

Nuvama Wealth Finance Limited

(formerly known as Edelweiss Finance & Investments Limited)

Corporate Identity Number: U67120MH1994PLC286057

Annual Report for the year ended March 31, 2023

Nuvama Wealth Finance Limited

(formerly known as Edelweiss Finance & Investments Limited)

29th Annual Report 2022-23

Board of Directors

Mr. Tushar Agrawal	-	Executive Director and Chief Executive Officer
Mr. Birendra Kumar	-	Chairman and Independent Director
Mr. Ashish Kehair	-	Non-Executive Director
Mr. Nikhil Srivastava	-	Non-Executive Director
Mr. Ramesh Abhishek	-	Non-Executive Director
Ms. Anisha Motwani	-	Independent Director

Chief Financial Officer

Ms. Sheetal Gandhi (resigned w.e.f. July 19, 2022)
Mr. Manishkumar Jain (appointed w.e.f. July 20, 2022)

Company Secretary

Ms. Pooja Doshi

Chief Executive Officer

Mr. Tushar Agrawal

Statutory Auditors

M/s. Chokshi & Chokshi LLP, Chartered Accounts.

Registered Office

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

Corporate Identity No.: U67120MH1994PLC286057

Tel: +91 22 6620 3030

Email: Secretarial@nuvama.com

Debenture Trustee

Beacon Trusteeship Limited
4C&D, Siddhivinayak Chambers,
Gandhi Nagar, Opp MIG Cricket
Club,
Bandra (E), Mumbai 400 051.

Catalyst Trusteeship Limited
Windsor, 6th Floor, Office No.
604, C.S.T. Road,
Kalina, Santacruz (East),
Mumbai 400 098.

SBICap Trustee Company Limited
6th Floor, Apeejay House, 3, Dinshaw
Wachha Road, Churchgate, Mumbai -
400 020

Registrar and Share Transfer Agent

Link Intime India Private Limited
C 101, 247 Park, L B S Marg,
Vikhroli West, Mumbai 400 083.

KFin Technologies Private Limited
Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial
District, Nanakramguda, Hyderabad - 500 032

BOARD'S REPORT

To the Members of Nuvama Wealth Finance Limited
(formerly known as Edelweiss Finance & Investments Limited)

The Directors of your Company hereby present their 29th Board's Report on the business, operations and the state of affairs of the Company together with the audited financial statements for the financial year ended March 31, 2023:

Financial Highlights

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

(Amount Rs. in million)

Particulars	2022-2023	2021-2022
Total Income	4,539.79	3,883.35
Total Expenses	3,566.23	3,292.62
Profit Before Tax	973.56	590.73
Provision for tax (including Deferred Tax and fringe benefit tax, if any)	256.01	142.49
Loss/ Profit for the year	717.55	448.24
Other Comprehensive Income	(4.85)	(3.22)
Total Comprehensive Income	712.70	445.02
Opening Balance	437.99	82.54
ESOPs cost Reversed during the year	3.51	4.09
Profit available for appropriation	1,154.20	531.65
Appropriations		
- Transfer to special reserve under Section 45-IC of the Reserve Bank of India Act, 1934	(143.51)	(89.65)
- Transfer to Capital Redemption Reserve	(1.00)	(4.01)
Surplus carried to Balance Sheet	1,009.69	437.99

Information on the State of Affairs of the Company

Information on the operational and financial performance for the financial year ended March 31, 2023, key highlights, future outlook among others, is given in the Management Discussion and Analysis Report which is annexed as [Annexure I](#) to this Report and is in accordance with the provisions of the RBI Master Direction No. DNBR.PD.008/03.10.119/2016-17 dated September 1, 2016 as amended i.e. Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking company and Deposit taking Company (Reserve Bank) Directions, 2016.

Change of name of the Company

During the year under review, the Company had changed its name from Edelweiss Finance & Investments Limited to Nuvama Wealth Finance Limited with effect from September 19, 2022, with a view to establish the Company as an entity of its own standing in the market.

Change in Registered Office of the Company

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

From:
Edelweiss House,
Off CST Road,
Kalina, Mumbai - 400 098.

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

Dividend

The Board on April 20, 2023, declared dividend of Rs. 1,34,81,325 on 92,18,000- 14.625% Cumulative Redeemable Preference Shares of Rs. 10/- each, for the financial year ended March 31, 2023.

During year under review, the Board of Directors did not recommend any dividend on the equity shares of the Company.

Changes in the Share Capital of the Company

During the year under review, there was no change in the equity share capital of the Company.

During the year under review, 1,00,000 - 14.625% Cumulative Redeemable Preference Shares (CRPS) of Rs. 10 each for cash at a premium of Rs. 5 per CRPS, out of the profits of the Company were redeemed on June 10, 2022, as per the terms of Issue.

Consequently, as at March 31, 2023, the total paid-up share capital of the Company stood at Rs. 20,67,71,050 divided into 1,14,59,105 equity shares and 92,18,000 CRPS of Rs. 10 each.

Borrowings

During the year, the Company had issued Commercial Papers (listed as well as unlisted) and Non-convertible Debentures from time to time.

Trustee Details

As per Section 62 (1) (b) of the Companies Act, 2013 read with rule 12 (9) of the Companies (Share Capital and Debentures), Rules, 2014, the following act as the Debenture Trustees for the Non-convertible Debentures issued by the Company by Public Issue and Private Placement basis:

Beacon Trusteeship Limited	Catalyst Trusteeship Limited	SBI Cap Trustee Company Limited
4C&D, Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra (E), Mumbai - 400 051.	Windsor, 6 th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400 098.	6 th Floor, Apeejay House, 3, Dinshaw Watcha Road, Churchgate, Mumbai - 400 020.

Loans, Investments, Security and Guarantees

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

The Company has provided security of loans and other receivables in favour of Debenture Trustees in accordance with the Debenture Trust Deed executed by the Company.

Related Party Transactions

All the related party transactions entered by the Company are on arm's length basis and in the ordinary course of business. The particulars of contracts or arrangements with the related parties as referred to in sub-section (1) of Section 188 and forming part of this report is provided in the financial statements.

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

Directors and Key Managerial Personnel

(i) Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence prescribed under the Companies Act, 2013 ('the Act') and also in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience and that they have registered their names in the Independent Directors' Databank.

There was no change in the Independent Directors of the Company in the financial year ended March 31, 2023. Mr. Kunnasagaran Chinniah resigned as Independent Director of the Company w.e.f. April 20, 2023.

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

(ii) Executive Director

Pursuant to the recommendations of the Nomination and Remuneration Committee, Mr. Tushar Agrawal, Chief Executive Officer (DIN: 08285408) was appointed as the Executive Director of the Company with effect from May 19, 2022.

(iii) Non-executive Directors

During the year under review, pursuant to the recommendations of the Nomination and Remuneration Committee, Mr. Gaurang Tailor (DIN: 00010292) was appointed as a Non-executive Director of the Company w.e.f. October 19, 2022.

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

Sr. No.	Name of the Director		Effective Date of Resignation
1.	Ms. Kamala Kantharaj	-	October 19, 2022
2.	Mr. Gaurang Tailor	-	March 6, 2023

The Board places on record its sincere appreciation of the services rendered by Ms. Kantharaj and Mr. Tailor during their tenure as the Non-executive Directors of the Company.

(iv) Retirement of Director by Rotation

Mr. Ramesh Abhishek (DIN: 07452293), Non-executive Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offered himself for re-appointment.

(v) Key Managerial Personnel

During the year under review, Ms. Sheetal Gandhi resigned as the Chief Financial Officer (CFO) of the Company and Mr. Manishkumar Jain was appointed as CFO of the Company w.e.f. July 20, 2022.

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

Number of Board Meetings held

During the year ended March 31, 2023, the Board met seven (7) times. The details of the Board meetings and the attendance of the Directors at the meetings are provided in the Corporate Governance Report, enclosed as [Annexure III](#) which forms part of this Report.

Committees of the Board of Directors

Audit Committee

In accordance with the provisions of Section 177 of the Companies Act, 2013, (the Act), Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR), the Audit Committee of the Company comprises of the following Directors as its members:

- Mr. Birendra Kumar - Independent Director and Chairman
- Mr. Ramesh Abhishek - Non-executive Director
- Ms. Anisha Motwani - Independent Director

The constitution and terms of reference of the Committee are in compliance with the requirements of the Act and LODR. During the year ended March 31, 2023, the Committee met 5 times.

Further details of the Audit Committee are provided in the Corporate Governance Report, enclosed as [Annexure III](#) which forms part of this Report.

Nomination and Remuneration Committee

In accordance with the provisions of Section 178 of the Companies Act, 2013, (the Act), Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR) the Nomination and Remuneration Committee of the Company presently comprises of the following Directors as its members:

- Mr. Birendra Kumar – Independent Director and Chairman
- Mr. Nikhil Srivastava– Non-executive Director
- Ms. Anisha Motwani – Independent Director

The constitution and terms of reference of the Committee are in compliance with the requirements of the Act and LODR. During the year ended March 31, 2023, the Committee met 3 times.

Further details of the Committee are provided in the Corporate Governance Report, enclosed as [Annexure III](#) which forms part of this Report.

The Remuneration Policy (“the Policy) pursuant to Section 178 of the Companies Act, 2013 is annexed as **Annexure IV** to this Report.

Corporate Social Responsibility Committee and Report

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

- Mr. Birendra Kumar – Independent Director
- Mr. Tushar Agrawal – Executive Director & CEO
- Mr. Nikhil Srivastava – Non-executive Director

The terms of reference of the CSR Committee include the matters specified in Section 135 of the Act and the Annual Report on CSR Activities is annexed as [Annexure IV](#) to this Report.

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

The CSR Policy of the Company is uploaded on the website of the Company at the link: <https://nuvamafinance.com/Home/InvestorRelation>

Remuneration Policy

The Board of Directors of the Company have framed a Remuneration Policy pursuant to Section 178 of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and the Compensation Guidelines for key managerial personnel and senior management in NBFCs issued by the Reserve Bank of India . The Policy is annexed as [Annexure V](#) to this Report.

Evaluation of the performance of the Board

The Board has framed an Evaluation Policy (“the Policy”) for evaluating the performance of the Board, Executive Directors, Independent Directors, Non-executive Directors and its Committees. Based on the Policy, the performance was evaluated for the financial year ended March 31, 2023. A meeting of the Independent Directors was held during the year under review.

The Policy *inter alia* provides the criteria for performance evaluation such as Board effectiveness, quality of discussion, contribution by the Directors at the meetings, their business acumen, strategic thinking, time commitment, and relationship with the stakeholders, corporate governance practices followed by the Company, contribution of the Committees to the Board in discharging its functions.

A separate meeting of the Independent Directors was held on March 21, 2023, wherein the performance of the Non-Independent Directors, performance of the Board as a whole and also that of the Chairman in terms of the provisions of the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Guidance Note issued by the Securities and Exchange Board of India in this regard was discussed.

Internal Financial Controls and Risk Management

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

Risk Management

The Company has in place a Risk Management Policy. The Risk Management Committee has not identified any elements of risk which in its opinion may threaten the existence of the Company. The Company’s internal control systems are commensurate with the nature of its business, size and complexity of its operations.

Auditors

The Members of the Company at its Annual General Meeting held on July 22, 2022, appointed M/s. Choksi & Choksi LLP, as the Auditors of the Company for a term of two years from till the conclusion of the 30th Annual General Meeting to be held in the year 2024.

The Report of the Auditors on the financial statements for the financial year ended March 31, 2023, does not contain any qualification, reservation, adverse remarks or disclaimer. The Notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further clarifications under Section 134(3)(f) of the Act. Further, pursuant to Section 143(12) of the Act, the Statutory Auditors of the Company have not reported any instances of frauds committed in the Company by its officers or employees.

Auditors' Report

Statutory Auditors' Report

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

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

Secretarial Audit Report

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

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

Compliance with Secretarial Standards

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

Prevention of Sexual harassment of Women at Workplace

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

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

Annual Return

Pursuant to the provisions of Section 134(3) and 92(3) of the Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company for the financial year ended March 31, 2023 is available on the Company's website and can be accessed at <https://nuvamafinance.com/Home/InvestorRelation>.

Whistle Blower Policy/Vigil Mechanism

The Company has in place a Whistle Blower Policy to report genuine concerns/grievances. The Policy is available on the website of the Company at the link: <https://nuvamafinance.com/Home/InvestorRelation>. The Policy provides for adequate safeguards against the victimisation of the persons who use the vigil mechanism. The vigil mechanism is overseen by the Audit Committee.

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

A. Conservation of energy

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

B. Technology absorption

- (i) the efforts made towards technology absorption; The minimum technology required for the business has been absorbed.

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

C. Foreign exchange earnings and outgo

The details of foreign exchange outgo during the year under review are as below:

Nature	Amount in Rs. (In Millions)
Purchase of Securities	1498.75
Director Sitting Fees	1.80

Other Disclosures

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

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

Directors' Responsibility Statement

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

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

Disclosure under Section 197 of the Act - Particulars of Employees

The information/particulars of Employees as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended are provided in [Annexure VII](#) to this Report.

Corporate Governance

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, (Listing Regulations) the Report on Corporate Governance together with the certificate issued by M/s. Sahani & Kothari, Company Secretaries, on compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations enclosed as [Annexure III](#) forms part of this Report.

Declaration by the Chief Executive Officer

A declaration by the Chief Executive Officer in terms of Para D of Schedule V to the SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, on the declarations received from the Directors and the Senior Management personnel affirming compliance with the Code of conduct applicable to them is provided in the Corporate Governance Report, enclosed as [Annexure III](#) which forms part of this Report.

Acknowledgements

The Board of Directors wishes to place on record their appreciation for the continued support and co-operation extended by the Securities and Exchange Board of India, Stock Exchanges, Reserve Bank of India, Ministry of Corporate Affairs, government authorities, banks, and other stakeholders. Your Directors would also like to take this opportunity to express their appreciation for the dedicated efforts of the employees of the Company.

**For and on behalf of the Board of Directors
Nuvama Wealth Finance Limited
(formerly known as Edelweiss Finance & Investments Limited)**



Tushar Agrawal
Executive Director and CEO
DIN: 08285408



Ashish Kehar
Non-executive Director
DIN: 07789972

Mumbai, May 22, 2023

Annexure I

Nuvama Wealth Finance Limited (formerly known as Edelweiss Finance & Investments Limited) (NWFL) FY2022-23

Management Discussion & Analysis

MACRO ECONOMY: REVIEW AND OUTLOOK

Future historians may regard FY23 as a major juncture in history, marking the end of a lethal pandemic and the beginning of a war between Ukraine and Russia. During the pandemic, humanity prevailed with frontline medics doing whatever they could to save every last person's life; and during the war, humanitarian crisis deepened worse-than-expected. Amid this bewilderment, India stands tall with economic resilience, even as global growth has slowed down. According to the IMF, while India's GDP grew 6.8% YoY in FY23, Emerging Market and Developing Economies (EM&DEs) grew only 4%, and world economy grew 3.4% YoY in real terms.

What made matters worse was the 500bps increases in Fed rate in FY23 – one of the sharpest tightening seen in decades. The combination of high rates in western world and Russia-Ukraine war resulted in macro-vulnerability problems like higher inflation (above RBI's tolerance band) and Balance of payment stress. However, stock of high forex reserves, very high domestic banking sector liquidity, and strong corporate balance sheets negated most of these spillovers, which not only kept the economy afloat, but also made it thrive.

This can be seen by the strong earnings posted by domestic oriented sectors, especially banks. Indian banks posted decadal high credit growth and profitability, despite the export slowdown. Not only that even capex cycle is seeing signs of revival – strongly supported by public sector thrust on infrastructure and government reforms. Real estate too posted a very strong year, despite rising rates as affordability still remains strong. Infact, inventory levels in the sector are down to multi-year lows and is well poised for take-off. With regards to consumption, services picked up while goods consumption slowed. Overall, despite the global challenges FY23, was a very good year for domestic economy.

In a world where nearly all global asset classes (including safe haven USTs) floundered, domestic equities flourished. While Nifty returns for the year, were flat, they significantly outperformed global peers. Also, within Nifty it's the domestic oriented cyclicals like industrials and banks that delivered very strong returns. Even INR (down 7%) was one of the best performing currencies in FY23, not just outperforming its EM peers (down 8%). Overall, FY23 was a year where India stood as a beacon of stability in turbulent global economy – a significant improvement from its place in fragile five a decade ago.

Overall Outlook

With regards to FY24, macro-vulnerability concerns are fading. Falling commodity prices along with strong services exports has significantly improved India's current account deficit and inflation. Domestic oriented corporates' margins too should get a boost. However, there could some slowdown in nominal variables such as inflation, credit growth, corporate topline, etc. Nonetheless, unlike the past global shocks which had significant scarring on economy, India's resilience is much higher this time around and should see a faster revival once the dust settles.

Wealth Management Industry

Financialization of assets, democratization of wealth, Indian demographics and increasing sophistication are some of the key emerging trends in the Indian Wealth Management industry.

With the investors increasingly becoming more sophisticated coupled with low interest rates and increased investment choices, they are willing to explore the unexplored. Simultaneously, UHNIs and Affluent clients are keen to look at advanced investment and funding strategies and turn towards more personalised investment advisory services in their quest for higher yields which augurs well for the industry

The Company

The Company is registered as a Non-Banking Financial Institution not accepting public deposits with the Reserve Bank of India. The Company is engaged in the business of investments and lending. Over a period of time the Company has acquired the status of Systemically Important Non-

Banking Financial Company not accepting public deposits (NBFC-ND-SI).

At NWFL, we offer a wide range of products and services for retail clients of Nuvama Wealth Management (NWM) business with a clear focus on offering bespoke products and strategies to our clients to meet their investment requirements. Our loan products include ESOP & Margin Funding, Loans against Securities and IPO Financing.

We are part of the Nuvama Wealth Management Group which is one of India's prominent names in Wealth Management business sector. As one of India's fastest growing wealth management companies, we ranked second amongst the Indian wealth management businesses excluding banks (source: Asian Private Banker League Tables for FY20). We cater to the evolving needs of ~2,760 Ultra High-Networth (UHNW) families and ~8,53,000 Affluent clients across all major locations in India with over Rs.2,000 billion in Assets under Advice (AuA) at the end of FY22, a growth of 30% YoY. Wealth Management net flows increased by ~10% YoY to ~Rs. 9,300 Cr in FY22. Affluent client additions of ~1.5 lacs in FY22, registering YoY growth of 80%.

FINANCIAL PERFORMANCE HIGHLIGHTS

FINANCIAL HIGHLIGHTS FOR FY23

A summary of our FY23 financial highlights together with FY22 financials as per Ind AS is as under:

- **Total Revenue Rs. 4,540 million** (Rs. 3,883 million for FY22), Increase 17%
- **Profit after Tax Rs 718 million** (Rs. 448 million for FY22), Increase 60%.
- **Networth Rs. 7,680 million** (Rs. 6,964 million at the end of FY22)

Fund Based Revenue

Our fund-based businesses earned revenue of Rs. 4,341 million for FY23 (Rs. 3,610 million for FY22). Out of this, interest income was at Rs. 2,800 million (Rs.2,079 million for FY22) and company has treasury management activities on which it has earned net gain of Rs. 1,541 millions (Rs. 1,530 millions for FY 22)

Fee & Commission

Our agency fee & commission revenue was Rs.185 million for the year (Rs. 206 million in FY22.)

EXPENSES

Our total costs for FY23 was Rs.3,566 million (Rs. 3,293 million in FY22), increase 8%. Within our total costs, operating expenses were Rs. 673 million in FY23 (Rs. 617 million in FY22), increase of 9%. Our employee expenses were Rs. 686 million in FY23 (Rs. 720 million in FY22), decrease of 5%. The interest expense were Rs. 2,190 million (Rs. 1,923 million in FY22), up 14%.

PROFIT AFTER TAX

Our Profit for FY23 was Rs.718 million compared to Profit after Tax of Rs.448 million for FY22.

Our Profit before Tax margin for FY23 was 21% compared to 15% for FY22. Our Profit after Tax margin for FY23 was 16% compared to 12% for FY22.

Balance Sheet Gearing

NWFL 's net worth has increased to Rs.7,680 million as at the end of FY23 compared to Rs.6,964 million at the end of FY22 largely on account of profit for the year.. Debt on March 31, 2023 was Rs. 27,465 million (Rs. 24,175 million as on March 31, 2022), with a Gearing Ratio of 3.58 times. The gross Balance Sheet size at the end of FY23 was Rs.39,773 million (Rs. 33,688 million at the end of FY22).

ANALYSIS OF SIGNIFICANT CHANGES IN FINANCIAL RATIOS

As per the recent amendments to the SEBI Listing Obligations and Disclosure Requirements (LODR), we give below additional information in respect of financial parameters that are applicable to our company:

1. Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, including:
 - a. Debt Equity Ratio 3.58 at the end of FY23 compared to 3.47 at the end of FY22. This was due to increase in Debt.
 - b. Operating Profit Margin 21% in FY23 compared to 15% in FY22.

- c. Net Profit Margin 16% at the end of FY23 compared to 12% at the end of FY22.
2. Return on Average Equity for FY23 is 9.8% compared to 6.7% for FY22.

BUSINESS PERFORMANCE HIGHLIGHTS

Our Company is presently engaged in the business of granting loans against securities, ESOP & margin trade financing and IPO financing. The loan book has grown Steady in last one year.

As on March 31, 2023, outstanding loan against securities in NWFL stands at Rs.22,443 million compared to Rs. 19,650 million at March 31, 2022.

BALANCE SHEET MANAGEMENT

NWFL recognises the need for a strong and liquid balance sheet which enables us easier access to market borrowings on the back of a strong credit rating. A liquid balance sheet simultaneously enables us to redeploy capital efficiently towards business opportunities that appear at short notice.

During the year NWFL has raised borrowings from market linked debentures and commercial papers

We continue to diversify our sources of borrowings across MLDs, NCDs and CPsetc. as well as add liabilities commensurate with our assets profile.

Capital Adequacy Ratio

As per the Non-Banking Financial Companies Prudential Norms stipulated by Reserve Bank, all NBFCs-ND-SI are required to maintain a minimum Capital to Risk-weighted Assets Ratio ("CRAR") of 15%. NWFL's total CRAR as on March 31, 2023 was 24.03% with a Tier I Ratio of 23.33% and Tier II ratio of 0.70% compared to 23.68%, 22.95% and 0.73% respectively as on March 31, 2022.

OPPORTUNITIES

Financial services in India continue to offer enormous and scalable opportunities for companies like NWFL as under notwithstanding the recent economic downturn worsened by a prolonged Pandemic as the long-term growth story of India remains intact:

- With industry size of ~Rs. 40,000 Cr and restrictions by RBI on bank led brokers providing ESOP funding, opportunities have opened up for NBFCs like us.
- Democratisation of credit, aspirations of younger population, household savings moving to investments and increasing number of Demat accounts will continue to present growth opportunities for companies like ours.

THREATS

While the economy is gradually coming out of the shadows of the pandemic, following threats cannot be ruled out and these, if they materialize, could reverse the current revival of the economy including NBFC sector in India:

- If the current challenges for NBFCs to source liabilities at the right cost of funds do not resolve soon, growth will continue to be a challenge for the sector.
- Any abnormal surge in oil prices or weak monsoon or further delay in revival of capex cycle can also inhibit growth.

OUTLOOK & STRATEGY

While the GDP growth forecast for FY24 is robust, threats as outlined above can quickly derail the current momentum of the economy. Our confidence in the long-term India story continues to remain intact and growth opportunities will come back sooner than later.

As we look forward, we will continue to focus on culture, people, nurturing and scaling our business. At the same time, we will also see some new paradigms of focus – process and institutionalisation and tech-oriented thinking.

As the economy gains traction gradually, we are well-placed to take advantage of this India growth cycle. We have great global partner to help us grow. With strong capitalisation, tailwinds from the economy and the inherent strength of our business, we are looking at an exciting and fulfilling journey ahead.

ENTERPRISE GROUPS

The business of NWFL is controlled and supported by a core of Enterprise Groups that provide consistent quality and rigour to key process functions. While NWFL itself is responsible and equipped with management of enterprise

functions, it also draws upon the support from and expertise available at the Nuvama Group level. Various steps taken by us to improve efficacy of Enterprise functions are detailed below.

GOVERNANCE

Governance is at the heart of everything we do and it transcends beyond compliance extending to ethics and values as well because we believe that well governed organisations tend to last longer. Governance to us means **Trust** covering Ethics & Integrity, **Legitimacy** encompassing Transparency, Authenticity and Fairness, **Accountability** including Decision making, responsiveness, **Competence** highlighting Simplicity, and above all **Respect** for letter and spirit of law.

Our Board plays vital role in ensuring highest Governance level within the company by setting tone from top throughout the fabric of our organisation. They set higher standards on ethics, integrity, transparency and fairness leading us to build good framework for conduct, behaviour and process oversights at all levels.

In order to promote good governance culture, we have self-defined rules for good behaviour and conduct at individual as well as at entity levels covering issues of Conflict of Interest, Insider Trading, dealing with sensitive information etc. Learning from the recent past, we are refining some of practices to facilitate smooth functioning while working from home through use of technology ensuring that best in class compliance standards are met always.

RISK MANAGEMENT

Risk management is integral part of business at Nuvama. The good risk management practices have facilitated navigating through environmentally turbulent times. Respect for Risk is central to every business decision at Nuvama. Simple questions are to be answered before every decision, i.e., "**Is it worth it?**" and "**Can we afford it?**". This principle-based approach has stood well in protecting the organisation from vagaries of external world.

Risk Management is a discipline that forms its core and encompasses all the activities that affect the Company's risk profile. It includes risk identification, risk assessment, risk measurement, and risk mitigation with its main objective to

minimise the negative impact on profitability and capital.

We believe that Risk Management is collective responsibility. The elaborate risk governance structure includes Board of Directors, Risk Management Committee, Investment Committee, & Risk team.

NWFL Risk management enumerate the key risks in the business, to ensure consistency, uniformity, zero errors and transparency, and ensuring higher customer satisfaction and higher revenues

We have a strong risk team within our company which ensures implementation of risk philosophy and practices at business level. Our risk team also ensures that necessary action is taken to make certain that identified risks are adequately addressed.

Key Risks

NWFL deals in multiple asset classes and client segments and is thus exposed to various risks.

Credit Risk

The credit risk framework of NWFL ensures prior and periodic comprehensive assessment of every client, counterparty and collateral. Exposure limits are sanctioned to counterparties based on their credit worthiness. Credit risk monitoring mechanism ensures that exposure to clients is diversified and remains within stipulated limits. Careful selection of quality and quantum of collateral is key for a client limit. Effective credit risk management has enabled us to steer through the current environmental stress conditions without any major impact.

Market Risk

NWFL faces the usual market risks on the liabilities as well as assets side. In order to monitor such market risk, a comprehensive set of reports and limits has been put in place that track positions and various risk parameters. The risk framework ensures that the risks are monitored and necessary timely action is taken for every single instance of breach, in case they occur.

Operational Risk

Operational risk framework of NWFL is designed to balance and check operational risk at key

manifestation points. In addition to defining new processes, we constantly review all critical processes to proactively identify weak controls and strengthen the same.

Fraud Risk

NWFL has set fraud risk framework to providing insight into fraud prevention, detection and response. Risk assessment done frequently in the changing risk environment. The process of assessing fraud risk vulnerabilities within organization and then developing an anti-fraud program that stops any potentially fraudulent activity before it happens. It involves identifying potential and inherent fraud risks and developing a program that works to detect and prevent suspected fraud, both internal and external to the business.

Fraud Risk covers Employee Fraud, Customer Fraud and Third-Party Fraud as its principal categories. Company uses different types of tools and techniques for mitigating risk viz Governing Controls, Preventive Controls & Detective Controls.

Business Risk

NWFL is primarily a Capital Market Based Wealth NBFC, where we largely do funding against liquid collateral.

Given the high quality liquid collaterals, we have advantage of ability to scale up and down the business based on market condition.

Business strategy is formed and continuously monitored and updated, keeping in mind the changing business environment.

Liquidity Risk

We at NWFL maintain sufficient liquidity cushion to meet our borrowing obligation and borrower side funding requirement.

Additionally, the asset liability mismatch and collateral margins are regularly assessed. Liquidity requirements are closely monitored and necessary care is taken to maintain sufficient liquidity cushion for maturing liabilities and for any unforeseen requirements. We also ensure diversification in source of borrowing to reduce dependence on a single source. We also pro-actively modify our liabilities profile in sync with the changing assets

profile to ensure that we do not carry any material asset liability mismatch.

Regulatory Risk

Being RBI registered NBFC engaged into lending and investment, NWFL is subject to various regulatory requirements.

Governance and Compliance Team ensures that every regulation, which are applicable to us are being complied with in letter and spirit.

Reputation Risk

We at NWFL understand that reputation is key to manage the brand image and it is very important to keep the reputation high. There are several other risks, with which our Reputation is related, and any other risk event can lead to Reputation Risk. We are cognizant of this risk and work towards ensuring that our reputation remains that of high quality.

Technology Risk

Tech Team ensures that all systems are updated and working as envisaged.

IT Steering Committee monitors the developments and keep a tab to see that IT infrastructure is being built keeping in mind futuristic requirement.

Systems are assessed and updated regularly to ward off risk of outdated, breach of confidential data and hacking attempts.

People Risk

In NWFL we have right set of people having required qualification, experience and skill set.

At the hiring it is ensured that people being hired are having right skill to perform the task.

Performance Management System evaluates the employees progress and rewards are in-line with performance of the concerned person.

Physical and Infrastructure Risk

Physical and Infrastructure risk is defined as the risk of loss due to failures and/ or disruption of basic services, infrastructure, and facilities on account of natural calamity or manmade disaster, including safety of employees. It includes Safety of

Employees and Damage to Physical Assets as its principal categories. NWFL has adequate Business Continuity plan in place so as to ensure that there are sufficient back-ups to continue with business in case of disruption.

All of the above will also help us in ensuring our compliance with Companies Act 2013 requirement of “adequate internal financial controls system and operating effectiveness of such controls”.

INTERNAL CONTROL POLICIES AND THEIR ADEQUACY

Nuvama Group has institutionalised a strong compliance culture across all the business entities recognising that transparency and trust amongst all its stakeholders can be achieved only through this. We believe Compliance is the cornerstone of good corporate citizenship.

The internal controls of Nuvama are commensurate with the business requirements, its scale of operation and applicable statutes to ensure orderly and efficient conduct of business. These controls have been designed to ensure assurance with regard to maintaining proper accounting controls, substantiation of financial statement and adherence to IND AS requirements, safeguarding of resources, prevention and detection of frauds and errors, ensuring operating effectiveness, reliability of financial reporting, compliance with applicable regulations and relevant matters covered under section 134 (5) (e) of the Companies Act 2013.

Internal Audit

Internal Auditors at NWFL follow Standards on Internal Audit along with guidelines issued by regulators and ensures compliance with section 138 of the Companies Act 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, as amended and notified from time to time. The Internal Audit function operates under the supervision of the Audit Committee of the Board.

The Internal audits are carried out by Internal Auditors appointed by NWFL and they review the adequacy and effectiveness of internal control, compliance to internal and external guidelines, and risk management practices followed in the company. Internal Audit Reports are presented in the Audit Committee meeting and their findings are discussed.

HUMAN RESOURCES

FY 22 – 23 was a year of stabilization and investment towards growth. The organisation went through the Rebranding process and is focussing towards strengthening its foundation and Institutionalising its processes

At Nuvama, we possess a winning combination of people, opportunities and development and our biggest strength has always been our people. The efforts are focussed on evolving our policies, processes & culture basis feedback from employees & making it more open, flexible and inclusive.

Key People Priorities for this year were:

- Investment in our Talent to build them for larger responsibilities.
- Enhance employee experience
- Building inclusivity & agility

We inducted new Talent from the industry to add skills that are aligned with the objectives of our organization & support our growth.

In addition to hiring Talent, multiple initiatives were taken to engage & communicate with our existing Talent to focus on their development, alignment with Organization objectives & build collaboration.

Our policies are designed to provide flexibility along with accountability, equipping our employees to contribute with ownership & enhanced productivity. A significant component of our value-based culture is to acknowledge and appreciate efforts of employees through extensive recognition programs.

Continuous evolution of our processes is the premise to taking care of our people with a framework that is fair, collaborative, compliant and responsive. In FY 22 – 23, we have changed the way we conduct performance assessment by moving away from a point-based rating scale to descriptive rating structure with performance of employees against their KRAs along with their potential at its core.

This has been done to make our performance evaluation even more objective, meritocratic and in line with the industry practice.

Developments on HR front in FY23 are summarised below:

- We ended FY23 with a higher headcount of 305 permanent employees from 278 as of March 31, 2022
- As growth comes by making the most of opportunities, with our new brand our focus will be to develop our Talent pool – internally & externally, to support the growth of Nuvama
- Digitization of HR systems to ensure enhanced employee experience and higher efficiency.
- Amendment of our Performance Evaluation Structure
- Formation of Leadership Council

As it is said – Change is the only Constant; we went through a major change in FY 22 – 23 with Edelweiss Finance & Investment Limited becoming Nuvama Wealth & Finance Limited. To effect this change, it required high levels of planning, precision, due diligence and empathy to hand-hold our stakeholders. This was done seamlessly by our employees because of their sheer commitment to the organization & our customers.

