued vide Master Direction DoR.LRG.REC.No.274/13-10-004/2025-26 dated November 28, 2025.

i) Funding Concentration based on significant counterparty (both deposits and borrowings)

	As at March 31, 2026	As at March 31, 2025
Number of significant counterparties*	16	9
Amount of borrowings from significant counterparties **	2,717.46	1,034.66
% of Total deposits	NA	NA
% of Total liabilities #	44.91%	26.85%

* "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's total liabilities. However in case of listed Non convertible debentures single counterparty has only been consider for the purpose of above ratio as the data for group of connected or affiliated counterparties is not available with RTA.

** Represents principal amount

Total liabilities = Financial Liabilities + Non - Financial Liabilities

ii) Top 20 large deposits

The Company being a Systemically Important Non-Deposit taking Non-Banking Financial Company registered with Reserve Bank of India, does not accept public deposits.

iii) Top 10 borrowings

	As at March 31, 2026	As at March 31, 2025
Amount of Borrowings from top 10 lenders*	2,565.00	1,090.66
% of Total Borrowings **	43.97%	29.26%

* Represents principal amount

** Total borrowings represents debt securities + borrowings (other than debt securities)

iv) Funding Concentration based on significant instrument/product

Name of the product	As at March 31, 2026		As at March 31, 2025	
	Amount	% of Total Liabilities #	Amount	% of Total Liabilities #
Redeemable non-convertible debentures	4,489.95	74.20%	3,231.77	83.87%
Commercial paper	1,259.12	20.81%	382.63	9.93%
Borrowings other than Debt Securities				
Clearcorp Repo Order Matching System (CROM)	-	-	-	-
Term Loan from NBFC	84.98	1.40%	113.55	2.95%
Total	5,834.05	96.41%	3,727.95	96.74%

v) Stock ratios:

	As at March 31, 2026	As at March 31, 2025
Commercial papers		
as a % of total public funds *	21.58%	10.26%
as a % of total liabilities #	20.81%	9.93%
as a % of total assets	17.39%	8.05%
Non-convertible debentures (original maturity of less than one year)		
as a % of total public funds *	0.00%	0.00%
as a % of total liabilities #	0.00%	0.00%
as a % of total assets	0.00%	0.00%
Other short-term liabilities**		
as a % of total public funds*	56.02%	35.05%
as a % of total liabilities #	54.01%	33.91%
as a % of total assets	45.13%	27.49%

* Total public funds represents debt securities + borrowings (other than debt securities)

** Other Short- term liabilities represent all the liabilities whose residual maturity is less than 12 months

Total liabilities = Financial Liabilities + Non - Financial Liabilities

vi) Institutional set-up for liquidity risk management

The Board of Directors of the Company has constituted the Asset Liability Management Committee and the Risk Management Committee.

The Asset Liability Management Committee, inter alia -

- Implement and administer guidelines on Asset-Liability Management approved by the Board and its revision, if any
- Monitor the asset liability gap and overcome the asset-liability mismatches, interest risk exposure, etc.; Strategize action to mitigate risk associated with the asset liability gap;
- Develop risk policies and procedures and verify adherence to various risk parameters and prudential limits; review the risk monitoring system and ensure effective risk management; and
- Ensure that the credit and investment exposure to any party / Company / group of parties or companies does not exceed the internally set limits as well as statutory limits as prescribed by Reserve Bank of India from time to time.

The Company ensures sufficient Liquidity Cushion is maintained in the form of Cash and cash equivalents and Investments in liquid securities. These assets carry minimal credit risk and can be liquidated in a very short period of time. This takes care of immediate obligations while continuing to honour our commitments as a going concern. The Company continues to focus on developing a diversified funding model to achieve an optimum cost of funds while balancing liquidity.



Nuvama Wealth Finance Limited
Notes to the financial statements (Continued)
(Currency : Indian rupees in crore)

43 Regulatory disclosures - RBI (continued)

43.29 Disclosure on liquidity risk (continued)

B Liquidity Coverage Ratio (LCR)

As per Provisions of Chapter III of Liquidity Coverage Ratio of Reserve Bank of India (Non-Banking Financial Companies – Asset Liability Management) Directions, 2025 issued vide Master Direction DoR.LRG.REC.No.274/13-10-004/2025-26 dated November 28, 2025, LCR shall apply to non-deposit taking NBFCs with asset size above Rs. 5000 crore.

The Company has crossed total asset size Rs. 5000 crore during the quarter ended June 30, 2025. Hence pursuant to RBI guidelines the Company has started maintaining required level of Liquidity coverage Ratio (LCR) from Q1FY26 & onwards.