We continue to remain focused on growth backed by culture of care and commitment to employee wellness & development.

Leadership

In this period of change and growth, strong leadership & accountability amongst each and everyone is critical to emerge as a Market Leader. The ability to connect with employees and clearly communicate our plans, decisions, information, and accomplishments will be extremely critical to achieve what we aspire for. This will be achieved while sustaining connection, trust, and engagement with team members through frequent check-ins and will ensure that all team members are motivated.

At Nuvama, a group of our future leaders has been created called Leadership Council. This group includes our future leaders who will play pivotal role in communicating, motivating and engaging our team members with core purpose of alignment of efforts of all our employees with the vision of the organization.

TECHNOLOGY

Nuvama Wealth Finance Limited follows practice of continuous advancements in IT Technology which empowers us with strong technology backbone.

Nuvama Wealth Finance Limited has planned the business continuity to provide seamless experience to our customers through the digital channels. We at Nuvama Wealth Finance Limited have always emphasized on digital initiatives which caters to the need of the organization and play a crucial role in its success.

Technology resiliency

The key pillars of Nuvama Wealth Finance Limited technology resiliency have been:

- **Cloud adoption:** Migrating to the cloud ensured high availability, scalability and resiliency of our business applications with employees being able to securely access from anywhere, using any device and at any time
- **Enterprise API gateway:** This enabled us to leverage the partner ecosystem and accelerate the turnaround time for new product launches
- **Unified collaboration suite:** Deployment of a unified collaboration suite helped improve the employee productivity
- **Intelligent Automation:** This enabled us to develop new experiences and deliver process changes rapidly through low code software development tools
- **Artificial Intelligence:** Leveraging advanced Machine Learning algorithms, we have deployed over 20 models for evaluating risks, performing AML checks, doing customer KYC, identifying frauds, etc. in the Nuvama Wealth Finance Limited thereby building efficiencies in our business

Information Security and Governance

In order to cater to the ever changing landscape, the Technology function has moved away from the traditional castle-and-moat security model to Zero Trust Network Security model. This requires strict identity verification for every person and device trying to access resources on private corporate network., Continual enhancement of the Cloud security framework and governance will be a priority area. Further we have been able to maintain 100% regulatory and policy compliance to all our IT security controls with zero downtime.

With respect to IT Governance, we have the IT Strategy Committee and IT Steering Committee in place in conformity with the requirements of the Master Direction - Information Technology Framework for the NBFC Sector issued by the RBI. We intend to continue our focus on process

standardisation and strengthen our governance practices to ensure the right balance of efficiency, risk and compliance.

CUSTOMER EXPERIENCE

At Company level, Customer Experience (CX) is regarded as a key pillar of business success in true spirit.

With this motto in sight, we have continued to build a culture of customer-centric business. To drive this agenda, we have also implemented various measures including digital upgrade. Through these efforts, we are responding to evolving customer needs, and institutionalizing these processes across the organisation, to ensure a superlative experience for all our customers, throughout the value chain.

Annexure II
Form AOC-2

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

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

(Currency: Indian rupees in millions)

Details of contracts or arrangements or transactions not at arm's length basis: **None**

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

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

Sr. No.	Name of the related party	Relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any (Rs. In million)	Date of approval by the Audit Committee	Amount paid as advances, if any
1.	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	Fellow Subsidiaries	Loans given	1 year	72,610.30	January 21, 2022	NIL
2.	Nuvama Asset Management Limited (formerly ESL Securities Limited)	Fellow Subsidiaries	Loans given	1 year	84.60	January 21, 2022	NIL
3.	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	Holding Company	Loans given	1 year	93,063.50	January 21, 2022	NIL
4.	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	Fellow Subsidiaries	Repayment of loans	1 year	72,610.30	January 21, 2022	NIL
5.	Nuvama Asset Management Limited (formerly ESL Securities Limited)	Fellow Subsidiaries	Repayment of loans	1 year	84.60	January 21, 2022	NIL
6.	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	Holding Company	Repayment of loans	1 year	93,063.50	January 21, 2022	NIL

7.	Apama T Chandrashekar	Relatives of KMP/ Directors and entity in which KMP/Directors/ Relatives has substantial Interest	Loan Given including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	1year	37.86	January 21, 2022	NIL
8.	Mabella Investment Adviser LLP	Relatives of KMP/ Directors and entity in which KMP/Directors/ Relatives has substantial Interest	Loan Given including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	1year	141.38	January 21, 2022	NIL
9.	Tushar Agrawal	Key Management Personnel	Loan Given including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	1year	12.24	January 21, 2022	NIL
10.	Kenai Advisors LLP	Relatives of KMP/ Directors and entity in which KMP/Directors/ Relatives has substantial Interest	Loan Given including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	1year	319.82	January 21, 2022	NIL
11.	Gaurang Vasudev Tailor	Director	Loan Given including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	1year	12.51	January 21, 2022	NIL
12.	Shiv Sehgal	Directors of Holding Company	Loan Given including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	1year	7.07	January 21, 2022	NIL

13.	Aparna T Chandrashekar	Relatives of KMP/ Directors and entity in which KMP/Directors/ Relatives has substantial Interest	Loan repaid including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	1year	260.92	January 21, 2022	NIL
14.	Mabella Investment Adviser LLP	Relatives of KMP/ Directors and entity in which KMP/Directors/ Relatives has substantial Interest	Loan repaid including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	1year	366.54	January 21, 2022	NIL
15.	Tushar Agrawal	Key Management Personnel	Loan repaid including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	1year	23.71	January 21, 2022	NIL
16.	Kenai Advisors LLP	Relatives of KMP/ Directors and entity in which KMP/Directors/ Relatives has substantial Interest	Loan repaid including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	1year	364.32	January 21, 2022	NIL
17.	Gaurang Vasudev Tailor	Director	Loan repaid including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	1year	22.78	January 21, 2022	NIL
18.	Shiv Sehgal	Directors of Holding Company	Loan repaid including Interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	1year	19.79	January 21, 2022	NIL

19.	ECL Finance Limited	Subsidiaries of the entity exercising significant influence over the Company's Holding Company	Purchases of securities held for trading	1year	478.22	January 21, 2022	NIL
20.	Edelweiss Retail Finance Limited	Subsidiaries of the entity exercising significant influence over the Company's Holding Company	Purchases of securities held for trading	1year	5.69	January 21, 2022	NIL
21.	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	Fellow Subsidiaries	Purchases of securities held for trading	1year	3,819.45	January 21, 2022	NIL
22.	ECL Finance Limited	Subsidiaries of the entity exercising significant influence over the Company's Holding Company	Sale of securities held for trading	1year	470.18	January 21, 2022	NIL
23.	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	Fellow Subsidiaries	Sale of securities held for trading	1year	5,353.53	January 21, 2022	NIL
24.	Edelweiss Asset Reconstructions Company Ltd	Subsidiaries of the entity exercising significant influence over the Company's Holding Company	Sale of securities held for trading	1year	0.77	January 21, 2022	NIL
25.	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	Holding Company	Sale of securities held for trading	1year	639.75	January 21, 2022	NIL
26.	Edel Finance Company Ltd	Subsidiaries of the entity exercising significant influence over the Company's Holding Company	Sale of securities held for trading	1year	18.84	January 21, 2022	NIL
27.	Ecap Equities Limited (formerly Edel Land Limited)	Subsidiaries of the entity exercising significant influence over the Company's Holding Company	Sale of securities held for trading	1year	138.49	January 21, 2022	NIL
28.	Edelweiss Rural & Corporate Services Limited	Subsidiaries of the entity exercising significant influence over the Company's Holding Company	Sale of securities held for trading	1year	53.35	January 21, 2022	NIL
29.	Picknight Technologies Private Limited	Fellow Subsidiaries	Sale of securities held for trading	1year	139.14	January 21, 2022	NIL
30.	Surendra Mohan Kehair - HUF	Entity in which KMP/Directors/Relatives has substantial Interest	Sale of securities held for trading	1year	1.00	January 21, 2022	NIL
31.	Surendra Mohan Kehair	Relatives of KMP/ Directors	Sale of securities held for trading	1year	1.02	January 21, 2022	NIL

32.	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	Holding Company	Margin placed with	1year	329.70	January 21, 2022	NIL
33.	Edel Investments Limited	Subsidiaries of the entity exercising significant influence over the Company's Holding Company Fellow Subsidiaries	Margin placed with	1year	36,254.13	January 21, 2022	NIL
34.	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	Fellow Subsidiaries	Margin placed with	1year	53,229.96	January 21, 2022	NIL
35.	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	Holding Company	Margin refund received	1year	323.75	January 21, 2022	NIL
36.	Edel Investments Limited	Subsidiaries of the entity exercising significant influence over the Company's Holding Company Fellow Subsidiaries	Margin refund received	1year	38,032.81	January 21, 2022	NIL
37.	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	Fellow Subsidiaries	Margin refund received	1year	52,682.37	January 21, 2022	NIL
38.	Edelcap Securities Limited	Subsidiaries of the entity exercising significant influence over the Company's Holding Company Fellow Subsidiaries	Sale of fixed asset to	1year	0.00	January 21, 2022	NIL
39.	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	Fellow Subsidiaries	Interest income on loan given	1year	113.36	January 21, 2022	NIL
40.	Nuvama Asset Management Limited (formerly ESL Securities Limited)	Fellow Subsidiaries	Interest income on loan given	1year	0.20	January 21, 2022	NIL
41.	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	Holding Company	Interest income on loan given	1year	76.82	January 21, 2022	NIL
42.	Aparna T Chandrashekar	Relatives of KMP/ Directors and entity in which KMP/Directors/ Relatives has substantial Interest	Interest Income on Loan given to KMP, its Relative and its entity in which KMP/ Relative has substantial Interest	1year	12.31	January 21, 2022	NIL

43.	Mabella Investment Adviser LLP	Relatives of KMP/ Directors and entity in which KMP/Directors/ Relatives has substantial Interest	Interest Income on Loan given to KMP, its Relative and its entity in which KMP/ Relative has substantial Interest	1year	5.80	January 21, 2022	NIL
44.	Tushar Agrawal	Key Management Personnel	Interest Income on Loan given to KMP, its Relative and its entity in which KMP/ Relative has substantial Interest	1year	1.49	January 21, 2022	NIL
45.	Kenai Advisors LLP	Relatives of KMP/ Directors and entity in which KMP/Directors/ Relatives has substantial Interest	Interest Income on Loan given to KMP, its Relative and its entity in which KMP/ Relative has substantial Interest	1year	5.81	January 21, 2022	NIL
46.	Gaurang Vasudev Tailor	Director	Interest Income on Loan given to KMP, its Relative and its entity in which KMP/ Relative has substantial Interest	1year	0.45	January 21, 2022	NIL
47.	Shiv Sehgal	Directors of Holding Company	Interest Income on Loan given to KMP, its Relative and its entity in which KMP/ Relative has substantial Interest	1year	0.02	January 21, 2022	NIL
48.	ECL Finance Limited	Subsidiaries of the entity exercising significant influence over the Company's Holding Company	Interest received on debt instruments	1year	0.33	January 21, 2022	NIL
49.	Nido Home Finance Limited (Formerly known as Edelweiss Housing Finance Limited)	Subsidiaries of the entity exercising significant influence over the Company's Holding Company	Interest received on debt instruments	1year	0.13	January 21, 2022	NIL
50.	Edelweiss Retail Finance Limited	Subsidiaries of the entity exercising significant influence over the Company's Holding Company	Interest received on debt instruments	1year	0.01	January 21, 2022	NIL
51.	Edelweiss Financial Services Limited	Company exercising significant Influence over Holding company	Interest received on debt instruments	1year	2.36	January 21, 2022	NIL

52.	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	Fellow Subsidiaries	Interest received on debt instruments	1year	0.56	January 21, 2022	NIL
53.	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	Fellow Subsidiaries	Interest received on margin placed with brokers	1year	1.08	January 21, 2022	NIL
54.	Edelweiss Financial Services Limited	Company exercising significant influence over Holding company	Cost reimbursement paid	1year	1.92	January 21, 2022	NIL
55.	Edelweiss Rural & Corporate Services Limited	Subsidiaries of the entity exercising significant influence over the Company's Holding Company	Cost reimbursement paid	1year	0.82	January 21, 2022	NIL
56.	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	Fellow Subsidiaries	Cost reimbursement paid	1year	22.84	January 21, 2022	NIL
57.	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	Fellow Subsidiaries	Cost reimbursement paid	1year	27.57	January 21, 2022	NIL
58.	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	Holding Company	Cost reimbursement paid	1year	123.15	January 21, 2022	NIL
59.	Edelweiss Alternative Asset Advisors Limited	Subsidiaries of the entity exercising significant influence over the Company's Holding Company	Cost reimbursement paid	1year	0.19	January 21, 2022	NIL
60.	Ecap Equities Limited (formerly Edel Land Limited)	Subsidiaries of the entity exercising significant influence over the Company's Holding Company	Cost reimbursement paid	1year	0.17	January 21, 2022	NIL
61.	Nuvama Asset Management Limited (formerly ESL Securities Limited)	Fellow Subsidiaries	Cost reimbursement from	1year	0.86	January 21, 2022	NIL
62.	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	Fellow Subsidiaries	Cost reimbursement from	1year	2.08	January 21, 2022	NIL
63.	Ecap Equities Limited (formerly Edel Land Limited)	Subsidiaries of the entity exercising significant influence over the Company's Holding Company	Cost reimbursement from	1year	0.02	January 21, 2022	NIL

64.	EdelGive Foundation	Subsidiaries of the entity exercising significant influence over the Company's Holding Company	Contribution towards Corporate Social Responsibility	1year	6.72	January 21, 2022	NIL
65.	Edelweiss Financial Services Limited	Company exercising significant Influence over Holding company	Corporate Guarantee support fee	1year	1.41	January 21, 2022	NIL
66.	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	Fellow Subsidiaries	Clearing charges and Stamp duty paid to	1year	11.98	January 21, 2022	NIL
67.	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	Holding Company	Commission and brokerage paid to	1year	0.02	January 21, 2022	NIL
68.	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	Fellow Subsidiaries	Commission and brokerage paid to	1year	92.63	January 21, 2022	NIL
69.	Edel Investments Limited	Subsidiaries of the entity exercising significant influence over the Company's Holding Company	Commission and brokerage paid to	1year	16.00	January 21, 2022	NIL
70.	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	Fellow Subsidiaries	Advisory fee Received	1year	25.00	January 21, 2022	NIL
71.	Nuvama Asset Management Limited (formerly ESL Securities Limited)	Fellow Subsidiaries	Other Fees Paid	1year	1.96	January 21, 2022	NIL
72.	Zuno General Insurance (formerly Edelweiss General Insurance Company Limited)	Subsidiaries of the entity exercising significant influence over the Company's Holding Company	Insurance Premium paid	1year	12.93	January 21, 2022	NIL
73.	Edelweiss Tokio Life Insurance Company Limited	Subsidiaries of the entity exercising significant influence over the Company's Holding Company	Insurance Premium paid	1year	3.99	January 21, 2022	NIL
74.	Tushar Agrawal	Key Management Personnel	Remuneration to Chief Executive Officer	1year	11.72	January 21, 2022	NIL
75.	Others	Key Management Personnel	Remuneration to Key Management Personnel	1year	11.43	January 21, 2022	NIL
76.	Anisha Motwani	Director	Sitting fees paid to non-executive director	1year	1.70	January 21, 2022	NIL

77.	Brijendra Kumar	Director	Sitting fees paid to non-executive director	1 year	1.90	January 21, 2022	NIL
78.	Ramesh Abhishek	Director	Sitting fees paid to non-executive director	1 year	1.96	January 21, 2022	NIL
79.	Kunnasagar Chinniah	Director	Sitting fees paid to non-executive director	1 year	1.80	January 21, 2022	NIL

**For and on behalf of the Board of Directors
Nuvama Wealth Finance Limited
(formerly known as Edelweiss Finance & Investments Limited)**



Tushar Agrawal
Executive Director and CEO
DIN: 08285408



Ashish Khehar
Non-executive Director
DIN: 07789972

Mumbai, May 22, 2023

Corporate Governance Report
Company's Philosophy on Corporate Governance

At Nuvama Wealth Finance Limited, we strongly uphold good governance practices to promote fairness, transparency, accountability and integrity. In line with this philosophy, Guiding Principles have been articulated and these forms integral part of Company's corporate governance practices. Processes have been designed to run the businesses responsibly and harmonize diversified interests of various stakeholders thereby enhancing stakeholder value.

Board of Directors
Composition, Meeting and Attendance

The Board of Directors (the Board) of the Company are in conformity with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (the Listing Regulations) and the Companies Act, 2013 (the Act).

The annual calendar of the Board Meetings is agreed in advance with the Board of Directors. The agenda for the Board Meetings is circulated in advance and is backed by comprehensive background information to enable the Board to take informed decisions. During the financial year 2022-23, the Board met 7 times i.e. on: April 22, 2022; April 27, 2022; May 19, 2022; July 19, 2022, October 19, 2022, January 18, 2023 and March 21, 2023.

The names and categories of the Directors on the Board, their attendance at the Board Meetings held during the financial year 2022-23 and at the last Annual General Meeting (AGM), the number of directorships and committee positions held by them in other public limited companies and the name of the other listed entities where he/she is a Director and category of directorships as on March 31, 2023, are as under:

Name and DIN of the Directors	Category	No. of Board Meetings attended	Attendance at the AGM held on July 22, 2022	No. of Directorships held in other Public Companies \$	Name of other listed entity where person is Director and category of Directorship ^	Committee Position	
						Member	Chairman
Mr. Birendra Kumar DIN: 00163054	Independent Chairman	7	No	2	0	0	1
Mr. Tushar Agrawal DIN: 08285408	Executive Director and Chief Executive Officer	4	Yes	0	0	0	0
Mr. Nikhil Srivastava DIN: 07308617	Non-executive, Non-independent	6	No	1	0	1	0
Mr. Ashish Kehair DIN: 07789972	Non-executive, Non-independent	7	Yes	2	0	0	0
Mr. Ramesh Abhishek DIN: 07452293	Non-executive, Non-independent	7	No	7	4 -Independent Director: a. Cyient Limited; b. Aditya Birla Sun Life AMC Limited; c. Ravindra Energy Limited; d. Indus Towers Limited	4	0

Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited)

Corporate Identity Number: U67120MH1994PLC286057

Registered Office: 801- 804, Wing A, Building No. 3, Inspire BKC, G Block, Bandra Kurla Complex, Bandra East,

Mumbai – 400 051 • Tel No. +91 22 6620 3030 • nuvamafinance.com

Ms. Anisha Motwani DIN: 06943493	Independent	7	No	8	5- Independent Director: a. Prataap Snacks Limited; b. Welspun India Limited c. Abbott India Limited d. Hindware Home Innovation Limited e. Star Health And Allied Insurance Company Limited	6	2
Mr. Kunnasagan Chinniah ** DIN: 01590108	Independent	6	No	3	1- Nominee Director- Nirlon Limited	0	0

§ Only Directorships of public limited companies incorporated in India have been considered and excludes private limited companies, section 8 companies and foreign companies.

^ the count for the number of listed entities on which a person is a director / independent director shall be only those whose equity shares are listed on a stock exchange.

*Only Audit Committee and Stakeholders' Relationship Committee, in other public limited companies, have been considered for the Committee position.

** resigned with effect from April 20, 2023

None of the Directors are related to each other. None of the Directors hold any shares or convertible instruments of the Company. Web link where familiarisation program for Independent Directors is being disclosed: <https://nuvamafinance.com/Home/InvestorRelation>

None of the Directors hold office in more than 10 public companies as prescribed under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations"). No Director holds directorships in more than 7 listed companies. Further, none of the Non-executive Directors serve as Independent Director in more than 7 listed companies as required under the Listing Regulations. None of the Directors on the Board is a member of more than 10 Committees and Chairperson of more than 5 Committees, across all public limited companies in which he/she is a Director under the Listing Regulations. Independent Directors are Non-executive Directors as defined under the Listing Regulations and the Act, along with Rules framed thereunder. In terms of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

Based on the declarations received from the Independent Directors, the Board has confirmed that they meet the criteria of independence as prescribed under the Listing Regulations and the Act and that they are independent of the management. Further, the Independent Directors have, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs. In the opinion of the Board, the Independent Directors are persons of integrity and possess relevant expertise, experience and proficiency as per the Act.

All the directors of the Company have confirmed that they are not disqualified for being appointed as directors pursuant to Section 164 of the Act.

M/s. Sahani & Kothari, Company Secretaries, have issued a certificate certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as

Directors of Companies by the Securities and Exchange Board of India (SEBI), the Ministry of Corporate Affairs and any such statutory authority.

Board skills/expertise/competence matrix

The Board have identified the following parameters with respect to the skill/expertise/competence that are available with the Board in the context of the business and sector for it to function effectively:

Directors	Industry Knowledge/ Experience			Technical Skills/ Experience						Behavioural Competencies	
	Financial and Capital Markets	Understanding of laws and regulations	International experience	Accounting and Finance	Risk Management	Strategic Management	Legal and Compliance	Information Technology	Governance	Leadership and Mentoring Skills	Interpersonal Relations
Mr. Birendra Kumar	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓
Mr. Nikhil Srivastava	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	✓
Mr. Ashish Kehair	✓	✓	✓	✓	✓	✓	-	✓	✓	✓	✓
Mr. Ramesh Abhishek	✓	✓	-	✓	✓	✓	-	-	✓	✓	✓
Mr. Tushar Agrawal	✓	✓	-	✓	✓	✓	✓	-	✓	✓	✓
Ms. Anisha Motwani	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Committees of the Board:

A) Audit Committee Meetings held:

During the Financial Year 2022-23, the Committee met 5 times on April 22, 2022; May 19, 2022; July 19, 2022, October 19, 2022 and January 18, 2023.

The composition as on March 31, 2023 and attendance during the year ended March 31, 2023 is as follows:

Name	Position	No. of Meetings Attended
Mr. Birendra Kumar	Independent Director- Chairman	5
Mr. Ramesh Abhishek	Non-executive Director- Member	5
Ms. Anisha Motwani	Independent Director- Member	5
Mr. Kunnasagar Chinniah*	Independent Director- Member	4

* resigned with effect from April 20, 2023

All the members have financial management expertise. The constitution and terms of reference of the Committee are in compliance with the requirements of the Act and the Listing Regulations.

The terms of reference of the Audit Committee is as follows:

A. The role of the Audit Committee shall include the following:

- (1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (3) examination of the financial statement and the auditors' report thereon;
- (4) monitoring the end use of funds raised through public offers and related matters
- (5) approval of payment to the statutory auditors for any other services rendered by the statutory auditors;
- (6) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions;
 - (g) modified opinion(s) in the draft audit report;
- (7) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (8) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (9) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (10) approval or any subsequent modification of transactions of the listed entity with related parties;
- (11) scrutiny of inter-corporate loans and investments;
- (12) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (13) evaluation of internal financial controls and risk management systems;
- (14) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (15) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (16) discussion with internal auditors of any significant findings and follow up there on;
- (17) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

- (18) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (19) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (20) to review the functioning of the whistle blower mechanism;
- (21) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (22) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- (23) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- (24) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

B. The Audit Committee shall mandatorily review the following:

- (25) review the management discussion and analysis of financial condition and results of operations;
- (26) statement of significant (material) related party transactions (as defined by the audit committee), submitted by management;
- (27) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (28) internal audit reports relating to internal control weaknesses; and
- (29) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (30) statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

The Auditors, Internal Auditors and the Chief Financial Officer are invited to attend the meetings of the Committee. The Company Secretary acts as the Secretary to the Committee.

B) Nomination and Remuneration Committee Meetings held:

During the Financial Year 2022-23, the Committee met 3 times on May 19, 2022; July 19, 2022 and October 19, 2022.

The composition as on March 31, 2023 and attendance during the year ended March 31, 2023 is as follows:

Name	Position	No. of Meetings Attended
Mr. Birendra Kumar	Independent Director- Chairman	3
Mr. Nikhil Srivastava	Non-executive Director- Member	2
Ms. Anisha Motwani	Independent Director- Member	3
Mr. Kunnasagan Chinniah*	Independent Director- Member	2

*resigned with effect from April 20, 2023

The terms of reference of the Nomination and Remuneration Committee is as follows:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel, and other employees;
2. for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge, and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
3. formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. devising a policy on diversity of board of directors;
5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal and shall carry out evaluation of every director 's performance.
6. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
7. recommend to the Board, all remuneration, in whatever form, payable to senior management.
8. to act as the Compensation Committee under the applicable SEBI (Share Based Employee Benefits and Sweat Equity), Regulations, 2021 and any statutory amendment or modification thereto;
9. to ensure 'fit and proper' status of proposed/ existing directors as required
10. to perform such other functions as may be prescribed by the Board of Directors from time to time.

The Company has formulated a Board Evaluation Policy which *inter alia* includes performance evaluation of the Independent Directors.

C) Stakeholder Relationship Committee Meetings held:

During the Financial Year 2022-23, the Committee met 1 time on January 16, 2023.

The composition as on March 31, 2023 and attendance during the year ended March 31, 2023 is as follows:

Name	Position	No. of Meetings Attended
Mr. Ramesh Abhishek	Non-executive Director- Chairman	1
Ms. Anisha Motwani	Independent Director- Member	1
Mr. Ashish Kehair	Non-executive Director- Member	1

Ms. Pooja Doshi is the Compliance Officer of the Company under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There were no shareholder/ security holder complaints received during the year, not solved to the satisfaction of shareholders or number of pending complaints.

D) Risk Management Committee Meetings held:

During the Financial Year 2022-23, the Committee met 4 times on April 26, 2022; July 18, 2022; October 17, 2022 and January 17, 2023.

The composition as on March 31, 2023 and attendance during the year ended March 31, 2023 is as follows:

Name	Position	No. of Meetings Attended
Mr. Nikhil Srivastava	Non-executive Director - Chairman	3
Mr. Birendra Kumar	Independent Director- Member	3
Mr. Kunnasagan Chinniah *	Independent Director- Member	4
Mr. Tushar Agrawal	Chief Executive Officer- Member	4
Mr. Manishkumar Jain	Chief Financial Officer - Member	2
Mr. Keyur Ajmera	Chief Risk Officer - Member	4

* resigned with effect from April 20, 2023

The Risk Committee has framed and implemented a Risk Management Framework and Strategy.

Board Evaluation

During the year, in accordance with the Board Evaluation Policy and the Guidance Note on Board Evaluation issued by SEBI, an annual evaluation of its own performance and that of the Committees and Directors pursuant to the provisions of the Act and the Listing Regulations was carried out by the Board on various parameters which *inter alia* included composition, diversity, effectiveness, quality of discussion, contribution at the meetings, business acumen, strategic thinking, time commitment, relationship with the stakeholders, corporate governance practices, contribution of the Committees etc.

A separate meeting of the Independent Directors was held wherein the performance of the Non-independent Directors, performance of the Board as a whole (including the Committees) and also that of the Chairman in terms of the provisions of the Act, the Listing Regulations and the Guidance Note issued by SEBI in this regard was discussed.

Familiarisation Programme

The Independent Directors are familiarised with their roles, rights, responsibilities etc. in relation to the nature of the financial services sector and the business model of the Company. The details are uploaded on the website of the Company at: <https://nuvamafinance.com/Home/InvestorRelation>

Remuneration to the Directors

The Company pays sitting fee of Rs. 1,00,000 per meeting to the Non-executive Directors for attending the meetings of the Board and the Committees thereof.

The details of the remuneration paid and shareholding of the Directors during the financial year ended March 31, 2023 are as under:

Name of the Director	(Amount in					
	Salary	Perquisites	Sitting Fees	Commission / Bonus	Total	No. of Equity Shares held \$
Mr. Tushar Agrawal DIN: 07789972 (appointed w.e.f May 19, 2022)	64,02,362	18,900	NA	53,00,000 (Bonus)	1,17,21,262	NIL
Mr. Birendra Kumar DIN: 00163054	-	-	19,00,000	-	19,00,000	NIL
Mr. Nikhil Srivastava DIN: 07308617	-	-	NA	-	-	NIL

Mr. Ashish Kehair DIN: 07789972	-	-	NA	-	-	NIL
Mr. Ramesh Abhishek DIN: 07452293	-	-	13,00,000	-	13,00,000	NIL
Ms. Anisha Motwani DIN: 06943493	-	-	17,00,000	-	17,00,000	NIL
Mr. Kunnasagaran Chinniah DIN: 01590108	-	-	18,00,000	-	18,00,000	NIL

\$ Shareholding as on March 31, 2023.

Ms. Kamala Kantharaj and Mr. Gaurang Tailor resigned as Directors from the Board with effect from October 19, 2022 and March 6, 2023 respectively. No remuneration was paid to them.

Mr. Kunnasagaran Chinniah resigned as Independent Director from the Board with effect from April 20, 2023

The Criteria for making payments to Non-executive Directors of the Company is published on the website at: <https://nuvamafinance.com/Home/InvestorRelation>

General Body Meetings

The date, time and venue of the last three AGMs are given below:

Financial Year	Date	Time	Venue	No. of Special Resolutions passed
2022-2023	July 22, 2022	11.00 a.m.	Edelweiss House, Off C.S.T. Road, Kalina, Mumbai- 400 098	1
2021-2022	August 13, 2021	11.00 a.m.	Edelweiss House, Off C.S.T. Road, Kalina, Mumbai- 400 098	0
2020-2021	September 15, 2020	12.00 noon	Edelweiss House, Off C.S.T. Road, Kalina, Mumbai- 400 098	0

Means of Communication

The financial results, corporate announcements, policies and codes adopted by the Company are submitted on the stock exchange and also uploaded on the website of the Company at <https://nuvamafinance.com/Home/InvestorRelation>. The financial results are also published in the newspapers.

General Shareholder Information

I. Date, Time, Venue of AGM:

i.	AGM: Date, time and venue/mode:	Monday, July 31, 2023 at 11:00 a.m. at the Registered Office of the Company at 801- 804, Wing A, Building No. 3, Inspire BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400 051.
ii.	Financial Year:	April 1, 2022 to March 31, 2023
iii.	Book Closure dates:	NA
iv.	Dividend payment date:	NA

II. Listing of Securities on Stock Exchanges:

a. Equity Shares

The Equity Shares of the Company are not listed on any Stock exchange.

b. Non-convertible Debentures

The Company has issued secured Non-convertible Debentures (NCDs) on private placement and through public issuances. Some of the NCDs are listed on BSE.

The Company has paid the listing fees to BSE for the financial year 2023-24.

Debenture Trustee:

The details of the Debenture Trustees for the NCDs issued by the Company are given below:

1. Beacon Trusteeship Limited

4C&D, Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra (E), Mumbai 400 051.

2. Catalyst Trusteeship Limited

Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai 400 098.

3. SBI Cap Trustee Company Limited

6th Floor, Apeejay House, 3, Dinshaw Wachha Road, Churchgate, Mumbai - 400 020

Registrar & Share Transfer Agent:

1. Link Intime India Private Limited

C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083.

2. KFin Technologies Private Limited

Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032.

III. Shareholding Pattern as on March 31, 2023:

Sr. No.	Name of Shareholders	No. of Shares	% Shares
Equity Shares			
1.	Nuvama Wealth Management Limited (NWML)* (formerly known as Edelweiss Securities Limited)	1,14,59,105	100
	Total	1,14,59,105	100
Preference Shares			
2.	14.625% Cumulative Redeemable Preference Shares of Rs. 10/- each	92,18,000	100

*Includes 6 shares held by the Nominees of NWML

IV. Dematerialisation of shares:

As on March 31, 2023, 1,14,59,105 equity shares representing 100% of the outstanding equity shares of the Company and 92,18,000 Cumulative Redeemable Preference Shares representing 100% of the outstanding preference shares of the Company were held in dematerialised form.

V. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued GDRs/ADRs/Warrants or any other instrument convertible into equity.

VI. Details of equity shares lying in the suspense account pursuant to the Listing Regulations:
 NA

VII. Plant locations: Not Applicable

VIII. Credit ratings:

The credit ratings obtained by the Company during the year 2022-23 are as under:

Rating Agency	Rating	Instruments	Date of revision (if any)	Revised Rating
ACUITE	ACUITE AA	NCD LT	05-08-2022	ACUITE AA- /Negative
	ACUITE AA- /Negative		21-03-2023	Rating Withdrawn
BWR	BWR AA-/Stable	NCD LT, Bank Facilities	NA	NA
BWR	BWR PP-MLD AA-/ Stable	SP LT	NA	NA
CRISIL	CRISIL A1+	CP	NA	NA
CRISIL	CRISIL AA-/Stable	Bank Facilities	22-10-2022	Rating Withdrawn
CRISIL	CRISIL AA-/Negative	NCD LT, Pref Share	22-10-2022	CRISIL AA- /Stable
CRISIL	CRISIL PPMLD A1+	SP ST	NA	NA
CRISIL	CRISIL PPMLD AA- /Stable	SP LT	NA	NA
CARE	CARE A1+	CP, NCD ST	NA	NA
CARE	CARE AA-; Stable	NCD LT, SP LT, Bank Facilities	NA	NA
CARE	CARE PP-MLD AA-; Stable	SP LT	NA	NA
CARE	CARE PP-MLD A1+	SP ST	NA	NA

Other Disclosures

- i. The Company did not enter into any materially significant related party transactions having a potential conflict with the interest of the Company at large. Transactions with the related parties are disclosed in the financial statements.
- ii. details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years forms part of this Report as [Annexure A](#).