Quantitative Disclosure on Liquidity Coverage Ratio (LCR) for year ended March 31, 2026 is given below:

Particulars	For the quarter ended March 31, 2026		For the quarter ended December 31, 2025		For the quarter ended September 30, 2025		For the quarter ended June 30, 2025	
	Total Unweighted Value (average)*	Total Weighted Value (average)**	Total Unweighted Value (average)*	Total Weighted Value (average)**	Total Unweighted Value (average)*	Total Weighted Value (average)**	Total Unweighted Value (average)*	Total Weighted Value (average)**
High Quality Liquid Assets								
1 Total High Quality Liquid Assets (HQLA)***	597.22	597.22	645.55	645.55	548.39	548.39	523.70	523.70
Cash Outflows								
2 Deposits (for deposit taking companies)	NA	NA	NA	NA	NA	NA	NA	NA
3 Unsecured wholesale funding	259.33	298.23	268.70	309.00	86.20	99.12	49.45	56.87
4 Secured wholesale funding	47.75	54.91	25.78	29.65	91.68	105.43	87.00	100.05
5 Additional requirements, of which								
(i) Outflows related to derivative exposures and other collateral requirements	83.55	96.08	130.69	150.29	134.00	154.10	134.00	154.10
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6 Other contractual funding obligations	283.48	326.01	266.74	306.76	251.72	289.48	302.76	348.17
7 Other contingent funding obligations	3.43	3.94	3.43	3.94	4.40	5.06	4.40	5.06
8 TOTAL CASH OUTFLOWS	677.55	779.18	695.34	799.64	568.00	653.19	577.60	664.25
Cash Inflows								
9 Secured lending	-	-	-	-	-	-	-	-
10 Inflows from fully performing exposures	387.25	290.44	237.70	178.28	236.59	177.44	208.08	156.06
11 Other cash inflows	1,222.08	916.56	1,053.14	789.85	819.57	614.68	976.66	732.49
12 TOTAL CASH INFLOWS	1,609.33	1,207.00	1,290.84	968.13	1,056.16	792.12	1,184.73	888.55
Total Adjusted Value								
13 TOTAL HQLA		597.22		645.55		548.39		523.70
14 TOTAL NET CASH OUTFLOWS		194.79		199.91		163.30		166.06
15 LIQUIDITY COVERAGE RATIO (%)		306.59%		322.92%		335.82%		315.37%

* Unweighted values are calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

** Weighted values are calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.

***Components of HQLA:

Sr. No	High Quality Liquid Assets (HQLA)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
1	Assets to be included as HQLA without any Haircut	597.22	597.22	645.55	645.55	548.39	548.39	523.70	523.70
2	Assets to be considered For HQLA with a minimum haircut of 15%	-	-	-	-	-	-	-	-
3	Assets to be considered For HQLA with a minimum haircut of 50%	-	-	-	-	-	-	-	-



Nuvama Wealth Finance Limited
Notes to the financial statements (Continued)

(Currency : Indian rupees in crore)

43 Regulatory disclosures - RBI (continued)

43.29 Disclosure on liquidity risk (continued)

Qualitative Disclosure on LCR

- i. The Company has implemented the Guidelines on Maintenance of Liquidity Coverage Ratio (LCR) prescribed by Reserve Bank of India ("RBI") as prescribed in Provisions of Chapter III of Liquidity Coverage Ratio of Reserve Bank of India (Non-Banking Financial Companies – Asset Liability Management) Directions, 2025 issued vide Master Direction DoR.LRG.REC.No.274/13-10-004/2025-26 dated November 28, 2025, which aim to ensure that an NBFC maintains an adequate level of unencumbered High Quality Liquid Assets ("HQLAs") that can be converted into cash to meet its liquidity needs for a 30 calendar day time horizon under a significantly severe liquidity stress scenario.
- ii. Liquidity Coverage Ratio (LCR) is Stock of High-Quality Liquid Assets (HQLAs)/Total Net Cash Outflows over the next 30 calendar days
- iii. High Quality Liquid Assets ("HQLA") means liquid assets that can be readily sold or immediately converted into cash at little or no loss of value or used as collateral to obtain funds in a range of stress scenarios. For the purpose of HQLA, the company considers: (1) Unencumbered government securities (2) Cash and Bank Balances, (3) Treasury Bills
- iv. The cash inflows includes largely amount based on contractual basis for Loans & Advances, liquid securities not part of HQLA
- v. Other Contingent Funding Obligations includes contingent liability towards pending Tax and legal litigation.
- vi. Total net cash outflows over the next 30 days = Stressed Outflows - [Min (stressed inflows; 75% of stressed outflows)]
- vii. Total expected cash outflows (stressed outflows) are calculated by multiplying the outstanding balances of various categories or types of liabilities by 115% (15% being the rate at which they are expected to run off further or be drawn down)
- viii. Total expected cash inflows (stressed inflows) are calculated by multiplying the outstanding balances of various categories of contractual receivables by 75% (25% being the rate at which they are expected to under-flow)
- ix. The Liquidity Risk Management framework of the Company is governed by its Asset-Liability Management Policy approved by the Board. The Asset Liability Committee of the Board (ALCO) and Risk Management Committee (RMC) oversee the implementation of the liquidity risk management strategy of the Company. The Company maintains a robust funding profile with no undue concentration of funding sources in order to ensure a diversified and stable funding base. This approach enables the Company to effectively manage liquidity under both normal and stressed conditions, while meeting its financial obligations as they fall due.



Nuvama Wealth Finance Limited
Notes to financial statements (continued)
(Currency : Indian rupees in crore)

44. Other disclosures

44.01 Details of dividend declared and paid

Financial year 2025-26 : Nil

Financial year 2024-25:

Accounting period	Net profit for the accounting period	Rate of dividend	Amount of dividend	Dividend Pay Out Ratio
2023-2024*	86.94	270%	30.94	35.59%
Half year ended September 30, 2024	60.47	140%	16.04	26.53%

* Interim dividend declared and paid for year ended March 31, 2024

44.02 Details of open interest for derivative instruments

44.02(a) Open position in interest rate derivatives:

As at March 31, 2026 : Nil

As at March 31, 2025 : Nil

44.02(b) Open interest rate futures as at March 31, 2026 and March 31, 2025 with exchange : Nil

Maturity grouping	Long Position		Short Position	
	Number of contracts	Number of units	Number of contracts	Number of units
< 1 month	-	-	-	-
1-2 months	-	-	-	-
2-3 months	-	-	-	-
3-6 months	-	-	-	-
6-12 months	-	-	-	-

44.03 Foreign currency

Foreign currency transactions

Nature	For the year ended March 31, 2026	For the year ended March 31, 2025
Advisory Fees Income	-	0.25
Communication Expenses	0.22	0.06
Travelling Expenses	0.10	0.03
Computer software	0.01	-
Membership and subscription	0.15	-
Director Sitting Fees	-	-

Details of unhedged foreign currency exposures

Currencies	As at March 31, 2026		As at March 31, 2025	
	Balances receivables / (payables)		Balances receivables / (payables)	
	Foreign Currency	Rs. in crore	Foreign Currency	Rs. in crore
SGD	(4,420.41)	(0.03)	(2,484.44)	(0.02)
USD	(8,088.15)	(0.08)	-	-

44.04 There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2026 (Previous year Rs. Nil).

44.05 The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of accounts.

44.06 Sectoral exposure

Sector	As at March 31, 2026			As at March 31, 2025		
	Total Exposure	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
Capital Market*	5,205.66	-	0%	3,183.88	-	0%
Total	5,205.66	-	-	3,183.88	-	-

* Sector considered based on the type of loan.

44.07 Intra Group Exposure

Particulars	As at March 31, 2026	As at March 31, 2025
i) Total amount of intra-group exposures (Refer Note 39)	0.67	8.98
ii) Total amount of top 20 intra-group exposures	0.67	8.98
iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	0.01%	0.28%



Nuvama Wealth Finance Limited
Notes to financial statements (continued)
(Currency: Indian rupees in crore)

44. Other disclosures (Continued)

44.08 Related Party Disclosure

Items	Parent (as per ownership or control)		Key Management Personnel ^(a)		Relatives of Key Management Personnel ^(a)		Directors		Relatives of Directors ^(a)		Fellow Subsidiaries		Others ^a		Total	
	FY26	FY25	FY26	FY25	FY26	FY25	FY26	FY25	FY26	FY25	FY26	FY25	FY26	FY25	FY26	FY25
Borrowings ^(b)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits ^(b)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits ^(b)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances ^(b)	-	-	1.54	3.86	-	-	-	-	-	-	-	-	-	-	1.54	3.86
Advances (Maximum outstanding during the year)	-	25.00	3.88	3.71	-	-	13.00	-	-	-	7.10	120.00	35.00	-	99.98	183.71
Investments ^(b)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others ^(b)	87.91	115.88	-	-	0.43	0.43	0.53	0.50	0.40	0.40	35.02	24.41	0.02	0.01	124.31	141.73
Purchase of fixed/other assets	-	-	0.34	-	-	-	-	-	-	-	793.74	1,058.31	-	-	794.08	1,058.31
Sale of fixed/other assets	-	-	1.40	1.39	0.34	-	0.75	-	-	1.39	799.47	839.74	-	-	801.96	842.52
Interest paid	0.00	0.09	0.22	0.17	-	-	0.08	-	-	-	0.48	1.33	1.70	0.04	2.48	1.63
Borrowing repaid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan given	400.00	1,898.05	6.04	7.89	-	-	19.68	-	-	-	180.04	4,269.92	502.55	62.05	1,108.31	6,237.91
Repayment of loan given	400.00	1,898.05	8.36	4.50	-	-	19.68	-	-	-	180.04	4,269.92	502.55	62.05	1,110.63	6,234.52
Margin placed with Broker	-	-	-	-	-	-	-	-	-	-	4,202.18	3,156.49	-	-	4,202.18	3,224.92
Margin refund received from Broker	-	-	-	-	-	-	-	-	-	-	4,218.41	3,204.08	-	-	4,218.41	3,272.51
Equity share capital (including security premium)	200.00	-	-	-	-	-	-	-	-	-	-	-	-	-	200.00	-
Others transaction ^(c)	16.43	60.04	2.63	2.09	-	-	1.01	1.10	-	-	21.45	16.70	2.88	0.08	44.40	80.01