- iii. The financial statements have been prepared in accordance with the applicable Accounting Standards.
- iv. The Company has a Whistle Blower Policy/Vigil Mechanism to report concerns about unethical behaviour, actual or suspected fraud or violation of our code of conduct and confirms that no personnel have been denied access to the Audit Committee.
- v. Policy on Related Party Transactions are available at: <https://nuvamafinance.com/Home/InvestorRelation>
- vi. a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority forms part of this Report as [Annexure B](#).
- iv. There have been no instances where the Board has not accepted recommendation of any Committee of the Board, during the financial year.
- v. The statutory auditors of the Company, M/s. Chokshi & Chokshi LLP, the Auditors were paid a consolidated amount of Rs. 3.13 million by the Company for all the services provided by them.
- vi. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
 - a) Number of complaints filed during the Financial Year: Nil
 - b) Number of complaints disposed of during the Financial Year: Nil
 - c) Number of complaints pending as on end of the Financial Year: Nil.
- vii. The Company is in the process of complying with the corporate governance requirements as prescribed in Regulations 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- viii. **CEO/CFO Certification**

The CEO and the CFO have certified to the Board, the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with regard to financial statements.
- ix. Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management forms part of this Report as [Annexure C](#).
- x. **Compliance Certificate**

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate issued by M/s. Sahani & Kothari Associates, Company Secretaries, certifying the compliance by the Company with the provisions of the Corporate Governance forms part of this Report as [Annexure D](#).

Address for correspondence:

For any assistance, request or instruction regarding transfer or transmission of securities, dematerialisation of securities, change of address, non-receipt of annual report, dividend warrant and any other query relating to the securities of the Company, the investors may write to:

The Company Secretary	Registrar and Share Transfer Agent	
Nuvama Wealth Finance Limited	Link Intime India Private Limited	KFin Technologies Private Limited
801-804, Wing A, Building No. 3, Inspire BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400 051.	C 101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai - 400 083.	Selenium Tower B, Plot 31-32, Financial District, Hyderabad-500 032
+91 22 6620 3030	Tel: +91 22 4918 6270	Tel: +91 40 6716 2222
Email: Secretarial@nuvama.com	Email: rnt.helpdesk@linkintime.co.in	Email: einward.ris@kfintech.com



75
Azadi Ka
Amrit Mahotsav

भारतीय रिज़र्व बैंक RESERVE BANK OF INDIA

75
आज़ादी का
अमृत महोत्सव

CO.ENFD.DENBFC.No.S386/02-14-256/2022-23

August 24, 2022

गोपनीय / CONFIDENTIAL

कारण बताओ नोटिस / SHOW CAUSE NOTICE

मुख्य कार्यकारी अधिकारी / The Chief Executive Officer

एडलवाइस फाइनेंस एंड इन्वेस्टमेंट लिमिटेड / Edelweiss Finance and Investments Limited

एडलवाइस हाउस, ऑफ सीएसटी रोड / Edelweiss House, Off CST Road

कलिना मुंबई, 400 098 / Kalina, Mumbai- 400098

महोदय / Dear Sir,

**Sections 58B (5) (aa) and 58G read with sections 45JA, 45L and 45M of the Reserve Bank of India Act, 1934 - Non-Compliance with the directions issued by the Reserve Bank of India –
Show Cause Notice**

Please refer to the inspection of Edelweiss Finance and Investments Limited (the company) with reference to its financial position as on March 31, 2021 conducted by the Reserve Bank of India (the Bank) between November 26 to December 06, 2021, Bank's letter No. DoS (CO).SED No.S2658/13-05-015/2021-22 dated December 23, 2021, the Supervisory Letter (SL) pertaining thereto forwarded to the company *vide* Bank's letter No. DoS(CO).SSM(4) No. 3113/13.05.015/2021-22 dated February 01, 2022, company's letter No. EFIL/RBI/2022/18 dated February 11, 2022 and the related correspondence.

2. An examination of the aforesaid documents revealed, *inter alia*, that the company had, by its various acts/omissions, contravened, and not complied with the directions issued by the Bank under the Reserve Bank of India Act, 1934 (RBI Act) as indicated below:

Sr. No.	Observed Act/ Omission	Provisions of Relevant Directions
1.	The company failed to comply with the Bank's directions on Know Your Customer (KYC) Norms/Anti-Money Laundering	Section 50 of Chapter VIII of the Reserve Bank of India (Know Your Customer (KYC)) Directions, 2016 (Updated as on March 23, 2021):





	<p>(AML) Standards, when for effective identification and reporting of suspicious transactions, it did not put into use any robust software, to throw alerts when the transactions were inconsistent with risk categorization and updated profile of the customers.</p>	<p>"50. Robust software, throwing alerts when the transactions are inconsistent with risk categorization and updated profile of the customers shall be put in to use as a part of effective identification and reporting of suspicious transactions."</p> <p>Read with section 2 (a) of the aforementioned Master Direction:</p> <p>"2. Applicability</p> <p>(a) The provisions of these Directions shall apply to every entity regulated by Reserve Bank of India, more specifically as defined in 3 (b) (xiii) below, except where specifically mentioned otherwise.</p> <p>3. Definitions</p> <p>In these Directions, unless the context otherwise requires, the terms herein shall bear the meanings assigned to them below:</p> <p>(b) Terms bearing meaning assigned in this Directions, unless the context otherwise requires, shall bear the meanings assigned to them below:</p> <p>xiii. "Regulated Entities" (REs) means ...All Non-Banking Finance Companies (NBFCs), Miscellaneous Non-Banking Companies (MNBCs) and Residuary Non-Banking Companies (RNBCs)...".</p>
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3. The failure to comply with any direction given or order made by the Bank under the provisions of Chapter III B of the RBI Act is an offence, punishable under clause (aa) of sub-section (5) of section 58B of the RBI Act. In terms of clause (b) of sub-section (1) of section 58G of the RBI Act, where such contravention or default of the nature referred to in clause (b) of subsection (5) of section 58B is committed by a non-banking financial company, the Bank may impose on such company a penalty of ten lakh rupees or twice the amount involved





in such contravention or default, where the amount is quantifiable, whichever is more; or where such contravention or default is a continuing one, further penalty which may extend to one lakh rupees for every day, after the first, during which the contravention or default continues.


4. In view of the above, you are hereby called upon to show cause in writing, as to why the aforementioned maximum penalty stipulated under clause (b) of sub-section (1) of section 58G read with clause (aa) of sub-section (5) of section 58B of the RBI Act should not be imposed on your company for the violation indicated in paragraph 2 above.

5. Your reply should reach us by the close of business hours on **September 14, 2022**. If you fail to show cause within the stipulated time, it will be presumed that you have no cause to show and the Bank will be constrained to take such action as it deems fit, in accordance with the law.

6. The action proposed in this Show Cause Notice is without prejudice to the power of the Bank to take such other action as is permissible under law.

7. If you desire to have a personal hearing to explain your stand in the matter, you may specifically request for the same within the period stipulated above for submitting your reply¹. Upon receipt of such a request, and the reply to this Show Cause Notice, your request for personal hearing will be considered by the Bank in accordance with the law.

Yours faithfully,


(Minati Jain)
Chief General Manager

¹The reply shall also contain the email address to which all correspondence in this respect, including speaking order, should be mailed along with the contact details, viz., name, designation, phone number and E-mail address, of the officer designated as nodal officer for the purpose of these proceedings or the company's compliance officer. Further, any communication and/or document in electronic form in response to this Notice should be addressed to cgmefdc@rbi.org.in



CO.ENFD.DENBFC.No.S904

/02.14.256 /2022-23

मार्च 08, 2023

मुख्य कार्यकारी अधिकारी

नुवामा वेल्थ फ़ाइनेंस लिमिटेड (भूतपूर्व एडलवाइस
फाइनेंस एंड इन्वेस्टमेंट लिमिटेड)

एडलवाइस हाउस, ऑफ सीएसटी रोड

कलिना मुंबई, 400 098

CO.ENFD.DENBFC.No.S904/02.14.156/2022-23

March 08, 2023

The Chief Executive Officer

Nuvama Wealth Finance Limited (erstwhile

Edelweiss Finance and Investments Limited)

Edelweiss House, Off CST Road

Kalina, Mumbai- 400098

महोदय,

भारतीय रिज़र्व बैंक अधिनियम, 1934 की धारा
45अक, 45ट, 45ड, 58ख (5) (कक), और
58छ - 31 मार्च, 2021 की वित्तीय स्थिति के
आधार पर वैधानिक निरीक्षण

कृपया दिनांक 24 अगस्त 2022 के कारण बताओ
नोटिस संख्या CO.ENFD.DENBFC.No.S386/
02.14.256/2022-23, उसके लिए दिया गया दिनांक
07 सितंबर 2022 का आपका उत्तर तथा 07 फ़रवरी
2023 को संपन्न वैयक्तिक सुनवाई की कार्यवाही का
संदर्भ लें।

2. इस मामले में अधिनिर्णय समिति द्वारा पारित
आदेश की मूल प्रति इसके साथ संलग्न है।

3. कृपया दंड की राशि केवल एनईएफटी के माध्यम
से भारतीय रिज़र्व बैंक को भेजें एवं उक्त की पुष्टि
cgmeffdco@rbi.org.in, rachnayadav@rbi.org.in
तथा lakshmikarthik@rbi.org.in पर ईमेल द्वारा
प्रेषित करें। इस हेतु अपेक्षित विवरण नीचे दिया गया
है:

Dear Sir,

Sections 45 JA, 45L, 45M, 58B (5) (aa) and
58G of the Reserve Bank of India Act, 1934
- Statutory Inspection with respect to the
financial position as on March 31, 2021

Please refer to the Show Cause Notice
CO.ENFD.DENBFC.No.S386/02.14.256/2022-23
dated August 24, 2022, your reply thereto vide
letter dated September 07, 2022 and proceedings
of the personal hearing conducted on February
07, 2023.

2. The Order passed by the Adjudication
Committee in the matter is enclosed herewith, in
original.

3. The amount of penalty imposed therein shall be
remitted to RBI through NEFT only and
confirmation of the same may please be sent by
e-mail to cgmeffdco@rbi.org.in,
rachnayadav@rbi.org.in and
lakshmikarthik@rbi.org.in. The requisite details
are as under.

खाते का नाम : Enforcement Department
खाता सं. : 4140200100103191
आईएफएससी कोड: RBIS0COD001
कृपया लेनदेन के प्रयोजन में - "Penalty –
Enforcement Department" उल्लेख करें।


A/c Name : Enforcement Department
Account No. : 4140200100103191
IFSC Code: RBIS0COD001
Description of transaction should be "Penalty –
Enforcement Department".

4. आपको सूचित किया जाता है कि दंड की राशि प्रेषित करने के तुरंत बाद, उपरोक्त ईमेल आईडी पर इस बारे में अधिक विवरण जैसे जिसके माध्यम से दंड राशि प्रेषित की है उस बैंक का नाम, प्रेषण की तिथि, यूटीआर संख्या और प्रेषित राशि अग्रेषित करें।

4. Immediately after the penalty amount is remitted, you are advised to forward further details of the same i.e., name of the bank through which remitted, date of remittance, UTR Number and amount remitted, to the above email ids.

5. इस पत्र की प्राप्ति की जानकारी हमें cgmeffdco@rbi.org.in, rachnayadav@rbi.org.in तथा lakshmikarthik@rbi.org.in पर ईमेल द्वारा प्रेषित करें।

5. Please acknowledge receipt of this letter through e-mail at cgmeffdco@rbi.org.in, rachnayadav@rbi.org.in and lakshmikarthik@rbi.org.in.

भवदीय / Yours faithfully

(डॉ. (श्रीमती) लक्ष्मी कार्तिक) / (Dr. (Smt.) Lakshmi Karthik)
महाप्रबंधक / General Manager
अनुलग्नक: यथोक्त / Encl: As above



RESERVE BANK OF INDIA / भारतीय रिज़र्व बैंक
ENFORCEMENT DEPARTMENT / प्रवर्तन विभाग
CENTRAL OFFICE / केन्द्रीय कार्यालय

BEFORE THE ADJUDICATION COMMITTEE, RESERVE BANK OF INDIA

IN THE MATTER OF

**Non-compliance with statutory directions by Nuvama Wealth Finance Limited
(formerly Edelweiss Finance and Investments Limited) observed with respect to its
financial position as on March 31, 2021**

**The Reserve Bank of India, in exercise of the powers conferred under Section
58G(1)(b) read with Section 58B(5)(aa) of the Reserve Bank of India Act, 1934,
passes the following**

ORDER

Background

The statutory inspection of Nuvama Wealth Finance Limited (formerly Edelweiss Finance and Investments Limited) (the company) with reference to its financial position as on March 31, 2021, was conducted by the Reserve Bank of India (the Bank) between November 26 and December 06, 2021. The Inspection Report (IR) and Risk Assessment Report (RAR) pertaining thereto revealed, *inter alia*, non-compliance with the "Reserve Bank of India (Know Your Customer (KYC)) Directions, 2016" issued by the Bank. The RAR and IR were forwarded to the company *vide* Bank's letter dated December 23, 2021. The supervisory concerns, arising out of the findings thereof, were communicated to the company *vide* Bank's letter dated February 01, 2022.

2. Based on the above, a Show Cause Notice No. CO.ENFD.DENBFC.No.S386/02-14-256/2022-23 dated August 24, 2022 (SCN) was issued to the company, calling upon it to show cause, in writing, as to why penalty stipulated under section 58G(1)(b) read with section 58B(5)(aa) of the Reserve Bank of India Act, 1934 (RBI Act) should not be imposed upon the company for non-compliance with the aforementioned directions issued by the Bank, as stated therein.





3. The company submitted its reply to the SCN *vide* letter dated September 07, 2022, forwarded *vide* email dated September 07, 2022. The company made additional submissions *vide* emails dated November 17, 2022 and December 19, 2022. An opportunity of personal hearing (PH) was also accorded to the company upon its request. The representatives of the company (Annex I) made oral submissions during the PH held on February 07, 2023, before the Adjudication Committee of Executive Directors (AC) comprising of the undersigned.

4. All the records pertaining to the matter placed before the AC, including the company's written submissions made *vide* letter dated September 07, 2022 in reply to the SCN (as detailed in Annex II), additional submissions made *vide* emails dated November 17, 2022 and December 19, 2022 and oral submissions made during the PH, were duly considered and evaluation of the regulations and facts, findings arising therefrom and conclusion of the AC thereon, are as follows:

4.1. Charge – Failure to put in place any robust software for effective identification and reporting of suspicious transactions

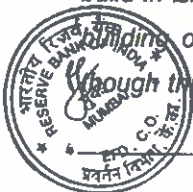
4.1.1 Charge in the SCN

"The company failed to comply with the Bank's directions on Know Your Customer (KYC) Norms/Anti-Money Laundering (AML) Standards, when for effective identification and reporting of suspicious transactions, it did not put into use any robust software, to throw alerts when the transactions were inconsistent with risk categorization and updated profile of the customers."

4.1.2 Submissions by the Company

4.1.2.1 The company, in its reply, *vide* letter dated September 07, 2022, to the SCN, *inter alia*, submitted that:

(i) *"The Company recently underwent organizational restructuring. As a part of restructuring EFIL became part of the Edelweiss Wealth Management (EWM) business and the control changed from Edelweiss Financial Services Limited (EFSL) to PAG, leading Asia-focused private investment manager. The loan business which was earlier being carried out in ECL Finance were closed and loan accounts started opening in EFIL. The loan book started to build in EFIL since year 2020. In order to support the business and governance platform, findings of necessary digital/technology platforms are put in process to develop. Even though things are still in the early stages at the Company level, RBI audit brought up the*





need for robust software for AML monitoring, which was promptly taken up and implemented."

(ii) "Further, currently 30% of the loan book is made up of ESOP financing, in which loans are given to designated senior employees of reputable firms like HDFC, ITC, Britannia, etc. while the balance book is secured by securities. Given the product offering, its structure and size of the loan book, the Company has no AML or other suspicious transaction risk."

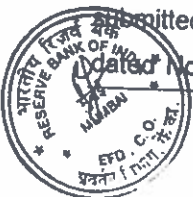
(iii) "The Company has submitted the compliance status of the inspection report on this observation to the RBI on August 24th, 2022. However, the Company has implemented the same as part of regulatory mandate and governance requirement and the overview of the stage and level of implementation is elaborated below:"

(a) "The Company has developed a robust software for transaction monitoring under its Loan Management System (LMS) – Finsmart. There are different scenarios which are integrated in the software to trigger the real time alerts on mail of the transactions which are inconsistent with the set parameters." The company submitted sample emails dated August 24, 2022 containing alerts generated through Finsmart.

(b) "The Company is also developing the software ability to produce reports in the FIU format for further submission to FIU of mismatch reportable transactions. The Company also has a pre-onboarding and post-onboarding continuous screening system called 'Trackwizz' where all client names are screened on real time basis against the names of the banned / negative lists as listed in the UNSCR list published by the United Nations, list published by the RBI and Ministry of External Affairs in accordance with Unlawful Activity Prevention Act, 1967 on a real time basis. If there is any match, the system throws an email alert for identification and reporting of unlawful transactions to FIU."

(c) "The Company conducts ongoing risk reviews based on transactions and screening and applies additional due diligence methods whenever it perceives a higher risk with respect to any client, including, as necessary, re-categorizing to the high/medium category from the low category. The Risk Management Committee of the company reviews the half-year evaluation of the loan accounts based on the overall performance, which among other things includes positive screening, positive transaction alert reports, etc."

4.1.2.2 On a query from the Bank, the company vide its letter dated November 17, 2022 has shared copy of an email alert generated on August 01, 2022 as documentary evidence for implementation of the software "Finsmart" to throw alerts. Further, the company has submitted that software "Trackwizz" was implemented on September 01, 2021. A certificate dated November 17, 2022 from its statutory auditor, Chokshi & Chokshi LLP, Chartered





Accountants was also submitted by the company. The company has also stated that it had 1703 active loan customers as on March 31, 2021.

4.1.2.3 On a query from the Bank with regard to the evidence submitted by the company in respect of purchase of "Trackwizz" software by Edelweiss Securities Limited, the company vide its email dated December 19, 2022, *inter alia*, submitted that:

(i) *"Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited) is wholly owned subsidiary of Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited ("ESL")), which serves as the Holding Company."*

(ii) *"For the purpose of subscription, the order for Trackwizz's screening software was placed in the name of the holding company " Nuvama Wealth Management Limited," which also includes its subsidiaries. The nine wholly owned subsidiaries and one associate held by Nuvama Wealth Management Limited are all subject to regulation and required to follow the AML monitoring standards. Therefore, in order to provide the monitoring facility, this software was procured at the Nuvama Group level."*

4.1.2.4 The company, in its oral submissions made during the PH held on February 07, 2023, reiterated the above submissions, and gave details of the types of clientele they cater to.

4.1.3 Evaluation of regulations and facts

4.1.3.1 Section 50 of Chapter VIII of the Reserve Bank of India (Know Your Customer (KYC)) Directions, 2016 (Master Directions) [issued vide Circular DBR.AML.BC.No.81/14.01.001/2015-16 dated February 25, 2016 (updated as on December 18, 2020)], mandates that:

"Robust software, throwing alerts when the transactions are inconsistent with risk categorization and updated profile of the customers shall be put in to use as a part of effective identification and reporting of suspicious transactions."

4.1.3.2 Paragraph 2(a) of the Master Directions *supra*, states that:

"The provisions of these Directions shall apply to every entity regulated by Reserve Bank of India, more specifically as defined in 3 (b) (xiii) below, except where specifically mentioned otherwise". Paragraph 3(b)(xiii) states that: "Regulated Entities" (REs) means...All Non-Banking Finance Companies (NBFCs)..."





4.1.3.3 The company was issued a Certificate of Registration (CoR) by the Bank, under section 45IA of the RBI Act, on December 13, 2016 to carry on the business of a non-banking financial company. Paragraph 1.6 of RAR reveals that *"from the quarter ended December 31, 2019, the company had changed its business model and started the business of loan against shares, IPO funding, ESOP funding etc. and advisory services"*.

4.1.3.4 The statutory auditor's certificate dated November 17, 2022 states that the company had put in place a software to throw alerts based on the defined parameters with effect from August 01, 2022 in respect of "Finsmart" (Loan Management System of the company) and from September 01, 2021 in respect of "Trackwizz".

4.1.4 Findings

4.1.4.1 While the Bank's directions required the company to put in place robust software for effective identification and reporting of suspicious transactions and to throw alerts when the transactions were inconsistent with risk categorization and updated profile of the customers, the company claimed to have put in place a software to throw alerts based on specific defined parameters only on August 01, 2022 and has submitted a certificate from its chartered accountant, namely, *Chokshi & Chokshi LLP*, in support of its claim. The company has also admitted that it is developing a software which has the ability to produce reports in the FIU format for further submission to FIU of mismatch reportable transactions.

4.1.4.2 The company further claimed that a software named "Trackwizz" was implemented on September 01, 2021 to screen names of clients against the names in banned/negative lists published by UNSCR, in accordance with the Unlawful Activity Prevention Act, 1967 on a real time basis and that if there is any match, the system throws an email alert for identification and reporting of unlawful transactions to FIU.

4.1.5 Conclusion

4.1.5.1 While the Bank's direction was in place from February 25, 2016 and the company was issued a CoR on December 13, 2016, and started lending business from the quarter ended December 31, 2019, still it had not taken any step to implement the directions until it was pointed out during the inspection and claimed to have put in place a robust software for throwing alerts only on August 01, 2022. Further, it is seen from the submissions of the company that it is still developing a software which has the ability to produce reports in the FIU format for further submission to FIU of mismatch reportable transactions. The company's contention that *"30% of the loan book is made up of ESOP financing, in which*





loans are given to designated senior employees of reputable firms like HDFC, ITC, Britannia, etc. while the balance book is secured by securities" etc. are not relevant as the same has no bearing on the objective of the direction, which is to track and report suspicious transactions, and as there is no exemption to such types of loans and advances under the directions. The ongoing risk review and categorisation stated to be undertaken by the company would not absolve the company of the requirement to have a robust software in place to throw alerts on suspicious transactions, as both are different requirements under the directions.

4.1.5.2 Based on the above and the findings mentioned at paragraph 4.1.4, the AC concludes that to the extent the company had failed to put in place a robust software for effective identification and reporting of suspicious transactions till August 01, 2022, it had not complied with the Bank's directions contained in section 50 of Chapter VIII of the Reserve Bank of India (Know Your Customer (KYC)) Directions, 2016, which warrants imposition of monetary penalty.

Order

5. The failure to comply with any direction issued by the Bank under the provisions of Chapter III B of the RBI Act is an offence, punishable under clause (aa) of sub-section (5) of section 58B of the Act. In terms of clause (b) of sub-section (1) of section 58G of the Act, where the contravention or default of the nature referred to in clause (aa) of sub-section (5) of section 58B is committed by a non-banking financial company, the Bank may impose on such company a penalty of ten lakh rupees or twice the amount involved in such contravention or default, where the amount is quantifiable, whichever is more; and where such contravention or default is a continuing one, further penalty which may extend to one lakh rupees for every day, after the first, during which the contravention or default continues.

6. In view of the failure of the company to comply with the directions issued by the Bank to the extent concluded in paragraphs 4.1.5 hereinbefore, it is decided to impose a penalty of **₹9.60 lakh (Rupees Nine lakh and sixty thousand only)** for its failure to put in place a robust software for effective identification and reporting of suspicious transactions till August 01, 2022.

7. Accordingly, in exercise of the powers conferred under clause (b) of sub-section (1) of section 58G read with clause (aa) of sub-section (5) of section 58B of the Reserve Bank of India Act, 1934, a penalty of **₹9.60 lakh (Rupees Nine lakh and sixty thousand only)** is hereby imposed on Nuvama Wealth Finance Limited (formerly Edelweiss Finance and





Investments Limited) and the company is directed to pay the said penalty within thirty (30) days from the date of receipt of this Order.

8. A copy of this order be served on the Executive Director and CEO of the company for due compliance. The imposition of penalty is without prejudice to such other action as the Bank may consider necessary.

(Jose J Kattoor)
Executive Director

(Radha Shyam Ratho)
Executive Director

(Saurav Sinha)
Executive Director

6 MAR 2023
Mumbai



Annex I

List of representatives of the NBFC in Personal Hearing

Sr. No.	Name of the NBFC representatives	Designation
1.	Shri Tushar Agrawal	ED & CEO
2.	Smt. Reena Sharda	Compliance Officer
3.	Shri Manishkumar Jain	CFO





Annex II

SCN observations and NBFC's written submission

Sl. No.	Observation in SCN	NBFC's letter dated September 07, 2022
1	<p>The company failed to comply with the Bank's directions on Know Your Customer (KYC) Norms/Anti-Money Laundering (AML) Standards, when for effective identification and reporting of suspicious transactions, it did not put into use any robust software, to throw alerts when the transactions were inconsistent with risk categorization and updated profile of the customers.</p>	<p><i>"The Company believes and commits sound corporate governance and are trying to blend growth and efficiency with governance and ethics. The Company recently underwent organizational restructuring. As a part of restructuring EFIL became part of the Edelweiss Wealth Management (EWM) business and the control changed from Edelweiss Financial Services Limited (EFSL) to PAG, leading Asia-focused private investment manager. The loan business which was earlier being carried out in ECL Finance were closed and loan accounts started opening in EFIL. The loan book started to build in EFIL since year 2020.</i></p> <p><i>In order to support the business and governance platform, building of necessary digital/technology platforms are put in process to develop. Even though things are still in the early stages at the Company level, RBI audit brought up the need for robust software for AML monitoring, which was promptly taken up and implemented.</i></p> <p><i>Further, currently 30% of the loan book is made up of ESOP financing, in which loans are given to designated senior employees of reputable firms like HDFC, ITC, Britannia, etc. while the balance book is secured by securities.</i></p> <p><i>Given the product offering, its structure and size of the loan book, the Company has no AML or other suspicious transaction risk.</i></p> <p><i>The Company has submitted the compliance status of the inspection report on this observation to the RBI on</i></p>





Sl. No.	Observation in SCN	NBFC's letter dated September 07, 2022
		<p>August 24th, 2022; a copy of the relevant extract of mail/soft submission is attached as Annexure A for your reference. However, the Company has implemented the same as part of regulatory mandate and governance requirement and the overview of the stage and level of implementation is elaborated below:</p> <ol style="list-style-type: none"><li data-bbox="794 667 1406 831">i. The Company has developed a robust software for transaction monitoring under its Loan Management System (LMS) – Finsmart.<li data-bbox="794 846 1406 1099">ii. There are different scenarios which are integrated in the software to trigger the real time alerts on mail of the transactions which are inconsistent with the set parameters. The sample system alert is attached in Annexure A.<li data-bbox="794 1115 1406 1279">iii. The Company is also developing the software ability to produce reports in the FIU format for further submission to FIU of mismatch reportable transactions.<li data-bbox="794 1294 1406 1861">iv. The Company also has a pre-onboarding and post-onboarding continuous screening system called 'Trackwizz' where all client names are screened on real time basis against the names of the banned /negative lists as listed in the UNSCR list published by the United Nations, list published by the RBI and Ministry of External Affairs in accordance with Unlawful Activity Prevention Act, 1967 on a real time basis. If there is any match, the system throws an email alert for identification and reporting of unlawful transactions to FIU.





Sl. No.	Observation in SCN	NBFC's letter dated September 07, 2022
		<p>v. <i>The Company conducts ongoing risk reviews based on transactions and screening and applies additional due diligence methods whenever it perceives a higher risk with respect to any client, including, as necessary, re-categorizing to the high/medium category from the low category.</i></p> <p>vi. <i>The Risk Management Committee of the company reviews the half-year evaluation of the loan accounts based on the overall performance, which among other things includes positive screening, positive transaction alert reports, etc."</i></p>





CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)
801 to 804, Wing A, Building No 3,
Inspire BKC, G Block, BKC,
Mumbai - 400051.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Nuvama Wealth Finance Limited (Formerly known as Edelweiss Finance & Investments Limited) having CIN U67120MH1994PLC286057 and having its registered office at 801 to 804, Wing A, Building No 3, Inspire BKC, G Block, BKC, Mumbai - 400051 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) read with SEBI letter dated September 23, 2021.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal of the Ministry of Corporate Affairs i.e. www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of Appointment in the Company
1.	Nikhilkumar Srivastava	07308617	26-Mar-2021
2.	Ramesh Abhishek	07452293	26-Mar-2021
3.	Anisha Motwani	06943493	10-Jun-2021



4.	Kunnasagaran Chinniah*	01590108	10-Jun-2021
5.	Kamala Kantharaj^	07917801	29-Jun-2021
6.	Ashish Kehair	07789972	21-Oct-2021
7.	Birendra Kumar	00163054	21-Jan-2022
8.	Tushar Agrawal	08285408	19-May-2022
9.	Gaurang Tailor§	00010292	19-Oct-2022

* Resigned as Director w.e.f. April 20, 2023.

^ Resigned as Director w.e.f. October 19, 2022.

§ Resigned as Director w.e.f. March 6, 2023.

Ensuring the eligibility of the appointment / continuity of every Director on the Board, is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is valid as on the date of issue and is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M/s. SAHANI & KOTHARI ASSOCIATES
Company Secretaries
"A Peer Reviewed Unit"
ICSI Unique Code: P2016MH056500

Kirti Kothari
Partner

Mem. No. F12007
COP: 17287

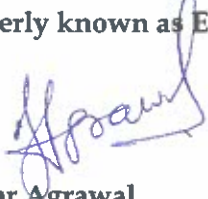
Place: Mumbai
Date: May 22, 2023

UDIN: F012007E000352105

Declaration by the Chief Executive Officer under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 regarding adherence to the Code of Conduct.

In accordance with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, it is hereby confirmed that for the financial year ended March 31, 2023, the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct.

**For Nuvama Wealth Finance Limited
(formerly known as Edelweiss Finance & Investments Limited)**



**Tushar Agrawal
Executive Director & Chief Executive Officer
DIN: 08285408
Mumbai, May 22, 2023**



SAHANI & KOTHARI ASSOCIATES
Company Secretaries
"Committed to Comply"

515, 5th Floor, Building No.3,
Navjivan Commercial Premises,
Lamington Road, Mumbai Central,
Mumbai - 400 008.
Tel.: +91 22 6666 8441
Email: info@sahanikothari.com
Web: www.sahanikothari.com

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

[Pursuant to Schedule V Para E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)
801 to 804, Wing A, Building No 3,
Inspire BKC, G Block, BKC,
Mumbai - 400051.

We have examined the compliance with the conditions of Corporate Governance of Nuvama Wealth Finance Limited (Formerly known as Edelweiss Finance & Investments Limited) ("the Company") for the year ended on March 31, 2023, as prescribed in the Regulations 17 to 27, 62(1A), and Para C, D and E of Schedule V of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance, as specified in the aforesaid provisions of the Listing Regulations. The compliance of conditions of Corporate Governance is the responsibility of the Management.

Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For M/s. SAHANI & KOTHARI ASSOCIATES
Company Secretaries
"A Peer Reviewed Unit"
ICSI Unique Code: P2016MH056500

Kirti Kothari
Partner

Mem. No. F12007
COP: 17287

Place: Mumbai
Date: May 22, 2023

UDIN: F012007E000352094

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

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

1. **Brief outline on CSR Policy of the Company:**
CSR Policy shall apply to all CSR initiatives and activities taken up by the Company for the benefit of the society.
2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Birendra Kumar	Independent Director	1	NA
2.	Mr. Nikhil Srivastava	Non-executive Director	1	1
3.	Mr. Tushar Agrawal	Executive Director and Chief Executive Officer	1	NA

3.	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	https://nuvamafinance.com/Home/InvestorRelation
4.	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).	: Not Applicable
5.	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any	: Not Applicable
6.	Average net profit of the company as per section 135(5)	: Rs. 33,59,80,688
7.	Two percent of average net profit of the company as per section 135(5).	: Rs. 67,19,614

8.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	: Nil
9.	Amount required to be set off for the financial year, if any	: Nil
10.	Total CSR obligation for the financial year (7+8-9).	: Rs. 67,19,614

11.

- a. CSR amount spent ~~or unspent~~ for the financial year: Rs. 67,20,000
- b. Details of CSR amount spent against ongoing projects for the financial year:

1 S.No.	2 Name of CSR project	3 Item from List of activities in Schedule VII to the Act	4 Local Area (Yes/No)	5 Location of project		6 Project duration	7 Amount allocated for the project (INR)	8 Amount spent in the current financial year	9 Amount transferred to unspent CSR account for the project as per Section 135(6)	10 Mode of implementation - Direct (Yes/No)	11 Mode of implementation through implementation agency	
				State	District						Name	CSR registration no.
1	Learning Orbit for village excellence	Education - Schedule VII (ii)	No	Rajasthan	Udaipur	3	43,41,990	43,41,990	-		EdelGive Foundation	CSR00000514
2	Strengthening support systems for access to Justice	Women Empowerment - Schedule VII (iii)	No	Uttar Pradesh	Raebareilly Ayodhya Kaushambhi Sonbhadra Jhansi	3	17,47,011	17,47,011	-		EdelGive Foundation	CSR00000514

3	Salamat Kutch	Women Empowerment - Schedule VII (iii)	No	Gujarat	Kutch	3	6,30,999	6,30,999	-	EdelGive Foundation	CSR000 00514
	TOTAL						67,20,000	67,20,000	-		

- c. Details of CSR amount spent against other than ongoing projects for the financial year: Not Applicable
d. Amount spent in Administrative Overheads : Nil
e. Amount spent on Impact Assessment, if applicable
f. Total amount spent for the Financial Year (11b+11c+11d+11e) : Rs. 67,20,000
g. Excess amount for set off, if any: NIL

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 67,19,614
(ii)	Total amount spent for the Financial Year	Rs. 67,20,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs. 386
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Rs. 386

12.

- a. Details of Unspent CSR amount for the preceding three financial years: Not Applicable
b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

For the Financial Year 2021-22:

1 S. N o.	2 Name of CSR project	3 Item from List of activities in Schedule VII to the Act	4 Loc al Are a (Yes /No)	5 Location of project		6 Proje ct durat ion	7 Amoun t allocat ed for the project (INR)	8 Amount spent in the current financial year	9 Amount transfere d to unspent CSR account for the project as per Section 135(6)	10 Mode of implem entatio n - Direct (Yes/No)	11 Mode of implem entatio n through implem entatio n agency	
				State	District						Name	CSR registratio n no.
1	Agastya - SHM mobile center	Education- Schedule VII(ii)	No	Maha rashtra	Raigad	3	1,35,000	1,35,000	-	No	EdelGive Foundatio n	CSR00000 514
2	WEDA - Women Empower ment	Livelihood - Schedule VII(ii)	No	Karna taka	Uttar Kannada, Shivamogga, Dharwad and Haveri	3	9,45,928	9,45,928	-	No	EdelGive Foundatio n	CSR00000 514

3	Development Action (German word meaning strong)	Women Empowerment Schedule VII(iii)	No	Telangan	Hyderabad	1	15,21,638	15,21,638	-	No	EdelGive Foundation	CSR00000514
4	Sustainable Effort for Financial Empower	Women Empowerment Schedule VII(iii)	No	Rajasthan	Barnmer	3	6,22,434	6,22,434	6,22,434	No	EdelGive Foundation	CSR00000514

ment of Rural Women Artisans									
TOTAL						32,25,000	32,25,000	-	-

For the Financial Year 2020-21:

Amount unspent, if any: Nil

13. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) : Not Applicable
14. Date of creation or acquisition of the capital asset(s) : Not Applicable
15. Amount of CSR spent for creation or acquisition of capital asset. : Not Applicable
16. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : Not Applicable



17. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : Not Applicable

18. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) : Not Applicable

For Nuvama Wealth Finance Limited
(formerly known as Edelweiss Finance & Investments Limited)


Tushar Agrawal
Executive Director and CEO
DIN: 08285408


Birendra Kumar
Independent Director and Chairman of Corporate Social Responsibility Committee
DIN: 00163054

Mumbai, May 22, 2023

Remuneration Policy

Objective

The Companies Act, 2013 ('the Act') requires a Company to frame policy for determining the remuneration payable to the Directors, Key Managerial Personnel (KMPs) and other employees. While appointing the Directors, the Nomination and Remuneration Committee, considers qualification, positive attributes, areas of expertise and number of Directorships in other companies and such other factors as it may deem fit. The Board considers the Committee's recommendation, and takes appropriate action.

The objective of the Remuneration Policy (the Policy) of the Company is to provide a framework for the remuneration of the Independent Directors, Non-executive Directors, Managing Director/Executive Directors, KMPs, and other senior level employees of the Company.

The objective of this Policy is to ensure that:-

- i. the level and composition of remuneration is reasonable and sufficient to attract, retain talent required to run the company successfully;
- ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- iii. remuneration to the Directors, KMPs and senior management comprises a balance of fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Remuneration of the Independent Directors & Non- executive Directors

- The Independent Directors & Non-executive Directors are eligible for sitting fees for attending the meetings of the Board and the Committees thereof.
- The Independent Directors & Non-executive Directors are also eligible for commission, subject to limits prescribed under the Act and the Rules framed there under.
- The Independent Directors are not eligible for stock options.
- The Non-executive Directors (other than promoter Directors) shall be eligible for stock options.

Remuneration of the Managing Director & Executive Directors

- The remuneration of the Managing Director/Executive Directors is recommended by the Nomination and Remuneration Committee ('NRC') to the Board. Based on the recommendations of the NRC, the Board determines and approves the remuneration of the Managing Director/Executive Directors, subject to necessary approvals, if any.
- The remuneration paid to the Managing Director/Executive Directors is within the limits prescribed under the Act and approved by the shareholders of the Company. The remuneration structure includes fixed salary, perquisites, bonus, other benefits and allowances and contribution to Funds, etc.
- The Executive Directors (other than the promoter Directors) shall be eligible for stock options.

Remuneration of the KMP (other than Executive Directors) and Senior level employees

- The key components of remuneration package of the KMP (other than Executive Directors) and senior level employees shall comprise of fixed salary, perquisites, annual bonus, other benefits and allowances and contribution to Funds, etc.
- They shall be eligible for stock options.

The Remuneration Policy enclosed as Annexure for key managerial personnel and senior management in accordance with the compensation guidelines for Key Managerial Personnel and Senior Management in NBFCs issued by the Reserve Bank of India shall form part of this policy.

Policy Review

- The Policy may be amended as may be necessary.
- The NRC shall implement the Policy, and may issue such guidelines, procedures etc. as it may deem fit.



NUVAMA WEALTH FINANCE LIMITED

REMUNERATION POLICY FOR KEY MANAGEMENT PERSONNEL & SENIOR MANAGEMENT

BACKGROUND

The Reserve Bank of India (RBI) has issued compensation guidelines for Key Managerial Personnel and Senior Management in NBFCs and the same are to be effective from 1 April 2023 ("the Guidelines"); attached as **Annexure 1**.

The Guidelines envisage the Board of Directors of NBFCs to put in place a compensation policy "to address issues arising out of excessive risk taking caused by misaligned compensation packages". The guideline expects the organisation to cover (a) constitution of a Remuneration Committee, (b) principles for fixed/ variable pay structures, and (c) malus/ clawback provisions.

OBJECTIVE

The objective of this policy is to define the compensation philosophy applicable to the Key Management Personnel (KMP) and Senior Management employees (SM) of Nuvama Wealth Finance Limited (hereafter referred to as the NWFL)

NWFL thrives to create a transparent, fair, meritocratic, and equitable reward system that will help attract, motivate, and retain key talent through its effective and competitive compensation & benefits practices.

The key objectives of the reward strategy are as follows:

- 1) Drive business goals and objectives
- 2) Recognize individual performance and contribution
- 3) Ensure internal equity and external parity
- 4) Acknowledge regulatory and statutory guidance
- 5) Strike balance between Risk and aligned reward

SCOPE

The Compensation and Benefits policy is applicable to the Key Management Personnel (KMP) and Senior Management employees (SM) of Nuvama Wealth Finance Limited (hereafter referred to as the NWFL).

KMPs as defined in Section 2 (51) of Companies Act, 2013, and for the purpose of this policy, include:

- (i) the Chief Executive Officer or the Managing Director;
- (ii) the Company Secretary;
- (iii) the Whole-time Director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed;



Senior Management for this policy, will include all Functional Heads. Senior Management defined in 'Explanation' to Section 178 of the Companies Act, 2013 is as follows:

The expression "Senior Management" means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

The Remuneration Policy covers the following aspects as per the requirement of RBI:

- Constitution of Nomination & Remuneration Committee
- Principles for fixed/ variable pay structures, and
- Malus/ Clawback provisions

NOMINATION AND REMUNERATION COMMITTEE (NRC)

The NRC has been constituted in accordance with the provisions of the Companies Act, 2013. The terms of reference of the NRC shall also include "overseeing framing, review and implementation of the compensation policy of the NBFC, with the approval of the Board, as envisaged by the RBI Guidelines.

Role of NRC:

- Review the appointment of individuals in identified KMP and Senior Management roles.
- Ensure Fit & Proper status and no conflict of interest in the appointment of KMPs and Senior Management roles.
- Review the compensation for KMPs and Senior Management and while doing so, take into account the need for retention of earnings & maintenance of adequate capital in adherence to the statutory requirements and industry practices.
- Work in close coordination with Risk Management Committee (RMC) of the company to achieve effective alignment between compensation and risks.

PRINCIPLES OF REMUNERATION POLICY

The remuneration for the KMP and Senior Management is based on various factors mentioned below:

- **Role:** The role & responsibilities of the individual, expected deliverables from their KRAs – (fiscal, risks taken and adherence to the compliance framework)
- **Performance:** The performance exhibited by the individual against the expected Goals & Deliverables and contribution to the overall goals of the organisation.
- **Industry standards:** Parity with Market best practices, wherever feasible.
- **Balance between Risk and Aligned reward:** The policy aims to address the importance of balance between risks and the rewards associated thereto, without encouraging incentivization for taking undue high levels of risk.

RISK VECTOR

Key Managerial Personnel and Senior Management in their respective roles take decisions that have an impact on the risk exposure of the organisation.

The categories of Risk impacted by Key Managerial Personnel and Senior Management are following:

1. **Credit Risk** - Credit risk is defined as the risk of loss arising due to current/potential inability or unwillingness of a customer or counterparty to meet financial / contractual obligations. It includes Credit Quality, Collateral Quality and Cash Flow risks as its principal categories. Key parameters to assess performance on Credit risk will be Non-Performing assets and Expected Credit loss numbers.

2. **Market Risk** - Market risk is defined as the risk of loss on Investments resulting from adverse movements in market variables and instruments. It includes Underlying Price risk and Volatility risk as its principal categories. Key parameters to assess performance on market risk will be actual profit and loss numbers, Value at Risk and Scenario analysis numbers.
3. **Operational Risk** - Operational Risk is defined as the risk of loss resulting from inadequate or failed processes, system controls or human negligence. It includes process risk, human error and system error as its principal categories. Key parameters to assess performance on Operational risk will be level of process automation, IT controls and number of errors/process lapses
4. **Fraud Risk** - Fraud risk is defined as the activities undertaken by an external/internal individual or entity that are done in a dishonest or illegal manner and is designed to give an advantage to the perpetrating internal/external individual or entity. It includes Employee Fraud, Customer Fraud and Third-Party Fraud as its principal categories. Key parameters to assess performance on Fraud risk will include Fraud Vulnerability assessment and number of actual Frauds incidents.
5. **Liquidity Risk** - Liquidity risk is defined as the risk of not being able to meet financial obligations and it includes Asset Liquidity risk and Liability refinancing risk as its principal categories. Key parameters to assess performance on Liquidity risk will include Debt to Equity ratio, Asset-Liability statement and Borrowings of the company.
6. **Regulatory Risk** - Regulatory risk is defined as the risk of not adhering to the letter and spirit of laws and regulations leading to fines or other penal action. It includes Legal, Governance, Vigilance, Fiduciary and data integrity as its principal categories. Key parameter to assess performance on regulatory will include No negative regulatory observation by auditors and/or regulators.
7. **Technology Risk** - Technology risk is defined as the risk of loss due to technology failures such as information security incidents or service outages that can disrupt business. It includes Cyber Security Risk, Business Continuity Planning (BCP), Resilience and Scalability risks as its principal categories. Key parameters to assess performance on Technology risk will be strength of Cyber security and BCP processes.

The KRAs/KPIs for the KMPS and SM will factor:-

- Linkage of the aforesaid risk parameters and prudent risk taking to ensure that performance outcomes are adjusted for all types of risks;
- the compensation outcomes are symmetric with risk outcomes

COMPONENTS OF REMUNERATION

As per the Compensation Policy, the total remuneration of KMP and SM personnel shall comprise of Fixed Pay, Performance Linked Variable Pay, ESOPs, (if eligible) and Retirement & other Benefits.

The policy attempts to ensure that total compensation is commensurate with the role and prudent risk-taking profile of KMPs/ SM. The proportion of variable pay is aligned to the level of responsibility. It also attempts to ensure a balance between cash and share-linked instruments to ensure that compensation pay-outs are sensitive to the time horizon of the risks, and the mix of cash, equity and other forms of compensation are consistent with risk alignment.

A. Fixed Compensation: This component defines the Annual Fixed Compensation for the role and includes components like Basic, HRA, Special Allowance, other statutory components, and other perquisites.

The fixed compensation to be paid to every individual is based on attributes like requirements of the role, educational background, total experience level, skill set and industry benchmarks, if any.

B. Performance linked Variable Pay: This component is a yearly pay-out designed to reward eligible employees based on the achievement of specific performance parameters that have been drawn out inline with the business strategy. It is designed to recognize and encourage the right actions/behaviour and reward an employee based on achievement of goals. KMPs and Senior Management engaged in financial control, risk management, compliance and internal audit will be compensated as commensurate with their key role and independent of the business areas overseen by them. The mix of fixed compensation and variable pay will be suitably aligned to ensure that the employees in the above category are remunerated in a fair manner in accordance with their enterprise functions and industry practices.

Annual performance bonus pool will be determined post the review of the Quantitative & Qualitative parameters. Annual Performance linked Variable Pay is determined by factors such as:

- Organisation Performance
- Business Performance
- Individual Performance

The quantum of the Performance linked Variable Pay may vary each year basis the above-mentioned factors and can be NIL in case of non-performance.

The performance linked variable pay for the KMP and Senior Management will be based on a detailed performance review against the defined deliverables (KRA/KPIs) which include the risk vector as detailed above and is a balanced alignment between risk and rewards for the short-term & long-term.

The Risk Management Committee shall review the performance of the company against risk parameters and submit its findings to NRC for its consideration and further deliberation as required.

No guaranteed bonus shall be payable to any KMP/ Senior Management.

Eligibility: KMPs & Senior Management that have joined on or prior to 30th September of the respective financial year will be eligible for performance evaluation for the financial year. All performance bonus pay-outs are prorated for the tenure in the given financial year.

Any Senior Management employee serving notice period on the bonus pay-out date, will not be eligible for Performance bonus.

The organisation provides for joining/sign-in bonus on case-to-case basis. In case of termination of services within 12 months of the date of joining, any joining/sign-in bonus paid is fully recoverable.

C. Stock Options/SARs: The Senior Management can also participate in the Employee Stock Option Scheme/SAR of the organisation and may be granted Options/ securities of similar nature by whatever name called. The quantum of grant shall be based on the individual's performance & contribution to the organisation's goals.

This component aims to address the importance of balance between risks and the rewards associated thereto, thus ensuring alignment to long-term growth.

In the event of termination due to proven commission of felony, fraud, misappropriation, breach of trust, or any offence involving moral turpitude or breach of integrity, gross or wilful insubordination, or any other act determined to be detrimental to the interest of the company including and not restricted to violation of Code of Conduct, all Options granted under the Employee Stock Option Scheme – vested & unvested, shall lapse with effect from the date of such termination.

D. Retirement & other benefits

Senior Management is also entitled to Retirement & Health benefits. These benefits are designed to provide for long term sustainability for Senior Management post retirement.

These benefits include Provident Fund, Gratuity and National Pension scheme and are governed by the respective regulatory guidelines.

E. Healthcare & Insurance benefits

To safeguard Senior Management against any unfortunate incidents in the future, NWFL provides benefits which include Group Medclaim policy, Group Term life insurance and Group Personal Accident cover. These benefits are designed to provide adequate comfort in cases of hospitalization or any untoward incident like demise, accident, disability arising out of accident etc.

COMPENSATION REVISION

Revision in Fixed Pay is done on an annual basis through a detailed Performance Assessment process. During this process, performance of Senior Management is appraised against their pre-defined deliverables and are given a Performance rating basis the organisation rating scale.

Increment percentage is based on factors such as performance assessment rating, role, internal equity & external parity, and overall organization's performance for the year.

Employees joining the organisation prior to 30th September would be eligible for performance-based increment. Increment pay-outs are prorated effective from date of joining.

DEFERRED PAY

Deferred pay is a component of Variable Pay applicable to Senior management personnel that may be deferred depending on the time horizon of the risks undertaken.

Basis the performance of the organisation, 10-15% of the variable pay may be deferred and such deferral period shall not exceed 12 months as majority of the loan book churns within a period of 12 months. Further, the governance structure does not allow the KMP or SMP to take undue risks as there are stringent parameters defined for the loan book.

The portion of deferral arrangement may be made applicable for cash or non-cash components of the variable pay.

CLAWBACK CLAUSE

This will be applicable to the **Deferred Pay** in the event of proven commission of felony, fraud, misappropriation, breach of trust, or any offence involving moral turpitude or breach of integrity, gross or wilful insubordination, or any other act determined to be detrimental to the interest of the company including adverse development on company's performance or capital and not restricted to violation of Code of Conduct.

In event of occurrence of any such incidence as listed above, a detailed investigation process under the Disciplinary Mechanism will be initiated and basis the findings by the Disciplinary Committee, if the incumbent is found guilty, the clawback clause will be applicable.

Our component of the compensation program will be governed by the above and will be applicable for a period of 1 year after each pay-out date. It will be fully recoverable in case of resignation/termination of the employee's services before completion of 1 year from the date of payment, in the event of happening of any of the events mentioned in the foregoing paragraph.

This Policy shall form part of the Remuneration Policy framed under the provisions of the Companies Act, 2013.

EFFECTIVE DATE

This Compensation & Remuneration policy, as recommended by the NRC and approved by the Board is effective 1st April 2023 for the performance of FY 23 – 24 onwards.

POLICY REVIEW

This Policy will be reviewed on an annual basis and may be amended as necessary basis modifications of guidelines & procedures. The policy changes will be subject to approval by the NRC and the Board.

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

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

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

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-



- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011¹;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018²;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014³;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021⁴;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018⁵;
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - (j) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2009
- (vi) Other laws as may be applicable specifically to the Company, namely:
- (a) Guidelines for Issue and Listing of Structured Products/ Market Linked Debentures.
 - (b) All Master Directions, Master Circulars, Directives and Guidelines issued by Reserve Bank of India from time to time as applicable to the Company.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s).

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

¹ Not applicable to the Company during the Audit period

² ibid

³ ibid

⁴ ibid

⁵ ibid



information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes⁶.

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

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

May 22, 2023
Mumbai

For SVVS & Associates Company Secretaries LLP



CS. Suresh Viswanathan
Designated Partner
UDIN : F004453E000346465
FCS : 4453
CP No : 11745



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

⁶ All resolutions were carried unanimously

ANNEXURE A

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

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. No audit has been conducted on the compliance with finance and taxation laws as the same are subject to audit by the Statutory Auditor and Internal Auditor to the Company and their observations, if any, shall hold good for the purpose of this audit report.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance with the provisions of Corporate and other applicable laws rules, regulations the responsibility of management, our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
8. Audit of the compliance with Other Laws has been undertaken based on scope of audit and the applicability of such Laws as ascertained by the Company and informed to us.
9. We have relied on reports of Internal Audit, Regulatory Inspection/Audit to the extent made available to us and the observations, if any, contained in such reports shall hold good for the purpose of this audit report.
10. RBI had issued a Show Cause Notice during the audit period and we are informed that the same is being addressed to the Company.



11. With regard to compliance with The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('Regulations'), we have been informed that, compliance with the said Regulations is carried out at a group level, more specifically with respect to structured digital database as per Reg. 3 (5) and 3 (6) of the Regulations. However, we were not provided with the relevant documents and access to the structured digital database software that has been said to be installed at group level for compliance with the Regulations.

May 22, 2023
Mumbai

For SVVS & Associates Company Secretaries LLP



CS. Suresh Viswanathan
Designated Partner
UDIN : F004453E000346465
FCS : 4453
CP No : 11745



ANNEXURE B

No. Laws applicable to the Company

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

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



Disclosure pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended is as under.

Sr. No.	Disclosure Requirement	Disclosure Details		
		Directors	Title	Ratio
1.	Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year	Mr. Tushar Agrawal (appointed w.e.f May 19, 2022)	Executive Director and Chief Executive Officer	1.57%
2.	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Directors/KMP's	Title	% increase in remuneration
		Mr. Tushar Agrawal	Chief Executive Officer	56.90%
		Ms. Pooja Doshi	Company Secretary	38.85%
		Ms. Sheetal Gandhi (resigned w.e.f July 19, 2022)	Chief Financial Officer	33.65%
		Mr. Manishkumar Jain (appointed w.e.f July 20, 2022)	Chief Financial Officer	795.09%
3	Percentage increase in the median remuneration of employees in the financial year	-13.62%		

4	Number of permanent employees on the rolls of Company at the end of the year	305 permanent employees were on the rolls of the Company as on March 31, 2023
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	The average increase for employees other than the managerial personnel who were in the employment during the financial year 2021-22 and 2022-23 the average increase is 2.5% The average increase for managerial personnel is 26.3%
6	Affirmations that the remuneration is as per the remuneration policy of the Company	It is affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

Explanation.- For the purposes of this rule.- (i) the expression "median" means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one;

(ii) if there is an even number of observations, the median shall be the average of the two middle values.

**For and on behalf of the Board of Directors
Nuvama Wealth Finance Limited
(formerly known as Edelweiss Finance & Investments Limited)**


Tushar Agrawal
Executive Director and CEO
DIN: 08285408


Ashish Kehair
Non-executive Director
DIN: 07789972

Mumbai, May 22, 2023

INDEPENDENT AUDITOR'S REPORT

**To the Members of Nuvama Wealth Finance Limited
(Formerly Known as Edelweiss Finance & Investments Limited)**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Nuvama Wealth Finance Limited (Formerly Known as Edelweiss Finance & Investments Limited) ("the Company"), which comprise the Balance sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "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, as amended ("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, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

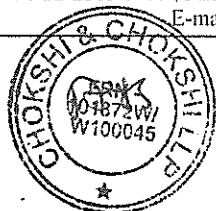
Basis for Opinion

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

Key Audit Matters

Key Audit Matters ('KAM') are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial

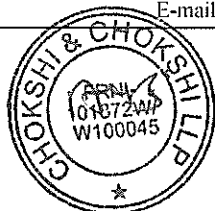


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Statement's section of our report, including in relation to these matters. Accordingly, our audit include the performance of procedures designed to respond to our assessment of the risk of material misstatements of the financial statements. The result of our audit procedure, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matters	How our audit addressed the key audit matter
1) Impairment of financial instruments (expected credit losses) (as described in Note 2.8,7,8 & 8.A of the financial statements):	
<p>Ind AS 109 – 'Financial Instruments' requires the Company to provide for impairment of its financial assets as at the reporting date using the expected credit loss (ECL) approach. ECL involves an estimation of probability weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Company's financial assets (loan portfolio).</p> <p>In the process, a significant degree of judgement has been applied by the management for:</p> <ol style="list-style-type: none"> Staging of financial assets (i.e. classification in 'significant increase in credit risk' ("SICR") and 'default' categories); Grouping of the loan portfolio under homogenous pools in order to determine probability of default on a collective basis; Assigning rating grades to customers for which external rating is not available; Calibrating external ratings-linked probability of default to align with past default rates; Estimation of management overlay for macro-economic factors bearing a correlation with the credit quality of the loans. <p>In view of such high degree of management's judgement involved in estimation of ECL, it is considered as a key audit matter.</p>	<p>The audit procedures included but were not limited to the following:</p> <ol style="list-style-type: none"> Read and assessed the Company's accounting policy for impairment of financial assets and its compliance with Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines issued on March 13, 2020. Tested the design and operating effectiveness of the controls for staging of loans based on their past-due status. Tested samples of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3. We performed procedures to test the inputs used in the ECL computation, on a sample basis. Tested assumptions used by the management in determining the overlay for macro-economic factors. Tested the arithmetical accuracy of computation of ECL provision performed by the Company in spreadsheets. Assessed disclosures included in the Financial Statements in respect of expected credit losses.
2) Information technology (IT) systems and controls:	
<p>The reliability and security of IT systems play a key role in the business operations, financial accounting and reporting process of the</p>	<p>We performed the following procedures for testing IT general controls and for assessing the</p>

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Key audit matters	How our audit addressed the key audit matter
<p>Company. Since large volume of transactions are processed daily. The IT controls are required to ensure that applications process data as expected and that changes are made in an appropriate manner. Any gaps in the IT control environment could result in a material misstatements of the financial accounting and reporting records.</p> <p>Therefore, due to the pervasive nature and complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting and preparation of financial information is considered to be a key audit matter.</p>	<p>reliability of electronic data processing, assisted by our IT specialists:</p> <ol style="list-style-type: none"> a. The aspects covered in the IT General Control audit were (i) User Access Management (ii) Program Change Management (iii) Other related ITGCS - to understand the design and test the operating effectiveness of such controls; b. Assessed the changes that were made to the key systems during the audit period and assessing changes that have impact on financial reporting; c. Tested the periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorization. d. Performed tests of controls (including other compensatory controls wherever applicable) on the IT application controls and IT dependent manual controls in the system. e. Tested the design and operating effectiveness of compensating controls, where deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.

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

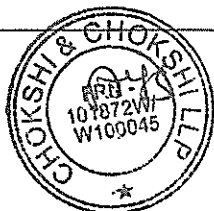
The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditors report, and the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

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

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

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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 E-mail: contact@chokshianandchokshi.in



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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and Statement changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

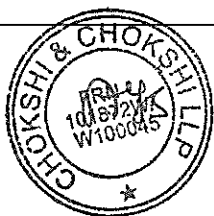
Those Charged with Governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



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- 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.

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

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

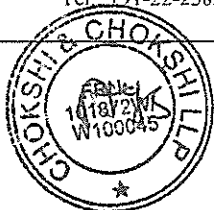
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

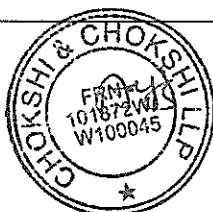
2. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;



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- (c) The Balance Sheet, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the financial statements.
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act,
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 36 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses; if any. On long term contracts including derivatives contracts – Refer note 45.04 to the financial statements.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) The Management has represented that, to the best of its knowledge and belief, 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



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Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

v. No dividend has been declared or paid during the year by the Company.

For CHOKSHI & CHOKSHI LLP
Chartered Accountants
FRN: 101872W/W100045

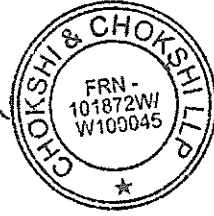
Anish Y Shah

Anish Shah

Partner

M.No.048462

UDIN: 23048462BGXGPQ4147



Place: Mumbai

Date: 22.05.2023

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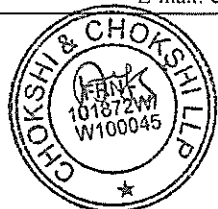
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“Annexure A” to Independent Auditor’s Report on the financial statements of Nuvama Wealth Finance Limited (Formerly Known as Edelweiss Finance & Investments Limited)

(Referred to in Paragraph 1 under the heading of “Report on other legal and regulatory requirements” of our report of even date)

- i. (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (a)(B) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) All Property, Plant and Equipment were not physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancy were noticed on such verification.
- (c) According to the information and explanation given by the management, the title deed of immovable properties included in property, plant and equipment are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including right of use assets) or intangible assets during the year ended March 31, 2023.
- (e) According to the information and explanations given to us, the Company is not holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. a) The verification of securities held for trading have been conducted on the basis of statement of holding received from Depository Participants and Clearing Corporation holding statement at reasonable intervals by the management during the year.
- b) According to the information and explanations given to us, no working capital limits has been sanctioned to the Company from banks or financial institutions and clause (ii) (b) of paragraph of 3 of the Order is not applicable to the Company.
- iii. a) Being an NBFC, the principal business of the Company is to give loans, hence clause (iii) (a) of paragraph of 3 of the Order is not applicable to the Company.
- b) The company has granted loans to 3 parties covered in the register maintained under section 189 of the Act. In our opinion and according to the information and explanations given to us the terms and conditions of the grant of such loans are not prejudicial to the Company’s interest.
- c) The company has granted loans to 3 parties covered in the register maintained under section 189 of the Act. The schedule of repayments of principal and payment of interest has been stipulated for the loans granted and repayments/receipts are regular.
- d) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Act which are overdue for more than ninety days.

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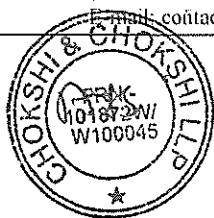


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- e) Being an NBFC, the principal business of the Company is to give loans, hence clause (iii) (e) of paragraph of 3 of the Order is not applicable to the Company.
- f) The Company has not granted any loans or advances in the nature of loans which are either repayable on demand or without specifying any terms or period of repayment, this sub-clause (f) of clause (iii) of paragraph of 3 of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there are no loans, investment, guarantee and securities given in respect of which provision of section 185 and 186 of the Act are applicable and hence not commented upon.
- v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.
- vi. To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company.
- vii. In respect of Statutory dues: -
- a. According to the records of the Company, undisputed statutory dues including provident fund, income tax, goods and service tax, cess and any other statutory dues have been regularly deposited with appropriate authorities. As informed, the provisions relating to employee's state insurance, service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are currently not applicable to the Company.
- b. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at March 31, 2023 for a period of more than six months from the date they became payable except in case of Provident fund.

Name of the Statute	Nature of the Dues	Amount in Million	Period to which the amount relates	Due date	Date of Payment	Remark if any
Employees Provident Fund Organisation	Provident Fund	0.52	April 2022 to August 2022	15th Of subsequent month	--	As represented by the Company, the delay in the deposit of provident fund within the stipulated time as the Aadhaar number of the new employees could not be linked to their UAN as per the government norms.
Employees Provident Fund Organisation	Provident Fund	0.31	April 2022 to August 2022	15th Of subsequent month	17.05.2023	

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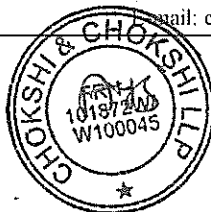
						Since employee UAN is not linked with Aadhar, there are regulatory difficulties to transfer the fund to client account Further, the Company is making the efforts to pay the amount and resolve the matter.
--	--	--	--	--	--	--

- c. According to the information and explanations given to us, the disputed dues on account of income tax, service tax and cess on account of any dispute, are given below. As informed, the provisions relating to employee's state insurance, service tax, wealth tax, sales tax, value added tax, excise duty and customs duty are currently not applicable to the Company.

Name of Statute	Nature of Dues	Amounts (in Million)	Period to which the amount relates (Assessment year)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	26.82	2008-09	High Court
		37.75	2009-10	High Court
		11.87	2010-11	High Court
		29.88	2011-12	High Court
		90.58	2013-14	The Commissioner of Income Tax (Appeals)
		74.08	2016-17	The Commissioner of Income Tax (Appeals)
		0.77	2018-19	The Commissioner of Income Tax (Appeals)
Maharashtra Luxury Tax		0.17	April to June, 2017	Deputy Commissioner (Appeals), Raigad

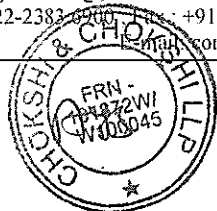
- viii. According to the information and explanations given to us, there are no unrecorded transactions in the books of account, surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) In our opinion and according to the information and explanations given to us by the management, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender.
- (b) In our opinion and according to the information and explanations given to us by the management, the Company was not declared a willful defaulter by any bank or financial institution or other lender.

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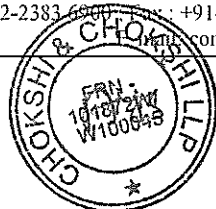
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- (c) Since the company has not taken any term loan, the clause (ix)(c) of paragraph 3 of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us by the management, the Company has not used funds raised on short term basis for long term purposes.
- (e) Since the company has no Subsidiaries, Associates and Joint Ventures, the clause (ix)(e) of paragraph 3 of the Order is not applicable to the Company.
- (f) Since the company has no Subsidiaries, Associates and Joint Ventures, the clause (ix)(f) of paragraph 3 of the Order is not applicable to the Company.
- x. a. According to the information and explanations given to us and based on our examination of the records of the Company, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, Clause (x) (a) of paragraph 3 of the Order is not applicable.
- b. According to the information and explanations give 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 fully or partly convertible debentures during the year. Accordingly, Clause (x) (b) of paragraph 3 of the Order is not applicable.
- xi. a. Based on the audit procedures performed for the purpose of reporting true and fair view of financial statements and as per information and explanation given to us, no material fraud by the Company or on the Company has been noticed or reported during the year.
- b. Since no fraud has been reported during the year, no report under sub-section (12) of section 143 of the Companies Act has been filed by us as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- c. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not received any whistle-blower complaints, during the year.
- xii. In our opinion, the Company is not a Nidhi Company, hence, Clause (xii)(a) to (c) of paragraph 3 of the Order are not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the notes to financial statements as required by the applicable Indian Accounting Standards.