^(a) Disclosures for directors and relatives of directors should be made separately in separate columns from other KMPs and relatives of other KMPs.

^(b) The outstanding at the year end and the maximum during the year are to be disclosed.

^(c) Includes all the Balances and transactions on absolute basis with all other related parties

44.09

Loans to Directors, Senior Officers and relatives of Directors

Particulars	FY26 ^(a)	FY25 ^(a)
Directors and their Relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	25.73	7.89

^(a) represents loan disbursed / given during the year (including interest thereon)

Annual disclosure pursuant to SEBI circular SEBI/HO/DDHS/CIR/2018/14 dated November 26, 2018 and SEBI/HO/DDHS/DDHS-RAC/2021/172 dated October 19, 2023 as amended time to time:

Particulars	Details
Name of the company	Nuvama Wealth Finance Limited
CIN	U67120MH1994PLC286057
Outstanding borrowing of company as on 31st March 2026 (in Rs cr) ^(a)	3,998.62
Highest Credit Rating During the FY 2025-26 along with name of the Credit Rating Agency	AAA, Stable (for long term borrowing) / ICRA, Limited and CARE Ratings Limited
Name of Stock Exchange ^(b) in which the fine shall be paid, in case of shortfall in the required borrowing	BSE Limited

^(a) Represents long term outstanding borrowings (with original maturity exceeding 365 days) of the Company as on March 31, 2026, calculated on the basis of Principal amount

^(b) refers to amount less than Rs. 0.01 crore



Nuvama Wealth Finance Limited
Notes to financial statements (continued)

(Currency : Indian rupees in crore)

45. Other Statutory Information

45.A Relationship with Struck off Companies

The Company has not entered in any transaction with struck off companies for year ended March 31, 2026 and March 31, 2025. Also the related balances as at March 31, 2026 and March 31, 2025 are NIL.

45.B The Company, as part of its normal business, grants loans and advances, makes investments, provides guarantees to and accepts borrowings from its customers, other entities and persons. These transactions are part of the Company's normal business and are undertaken in accordance with the guidelines prescribed by the RBI.

Other than the transactions described above, 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 persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

45.C There are no unrecorded transactions in the books of account, surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961.

45.D The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

45.E The Company does not have any charge or satisfaction which is yet to be registered with ROC beyond the statutory period.

45.F The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

45.G 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 is no instance of audit trail feature being tampered with. Additionally, the audit trail of the prior financial year has been preserved by the Company as per the statutory requirements for record retention.

46. 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 account 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.

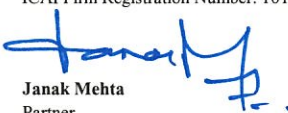
47. For the year ended March 31, 2026, the Company has changed the unit of presentation of the financial statements from million to crore for better presentation. Accordingly, the comparative figures for the previous year have been re-presented in crores.

48. Disclosures under Schedule III to the Companies Act, 2013, and Indian Accounting Standards have been made to the extent applicable to the Company.

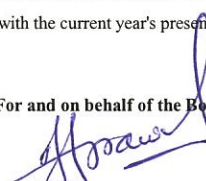
49. Previous year's figures have been regrouped/ re-classified wherever necessary in line with the current year's presentation.

As per our report of even date.

For Batliboi & Purohit
Chartered Accountants
ICAI Firm Registration Number: 101048W


Janak Mehta
Partner
Membership No: 116976

For and on behalf of the Board of Directors

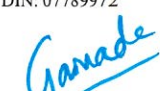

Tushar Agrawal
Executive Director & CEO
DIN: 08285408


Akshaya Mishra
Non-Executive Director
DIN: 10118262


Pooja Doshi
Company Secretary

Mumbai
May 08, 2026


Ashish Kehair
Non-Executive Director
DIN: 07789972


Gitanjali Made
Chief Financial Officer

Mumbai
May 08, 2026