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- xiv. According to the information and explanations given to us and after considering the internal auditor's report of the Company, we are of the opinion that the Company has an internal audit system commensurate with the current size and nature of its business.
- xv. According to the information and explanations given to us by the management, the Company has not entered into non-cash transactions with directors or persons connected with the directors as referred to in section 192 of the Act.
- (xvi)
- a. According to the information and explanations given to us, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and necessary registration has been obtained by the Company.
- b. According to the information and explanations given to us and based on our examination of the records of the Company, the company has conducted all Non- Banking activities with valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c. According to the information and explanations given to us and based on our examination of the records of the Company, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d. According to the information and explanations given to us, the Group is not having any Core Investment Company (CIC) as defined in the Core Investment Companies (Reserve Bank) Directions, 2016.
- (xvii) According to the information and explanations given to us, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given to us, there is no unspent amount in respect of CSR as on the balance sheet date which is required to be transferred to the specified fund as per Schedule VII to the Act.



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- (xxi) According to the information and explanations given to us, the Company does not have any subsidiary company / associate company / joint venture company. Hence, clause (xxi) of paragraph 3 of the Order is not applicable.

For CHOKSHI & CHOKSHI LLP
Chartered Accountants
FRN: 101872W/W100045



Anish Shah
Anish Shah
Partner
M.No. 048462
UDIN: 23048462BGXGPQ4147

Place: Mumbai
Date: 22.05.2023

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"Annexure B" to Independent Auditor's Report on the financial statements of Nuvama Wealth Finance Limited (Formerly Known as Edelweiss Finance & Investments Limited)

(Referred to in Paragraph 2 (f) under the heading of "Report on other legal and regulatory requirements" of our report 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 (Formerly Known as Edelweiss Finance & Investments Limited) ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

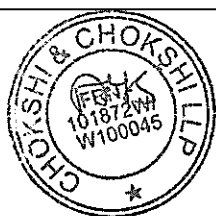
Auditor's Responsibility

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

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

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

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Meaning of Internal Financial Controls With Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

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

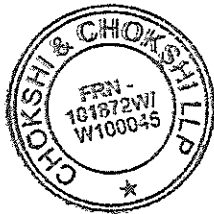
Opinion

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

For Chokshi & Chokshi LLP
Chartered Accountants
FRN: 101872W/W100045

Anish. Y. Shah

Anish Shah
Partner
M.No. 048462
UDIN: 23048462BGXGPQ4147
Place: Mumbai
Date: 22.05.2023



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Balance Sheet as at March 31, 2023

(Currency : Indian rupees in millions)

Assets	Note	As at	As at
		March 31, 2023	March 31, 2022
Financial assets			
(a) Cash and cash equivalents			
(b) Bank balances other than cash and cash equivalents	3	1,597.79	1,426.02
(c) Derivative financial instruments	4	20.10	83.45
(d) Securities held for trading	5	3,003.03	1,925.77
(e) Receivables	6	8,802.01	6,604.37
(i) Trade receivables			
(ii) Other receivables	7	2,512.28	1,362.49
(f) Loans		2.58	0.31
(g) Investments	8	22,443.03	19,650.43
(h) Other financial assets	9	975.64	-
	10	251.46	2,465.49
		<u>39,607.92</u>	<u>33,518.33</u>
Non-financial assets			
(a) Current tax assets (net)			
(b) Property, Plant and Equipment	11	137.69	139.19
(c) Other Intangible assets	13	2.62	3.58
(d) Other non-financial assets	13	1.17	2.15
	14	23.57	24.58
		<u>165.05</u>	<u>169.50</u>
Total Assets		<u>39,772.97</u>	<u>33,687.83</u>
Liabilities and Equity			
Financial liabilities			
(a) Derivative financial instruments			
(b) Trade payables	5	709.73	653.34
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	15	2.40	1.15
(c) Debt securities	16	2,841.19	498.38
(d) Borrowings (other than debt securities)	17	23,104.93	22,961.91
(e) Subordinated Liabilities	18	4,208.57	1,059.63
(f) Other financial liabilities	19	151.75	153.40
		871.97	1,319.89
		<u>31,890.54</u>	<u>26,647.70</u>
Non-financial liabilities			
(a) Current tax liabilities (net)			
(b) Provisions	20	131.03	9.60
(c) Deferred tax liabilities (net)	21	22.41	25.09
(d) Other non-financial liabilities	12	28.10	23.07
	22	20.65	18.34
		<u>202.19</u>	<u>76.10</u>
Equity			
(a) Equity share capital	23	114.59	114.59
(b) Other equity	24	7,565.65	6,849.44
		<u>7,680.24</u>	<u>6,964.03</u>
Total Liabilities And Equity		<u>39,772.97</u>	<u>33,687.83</u>

The accompanying notes are an integral part of the Financial Statements

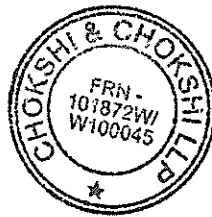
As per our report of even date attached.

For Chokshi & Chokshi LLP
Chartered Accountants
ICAI Firms Registration Number 101872W/W100045

Anish Shah

Partner

Membership No: 048462



For and on behalf of the Board of Directors

Tashar Agrawal

Tashar Agrawal
Executive Director & Chief Executive Officer
DIN: 08285408

Ashish Kehair

Ashish Kehair
Non-Executive Director
DIN: 07789972

Nikhil Kumar

Nikhil Kumar Srivastava
Non-Executive Director
DIN: 7308617

Manish Kumar Jain

Manish Kumar Jain
Chief Financial Officer
PAN: AHCPJ7436Q

Pooja Doshi

Pooja Doshi
Company Secretary
PAN: AMLPD8022C

Mumbai
May 22, 2023

Mumbai
May 22, 2023



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Statement of Profit and Loss for the year ended March 31, 2023

(Currency : Indian rupees in millions)

	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from operations			
Interest income	25	2,800.10	2,079.31
Dividend income	26	8.22	10.50
Fee and commission income	27	184.87	260.34
Net gain on fair value changes (including Treasury income)	30	1,541.18	1,530.32
Other income	28	5.42	2.88
Total Revenue		4,539.79	3,883.35
Expenses			
Finance costs	29	2,190.40	1,923.41
Impairment on financial instruments	31	15.62	28.25
Employee benefits expense	32	685.70	719.61
Depreciation and amortisation expense	13	1.66	3.87
Other expenses	33	672.85	617.48
Total expenses		3,566.23	3,292.62
Profit before tax		973.56	590.73
Tax expenses			
(1) Net Current Tax	34	250.99	96.11
(2) Deferred tax (net)	34	5.02	46.38
Profit for the period		717.55	448.24
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
a) Remeasurement gain on defined benefit plans (OCI)		(6.48)	(4.30)
b) Income Tax - OCI - that will not be reclassified		1.63	1.08
Total		(4.85)	(3.22)
Total Comprehensive Income		712.70	445.02
Earnings per equity share (Face value of Rs. 10 each) (in Rs.)			
Basic	35	62.62	39.11
Diluted	35	62.62	39.11

The accompanying notes are an integral part of the Financial Statements

1 to 52

As per our report of even date attached.

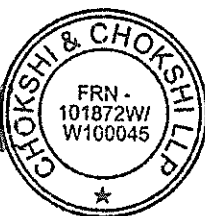
For Chokshi & Chokshi LLP
Chartered Accountants
ICAI Firms Registration Number: 101872W/W1000

Anish Shah

Anish Shah

Partner

Membership No: 048462



For and on behalf of the Board of Directors

Tushar Agrawal

Executive Director & Chief
Executive Officer
DIN: 08285408

Nikhil Kumar Srivastava

Non-Executive Director
DIN: 7308617

Pooja Doshi

Company Secretary
PAN: AMLPD8022C

Mumbai
May 22, 2023

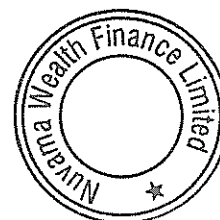
Anish Kehar

Non-Executive Director
DIN: 07789972

Manish Kumar Jain

Chief Financial Officer
PAN: AHCPJ7436Q

Mumbai
May 22, 2023

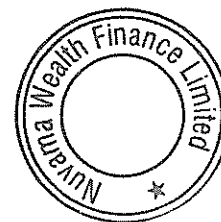
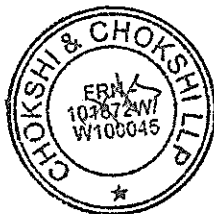


Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Statement of Cash Flows for the year ended March 31, 2023

(Currency : Indian rupees in millions)

	For the year ended March 31, 2023	For the year ended March 31, 2022
A Cash flow from operating activities		
Profit before tax	973.56	590.73
<i>Adjustments for</i>		
Depreciation and amortisation expense	1.66	3.87
Fair value (gain) / loss of financial instruments	235.44	(162.48)
Provision for compensated absences and gratuity	(2.68)	(18.06)
Income from Investments	(24.06)	-
Impairment on financial assets	15.62	28.25
Profit on sale of Property, Plant and Equipment	(1.88)	(1.66)
Operating cash flow before working capital changes	1,197.66	440.65
Add / (Less): Adjustments for working capital changes		
Increase in Loans	(2,803.83)	(5,569.44)
Increase in Trade and other receivables	(1,156.24)	(1,150.23)
Increase in Securities held for trading	(2,219.05)	(4,455.44)
Decrease/(Increase) in Bank balances other than cash and cash equivalents	63.35	(29.98)
Decrease/(Increase) in Other financial assets	922.74	(995.98)
Decrease/(Increase) in non financial assets	1.01	(0.42)
Increase in Trade payables	2,343.80	425.75
(Decrease) in Non-financial liabilities and Provisions	(2.57)	(8.41)
(Decrease) / Increase in Other financial liabilities	(387.94)	1,691.21
Cash (used) in operations	(2,041.07)	(9,652.29)
Income taxes paid	(128.06)	(88.72)
Net cash (used) in operating activities -A	(2,169.13)	(9,741.01)
B Cash flow from investing activities		
Purchase of Property, Plant and Equipment	(0.20)	(2.21)
Sale of Property, Plant and Equipment	2.37	2.38
Purchase of Investments	(966.28)	-
Interest Income from Investments	14.70	-
Net cash generated (used in) investing activities - B	(949.41)	0.17
C Cash flow from financing activities		
Proceeds from issuance of Debt Securities	143.02	12,748.24
Increase/(Decrease) in Borrowings other than Debt Securities(Refer Note-2)	3,148.94	(2,304.23)
Repayment of Subordinated Liabilities	(1.65)	(6.60)
Net cash generated from financing activities - C	3,290.31	10,437.41
Net increase in cash and cash equivalents (A+B+C)	171.77	696.57
Cash and cash equivalent as at the beginning of the period	1,426.02	729.45
Cash and cash equivalent as at the end of the period	1,597.79	1,426.02
Operational cash flows from interest and dividends		
Interest paid	1,412.59	1,414.52
Interest received	2,601.26	2,003.45
Dividend received	8.22	10.50



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Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Statement of Cash Flows for the year ended March 31, 2023

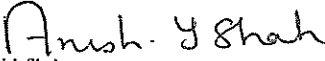
(Currency : Indian rupees in millions)

Notes:

- 1 Cash Flow Statement 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.
- 2 Cash receipts and payments for transactions with group companies in which the turnover is quick, the amounts are large and the maturities are short are presented on net basis in accordance with Ind AS-7 Statement of Cash Flows.

As per our report of even date attached.

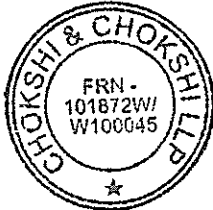
For Chokshi & Chokshi LLP
Chartered Accountants
ICAI Firms Registration Number: 101872W/W100045


Anish Shah

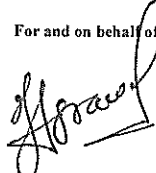
Partner

Membership No: 048462

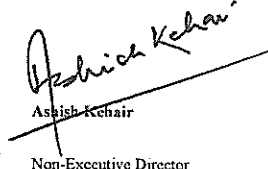
Mumbai
May 22, 2023



For and on behalf of the Board of Directors



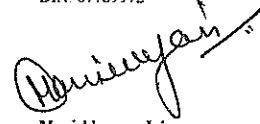
Tushar
Agrawal
Executive Director & Chief Executive
Officer
DIN: 08285408



Ashish Kachair
Non-Executive Director
DIN: 07789972



Nikhilkumar Srivastava
Non-Executive Director
DIN: 7308617



Manishkumar Jain
Chief Financial Officer
PAN: AHCPJ7436Q



Pooja Doshi
Company Secretary
PAN: AMLPD8022C

Mumbai
May 22, 2023



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

(Currency : Indian rupees in millions)

Statement of Changes in Equity for the year ended March 31, 2023

A. Equity Share Capital

Rs. In Millions

Equity share Capital as at April 01,2021	114.59
Changes in Equity Share Capital due to prior period errors	-
balance at the beginning of the current reporting period	114.59
Shares Issued during the period	-
Equity share Capital as at March 31,2022	<u>114.59</u>
Equity share Capital as at April 01,2022	114.59
Changes in Equity Share Capital due to prior period errors	-
balance at the beginning of the current reporting period	114.59
Shares Issued during the period	-
Equity share Capital as at March 31,2023	<u>114.59</u>

B. Other Equity

Particulars	Reserves & Surplus					Deemed Capital Contribution - Equity	Total Attributable to equity holders
	Capital redemption reserve	Securities Premium	Statutory Reserve	General Reserve	Retained Earnings		
Balance as at April 01, 2021	226.32	5,086.37	989.92	-	82.54	15.18	6,400.33
Profit for the year	-	-	-	-	448.24	-	448.24
Other Comprehensive Income	-	-	-	-	(3.22)	-	(3.22)
	<u>226.32</u>	<u>5,086.37</u>	<u>989.92</u>	-	<u>527.56</u>	<u>15.18</u>	<u>6,845.35</u>
ESOPs cost reversal	-	-	-	-	4.09	-	4.09
Transfer to Statutory Reserve	-	-	89.65	-	(89.65)	-	0.00
Transfer to Capital redemption Reserve	4.01	-	-	-	(4.01)	-	(0.00)
Balance as at March 31, 2022	<u>230.33</u>	<u>5,086.37</u>	<u>1,079.57</u>	-	<u>437.99</u>	<u>15.18</u>	<u>6,849.44</u>
Balance as at April 01, 2022	230.33	5,086.37	1,079.57	-	437.99	15.18	6,849.44
Profit for the year	-	-	-	-	717.55	-	717.55
Other Comprehensive Income	-	-	-	-	(4.85)	-	(4.85)
	<u>230.33</u>	<u>5,086.37</u>	<u>1,079.57</u>	-	<u>1,150.69</u>	<u>15.18</u>	<u>7,562.14</u>
ESOPs cost reversal	-	-	-	-	3.51	-	3.51
Transfer to Statutory Reserve	-	-	143.51	-	(143.51)	-	-
Transfer to Capital redemption Reserve	1.00	-	-	-	(1.00)	-	(0.00)
Balance as at March 31, 2023	<u>231.33</u>	<u>5,086.37</u>	<u>1,223.08</u>	-	<u>1,009.69</u>	<u>15.18</u>	<u>7,565.65</u>

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

1 to 52

As per our report of even date attached.

For Chokshi & Chokshi LLP
Chartered Accountants
ICAI Firms Registration Number: 101872W/W100045

Anish Shah

Anish Shah

Partner

Membership No: 048462

Mumbai
May 22, 2023

For and on behalf of the Board of Directors

Tushar Agrawal

Tushar Agrawal

Executive Director & Chief Executive Officer
DIN: 08285408

Ashish Kehar

Ashish Kehar

Non-Executive Director
DIN: 07789972

Nikhil Kumar Srivastava

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Non-Executive Director
DIN: 7308617

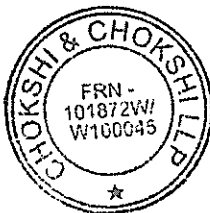
Manish Kumar Jain

Manish Kumar Jain
Chief Financial Officer
PAN: AHCP17436Q

Pooja Doshi

Pooja Doshi
Company Secretary
PAN: AMLPD8022C

Mumbai
May 22, 2023



Nuvama Wealth Finance Limited (Formerly known as Edelweiss Finance & Investments Limited)

Notes to the financial statements for the year ended March 31, 2023

1. Corporate information:

Nuvama Wealth Finance Limited (Formerly known as Edelweiss Finance & Investments Limited) ('the Company') a public limited company domiciled and incorporated under the provisions of the Companies Act applicable in India is subsidiary of Nuvama Wealth Management Limited (Formerly known as Edelweiss Securities Limited). The Ultimate Holding company of the company is PAGAC Ecstasy Pte. Ltd ('PAG'). 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).

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. Significant accounting policies

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).

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

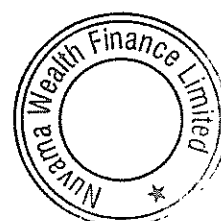
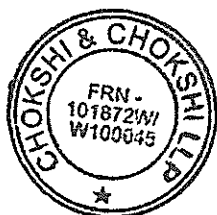
2.2 Presentation of financial statements:

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).

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

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

Derivative assets and liabilities with master netting arrangements [e.g. ISDAs (International Swaps and Derivatives Association)] 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.



Nuvama Wealth Finance Limited (Formerly known as Edelweiss Finance & Investments Limited)

Notes to the financial statements (continued)

2.3 Recognition of interest income and dividend income

2.3.1 Effective interest rate (EIR):

Under Ind AS 109 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 taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the financial asset. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle including prepayments penalty interest and charges.

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

2.3.2 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 (penal interest and the like) levied on customers for delay in repayments / non-payment of contractual cashflows is recognised on accrual basis.

2.3.3 Dividend income:

The Company recognised Dividend income when the Company's 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.

2.3.4 Fee Income:

The Company recognises fee income including advisory and syndication fees at a point in time in accordance with the terms and contracts entered into between the Company and the counterparty.

2.3.5 Foreign currency translation

Initial recognition

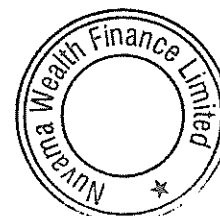
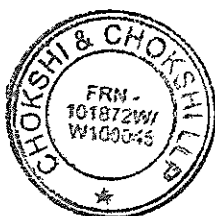
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

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.



Nuvama Wealth Finance Limited (Formerly known as Edelweiss Finance & Investments Limited)

Notes to the financial statements (continued)

2.4 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.

Net gain on fair value changes

The Company designates certain financial assets for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI). The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL and FVOCI on net basis in profit or loss.

2.4.1 Date of recognition:

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

2.4.2 Initial measurement of financial instruments:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.4.3 Day 1 profit and loss:

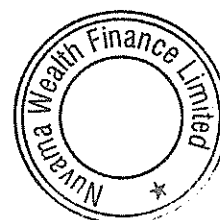
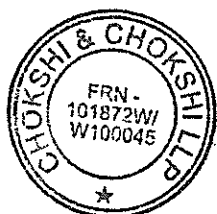
When the transaction price of the financial instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain / 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.

2.4.4 Classification & measurement categories of financial assets and liabilities:

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

Financial assets carried at amortised cost (AC)

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



Nuvama Wealth Finance Limited (Formerly known as Edelweiss Finance & Investments Limited)

Notes to the financial statements (continued)

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

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

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

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

2.5 Financial assets and liabilities:

2.5.1 Amortized cost and effective interest method

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

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

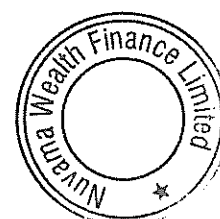
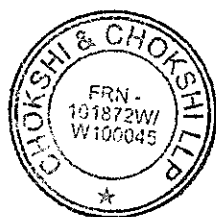
The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for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

2.5.2 Financial assets held for trading:

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

2.5.3 Investment in equity instruments:

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



Nuvama Wealth Finance Limited (Formerly known as Edelweiss Finance & Investments Limited)

Notes to the financial statements (continued)

2.5.4 Financial liabilities:

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

2.5.5 Derivative financial instruments:

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and market risk.

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.

2.5.6 Debt securities and other borrowed funds:

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

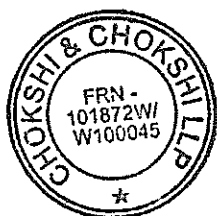
The Company issues certain non-convertible debentures, the return of which is linked to performance of specified indices over the period of the debenture. Such debentures have a component of an embedded derivative which is fair valued at a reporting date. The resultant 'net unrealised loss or gain' on 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.

2.5.7 Financial assets and financial liabilities at fair value through profit or loss:

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

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

Financial assets and financial liabilities at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in profit and loss with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Company's own credit risk. Such changes in fair value are recorded in the Own credit reserve through OCI and do not get recycled to the profit or loss. Interest earned or incurred on instruments designated at FVTPL is accrued in interest income or finance cost,



Nuvama Wealth Finance Limited (Formerly known as Edelweiss Finance & Investments Limited)

Notes to the financial statements (continued)

respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.

2.5.8 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.

2.5.9 Financial liabilities and equity instruments

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

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

2.6 Reclassification of financial assets and liabilities

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

2.7 Derecognition of financial Instruments:

2.7.1 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.

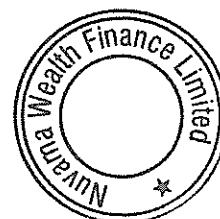
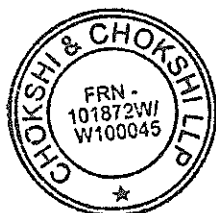
The Company has transferred the financial asset if, and only if, either

- 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.



Nuvama Wealth Finance Limited (Formerly known as Edelweiss Finance & Investments Limited)

Notes to the financial statements (continued)

2.7.2 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 and loss.

2.8 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 are not subject to impairment.

Simplified approach

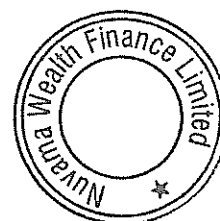
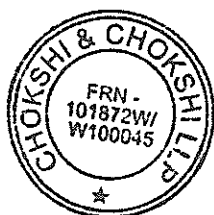
The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit loss (ECL) 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 instead of an evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life 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.



Nuvama Wealth Finance Limited (Formerly known as Edelweiss Finance & Investments Limited)

Notes to the financial statements (continued)

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 ECL (resulting from default events possible within 12 months from reporting date) 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 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.

2.9 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.

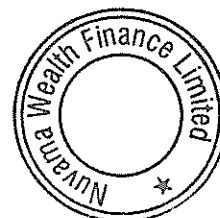
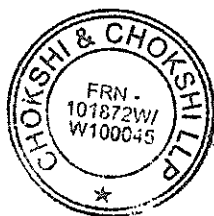
2.10 Write-offs:

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

2.11 Determination of fair value:

The Company measures financial instruments, such as, derivatives 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.



Nuvama Wealth Finance Limited (Formerly known as Edelweiss Finance & Investments Limited)

Notes to the financial statements (continued)

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

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

Level 1 financial instruments:

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

Level 2 financial instruments:

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

Level 3 financial instruments:

Those that include one or more unobservable input that is significant to the measurement as whole.

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

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.

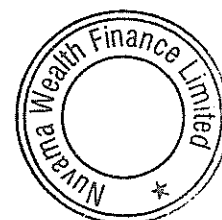
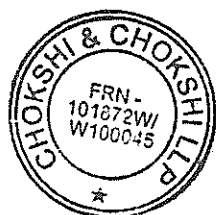
The Company evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary based on the facts at the end of the reporting period.

2.12 Operating leases:

Company as a lessee:

The Company has applied Ind AS 116 using the partial retrospective approach.

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



Nuvama Wealth Finance Limited (Formerly known as Edelweiss Finance & Investments Limited)

Notes to the financial statements (continued)

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.

2.13 Earnings per share:

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

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

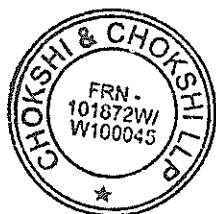
2.14 Retirement and other employee benefit:

2.14.1 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.

2.14.2 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



Nuvama Wealth Finance Limited (Formerly known as Edelweiss Finance & Investments Limited)

Notes to the financial statements (continued)

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.

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

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

2.14.3 Compensated absences:

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

2.14.4 Deferred bonus:

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

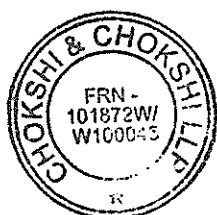
2.14.5 Share-based payment arrangements:

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

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

2.15 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.



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Notes to the financial statements (continued)

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are recognized in profit or loss during the reporting period, in which they are incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives. Depreciation is provided on a written down value basis from the date the asset is ready for its intended use or put to use whichever is earlier. In respect of assets sold, depreciation is provided upto the date of disposal.

As per the requirement of Schedule II of the Companies Act, 2013, the 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 - Servers and networks	6 years
Computers - End user devices, such as desktops, laptops, etc.	3 years

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.

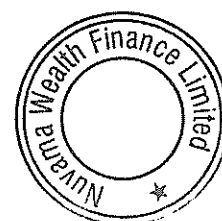
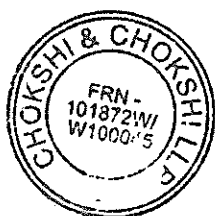
2.16 Intangible assets:

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.

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

2.17 Impairment of non-financial assets:

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



Nuvama Wealth Finance Limited (Formerly known as Edelweiss Finance & Investments Limited)

Notes to the financial statements (continued)

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

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

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

2.19 Income tax expenses:

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

2.19.1 Current tax:

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

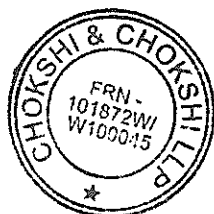
2.19.2 Deferred tax:

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 manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.



Nuvama Wealth Finance Limited (Formerly known as Edelweiss Finance & Investments Limited)

Notes to the financial statements (continued)

2.19.3 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.

2.20 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.

2.21 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 considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements in applying accounting policies:

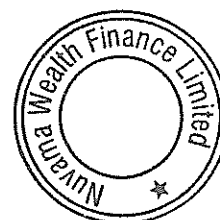
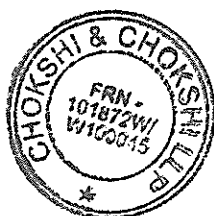
The following are the critical judgements, apart from those involving estimations, that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

2.21.1 Business model assessment:

Classification and measurement of financial assets depends on the results of the solely payments of principal and interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how 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

2.21.2 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 takes into account qualitative and quantitative reasonable and supportable forward-looking information.



Nuvama Wealth Finance Limited (Formerly known as Edelweiss Finance & Investments Limited)

Notes to the financial statements (continued)

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.

2.21.3 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.

2.21.4 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.

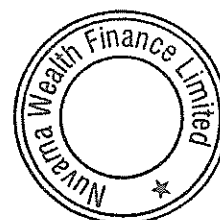
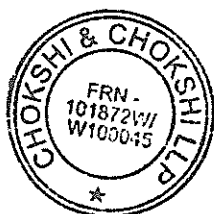
This estimation, by nature requires an element of judgement regarding the expected behaviour and life cycle of the instrument, as well expected changes India's base rate and other fee income, expenses that are integral part of the instrument.

2.22 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



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Notes to the financial statements (continued)

- 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.

2.23 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, 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.

2.24 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.

2.25 Provisions for Income Taxes:

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

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

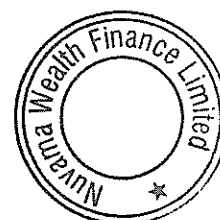
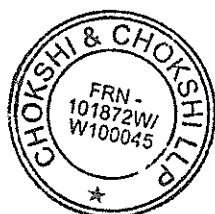
2.26 Cash flow statement:

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.

2.27 Segment Reporting:

Identification of Segments -

Operating Segments are identified based on monitoring of operating results by the chief operating decision maker (CODM) separately for the purpose of making decision about resource allocation and



Nuvama Wealth Finance Limited (Formerly known as Edelweiss Finance & Investments Limited)

Notes to the financial statements (continued)

performance assessment. Segment performance is evaluated based on profit or loss, and is measured consistently with profit or loss of the Company.

Operating Segment is identified based on the nature of products and services, the different risks and returns, and the internal business reporting system.

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.

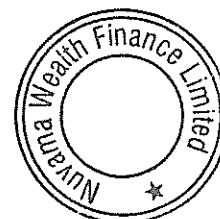
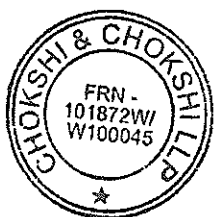
2.28 Standards issued but not yet effective along with Other statutory amendments:

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the Company’s financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023. The Company has evaluated the amendment and there is no impact on its financial statement.



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Notes to Financial Statements (continued)

(Currency - Indian rupees in millions)

	As at March 31, 2023	As at March 31, 2022
3. Cash and cash equivalents		
Balances with banks		
- in current accounts	1,597.79	1,426.02
	<u>1,597.79</u>	<u>1,426.02</u>

	As at March 31, 2023	As at March 31, 2022
4. Bank balances other than cash and cash equivalents		
Long term bank deposits with banks*	19.90	79.90
Accrued interest on fixed deposits	0.20	0.10
Earmarked balance with bank (unpaid dividends)	-	3.45
	<u>20.10</u>	<u>83.45</u>

4.A Encumbrances on fixed deposits held by the Company:

	As at March 31, 2023	As at March 31, 2022
Fixed deposit pledged against overdraft facility		
ICICI Bank Limited	19.90	19.90
Fixed deposit created for DRF		
Ratnakar Bank Limited	-	60.00
	<u>19.90</u>	<u>79.90</u>

* Fixed deposit with bank earns interest at fixed rate.

	As at March 31, 2023	As at March 31, 2022
5. Derivative financial instruments		

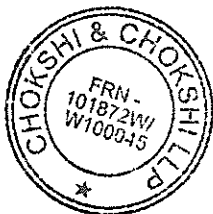
5.A Breakup of Derivative financial instruments

Fair Value Assets

Mark to market on interest rate swap	3.32	-
Premium paid on outstanding exchange traded options	1,431.64	1,147.90
Embedded derivatives in market-linked debentures (Assets)	1,568.07	777.87
	<u>3,003.03</u>	<u>1,925.77</u>

Fair Value Liabilities

Premium received on outstanding exchange traded options (including MTM)	419.96	564.43
Mark to Market on interest rate swap	0.69	-
Embedded derivatives in market-linked debentures (liabilities)	289.08	88.91
	<u>709.73</u>	<u>653.34</u>



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

(Currency - Indian rupees in millions)

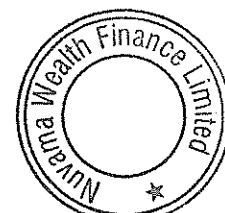
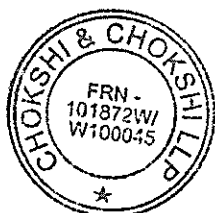
5.B Derivative financial instruments

The Company enters into derivatives for risk management purposes

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

Particulars	As at March 31, 2023							
	Unit	Currency	Notional	Fair value Asset	Unit	Currency	Notional	Fair value liability
(i) Embedded derivatives*								
In market linked debentures				1,568.07				289.08
Subtotal(i)				1,568.07				289.08
(ii) Equity linked derivatives								
Stock Futures	No of Shares		11,50,399	22.97	No of Shares		4,83,440	10.46
Options purchased	No of Shares		3,17,954	33.19				
Options sold (written)					No of Shares		3,17,954	9.38
Less: Offset with Margin				(22.97)				(10.46)
Subtotal(ii)				33.19				9.38
(iii) Index linked derivatives								
Index Futures	Index Units		2,29,100	48.64	Index Units		1,18,425	18.87
Options purchased	Index Units		12,51,175	1,398.45				
Options sold (written)					Index Units		12,73,525	410.58
Less: Offset with Margin				(48.64)				(18.87)
Subtotal(iii)				1,398.45				410.58
(iv) Interest Rate Swap	Rupees Million	INR	1,250.00	3.32	Rupees Million	INR	1,500.00	0.69
Subtotal(iv)				3.32				0.69
Total Derivative Financial Instruments			Total	3003.03			Total	709.73

Particulars	As at March 31, 2022							
	Unit	Currency	Notional	Fair value Asset	Unit	Currency	Notional	Fair value liability
(i) Embedded derivatives*								
In market linked debentures				777.87				88.91
Subtotal(i)				777.87				88.91
(ii) Equity linked derivatives								
Stock Futures	No of Shares		25,16,775	30.44	No of Shares		33,48,389	19.37
Options purchased	No of Shares		49,52,064	381.59				
Options sold (written)					No of Shares		49,52,064	43.55
Less: Offset with Margin				(30.44)				(19.37)
Subtotal(ii)				381.59				43.55
(iii) Index linked derivatives								
Index Futures	Index Units		1,34,050	56.33	Index Units		71,825	2.06
Options purchased	Index Units		6,52,750	766.31				
Options sold (written)					Index Units		6,52,225	520.88
Less: Offset with Margin				(56.33)				(2.06)
Subtotal(iii)				766.31				520.88
Total Derivative Financial Instruments			Total	1,925.77			Total	653.34



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

Note: The notional/units held indicate the value of transactions outstanding at the period end and are not indicative of either the market risk or credit risk.

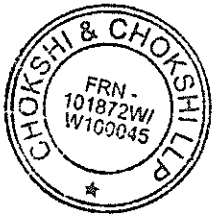
*An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.

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 43.

Derivatives designated as hedging instruments

The Company has not designated any derivatives as hedging instruments.



Nivama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

5.C Offsetting

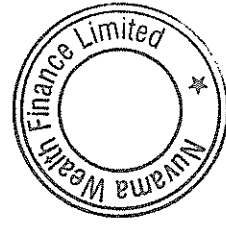
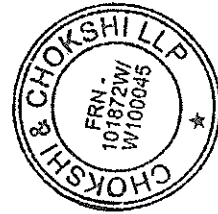
The tables below summarise the financial assets and liabilities subject to offsetting, enforceable master netting and similar agreements, as well as financial collateral received to mitigate credit exposures for these financial assets, and whether offset is achieved in the balance sheet.

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 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.

Financial Assets and Liabilities subject to offsetting, netting arrangements

As at March 31, 2023	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	71.61	(71.61)	-	-	-	-	3,003.03	3,003.03	3,003.03
Margin Placed with Brokers	124.39	42.28	166.67	-	-	166.67	-	166.67	166.67
As at March 31, 2023	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	Recognised in the balance sheet			
Derivative Liabilities	29.33	(29.33)	-	-	-	-	709.73	709.73	709.73
As at March 31, 2022	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	Recognised in the balance sheet			
Derivative Assets	86.77	(86.77)	-	-	-	-	1,925.77	1,925.77	1,925.77
As at March 31, 2022	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	Recognised in the balance sheet			
Derivative Liabilities	21.43	(21.43)	-	-	-	-	653.34	653.34	653.34
Margin payable to Brokers	543.85	(65.34)	478.51	0	0	478.51	0	478.51	478.51

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



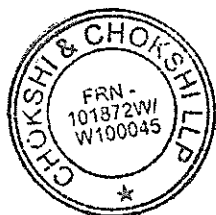
Novama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

(Currency Indian rupees in millions)

6. Securities held for trading

Particulars	As at	As at
	March 31, 2023	March 31, 2022
At Fair Value through Profit and Loss		
(i) Government Debt Securities	4,302.07	1,519.01
(ii) Debt Securities	1,719.06	279.01
(iii) Exchange Traded Funds / Mutual funds	1,916.91	3,000.30
(iv) Equity Shares	863.97	1,554.03
(v) Preference Shares	-	252.02
Total	8,802.01	6,604.37
(i) Investments outside India	-	-
(ii) Investments in India	8,802.01	6,604.37
Total	8,802.01	6,604.37



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

(Currency Indian rupees in millions)

	As at March 31, 2023	As at March 31, 2022
7. Receivables		
a) Trade receivables		
Receivables considered good - Unsecured	2,513.37	1,365.68
Receivables - Credit impaired	21.90	16.31
Less Allowance for expected credit losses	(22.99)	(19.50)
Trade Receivables (a)	2,512.28	1,362.49
b) Other receivables		
Receivables considered good - Unsecured	2.58	0.31
Less Allowance for expected credit losses	-	-
Other receivables (b)	2.58	0.31
Total Receivables (a) + (b)	2,514.86	1,362.80

c) Reconciliation of impairment allowance on trade and lease receivables:

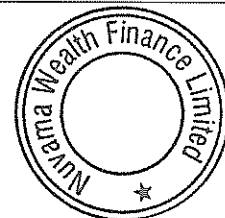
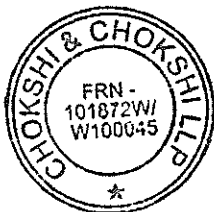
	As at March 31, 2023	As at March 31, 2022
Impairment allowance measured as per simplified approach		
Impairment allowance - Opening Balance	19.50	14.70
Add/ (less) asset originated or acquired (net)	3.49	4.80
Impairment allowance - Closing Balance	22.99	19.50

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.

d) Trade receivables days past due

As at March 31, 2023	Unbilled	Not Due	Outstanding for following periods from due date of payments [^]					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
A. Gross receivables								
Undisputed								
Receivables - considered good	-	2,474.74	40.40	0.56	0.25	-	-	2,515.95
Receivables - having significant increase in credit risk	-	-	-	-	-	-	-	-
Receivables - credit impaired	-	-	2.54	2.36	16.06	0.94	-	21.90
Disputed								
Receivables - considered good	-	-	-	-	-	-	-	-
Receivables - having significant increase in credit risk	-	-	-	-	-	-	-	-
Receivables - credit impaired	-	-	-	-	-	-	-	-
Total (A)	-	2,474.74	42.94	2.92	16.31	0.94	-	2,537.85
B. Allowance for Expected Credit Losses								
Undisputed								
Receivables - considered good	-	0.42	0.50	0.17	-	-	-	1.09
Receivables - having significant increase in credit risk	-	-	-	-	-	-	-	-
Receivables - credit impaired	-	-	2.54	2.36	16.06	0.94	-	21.90
Disputed								
Receivables - considered good	-	-	-	-	-	-	-	-
Receivables - having significant increase in credit risk	-	-	-	-	-	-	-	-
Receivables - credit impaired	-	-	-	-	-	-	-	-
Total (B)	-	0.42	3.04	2.53	16.06	0.94	-	22.99
Net carrying amount (A)-(B)	-	2,474.32	39.90	0.39	0.25	-	-	2,514.86



Nuvama Wealth Finance Limited
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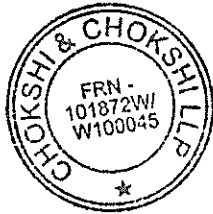
Notes to Financial Statements (continued)

(Currency - Indian rupees in millions)

As at March 31, 2022	Unbilled	Not Due	Outstanding for following periods from due date of payments [^]					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
A. Gross receivables								
Undisputed								
Receivables - considered good	-	680.09	685.76	0.08	0.06	-	-	1,365.99
Receivables - having significant increase in credit risk	-	-	-	-	-	-	-	-
Receivables - credit impaired	-	-	-	14.29	2.02	-	-	16.31
Disputed								
Receivables - considered good	-	-	-	-	-	-	-	-
Receivables - having significant increase in credit risk	-	-	-	-	-	-	-	-
Receivables - credit impaired	-	-	-	-	-	-	-	-
Total (A)	-	680.09	685.76	14.37	2.08	-	-	1,382.30
B. Allowance for Expected Credit Losses								
Undisputed								
Receivables - considered good	-	0.35	2.82	0.02	-	-	-	3.19
Receivables - having significant increase in credit risk	-	-	-	-	-	-	-	-
Receivables - credit impaired	-	-	-	14.29	2.02	-	-	16.31
Disputed								
Receivables - considered good	-	-	-	-	-	-	-	-
Receivables - having significant increase in credit risk	-	-	-	-	-	-	-	-
Receivables - credit impaired	-	-	-	-	-	-	-	-
Total (B)	-	0.35	2.82	14.31	2.02	-	-	19.50
Net carrying amount (A)-(B)	-	679.74	682.94	0.06	0.06	-	-	1,362.80

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

* Receivables largely includes receivables from clearing house and companies in same group. The Company has no history and expects no default on these

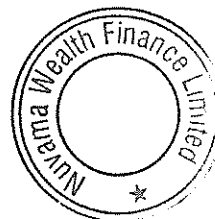
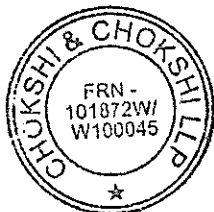


Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

(Currency Indian rupees in millions)

	As at March 31, 2023	As at March 31, 2022
8. Loans (at Amortised cost)		
Other loans		
Corporate credit	6.30	-
Retail Credit	22,527.12	19,729.60
Total gross	22,533.42	19,729.60
Less: Impairment loss allowance (Refer Note 8 A)	(90.39)	(79.17)
Total net	22,443.03	19,650.43
Secured		
- Loan against Securities	21,668.20	17,816.03
Unsecured		
- In case of ESOP and IPO funding	261.37	945.10
- Others	603.85	968.47
Total gross	22,533.42	19,729.60
Less: Impairment loss allowance (Refer Note 8 A)	(90.39)	(79.17)
Total net	22,443.03	19,650.43
Loans in India		
Public sector	-	-
Others	22,533.42	19,729.60
Total Gross	22,533.42	19,729.60
Less: Impairment loss allowance (Refer Note 8 A)	(90.39)	(79.17)
Total net	22,443.03	19,650.43



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

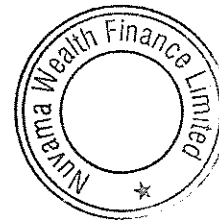
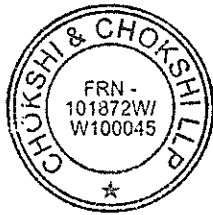
8.A Credit quality of assets

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, 2023			
	Stage I	Stage II	Stage III	Total
Performing				
High grade	22,525.89	-	-	22,525.89
Standard grade	-	7.53	-	7.53
Sub-standard grade	-	-	-	-
Non-performing				
Individually impaired	-	-	-	-
Total	22,525.89	7.53	-	22,533.42

Particulars	As at March 31, 2022			
	Stage I	Stage II	Stage III	Total
Performing				
High grade	19,728.19	-	-	19,728.19
Standard grade	-	1.41	-	1.41
Non-performing				
Individually impaired	-	-	-	-
Total	19,728.19	1.41	-	19,729.60



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

(Currency: Indian rupees in millions)

8.A 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.

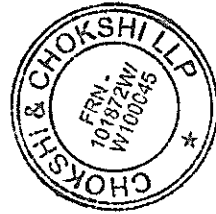
The 'New assets originated / repayments received (net)' represent the gross carrying amount and associated allowance ECL impact from transactions within the Company's lending portfolio

Reconciliation / movement for the period ended March 31, 2023

Particulars	Non credit impaired			Credit impaired			Total
	Stage I		Stage II		Stage III		
	Gross Carrying Amount	Allowance for ECL	Gross carrying Amount	Allowance for ECL	Gross carrying Amount	Allowance for ECL	
Opening balance	19,728.19	79.16	1.41	0.01	-	-	19,729.60
Transfer of financial assets							
Stage I to Stage II	(6.43)	(0.03)	6.43	0.03	-	-	-
Stage II to Stage I	1.41	0.01	(1.41)	(0.01)	-	-	-
New assets originated / repayments received (net)	2,802.72	11.21	1.10	0.00	-	-	2,803.82
Closing balance	22,525.89	90.35	7.53	0.03	-	-	22,533.42

Reconciliation / movement for the year ended March 31, 2022

Particulars	Non credit impaired			Credit impaired			Total
	Stage I		Stage II		Stage III		
	Gross Carrying Amount	Allowance for ECL	Gross carrying Amount	Allowance for ECL	Gross carrying Amount	Allowance for ECL	
Opening balance	13,571.20	54.58	590.18	2.36	-	-	14,161.38
Transfer of financial assets							
Stage II to Stage I	532.58	2.13	(532.58)	(2.13)	-	-	-
New assets originated / repayments received (net)	5,624.41	22.45	(56.19)	(0.22)	-	-	5,568.22
Closing balance	19,728.19	79.16	1.41	0.01	-	-	19,729.60



Nuvama Wealth Finance Limited
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Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

	As at March 31, 2023	As at March 31, 2022
9. Investments (at Amortised cost)		
Investments in Government Debt Securities (Treasury Bills) (100,00,000 units with Face value of Rs. 100)		
T-BILL (182 days) 06.07.2023 50,00,000 units at Face value of 100	491.46	-
T-BILL (182 days) 14.09.2023 50,00,000 units at Face value of 100	484.18	-
Total	975.64	-

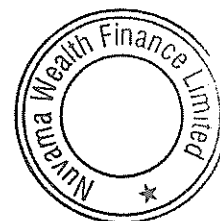
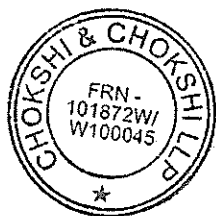


Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

	As at March 31, 2023	As at March 31, 2022
10. Other financial assets		
Deposits placed with exchange/depositories	79.05	48.70
Deposits- others	0.20	0.45
Margin placed with broker (refer note 5 C)	166.67	1,911.15
Accrued Interest on Repo	-	0.05
Triparty Repo	-	499.82
Advances recoverable in cash or in kind or for value to be received	5.54	5.32
Employee advance		
	251.46	2,465.49
11. Current tax assets (net)		
Advance income taxes (net)	137.69	139.19
	137.69	139.19
12. Deferred tax assets / Liabilities (net) (refer note 34.C)		
Deferred tax assets		
<u>Financial Asset</u>		
Expected credit loss	28.59	24.84
Unamortised processing fees - EIR	11.23	13.86
<u>Property, Plant and Equipment & Intangible assets</u>		
Difference between book and tax depreciation	0.66	1.33
<u>Investment and other financials instruments</u>		
Unrealised loss on derivatives	41.98	20.44
<u>Employee benefit obligations</u>		
Disallowances under section 43B of the Income Tax Act, 1961	2.08	1.54
	84.54	62.01
Deferred tax liabilities		
<u>Borrowing</u>		
Unamortised processing fees - EIR on Borrowing	43.26	19.85
<u>Investment and other financials instruments</u>		
Fair valuation - securities held for trading	15.86	22.66
Unrealised gain on derivatives	53.52	42.57
	112.64	85.08
Net Deferred tax asset / (Net Deferred tax liabilities)	(28.10)	(23.07)



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

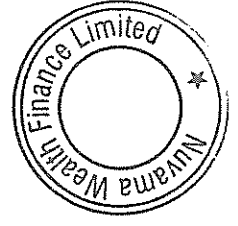
(Currency : Indian rupees in millions)

13. Property, plant and equipment and intangible assets

Particulars	Property, plant and equipment					Other Intangible Assets		Total
	Building*	Vehicles	Office equipment	Computers	Furniture	Computer Software	Total	
Cost								
As at April 1, 2022	2.73	3.20	0.01	2.23	0.03	10.41	10.41	18.61
Additions	-	-	-	0.10	-	0.10	0.10	0.20
Disposals	-	(3.20)	-	(0.07)	-	-	-	(3.27)
As at March 31, 2023	2.73	-	0.01	2.26	0.03	10.51	10.51	15.54
Depreciation and amortisation:								
As at April 1, 2022	0.48	2.71	0.01	1.40	0.02	8.26	8.26	12.88
Depreciation/Amortisation for the period	0.11	0.01	-	0.46	-	1.08	1.08	1.66
Disposals	-	(2.72)	-	(0.07)	-	-	-	(2.79)
As at March 31, 2023	0.59	-	0.01	1.79	0.02	9.34	9.34	11.75
Net Book Value								
As at March 31, 2023	2.14	-	0.01	0.47	0.01	1.17	1.17	3.79

Particulars	Property, plant and equipment					Other Intangible Assets		Total
	Building*	Vehicles	Office equipment	Computers	Furniture	Computer Software	Total	
Cost								
As at April 1, 2021	2.73	5.30	0.02	2.58	0.03	10.33	10.33	20.99
Additions	-	-	-	0.69	-	1.52	1.52	2.21
Disposals	-	(2.10)	(0.01)	(1.04)	-	(1.44)	(1.44)	(4.59)
As at March 31, 2022	2.73	3.20	0.01	2.23	0.03	10.41	10.41	18.61
Depreciation and amortisation:								
As at April 1, 2021	0.36	4.03	0.02	0.62	0.01	7.85	7.85	12.89
Depreciation/Amortisation for the period	0.12	0.36	-	1.53	0.01	1.85	1.85	3.87
Disposals	-	(1.68)	(0.01)	(0.75)	-	(1.44)	(1.44)	(3.88)
As at March 31, 2022	0.48	2.71	0.01	1.40	0.02	8.26	8.26	12.88
Net Book Value								
As at March 31, 2022	2.25	0.49	0.00	0.83	0.01	2.15	2.15	5.73

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



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

	As at March 31, 2023	As at March 31, 2022
14. Other non-financial assets		
(Unsecured considered good, unless stated otherwise)		
Other deposits	0.05	0.05
Vendor Advances	6.89	8.97
Prepaid expenses	7.29	6.25
Advances recoverable in cash or in kind or for value to be received	0.01	0.01
Advances to employees	0.32	0.29
Others	9.01	9.01
	<u>23.57</u>	<u>24.58</u>

15. Trade Payables

(i) total outstanding dues of micro enterprises and small enterprises	2.40	1.15
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,841.19	498.38
	<u>2,843.59</u>	<u>499.53</u>

15.A Details of dues to micro and small enterprises

Trade Payables includes Rs 1.89 Millions (March 31, 2022: Rs. 1.15 Millions) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Company during the 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, 2023	Unbilled	Outstanding for following periods from due date of payments [^]				Total
		Less than 1 year	1-2 years	2-3 years	more than 3	
MSME	2.35	0.05	-	-	-	2.40
Others	114.60	2,723.98	2.60	0.01	-	2,841.19
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

As at March 31, 2022	Unbilled	Outstanding for following periods from due date of payments [^]				Total
		Less than 1 year	1-2 years	2-3 years	more than 3	
MSME	1.15	-	-	-	-	1.15
Others	91.10	407.11	0.17	-	-	498.38
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

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

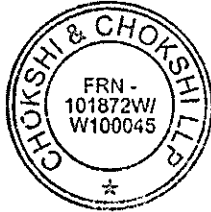


Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

(Currency - Indian rupees in millions)

	As at March 31, 2023	As at March 31, 2022
16. Debt securities		
<i>at amortised cost</i>		
(Refer Note 16 A and 16 B)		
Redeemable non-convertible debentures - secured		
Market linked debentures	20,977.92	17,404.30
Public issue	1,385.16	1,736.68
Unamortized EIR - Debt securities	(34.96)	(50.39)
Interest Accrued on Debt Securities	37.22	51.89
Commercial paper (Unsecured)	750.00	3,850.00
Less: Unamortised discount	(10.41)	(30.57)
Total	23,104.93	22,961.91
Debt securities in India	23,104.93	22,961.91
Debt securities outside India	-	-
Total	23,104.93	22,961.91



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

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

Redeemable non-convertible debentures - secured

Month				As at March 31,			As at March 31,		
	9% - 10%	10% - 11%	MLD*	2023 Total	9% - 10%	10% - 11%	MLD*	2022 Total	
May-22	-	-	-	-	-	-	21.30	21.30	
Aug-22	-	-	-	-	-	-	1,015.73	1,015.73	
Oct-22	-	-	-	-	-	-	159.84	159.84	
Dec-22	-	-	-	-	-	-	3,149.20	3,149.20	
Feb-23	-	-	-	-	351.52	-	283.18	634.70	
May-23	-	-	2,425.63	2,425.63	-	-	2,213.08	2,213.08	
Jun-23	-	-	1,517.30	1,517.30	-	-	1,373.52	1,373.52	
Aug-23	-	-	130.90	130.90	-	-	120.06	120.06	
Dec-23	-	-	1,658.89	1,658.89	-	-	1,462.73	1,462.73	
Feb-24	-	-	138.36	138.36	-	-	124.50	124.50	
Mar-24	-	-	1,629.58	1,629.58	-	-	874.01	874.01	
Apr-24	-	-	238.76	238.76	-	-	-	-	
May-24	-	-	166.55	166.55	-	-	-	-	
Jul-24	-	-	1,127.30	1,127.30	-	-	-	-	
Aug-24	-	-	554.15	554.15	-	-	505.45	505.45	
Sep-24	-	-	864.21	864.21	-	-	572.77	572.77	
Feb-25	443.93	401.49	-	845.42	443.93	401.49	-	845.42	
Mar-25	-	-	275.47	275.47	-	-	254.06	254.06	
Apr-25	-	-	2,037.22	2,037.22	-	-	1,867.29	1,867.29	
May-25	-	-	966.61	966.61	-	-	888.16	888.16	
Jun-25	-	-	1,385.33	1,385.33	-	-	1,269.46	1,269.46	
Jul-25	-	-	1,335.33	1,335.33	-	-	1,222.11	1,222.11	
Aug-25	-	-	1,345.54	1,345.54	-	-	-	-	
Sep-25	-	-	59.51	59.51	-	-	-	-	
Jan-26	-	-	552.39	552.39	-	-	-	-	
Feb-26	-	-	14.41	14.41	-	-	-	-	
May-26	-	-	1,020.87	1,020.87	-	-	-	-	
Jun-26	-	-	464.95	464.95	-	-	-	-	
Jul-26	-	-	1,020.82	1,020.82	-	-	-	-	
Aug-26	-	-	16.87	16.87	-	-	-	-	
Dec-26	-	-	30.97	30.97	-	-	27.85	27.85	
Feb-30	263.40	276.34	-	539.74	263.40	276.34	-	539.74	
	707.33	677.83	20,977.92	22,363.08	1,058.85	677.83	17,404.30	19,140.98	

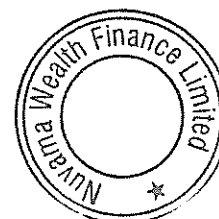
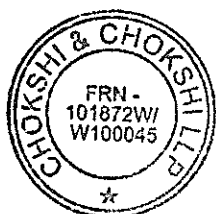
Add: interest accrued ** 37.22 51.89
Less: unamortised issuance cost (34.96) (50.39)

22,365.34

19,142.48

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

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



Nuvama Wealth Finance Limited
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Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

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

Commercial Paper:

Month	Rate of Interest	As at March 31, 2023	As at March 31, 2022
Apr-22	5.93%	-	350.00
May-22	5.90%	-	3,500.00
Apr-23	7.50%	50.00	-
May-23	9.25%	700.00	-
Less: unamortised Discount		(10.41)	(30.57)
		<u>739.59</u>	<u>3,819.43</u>

16.B Details of debt securities:

Redeemable non-convertible debentures - secured

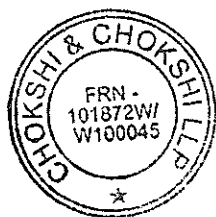
Public issue:

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:

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.

In case of market linked debentures the interest rate is linked to the performance of the underlying securities and indices and is fluctuating in nature.



Nuvama Wealth Finance Limited
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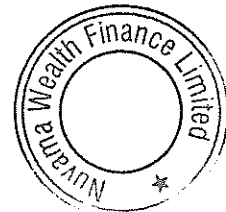
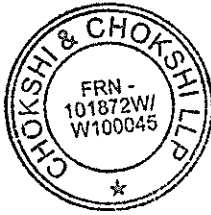
Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

	As at March 31, 2023	As at March 31, 2022
17. Borrowings other than Debt Securities		
<i>(at amortised cost)</i>		
Collateralised borrowing and lending obligation and Clearcorp repo order matching system (Secured by pledge of Government securities and Treasury-bills) March 31, 2023, Repayable on April 03, 2023 Interest Payable in range of 6.75% to 8% & March 31, 2022, Repayable on April 04, 2022 Interest payable in range of 3.70% to 3.95%)	4,207.70	1,059.52
Accrued Interest on Repo Borrowing [Secured by pledge of Government securities]	0.87	0.11
	<u>4,208.57</u>	<u>1,059.63</u>
Borrowings in India	4,208.57	1,059.63
Borrowings outside India	-	-
	<u>4,208.57</u>	<u>1,059.63</u>
18. Subordinated Liabilities		
<i>(at Amortised Cost)</i>		
<u>Unsecured</u>		
Preference Shares - privately placed	138.27	139.77
(i) Subsidiaries	-	-
(ii) Other	138.27	139.77
Interest accrued - subordinated liabilities	13.48	13.63
	<u>151.75</u>	<u>153.40</u>
Subordinated liabilities in India	151.75	153.40
Subordinated liabilities outside India	-	-
	<u>151.75</u>	<u>153.40</u>

The Preference Shares of the face value of Rs. 10 each were issued at the rate of Rs. 15 per share. The Preference Shares were allotted on July 19, 2013. The Preference Shares are Cumulative and Redeemable. The Preference Shares carry a Cumulative dividend of 14.625%. The Preference Shares will be redeemed at a premium of Rs. 5 per preference share over the Face value together with the unpaid dividend till the date of redemption. The preference share will be compulsorily redeemed at the end of 10 years from the date of allotment. The Company and the investor can seek the early redemption of preference shares after 5 years from the date of allotment by giving early redemption notice from May 16 to May 31, every year. In such a case, Company shall redeem preference shares within 30 days of receiving early redemption notice.

In line with the terms, during the year ended March 31, 2023, the Company has redeemed 1,00,000 preference shares basis the early redemption requests received. Consequently, as required under Companies Act 2013, the Company has also transferred amount of Rs. 1.00 millions being the face value of preference shares redeemed, to capital redemption reserve from its free reserves.



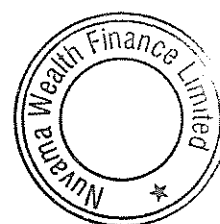
Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

	As at March 31, 2023	As at March 31, 2022
19. Other financial liabilities		
Other payables	3.87	88.94
Advances from customers	585.50	576.32
Accrued salaries and benefits	141.53	151.10
Unclaimed dividends	-	3.45
Payable to exchange / clearing house (net)	-	478.50
Provision for short sales at Fair Value	141.07	21.58
	871.97	1,319.89
20. Current tax liabilities (net)		
Provision for taxation (net)	131.03	9.60
	131.03	9.60
21. Provisions		
Gratuity & Compensated leave absences	13.40	16.08
Others	9.01	9.01
	22.41	25.09
22. Other non-financial liabilities		
Statutory liabilities*	19.64	15.46
Others	0.18	2.08
Income received in advance	0.83	0.80
	20.65	18.34

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



Nuvama Wealth Finance Limited
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Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

	As at March 31, 2023		As at March 31, 2022	
	No of shares	Amount	No of shares	Amount
23. Equity share capital				
Authorised :				
Equity Shares of Rs.10 each	4,16,20,000	416.20	4,16,20,000	416.20
Preference shares of Rs 10 each	3,13,80,000	313.80	3,13,80,000	313.80
	<u>7,30,00,000</u>	<u>730.00</u>	<u>7,30,00,000</u>	<u>730.00</u>
Issued, Subscribed and Paid up:				
Equity Shares of Rs.10 each	1,14,59,105	114.59	1,14,59,105	114.59
	<u>1,14,59,105</u>	<u>114.59</u>	<u>1,14,59,105</u>	<u>114.59</u>

23.A Reconciliation of number of shares

	As at March 31, 2023		As at March 31, 2022	
	No of shares	Amount	No of shares	Amount
Outstanding at the beginning of the period	1,14,59,105	114.59	1,14,59,105	114.59
Shares issued during the period	-	-	-	-
Outstanding at the end of the period	<u>1,14,59,105</u>	<u>114.59</u>	<u>1,14,59,105</u>	<u>114.59</u>

23.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.

23.C Shares held by holding/ultimate holding company

	As at March 31, 2023		As at March 31, 2022	
	No of shares	Amount	No of shares	% holding
Holding company				
Nuvama Wealth Management Limited (Formerly known as Edelweiss Securities Limited) #	1,14,59,105	100.00%	1,14,59,105	100.00%
	<u>1,14,59,105</u>	<u>100.00%</u>	<u>1,14,59,105</u>	<u>100.00%</u>



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

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

	As at March 31, 2023		As at March 31, 2022	
	No of shares	Amount	No of shares	% holding
Holding company				
Nuvama Wealth Management Limited (Formerly known as Edelweiss Securities Limited) #	1,14,59,105	100.00%	1,14,59,105	100.00%
	1,14,59,105	100.00%	1,14,59,105	100.00%

including 6 shares held by nominees of Nuvama Wealth Management Limited (Formerly known as Edelweiss Securities Limited)

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

23.F Details of Shareholding of Promoters

For year ended March 31, 2023

Name of Promoter	No. of Shares	% of Total Shares	% Change during the year
Nuvama Wealth Management Limited (Formerly known as Edelweiss Securities Limited)	1,14,59,105	100%	Nil
PAGAC Ecstasy Pte Limited	-	-	-

For year ended March 31, 2022

Name of Promoter	No. of Shares	% of Total Shares	% Change during the year
Nuvama Wealth Management Limited (Formerly known as Edelweiss Securities Limited)	1,14,59,105	100%	Nil
PAGAC Ecstasy Pte Limited	-	-	-



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

24. Other Equity

	As at March 31, 2023	As at March 31, 2022
a. Capital redemption reserve	231.33	230.33
b. Securities Premium Reserve	5,086.37	5,086.37
c. Statutory Reserve	1,223.08	1,079.57
d. Retained Earnings	1,009.69	437.99
e. Deemed capital contribution - Equity	15.18	15.18
	<u>7,565.65</u>	<u>6,849.44</u>

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

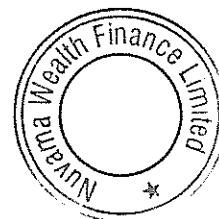
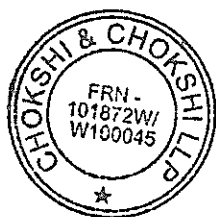
Reserve created under 45-IC(1) in The Reserve Bank of India Act, 1934 a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

d. Retained Earnings

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

e. Deemed capital contribution - Equity

Deemed capital contribution relates to share options granted to eligible employees of the Group by the Edelweiss Financial Services Limited, erstwhile parent company, under its employee share option plan.



Nuvama Wealth Finance Limited
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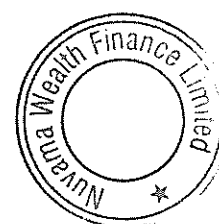
Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

24. Other Equity (continued)

B. Movement in Other Equity

	As at March 31, 2023	As at March 31, 2022
I. Capital redemption reserve		
Opening Balance	230.33	226.32
Add : Additions during the period	1.00	4.01
	<u>231.33</u>	<u>230.33</u>
II. Securities Premium Reserve		
Opening Balance	5,086.37	5,086.37
Add : Premium received on issue of equity shares	-	-
	<u>5,086.37</u>	<u>5,086.37</u>
III. Statutory Reserve		
Opening Balance	1,079.57	989.92
Add : Reserve created for the period	143.51	89.65
	<u>1,223.08</u>	<u>1,079.57</u>
IV. Retained Earnings		
Opening Balance	437.99	82.54
Add : Profit / (loss) for the period	717.55	448.24
Add : Other Comprehensive Income	(4.85)	(3.22)
Add : ESOPs cost Reversed	3.51	4.09
	<u>1,154.20</u>	<u>531.65</u>
Amount available for appropriation (a)		
Appropriations:		
Transfer to Statutory Reserve	(143.51)	(89.65)
Transfer to Capital Redemption Reserve	(1.00)	(4.01)
	<u>(144.51)</u>	<u>(93.66)</u>
Appropriations (b)		
	<u>(144.51)</u>	<u>(93.66)</u>
Total V - (a - b)	<u>1,009.69</u>	<u>437.99</u>
V. Deemed capital contribution - Equity		
Opening Balance	15.18	15.18
Add/(Less) : Additions/(Transfer) during the period	-	-
	<u>15.18</u>	<u>15.18</u>
Total = (I+II+III+IV+V)	<u>7,565.65</u>	<u>6,849.44</u>

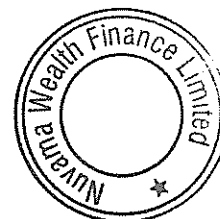
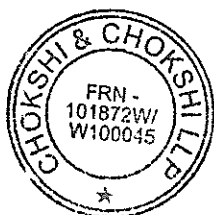


Nuvama Wealth Finance Limited
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Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

	For the year ended March 31, 2023	For the year ended March 31, 2022
25. Interest Income		
On Financial assets measured at amortised cost		
Interest income on Loans	2,460.31	1,969.83
Interest income on fixed deposits with Bank	15.93	18.66
Interest income from debt securities held for maturity	24.06	-
Other interest income		
- On margin with brokers	1.08	3.00
- On others	16.19	19.56
On Financial assets measured at fair value through profit or loss		
Interest income from debt securities held for trading	282.53	68.26
	2,800.10	2,079.31
26. Dividend Income		
Dividend on securities held for trading	8.22	10.50
	8.22	10.50
27. Fee income		
Service transferred at a point in time:		
Advisory Fees	184.87	260.34
	184.87	260.34
28. Other income		
Profit on sale of property, plant and equipment (net)	1.88	1.66
Interest on income tax refund	3.40	-
Other	0.14	1.22
	5.42	2.88



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

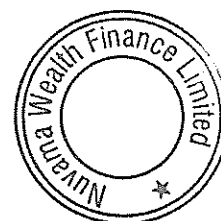
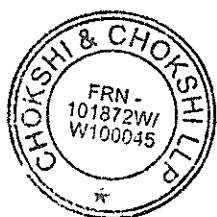
Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

	For the year ended March 31, 2023	For the year ended March 31, 2022
29. Finance costs		
On Financial Liabilities measured at Amortised Cost		
Interest on borrowings		
- Interest on collateralised borrowing and lending operations	134.20	3.72
- Interest on loan from fellow subsidiaries	-	162.73
- Discounting charges on commercial Papers	216.67	237.35
Interest on debt securities		
- Interest on debentures (public issue)	187.99	212.42
- Interest on market linked debentures	1,605.92	1,234.77
Interest on subordinated liabilities		
- Dividend on preference shares	13.51	13.74
Other interest expense		
- Finance and bank charges	26.47	58.38
- Collateralised borrowing and lending charges	5.64	0.30
	2,190.40	1,923.41
30. Net gain/(loss) on fair value changes (including treasury income)		
Net gain/ (loss) on financial instruments at fair value through profit or loss		
On securities held for trading	1,419.03	1,460.95
On derivative financial instrument	122.15	69.37
	1,541.18	1,530.32
Fair value changes		
Realised	1,521.91	1,450.56
Unrealised	19.27	79.76
	1,541.18	1,530.32
31. Impairment on financial instruments		
Expected credit loss		
Loans	11.22	22.23
Receivables	3.48	4.80
Security Deposits	0.25	-
Bad Debts	0.67	1.22
	15.62	28.25
32. Employee benefits expense		
Salaries, wages and bonus	626.77	670.84
Contribution to provident and other funds	32.22	27.02
Expense on share based payments	11.31	9.73
Staff welfare expenses	15.40	12.02
	685.70	719.61

Notes:

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



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

32. Employee benefits expense (continued)

a) Defined contribution plan - provident funds

In accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952, employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which, both the employee and the Company contribute monthly at a determined rate. These contributions are made to a recognized provident fund administered by Regional Provident Fund Commissioner. The employees contribute 12% of their basic salary and the Company contributes an equal amount

Amount of Rs 23.72 millions (March 31, 2022: Rs. 19.58 million) is recognised as expenses and included in "Employee benefits expense".

b) Defined benefit plan - gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, a non-contributory defined benefit arrangement providing lump-sum gratuity benefits expressed in terms of final monthly salary and year of service, covering all employees. The plan provides a lump sum payment to vested employees at retirement or termination of employment in accordance with the rules laid down in the Payment of Gratuity Act, 1972.

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, 2023. 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.

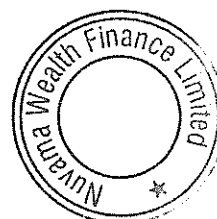
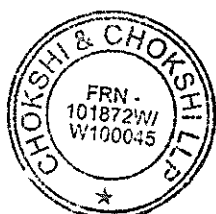
Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date.

Reconciliation of Defined Benefit Obligation (DBO)

	March 31, 2023	March 31, 2022
Present Value of DBO at Start of the year	53.27	41.07
<i>Service Cost</i>		
a. Current Service Cost	7.16	6.43
b Past Service Cost	-	-
c Loss/(Gain) from Settlement	-	-
Interest Cost	2.82	2.21
Benefits Paid	(7.63)	(4.06)
<i>Re-measurements</i>		
a. Actuarial Loss/(Gain) from changes in demographic assumptions	0.59	-
b. Actuarial Loss/(Gain) from changed in financials assumptions	(4.45)	(0.83)
c. Actuarial Loss/(Gain) from experience over last past year	9.32	5.37
Effect of acquisition / (divestiture)	-	-
Changes in foreign exchange rate	-	-
Transfer In / (Out)	(1.02)	3.08
Present Value of DBO at end of the year	60.06	53.27

Reconciliation of Fair Value of Plan Assets

	March 31, 2023	March 31, 2022
Fair Value of Plan Assets at start of the year	43.29	11.48
<i>Contributions by Employer</i>	17.61	34.06
Benefits Paid	(7.63)	(4.06)
Interest Income Plan Assets	2.67	1.58
<i>Re-measurements</i>		
Return on plan assets excluding amount including in net interest on the net defined benefit liability / (asset)	(1.02)	0.23
Effect of acquisition / (divestiture)	-	-
Changes in foreign exchange rate	-	-
Fair Value of Plan Assets at end of the year	54.92	43.29
<i>Actual Return on Plan Assets</i>	1.65	1.81
<i>Expected Employer Contributions for the coming year</i>	5.00	10.00



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

32. Employee benefits expense (continued)

Expenses recognised in the Profit and Loss Account

	March 31, 2023	March 31, 2022
<i>Service Cost</i>		
a. Current Service Cost	7.16	6.43
b. Past Service Cost	-	-
c. Loss/(Gain) from Settlement	-	-
Net interest on net defined benefit liability / (asset)	0.15	0.63
Changes in foreign exchange rate	-	-
Employer Expenses	7.31	7.06

Net Liability / (Asset) recognised in the Balance sheet

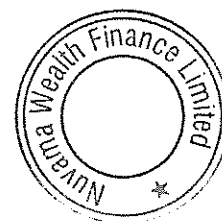
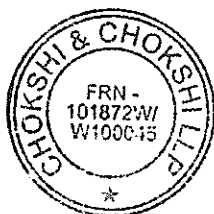
	March 31, 2023	March 31, 2022
Present Value of DOB	60.06	53.27
Fair Value of Plan Assets	54.92	43.29
Liability / (Asset) recognised in the Balance Sheet	5.14	9.98
Funded Status [Surplus/ (Deficit)]	(5.14)	(9.98)
Less: Amount not recognized as asset [Effect of limiting net assets to asset ceiling]	-	-
(Liability) / Asset recognised in the Balance Sheet	(5.14)	(9.98)
Of which, Short term Liability	-	-
Experience Adjustment on Plan Liabilities (Gain)/Loss	9.32	5.37

Percentage Break-down of Total Plan Assets

	March 31, 2023	March 31, 2022
Equity instruments	-	-
Debt instruments	-	-
Real estate	-	-
Derivatives	-	-
Investment Funds with Insurance Company	99.79%	99.74%
Of which, Unit Linked	99.79%	99.74%
Of which, Traditional/ Non-Unit Linked	-	-
Asset-backed securities	-	-
Structured debt	-	-
Cash and cash equivalents	0.21%	0.26%
Total	100%	100%

Actuarial assumptions:

	March 31, 2023	March 31, 2022
Salary Growth Rate (% p.a)	7.00%	7.00%
Discount Rate (% p.a)	7.10%	5.40%
Withdrawal Rate (% p.a)		
<i>Senior</i>	23.00%	25.00%
<i>Middle</i>	23.00%	25.00%
<i>Junior</i>	22.00%	25.00%
Mortality Rate	IALM 2012-14 (Ultimate)	IALM 2012-14 (Ultimate)
Interest Rate on Net DBO / (Asset) (% p.a)	5.40%	5.80%
Expected weighted average remaining working life (years)	3	3



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

32. Employee benefits expense (continued)

Movement in Other Comprehensive Income

	March 31, 2023	March 31, 2022
Balance at start of year (Loss)/ Gain	(4.84)	(0.53)
<i>Re-measurements on DBO</i>		
a Actuarial Loss/(Gain) from changes in demographic assumptions	(0.59)	-
b Actuarial Loss/(Gain) from changed in financials assumptions	4.45	0.83
c Actuarial Loss/(Gain) from experience over last past year	(9.32)	(5.37)
<i>Re-measurements on Plan Assets</i>		
Return on plan assets excluding amount including in net interest on the net defined benefit liability / (asset)	(1.02)	0.23
<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	(11.32)	(4.84)

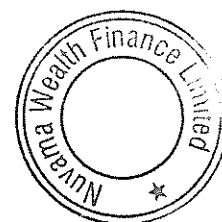
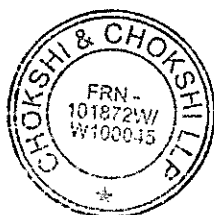
Sensitivity Analysis

DOB increases / (decreases) by	March 31, 2023	March 31, 2022
1 % Increase in Salary Growth Rate	2.32	1.96
1 % Decrease in Salary Growth Rate	(2.25)	(1.92)
1 % Increase in Discount Rate	(2.23)	(1.93)
1 % Decrease in Discount Rate	2.34	2.01
1 % Increase in Withdrawal Rate	(0.07)	(0.12)
1 % Decrease in Withdrawal Rate	0.07	0.13
Mortality (Increase in expected lifetime by 1 year)	-	0.00
Mortality (Increase in expected lifetime by 3 year)	-	0.01

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)

	March 31, 2023	March 31, 2022
Surplus / (Deficit) at start of year	(9.98)	(29.59)
Net (Acquisition) / Divestiture	-	-
Net Transfer (In)/ Out	1.02	(3.08)
<i>Movement during the year</i>		
Current Service Cost	(7.16)	(6.43)
Past Service Cost	-	-
Net Interest on net DBO	(0.16)	(0.63)
Changes in foreign exchange rate	-	-
Re-measurements	(6.48)	(4.31)
Contributions / Benefits	17.61	34.06
Surplus / (Deficit) at end of year	(5.14)	(9.98)

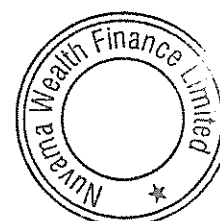
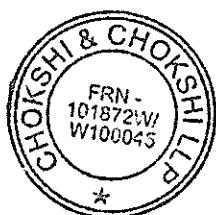


Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

	For the year ended March 31, 2023	For the year ended March 31, 2022
33. Other expenses		
Advertisement and business promotion	19.82	9.95
Auditors' remuneration (refer note 33 A)	3.13	6.00
Commission and brokerage	141.42	115.24
Communication	6.46	5.72
Directors' sitting fees	7.36	2.46
Insurance	0.42	0.34
Legal and professional fees	25.29	41.66
Printing and stationery	0.47	0.24
Rates and taxes	0.06	0.08
Rent (refer note 33 C)	69.13	55.45
Repairs and maintenance	0.14	0.03
Electricity charges	-	(0.00)
Computer expenses	55.31	70.18
Computer software	10.07	3.11
Corporate social responsibility (refer note 33 B)	6.72	3.23
Clearing & custodian charges	15.38	5.02
Dematerialisation charges	0.95	1.32
Rating support fees	7.55	3.62
Membership and subscription	3.22	0.91
Office expenses	49.41	49.68
Postage and courier	0.38	0.29
ROC Expenses	0.02	0.02
Securities transaction tax	91.72	92.67
Seminar & Conference	0.07	0.00
Goods & Service tax expenses	63.37	63.71
Stamp duty	15.33	20.58
Stock exchange expenses	45.44	45.92
Travelling and conveyance	29.79	16.93
Miscellaneous expenses	1.10	0.02
Outside Services - Others	3.32	3.10
	672.85	617.48
33.A Auditors' remuneration:		
As a Auditor		
Audit fees	1.00	1.69
Limited Review	1.20	1.50
Other services including certification work	0.85	2.81
Reimbursement of expenses	0.08	-
	3.13	6.00
33.B Details of CSR Expenditure:		
Amount required to be spent by the company during the year	6.72	3.11
Amount of expenditure incurred	6.72	3.23
Shortfall at the end of the year	-	-
Total of Previous Year's shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities	(i)- Education (ii)- Women Empowerment	(i)- Education (ii)- Livelihood (iii)- Women Empowerment
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	6.72	3.23
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



Nuvama Wealth Finance Limited
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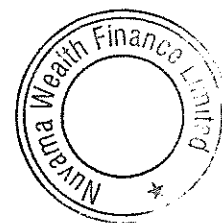
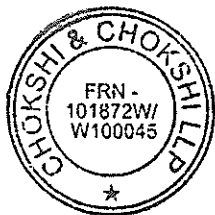
Notes to Financial Statements (continued)

33.C Operating leases

The Company has taken premises on operating lease. Rental expenses for the year aggregated to Rs. 61.61 million (March 31, 2022 Rs. 51.07 million) which has been included under the head Other expenses – Rent in the statement of profit and loss.

33.D Cost sharing

Nuvama Wealth Management Limited (Formerly known as Edelweiss Services 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- 40.



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

(Currency Indian rupees in millions)

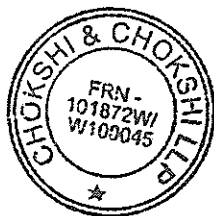
34. Income Tax

34.A Component of Income Tax Expenses

	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax	274.28	98.62
Adjustment in respect of current income tax of prior years	(23.29)	(2.51)
Deferred tax relating to temporary differences	5.02	46.38
Total Tax Charge for the year	256.01	142.49
Current Tax	250.99	96.11
Deferred Tax	5.02	46.38

34.B Reconciliation of total tax charge

	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit / (Loss) before Taxes	973.56	590.73
Statutory Income Tax rate	25.17%	25.17%
Tax Charge at Statutory Rate	245.03	148.69
Adjustment in respect of current income tax of prior years	(28.18)	(2.51)
Non deductible expenses		
Dividend on Preference shares	3.40	3.46
Interest on shortfall of advance tax	(0.56)	(0.62)
Donation expense	1.69	0.81
Adjustment in respect of deferred tax asset on prior years	39.51	-
Others	(4.88)	(7.34)
Total tax expenses reported in Statement of Profit and Loss	256.01	142.49
Effective Income Tax Rate	26.30%	24.12%



Nuvama Wealth Finance Limited
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Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

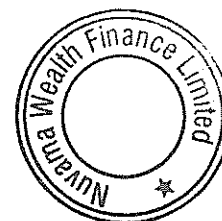
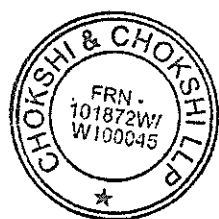
34.C Movement of Deferred Tax assets/(Liabilities)

Financial year 2022-23

	Movement for the year (2022-23)					Total movement	As on March 31, 2023
	As on April 1, 2022	Recognised in profit or loss (expense)/Income	Recognised in OCI	Recognised in other equity	Others		
Deferred tax assets							
Property, Plant and Equipment & Intangible assets	1.34	(0.67)	-	-	-	(0.67)	0.67
Unrealised loss on Derivatives	20.44	21.54	-	-	-	21.54	41.98
Employee benefits obligations	1.54	0.54	-	-	-	0.54	2.08
Expected credit loss provision	24.83	3.76	-	-	-	3.76	28.59
Unamortised Processing Fees (EIR)	-	-	-	-	-	-	-
Deferred tax liabilities							
Fair valuation of investments and securities held for trading - gain in valuation	(22.66)	6.80	-	-	-	6.80	(15.86)
Unrealised gain on derivatives	(42.56)	(10.96)	-	-	-	(10.96)	(53.52)
Unamortised Processing Fees (EIR)	(6.00)	(26.04)	-	-	-	(26.04)	(32.04)
Deferred tax assets/(Liabilities)(net)	(23.07)	(5.02)	-	-	-	(5.02)	(28.10)

Financial year 2021-22

	Movement for the year (2021-22)					Total movement	As on March 31, 2022
	As on April 1, 2021	Recognised in profit or loss (expense)/Income	Recognised in OCI	Recognised in other equity	Others		
Deferred tax assets							
Property, Plant and Equipment & Intangible assets	1.34	(0.00)	-	-	-	(0.00)	1.34
Unrealised loss on Derivatives	10.79	9.65	-	-	-	9.65	20.44
Employee benefits obligations	1.15	0.39	-	-	-	0.39	1.54
Expected credit loss provision	18.03	6.80	-	-	-	6.80	24.83
Unamortised Processing Fees (EIR)	15.70	(15.70)	-	-	-	(15.70)	-
Deferred tax liabilities							
Fair valuation of investments and securities held for trading - gain in valuation	(8.97)	(13.69)	-	-	-	(13.69)	(22.66)
Unrealised gain on derivatives	(14.73)	(27.83)	-	-	-	(27.83)	(42.56)
Unamortised Processing Fees (EIR)	-	(6.00)	-	-	-	(6.00)	(6.00)
Deferred tax assets/(Liabilities)(net)	23.31	(46.38)	-	-	-	(46.38)	(23.07)



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

35. 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, 2023	For the year ended March 31, 2022
Net profit / (loss) attributable to Equity holders of the Company	(A)	717.55	448.24
Weighted average Number of Shares			
- Number of equity shares outstanding at the beginning of the year		1,14,59,105	1,14,59,105
- Number of equity shares issued during the year		-	-
Total number of equity shares outstanding at the end of the year		1,14,59,105	1,14,59,105
Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	(B)	1,14,59,105	1,14,59,105
Basic and diluted earnings per share (in rupees)	(A / B)	62.62	39.11

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.

36. 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.

36.1 Contingent Liability

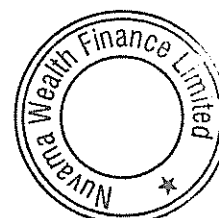
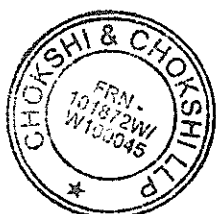
	As at March 31, 2023	As at March 31, 2022
Taxation matters related to income tax for Assessment year 2009-10, 2013-14 and 2014-15 in respect of which appeal is pending	4.04	4.04
Taxation matter related to Value added tax for FY 2015-16 in respect of which appeal is pending	-	0.09

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 favorable 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.

36.2 Capital Commitment

	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for	0.00	0.06



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

37. 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.
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

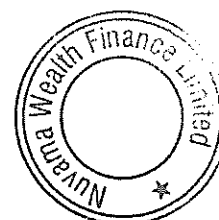
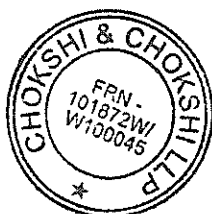
Since the business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

Segment information for the Year ended March 31, 2023

Particulars	Wealth Management	Capital Market	Unallocated	Total
Segment revenues	3,992.20	524.24	23.35	4,539.79
Segment results	812.04	154.43	7.09	973.56
Segment assets	34,550.82	5,073.80	148.35	39,772.97
Segment liabilities	27,136.28	4,780.52	175.93	32,092.73

Segment information for the half year ended March 31, 2022

Particulars	Wealth Management	Capital Market	Unallocated	Total
Segment revenues	3,481.05	402.30	-	3,883.35
Segment results	517.78	83.41	(10.46)	590.73
Segment assets	32,982.22	556.01	149.60	33,687.83
Segment liabilities	26,123.22	549.43	51.15	26,723.80



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

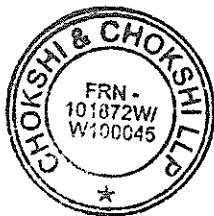
(Currency : Indian rupees in millions)

38. Cash Flow Disclosure

Change in Liabilities arising from financing activities

Particulars	As at April 01, 2022	Cash Flows(Net)	Changes in Fair value	Other	As at March 31, 2023
Debt Securities	22,961.91	143.02	-	-	23,104.93
Borrowings (other than debt securities)	1,059.63	3,148.94	-	-	4,208.57
Subordinated Liabilities	153.40	(1.65)	-	-	151.75
	24,174.94	3,290.31	-	-	27,465.25

Particulars	As at April 01, 2021	Cash Flows(Net)	Changes in Fair value	Other	As at March 31, 2022
Debt Securities	10,213.67	12,748.24	-	-	22,961.91
Borrowings (other than debt securities)	3,363.86	(2,304.23)	-	-	1,059.63
Subordinated Liabilities	160.00	(6.60)	-	-	153.40
	13,737.53	10,437.41	-	-	24,174.94



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

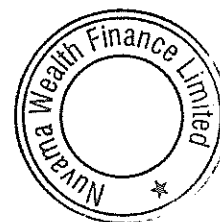
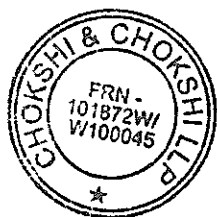
Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

39. 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. Derivatives (excluding embedded derivatives), 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, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial Assets						
Cash and cash equivalents	1,597.79	-	1,597.79	1,426.02	-	1,426.02
Bank balances other than cash and cash equivalents	20.10	-	20.10	83.45	-	83.45
Derivative financial instruments	1,527.14	1,475.89	3,003.03	1,147.90	777.87	1,925.77
Securities held for trading	8,802.01	-	8,802.01	6,604.37	-	6,604.37
Trade receivables	2,511.61	0.67	2,512.28	1,360.59	1.90	1,362.49
Other receivables	2.58	-	2.58	0.31	-	0.31
Loans	21,805.18	637.85	22,443.03	19,180.90	469.53	19,650.43
Investments	975.64	-	975.64	-	-	-
Other financial assets	172.21	79.25	251.46	2,416.34	49.15	2,465.49
Non-financial assets						
Current tax assets (net)	-	137.69	137.69	-	139.19	139.19
Deferred tax assets (net)	-	-	-	-	-	-
Property, Plant and Equipment	-	2.62	2.62	-	3.58	3.58
Other Intangible assets	-	1.17	1.17	-	2.15	2.15
Other non-financial assets	7.22	16.35	23.57	9.27	15.31	24.58
Total Assets	37,421.48	2,351.49	39,772.97	32,229.15	1,458.68	33,687.83
Financial Liabilities						
Derivative financial instruments	485.31	224.42	709.73	564.44	88.90	653.34
Trade payables	2,843.59	-	2,843.59	499.53	-	499.53
Debt securities	8,256.44	14,848.49	23,104.93	8,861.62	14,100.29	22,961.91
Borrowings (other than debt securities)	4,208.57	-	4,208.57	1,059.63	-	1,059.63
Subordinated Liabilities	151.75	-	151.75	13.63	139.77	153.40
Other financial liabilities	871.97	-	871.97	1,319.89	-	1,319.89
Non-financial liabilities						
Current tax liabilities (net)	115.83	15.20	131.03	9.60	-	9.60
Provisions	8.26	14.15	22.41	6.12	18.97	25.09
Deferred tax liabilities (net)	28.10	-	28.10	23.07	-	23.07
Other non-financial liabilities	19.64	1.01	20.65	15.46	2.88	18.34
Total Liabilities	16,989.46	15,103.27	32,092.73	12,372.99	14,350.81	26,723.80
Net Assets	20,432.02	(12,751.78)	7,680.24	19,856.16	(12,892.13)	6,964.03

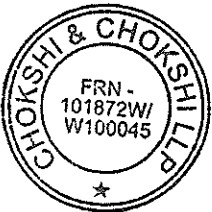


Nuvama Wealth Finance Limited (Formerly known as Edelweiss Finance & Investments Limited)
(Currency : Indian rupees in millions)

40. 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 :

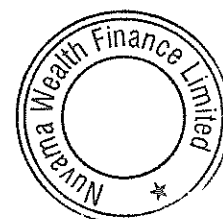
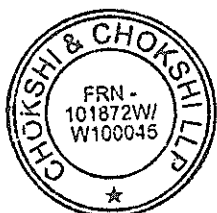
i. List of related parties and relationship:

Relationship	Name of related parties
Ultimate Holding Company	PAGAC Ecstasy Pte Limited (w.e.f March 27, 2021)
Holding Company	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)
Company exercising significant Influence over Holding company	Edelweiss Financial Services Limited (W.e.f March 27, 2021 till March 30, 2023)
Fellow entity of the ultimate Holding Company with whom transactions have taken place during the period:	Asia Pragati Strategic Investment Fund
Subsidiaries of the entity exercising significant influence over the Company's Holding Company (with whom transaction have taken place;	ECL Finance Limited Ecap Equities Limited (formerly Edel Land Limited) Nido Home Finance Limited (Formerly known as Edelweiss Housing Finance Limited) Edelweiss Retail Finance Limited EdelGive Foundation Edelweiss Rural & Corporate Services Limited Edelweiss Tokio Life Insurance Company Limited Zuno General Insurance (formerly Edelweiss General Insurance Company Limited) Edel Investments Limited Edelcap Securities Limited Edel Finance Company Limited Edelweiss Asset Reconstruction Company Limited Edelweiss Alternative Asset Advisors Limited
Fellow Subsidiaries (with whom transaction have taken place during the period)	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited) Nuvama Asset Management Limited (formerly ESL Securities Limited) Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited) Pickright Technologies Private Limited
Key Management Personnel and Directors	Mr. Kunmasgaran Chinniah (Independent Director) w.e.f June 10, 2021 Ms. Anisha Motwani (Independent Director) w.e.f June 10, 2021 Mr. Ramesh Abhishek (Non-executive Director) w.e.f. March 26, 2021 Mr. Nikhil Srivastava (Non-executive Director) w.e.f. March 26, 2021 Ms. Kamala Katharaj (Non-executive Director) w.e.f June 29, 2021 to October 19, 2022 Mr. Ashish Kehair (Non- executive Director) w.e.f January 22, 2022 (Executive director from October 21, 2021 till January 21,2022) Mr. Birendra Kumar - (Independent Director) w.e.f January 21, 2022 Ms. Pooja Doshi (Company Secretary) Ms. Sheetal Gandhi (Chief Financial Officer) w.e.f June 15, 2021 to July 19, 2022 Mr. Manishkumar Jain (Chief Financial Officer) w.e.f July 20, 2022 Mr. Tushar Agrawal (Executive Director and Chief Executive Officer) Mr. Gaurang Vasudev Tailor (Non-executive Director) w.e.f October 19, 2022 up to March 06, 2023
Relatives of KMP/ Directors and entity in which KMP/Directors/ Relatives has substantial Interest & KMP/ Directors of Holding Company and Parent of Holding Company (with whom transaction have taken place during the period)	Aparna T Chandrashekar (up to March 17, 2023) Kenai Advisors LLP (up to March 17, 2023) Surendra Mohan Kehair Surendra Mohan Kehair -HUF Shiv Sehgal Mabella Investment Adviser LLP (up to March 17, 2023)



Nuvama Wealth Finance Limited (Formerly known as Edelweiss Finance & Investments Limited)
(Currency: Indian Rupees in Millions)

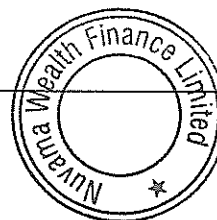
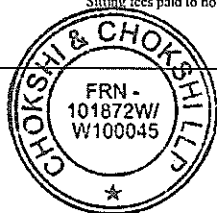
Nature of Transactions	Related Party Name	March 31, 2023	March 31, 2022
Transactions with related parties :			
i. Current account transactions			
Loan repaid to (refer note 1 below)	Edelweiss Financial Services Limited	-	3,355.00
Loans given to (refer note 1 below)	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	72,610	19,625.90
	Nuvama Asset Management Limited (formerly ESL Securities Limited)	85	325.77
	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	93,064	-
Repayment of loans by (refer note 1 below)	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	72,610	21,765.90
	Nuvama Asset Management Limited (formerly ESL Securities Limited)	85	365.77
	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	93,064	-
Loan Given including interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	Pankaj Razdan	-	1.16
	Apama T Chandrashakar	37.86	178.01
	Mabella Investment Adviser LLP	141.38	290.82
	Jagdish Bhoir	-	0.06
	Venkatchalam Ramaswamy	-	0.05
	Tushar Agrawal	12.24	28.59
	Kenai Advisors LLP	319.82	44.51
	Svara Ventures LLP	-	246.13
	Gaurang Vasudev Tailor	12.51	-
	Shiv Sehgal	7.07	-
Loan repaid including interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial Interest	Pankaj Razdan	-	1.35
	Apama T Chandrashakar	260.92	197.81
	Mabella Investment Adviser LLP	366.54	419.43
	Jagdish Bhoir	-	0.06
	Venkatchalam Ramaswamy	-	0.05
	Tushar Agrawal	23.71	8.22
	Kenai Advisors LLP	364.32	0.01
	Svara Ventures LLP	-	245.73
	Gaurang Vasudev Tailor	22.78	-
	Shiv Sehgal	19.79	-
Purchases of securities held for trading from	ECL Finance Limited	478.22	373.42
	Edel Finance Company Ltd	-	-
	Edelweiss Retail Finance Limited	5.69	-
	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	3,819.45	833.75
	Edelweiss General Insurance Company Limited	-	594.43
	Edelweiss Securities And Investments Private Limited	-	0.45
	Edelweiss Tokio Life Insurance company limited	-	149.53
	Ecap Equities Limited (formerly Edel Land Limited)	-	28.23
	Edelweiss Financial Services Limited	-	10.00
	Shiv Sehgal	-	11.20
	Alok Saigal	-	4.25
	Tushar Agrawal	-	6.09
	Neha Tushar Agrawal	-	0.43
	ESL Securities Limited	-	-
	Ecap Equities Limited	-	-
Sale of securities held for trading to	ECL Finance Limited	470.18	657.89
	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	5,353.53	3,133.72
	Edelweiss General Insurance Company Limited	-	147.19
	Edelweiss Tokio Life Insurance company limited	-	58.24
	Edelweiss Asset Reconstructions Company Ltd	0.77	-
	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	639.75	2,233.91
	Kenai Advisors LLP	-	64.48
	Tushar Agrawal	-	20.21
	Alok Saigal	-	0.76
	Neha Tushar Agrawal	-	1.02
	Edel Finance Company Ltd	18.84	-
	ECL Finance Limited	-	-
	Ecap Equities Limited (formerly Edel Land Limited)	138.49	3,112.31
	Edelweiss Rural & Corporate Services Limited	53.35	-
	Pickright Technologies Private Limited	139.14	-
	Surendra Mohan Kehair - HUF	1.00	-
	Surendra Mohan Kehair	1.02	-
Margin placed with (refer note 2) (includes amount paid to broker for trading in cash segment)	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	329.70	12,542.24
	Edel Investments Limited	36,254.13	25,332.00
	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	53,229.96	63,707.27
Margin refund received from (refer note 2) (includes amount received from broker for trading in cash segment)	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	323.75	12,753.27
	Edel Investments Limited	38,032.81	23,496.59
	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	52,682.37	66,496.27



Nuvama Wealth Finance Limited (Formerly known as Edelweiss Finance & Investments Limited)

(Currency: Indian Rupees in Millions)

Nature of Transactions	Related Party Name	March 31, 2023	March 31, 2022	
Purchase of fixed asset from	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	-	0.06	
	Edelweiss Financial Services Limited	-	0.33	
	Edel Finance Company Ltd	-	0.02	
	Edelweiss Rural & Corporate Services Limited	-	0.04	
	Edelweiss Global Wealth Management Limited	-	0.09	
	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	-	0.02	
	^ Nido Home Finance Limited (Formerly known as Edelweiss Housing Finance Limited)	-	0.00	
	^ ECL Finance Limited	-	0.00	
	^ Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	-	0.00	
	^ Edelweiss Investment Adviser Limited	-	0.00	
	Edelweiss Securities And Investments Private Limited	-	0.77	
	Edelweiss Global Wealth Management Limited	-	-	
	Sale of fixed asset to	^ Edelcap Securities Limited	0.00	-
		Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	-	0.04
Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)		-	0.10	
Ecap Equities Limited (formerly Edel Land Limited)		-	0.43	
^ Edelweiss Global Wealth Management Limited		-	0.00	
Edelweiss Financial Services Limited		-	0.15	
Edelweiss Rural & Corporate Services Limited	-	1.34		
ii. Other transactions				
Interest income on loan given to	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	113.36	245.20	
	Nuvama Asset Management Limited (formerly ESL Securities Limited)	0.20	1.53	
	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	76.82	-	
Interest Income on Loan given to KMP, its Relative and its entity in which KMP/ Relative has substantial Interest	Pankaj Razdan	-	0.98	
	Aparna T Chandrashekar	12.31	24.21	
	Mabella Investment Adviser LLP	5.80	31.12	
	Jagdish Bhoir	-	0.06	
	Tushar Agrawal	1.49	0.81	
	Kenai Advisors LLP	5.81	0.31	
	Swara Ventures LLP	-	0.40	
	Gaurang Vasudev Tailor	0.45	-	
	Shiv Sehgal	0.02	-	
	Interest received on debt instruments from	ECL Finance Limited	0.33	4.16
Nido Home Finance Limited (Formerly known as Edelweiss Housing Finance Limited)		0.13	0.02	
Edelweiss Retail Finance Limited		0.01	0.02	
Edelweiss Financial Services Limited		2.36	2.22	
Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)		0.56	-	
Interest Expense on loan taken from	Edelweiss Financial Services Limited	-	162.73	
Interest paid on debt instruments to	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	-	1.59	
Interest received on margin placed with brokers	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	1.08	3.00	
Cost reimbursement paid to	Edelweiss Financial Services Limited	1.92	5.09	
	Edelweiss Rural & Corporate Services Limited	0.82	1.37	
	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	22.84	101.13	
	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	27.57	30.81	
	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	123.15	115.65	
	Edelweiss Global Wealth Management Limited	-	0.23	
	Edelweiss Alternative Asset Advisors Limited	0.19	1.18	
	ESL Securities Limited	-	0.16	
	Ecap Equities Limited (formerly Edel Land Limited)	0.17	0.07	
Cost reimbursement from	Nuvama Asset Management Limited (formerly ESL Securities Limited)	0.86	0.38	
	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	2.08	0.70	
	Ecap Equities Limited (formerly Edel Land Limited)	0.02	-	
Contribution towards Corporate Social Responsibility	EdelGive Foundation	6.72	3.23	
Corporate Guarantee support fee	Edelweiss Financial Services Limited	1.41	1.44	
	Edelweiss Rural & Corporate Services Limited	-	0.13	
Rating support fees paid to	Edelweiss Rural & Corporate Services Limited	-	0.13	
Clearing charges and Stamp duty paid to	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	11.98	3.02	
Commission and brokerage paid to	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	0.02	2.53	
	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	92.63	256.24	
	Edel Investments Limited	16.00	14.22	
Advisory fee Received	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	25.00	-	
Other Fees Paid	Nuvama Asset Management Limited (formerly ESL Securities Limited)	1.96	-	
Insurance Premium paid	Zuno General Insurance (formerly Edelweiss General Insurance Company Limited)	12.93	8.36	
	Edelweiss Tokio Life Insurance Company Limited	3.99	-	
Liquidity support Fees	Asia Pragati Strategic Investment Fund	-	50.00	
Remuneration to Chief Executive Officer	Tushar Agrawal	11.72	7.66	
Remuneration to Key Management Personnel	Others	11.43	7.41	
Sitting fees paid to non executive director	Anisha Motwani	1.70	0.92	
	Brendra Kumar	1.90	0.30	
	Ramesh Abhishek	1.96	-	
	Kunnasagan Chinniah	1.80	-	
			1.80	1.24



Nuvama Wealth Finance Limited (Formerly known as Edelweiss Finance & Investments Limited)

(Currency: Indian Rupees in Millions)

Nature of Transactions	Related Party Name	March 31, 2023	March 31, 2022
iii. Balances with related parties			
Liabilities			
Trade and Other Payables to	Edelweiss Financial Services Limited	-	1.17
	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	23.98	25.41
	Edelweiss Rural & Corporate Services Limited	-	0.12
	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	4.57	122.09
	Edelweiss Alternative Asset Advisors Limited	-	0.67
	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	-	2.81
	^ Ecip Equities Limited (formerly Edel Land Limited)	-	0.00
	Zuno General Insurance (formerly Edelweiss General Insurance Company Limited)	-	-
	Nuvama Asset Management Limited (formerly ESL Securities Limited)	1.16	0.85
	Asia Pragati Strategic Investment Fund	50.00	50.00
	Pickright Technologies Private Limited	0.87	-
Debt securities held by	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	1,245.35	0.25
	Ecip Equities Limited (formerly Edel Land Limited)	-	1.40
Margin Payable to Broker	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	-	478.51
Assets			
Securities held for trading - Debentures of	ECL Finance Limited	-	25.63
	Nido Home Finance Limited (Formerly known as Edelweiss Housing Finance Limited)	-	0.16
	Edelweiss Retail Finance Limited	-	0.11
	Edelweiss Asset Reconstructions Company Ltd	-	11.11
	Ecip Equities Limited (formerly Edel Land Limited)	-	162.12
	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	54.14	-
	Edelweiss Financial Services Limited	-	2.29
Accrued interest income on debentures of	ECL Finance Limited	-	0.03
	^ Edelweiss Retail Finance Limited	-	0.00
	Nido Home Finance Limited (Formerly known as Edelweiss Housing Finance Limited)	-	0.01
	Edelweiss Financial Services Limited	-	0.01
	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	0.20	-
Trade & other receivables	Edelweiss Financial Services Limited	-	0.44
	ECL Finance Limited	-	0.13
	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	0.15	2.84
	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	2.44	0.01
	Edel Finance Company Ltd	-	0.08
	Edelweiss Rural & Corporate Services Limited	-	0.49
	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	0.54	0.60
	Edelweiss General Insurance Company Limited	-	0.11
	Nuvama Asset Management Limited (formerly ESL Securities Limited)	-	0.07
Interest accrued on loans given to	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	3.04	-
	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	3.26	-
Loan Given including interest accrued to KMP, its Relative and entity in which KMP and its Relative has substantial interest	Apama T Chandrashekar	-	223.06
	Mabella Investment Adviser LLP	-	225.16
	Tushar Agrawal	8.90	20.37
	Kenai Advisors LLP	-	44.50
Margin Placed with Brokers	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	10.24	4.29
	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	69.14	-
	Nuvama Wealth and Investment Limited (formerly Edelweiss Broking Limited)	22.78	66.46
	Edel Investments Limited	-	1,840.40
Off Balance sheet Balances			
Corporate guarantee taken from	Edelweiss Financial Services Limited	-	139.77
Liquidity Support taken from	Asia Pragati Strategic Investment Fund	5,000.00	5,000.00

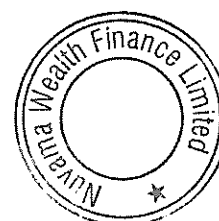
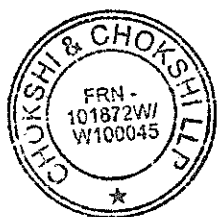
^ less than Rs.0.01 Millions

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 placed with and Margin refund received from brokers are disclosed based on Actual amount/ placed/refund during the reporting period.

Note 3 : Edelweiss Financial Services Limited holds 30% directly and 44% indirectly along with its subsidiaries. Thus, EFSL was disclosed as a party exercising significant influence over the Company. Further, transactions with its subsidiaries were also disclosed under the above "Subsidiaries of the entity exercising significant influence over the Company's Holding Company". During the financial year ended March 31, 2023, pursuant to the amendment in the shareholders agreement, MOA and AOA of the Company, effective 30th March 2023, EFSL ceases to exercise significant influence over the Company. Accordingly, Transactions with EFSL and its subsidiaries have been disclosed only till March 30, 2023.

Note 4 : All above transactions are in the ordinary course of business and are at arms length price.



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Notes to Financial Statements (continued)

(Currency - Indian rupees in millions)

41. 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:

- a) Maintain diversity of sources of financing and spreading the maturity across tenure buckets in order to minimize liquidity risk.
- b) Maintain investment grade ratings for all its liability issuances domestically and internationally by ensuring that the financial strength of the balance sheets is preserved.
- c) Manage financial market risks arising from interest rate, equity prices and minimise the impact of market volatility on earnings.
- d) 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

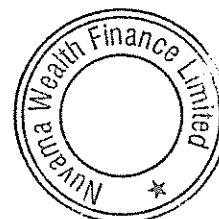
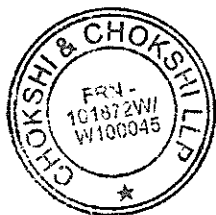
The Company, being an NBFC, has to maintain a minimum capital to risk-weighted asset ratio of 15% in accordance with Master Direction DNBR PD 008/03 10.119/2016-17 dated September 1, 2016 issued by Reserve Bank of India.

The regulatory capital is computed as below

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Capital Funds		
Net owned funds (Tier I capital)	7,637.50	6,875.79
Tier II capital	228.66	218.95
Total capital	7,866.16	7,094.74
Total risk weighted assets/ exposures	32,736.91	29,966.45
% of capital funds to risk weighted assets/exposures:		
Tier I capital	23.33%	22.95%
Tier II capital	0.70%	0.73%
Total capital Funds	24.03%	23.68%
Liquidity Coverage Ratio*	2.14	3.89

*Liquidity Coverage Ratio = High Quality Liquid Asset/Total Net Cash Flow Amount

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



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Notes to Financial Statements (continued)

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42. 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

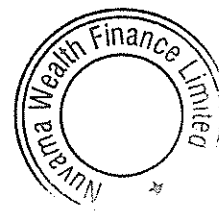
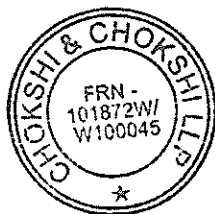
The Company's fair value methodology and the governance over its models includes a number of controls and other procedures to ensure appropriate safeguards are in place to ensure its quality and adequacy. All new product initiatives (including their valuation methodologies) are subject to approvals by 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, 2023	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	-	-	1,568.07	1,568.07
Exchange traded derivatives	1,423.69	79.56	-	1,503.25
Mark to market on interest rate swap	-	3.32	-	3.32
Total derivative financial instruments - A	1,423.69	82.88	1,568.07	3,074.64
Financial Assets held for trading				
Government Securities	4,302.07	-	-	4,302.07
Other debt securities	-	1,719.06	-	1,719.06
Equity Shares	455.94	408.03	-	863.97
Exchange traded fund units, Mutual fund and AIF units	1,916.91	-	-	1,916.91
Total Financial assets held for trading - B	6,674.92	2,127.09	-	8,802.01
Total Financial assets measured at fair value (A+B)	8,098.61	2,209.97	1,568.07	11,876.65
Liabilities measured at fair value on a recurring basis				
Derivative financial instruments				
Embedded derivatives in market-linked debentures	-	-	289.08	289.08
Exchange traded derivatives	279.96	169.33	-	449.29
Mark to market on interest rate swap	-	0.69	-	0.69
Total derivative financial instruments	279.96	170.02	289.08	739.06
Total Financial liabilities measured at fair value	279.96	170.02	289.08	739.06



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Notes to Financial Statements (continued)

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42. Fair Value measurement(Continued)

As at March 31, 2022	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	-	-	777.87	777.87
Exchange traded derivatives	1,183.61	51.06	-	1,234.67
Total derivative financial instruments - A	1,183.61	51.06	777.87	2,012.54
Financial Assets held for trading				
Government Securities & Corporate Bonds	1,519.01	-	-	1,519.01
Other debt securities	-	279.01	-	279.01
Equity Shares	1,052.32	501.71	-	1,554.03
Exchange traded fund units, Mutual fund and AIF units	3,000.30	-	-	3,000.30
Preference Shares	-	252.02	-	252.02
Total Financial assets held for trading - B	5,571.63	1,032.74	-	6,604.37
Total Financial assets measured at fair value (A+B)	6,755.24	1,083.80	777.87	8,616.91
Liabilities measured at fair value on a recurring basis				
Derivative financial instruments				
Embedded derivatives in market-linked debentures	-	-	88.91	88.91
Exchange traded derivatives	536.43	49.43	-	585.86
Total derivative financial instruments	536.43	49.43	88.91	674.77
Total Financial liabilities measured at fair value	536.43	49.43	88.91	674.77

D. Valuation techniques:

Government debt securities:

Government debt 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 and Exchange traded fund units:

The majority of equity instruments 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 funds 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.

Exchange traded derivatives:

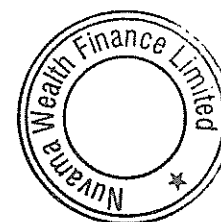
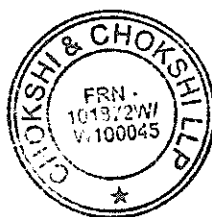
Exchange traded derivatives includes index/stock options, index/stock futures, company uses exchange traded prices to value these derivative and classify these instrument as level 1.

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, 2023 and March 31, 2022.



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Notes to Financial Statements (continued)

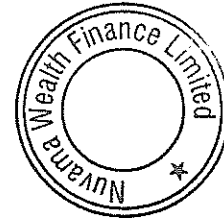
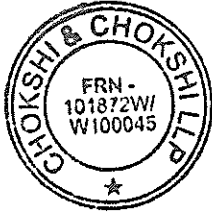
(Currency - Indian rupees in millions)

42. Fair Value measurement(Continued)

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 31,2023	Embedded options		
	Assets	Liabilities	Net balance
At April 1, 2022	777.87	88.91	688.96
Issuances	517.10	196.47	320.63
Settlements	(0.00)	-	(0.00)
Change in Value of the Options	273.10	3.70	269.40
At March 31, 2023	<u>1,568.07</u>	<u>289.08</u>	<u>1,278.99</u>

As at March 31, 2022	Embedded options		
	Assets	Liabilities	Net balance
At April 1, 2021	0.37	55.12	(54.75)
Issuances	876.44	-	876.44
Settlements	(0.26)	-	(0.26)
Change in Value of the Options	(98.68)	33.79	(132.47)
At March 31, 2022	<u>777.87</u>	<u>88.91</u>	<u>688.96</u>



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Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

42. Fair Value measurement(Continued)

G. 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, 2023	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)	1,278.99	Fair value using Black Scholes model or Monte Carlo approach based on the embedded derivative	Nifty level	17,442.60	5% increase in Nifty Index curve	419.50	5% Decrease in Nifty Index curve	(474.30)
					1% increase in Risk-adjusted discount rate	165.30	1% Decrease in Risk-adjusted discount rate	(175.80)
Embedded derivatives (net)	688.96	Fair value using Black Scholes model or Monte Carlo approach based on the embedded derivative	Nifty level & Equal Weighted Bank Basket - HDFCB KOTAK AXIS SBI ICICI	17464.75 & 1361.7	5% increase in Nifty Index curve	187.82	5% Decrease in Nifty Index curve	(220.60)
					1% increase in Risk-adjusted discount rate	113.30	1% Decrease in Risk-adjusted discount rate	(125.00)



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Notes to Financial Statements (continued)

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42. Fair Value measurement(Continued)

H. Fair value of financial instruments not measured at fair value:

With respect to financial instruments not measured at fair value, their carrying amounts approximates fair value.

I. 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

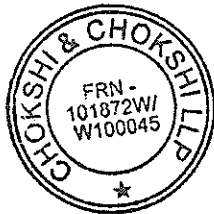
Carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents, trade and other receivables, trade payables, Borrowings (other than debt securities) approximate the fair value because of their short-term nature. Difference between carrying amounts and fair values of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

Financial assets at amortised cost

The fair values of financial assets 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

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



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Notes to Financial Statements (continued)

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43. Risk Management

43.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

- 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.

43.B Risk Management Structure

We have 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.

Our 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

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

43.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.

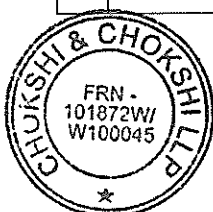
It is the Company's policy that a monthly briefing is given to the Board of Directors and all other relevant members of the Company in the utilisation of market limits, proprietary investments and liquidity, plus any other risk developments.

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.

43.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 risk
43.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	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
43.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.	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
43.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.



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Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

43.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 adapted 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:

Internal rating grade	Internal grading description	Stages
Performing		
High grade	0 dpd and 1 to 30 dpd	Stage I
Standard grade	31 to 90 dpd	Stage II
Non-performing		
Individually impaired	90+ dpd	Stage III

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

- 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
- 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

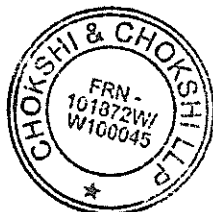
Probability of default (PD) is an estimate of the likelihood of default over a given time horizon. Company calculates the 12 month PD by taking into account the historical trends of the Loans/portfolio and its credit performance. In case of assets where there is a significant increase in credit risk / credit impaired assets, lifetime PD has been applied.

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 effective exposure. The LGD of 65% is used for the unsecured exposure the portfolio carries.

Exposure at Default (EAD)

The amount which the borrower will owe to the portfolio 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 increase the EAD. These exposures are of the nature where the Company provides future commitments, in addition to the current credit. Therefore, the exposure will contain both on and off balance sheet values.



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Notes to Financial Statements (continued)

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43. Risk Management (continued)

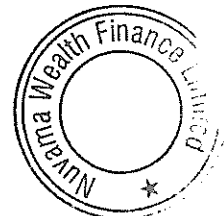
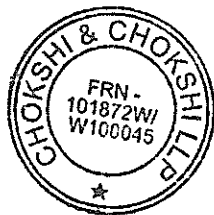
43.D.1 Credit Risk (continued)

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, 2023	As at March 31, 2022	
Financial Assets			
Cash and cash equivalents	1,597.79	1,426.02	
Bank balances other than cash and cash equivalents	20.10	83.45	
Derivative financial instruments	3,003.03	1,925.77	
Securities held for trading	8,802.01	6,604.37	The Company invest in highly liquid Central/State Government securities, high rated Corporate Bonds, Equity Shares & marketable securities.
Trade receivables	2,512.28	1,362.49	These are receivables mainly from Clearing houses and receivable towards Fees income
Other receivables	2.58	0.31	Receivable from related party.
Loans			
Corporate credit	6.27	-	Receivable from related party.
Retail Credit	22,436.76	19,650.43	Loan provided against collateral of Equity shares, mutual fund units, Bonds, AIF units.
Investments	975.64	-	The Company invests in highly liquid Central/State Government securities
Other financial assets	251.46	2,465.49	
Total	39,607.92	33,518.33	



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(Currency - Indian rupees in millions)

43. Risk Management (continued)

43.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.

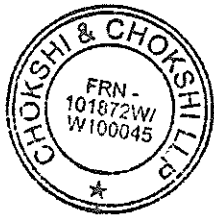
The company had access to the following undrawn borrowing facilities at the end of the reporting year

Particulars	As at	
	March 31, 2023	March 31, 2022
Liquidity support arrangement	5,000.00	5,000.00

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, 2023 and March 31, 2022. 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.



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

43.D.2 Liquidity risk (continued)

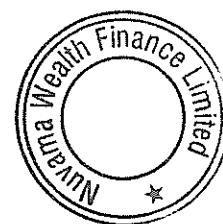
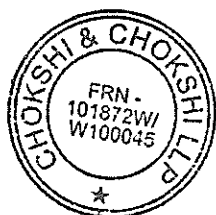
As at March 31, 2023 - Analysis of contractual maturities of financial assets and liabilities

	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	1,597.79	-	-	-	-	-	1,597.79
(b) Bank balances other than cash and cash equivalents	20.10	-	-	-	-	-	20.10
(c) Derivative financial instruments	-	1,431.64	14.77	80.73	1,124.67	351.22	3,003.03
(d) Securities held for trading	-	8,802.01	-	-	-	-	8,802.01
(e) Receivables	-	-	-	-	-	-	-
(i) Trade receivables	-	2,434.86	38.16	38.59	0.67	-	2,512.28
(ii) Other receivables	-	2.58	-	-	-	-	2.58
(f) Loans	6.27	4,338.97	4,084.43	13,375.51	637.85	-	22,443.03
(g) Investments	-	-	975.64	-	-	-	975.64
(h) Other financial assets	-	169.69	-	2.52	-	79.25	251.46
Total undiscounted financial assets	1,624.16	17,179.75	5,113.00	13,497.35	1,763.19	430.47	39,607.92
Financial Liabilities							
(a) Derivative financial instruments	-	457.84	-	27.47	224.42	-	709.73
(b) Trade payables	-	2,843.59	-	-	-	-	2,843.59
(c) Debt securities	-	4,689.14	130.90	3,436.40	11,774.73	3,073.76	23,104.93
(d) Borrowings (other than debt securities)	-	4,208.57	-	-	-	-	4,208.57
(e) Subordinated Liabilities	-	13.48	138.27	-	-	-	151.75
(f) Other financial liabilities	-	871.97	-	-	-	-	871.97
Total undiscounted financial liabilities	-	13,084.59	269.17	3,463.87	11,999.15	3,073.76	31,890.54
Total net financial assets / (liabilities)	1,624.16	4,095.16	4,843.83	10,033.48	(10,235.96)	(2,643.29)	7,717.38

As at March 31, 2022 - 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	1,426.02	-	-	-	-	-	1,426.02
(b) Bank balances other than cash and cash equivalents	3.45	-	19.93	60.07	-	-	83.45
(c) Derivative financial instruments	-	1,147.90	-	-	104.88	672.99	1,925.77
(d) Securities held for trading	-	6,604.37	-	-	-	-	6,604.37
(e) Receivables	-	-	-	-	-	-	-
(i) Trade receivables	-	1,286.60	24.22	49.77	1.90	-	1,362.49
(ii) Other receivables	-	0.31	-	-	-	-	0.31
(f) Loans	-	4,625.88	4,297.09	10,257.94	469.52	-	19,650.43
(g) Investments	-	-	-	-	-	-	-
(h) Other financial assets	-	2,411.01	5.32	-	0.45	48.71	2,465.49
Total undiscounted financial assets	1,429.47	16,076.07	4,346.56	10,367.78	576.75	721.70	33,518.33
Financial Liabilities							
(a) Derivative financial instruments	-	564.43	-	-	88.90	-	653.34
(b) Trade payables	-	499.53	-	-	-	-	499.53
(c) Debt securities	-	3,908.84	982.14	3,970.64	8,336.94	5,763.35	22,961.91
(d) Borrowings (other than debt securities)	-	1,059.63	-	-	-	-	1,059.63
(e) Subordinated Liabilities	-	13.63	-	-	139.77	-	153.40
(f) Other financial liabilities	-	1,319.89	-	-	-	-	1,319.89
Total undiscounted financial liabilities	-	7,365.95	982.14	3,970.64	8,565.61	5,763.35	26,647.70
Total net financial assets / (liabilities)	1,429.47	8,710.12	3,364.42	6,397.14	(7,988.86)	(5,041.65)	6,870.63

In the above table, cash flows have been considered basis contractual maturities of respective assets and liabilities. The Surplus funds so available on repayments of aforementioned loans granted, shall be used to create further loan book.



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Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

43. Risk Management (continued)

43.D.2 Liquidity risk (continued)

Financial assets available to support future funding

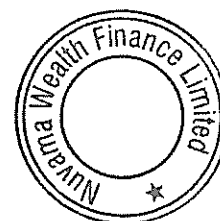
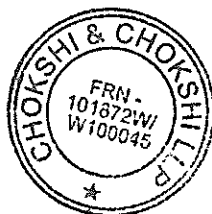
Following table sets out the availability of Company's financial assets to support funding

As at March 31, 2023	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	-	-	1,597.79	-	1,597.79
b) Bank balances other than cash and cash equivalents	20.10	-	-	-	20.10
c) Derivative financial instruments	-	-	-	3,003.03	3,003.03
d) Securities held for trading	5,096.00	-	3,706.01	-	8,802.01
e) Trade receivables	-	585.95	-	1,926.33	2,512.28
f) Other receivables	-	-	-	2.58	2.58
g) Loans	-	22,365.33	77.70	-	22,443.03
h) Investments	490.19	-	485.45	-	975.64
i) Other financial assets	-	-	166.74	84.72	251.46
j) Property, Plant and Equipment	-	2.14	-	0.48	2.62
k) Other non- financial assets	-	-	-	23.57	23.57
Total assets	5,606.29	22,953.42	6,033.69	5,040.71	39,634.11

As at March 31, 2022	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	-	-	1,426.02	-	1,426.02
b) Bank balances other than cash and cash equivalents	80.00	-	-	3.45	83.45
c) Derivative financial instruments	-	-	-	1,925.77	1,925.77
d) Securities held for trading	937.06	-	5,667.31	-	6,604.37
e) Trade receivables	-	-	-	1,362.49	1,362.49
f) Other receivables	-	-	-	0.31	0.31
g) Loans	-	19,142.48	507.95	-	19,650.43
h) Other financial assets	-	-	1,911.20	554.29	2,465.49
i) Property, Plant and Equipment	-	2.25	-	1.33	3.58
j) Other non- financial assets	-	-	-	24.58	24.58
Total assets	1,017.06	19,144.73	9,512.48	3,872.22	33,546.49

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
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Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

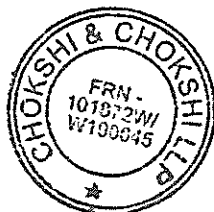
43. Risk Management (continued)

43.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	As at March 31, 2023			Primary risk sensitivity
	Carrying Amount	Traded Risk	Non traded risk	
Financial Assets				
Cash and cash equivalents	1,597.79		1,597.79	Interest rate risk
Bank balances other than cash and cash equivalents	20.10		20.10	
Derivative financial instruments	3,003.03	3,003.03	-	Price risk , Interest rate risk
Securities held for trading	8,802.01	8,802.01	-	Price risk , Interest rate risk
Trade receivables	2,512.28		2,512.28	
Other receivables	2.58		2.58	
Loans	22,443.03		22,443.03	Interest rate risk
investments	975.64	975.64	-	Price risk , Interest rate risk
Other financial assets	251.46		251.46	
Total Financial Assets	39,607.92	12,780.68	26,827.24	
Financial Liabilities				
Derivative financial instruments	709.73	709.73	-	Price risk , Interest rate risk
Trade payables	2,843.59	-	2,843.59	
Debt securities	23,104.93	-	23,104.93	Interest rate risk
Borrowings (other than debt securities)	4,208.57	-	4,208.57	Interest rate risk
Subordinated Liabilities	151.75	-	151.75	Interest rate risk
Other financial liabilities	871.97	-	871.97	
Total Financial Liabilities	31,890.54	709.73	31,180.81	
Particulars	As at March 31, 2022			Primary risk sensitivity
	Carrying Amount	Traded Risk	Non traded risk	
Financial Assets				
Cash and cash equivalents	1,426.02		1,426.02	Interest rate risk
Bank balances other than cash and cash equivalents	83.45		83.45	
Derivative financial instruments	1,925.77	1,925.77	-	Price risk , Interest rate risk
Securities held for trading	6,604.37	6,604.37	-	Price risk , Interest rate risk
Trade receivables	1,362.49		1,362.49	
Other receivables	0.31		0.31	
Loans	19,650.43		19,650.43	Interest rate risk
Other financial assets	2,465.49		2,465.49	
Total Financial Assets	33,518.33	8,530.14	24,988.19	
Financial Liabilities				
Derivative financial instruments	653.34	653.34	-	Price risk , Interest rate risk
Trade payables	499.53		499.53	
Debt securities	22,961.91		22,961.91	Interest rate risk
Borrowings (other than debt securities)	1,059.63		1,059.63	Interest rate risk
Subordinated Liabilities	153.40		153.40	Interest rate risk
Other financial liabilities	1,319.89		1,319.89	
Total Financial Liabilities	26,647.70	653.34	25,994.36	



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to Financial Statements (continued)

(Currency : Indian rupees in millions)

43. Risk Management (Continued)

43.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 periods. 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 December 31, 2022 and at March 31, 2022, March 31, 2021 and March 31, 2020.

43.E.2 Interest rate sensitivity

As at March 31, 2023

	Increase in basis points	Sensitivity of Profit/(Loss)	Sensitivity of Equity	Decrease in basis points	Sensitivity of Profit/(Loss)	Sensitivity of Equity
Floating rate loans	25	0.02	-	25	(0.02)	-
Government Securities	25	(10.76)	-	25	10.76	-
Corporate debt securities	25	(4.30)	-	25	4.30	-
Other traded securities	25	(4.79)	-	25	4.79	-
Interest Rate Swaps	25	(0.01)	-	25	0.01	-

As at March 31, 2022

	Increase in basis points	Sensitivity of Profit/(Loss)	Sensitivity of Equity	Decrease in basis points	Sensitivity of Profit/(Loss)	Sensitivity of Equity
Government Securities	25	(3.80)	-	25	3.80	-
Corporate debt securities	25	(0.70)	-	25	0.70	-
Other traded securities	25	(7.50)	-	25	7.50	-

43.E.3 Price Risk

The Company's exposure to securities price risk arises from investments held in Equity Shares 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. Further these are all debt base securities for which the exposure is primarily on account of interest rate risk. Quotes (NAV) of these investments are available from the mutual fund houses.

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the level of individual investment in equity share prices.

The Company does not have investment in quoted equity shares or mutual fund units of equity oriented funds. Accordingly there is effect on the Company's profitability or equity.

As at March 31, 2023

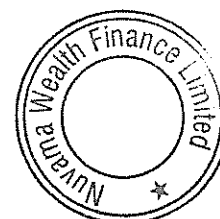
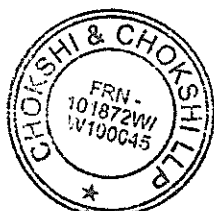
	Increase in basis points	Sensitivity of Profit/(Loss)	Sensitivity of Equity	Decrease in basis points	Sensitivity of Profit/(Loss)	Sensitivity of Equity
Derivative instruments						
Embedded derivative	25	3.20	-	25	(3.20)	-
Exchange traded derivatives	25	2.86	-	25	(2.86)	-
Equity Instrument	25	2.16	-	25	(2.16)	-
Mutual funds& Exchange Traded fund	25	4.79	-	25	(4.79)	-

As at March 31, 2022

	Increase in basis points	Sensitivity of Profit/(Loss)	Sensitivity of Equity	Decrease in basis points	Sensitivity of Profit/(Loss)	Sensitivity of Equity
Derivative instruments						
Embedded derivative	25	1.72	-	25	(1.72)	-
Exchange traded derivatives	25	1.62	-	25	(1.62)	-
Equity Instrument	25	3.89	-	25	(3.89)	-
Mutual funds& Exchange Traded fund	25	7.50	-	25	(7.50)	-

43.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.



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

(Currency : Indian rupees in million)

44. Regulatory disclosures - RBI

The following additional information is disclosed in the terms of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued vide Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01,2016 as amended.

44.01 Investments (Refer Note 6)

	As at March 31, 2023	As at March 31, 2022
1) Value of Investments (including securities held for trading)		
i) Gross Value of Investments		
a) In India	9,777.65	6,604.37
b) Outside India	-	-
ii) Provisions for Depreciation		
a) In India	-	-
b) Outside India	-	-
iii) Net Value of Investments		
a) In India	9,777.65	6,604.37
b) Outside India	-	-
2) Movement of provisions held towards depreciation on investments.		
i) Opening balance	-	-
ii) Add : Provisions made during the year	-	-
iii) Less : Write-off / write-back of excess provisions during the year	-	-
iv) Closing balance	-	-

44.02 Derivatives

A) Forward Rate Agreement / Interest Rate Swap

	As at March 31, 2023	As at March 31, 2022
i) The notional principal of swap agreements entered during the year	850.00	1,500.00
ia) The notional principal of swap agreements outstanding (net liability)	250.00	-
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@	0%	0%
v) The fair value of the swap book	247.37	-

@ % of concentration of credit risk arising from swaps with bank.

B) Exchange Traded Interest Rate (IR) Derivatives

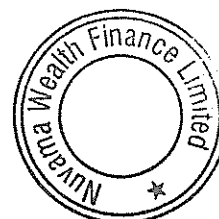
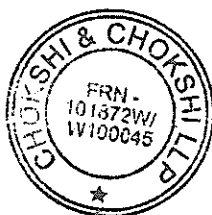
	As at March 31, 2023	As at March 31, 2022
i) Notional principal amount of exchange traded IR derivatives undertaken during the year	572.06	1,586.94
ii) Notional principal amount of exchange traded IR derivatives outstanding	-	-
iii) Notional principal amount of exchange traded IR derivatives outstanding 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.



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Notes to the financial statements (Continued)

(Currency : Indian rupees in million)

D) Quantitative Disclosures

S.no.	Particulars	As at March 31, 2023		As at March 31, 2022	
		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 (+)	-	1,250.00	-	-
	b) Liability (-)	-	-1,500.00	-	-
iii)	Credit Exposure	-	-	-	-
iv)	Unhedged Exposures	-	-	-	-

44.03 Capital to Risk Assets Ratio (CRAR)

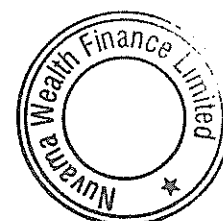
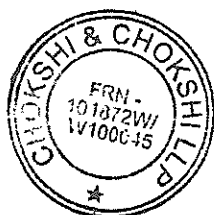
Particulars	As at	
	March 31, 2023	March 31, 2022
i. CRAR (%)	24.03%	23.68%
ii. CRAR - Tier I Capital (%)	23.33%	22.95%
iii. CRAR - Tier II Capital (%)	0.70%	0.73%
iv. Outstanding amount of Subordinated debt/Preference Shares raised as Tier-II capital	151.75	139.77
v. Amount raised by issue of Perpetual Debt Instruments	-	-

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

During the year ended March 31, 2023 and March 31, 2022 the Company credit exposure to single borrowers and group borrowers were within the limits prescribed by RBI.

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

Particulars	As at	
	March 31, 2023	March 31, 2022
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, (Individual housing loans up to Rs 15 lakh may be shown separately)	-	-
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)	184.98	3.50
C Others (Not covered Above)*		
Total Exposure	184.98	3.50



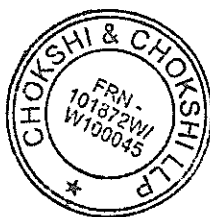
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Notes to the financial statements (Continued)

(Currency : Indian rupees in million)

44.06 Exposure to Capital Market(Gross)

	As at March 31, 2023	As at March 31, 2022
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented invested in corporate debt;	4,499.94	5,085.36
(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;	22,527.12	19,729.60
(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;	6.30	-
(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) all exposures to Venture Capital Funds (both registered and unregistered)	-	-
(ix) Others - Not covered above	-	-
Total exposure	27,033.36	24,814.96



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in million)

44. Regulatory disclosures - RBI (continued)

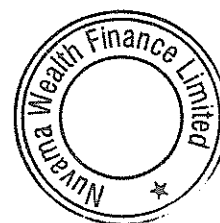
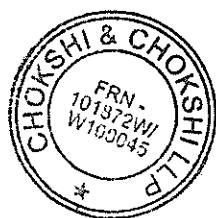
44.07 Asset Liability Management

Maturity pattern of certain assets and liabilities as at March 31, 2023

Particulars	Liabilities		Assets		
	Deposit	Borrowings	Advances	Securities held for trading	Investments
1 to 7 days	-	4215.17	846.22	8,394.03	-
8 to 14 days	-	-	44.94	-	-
15 day to 30/31 days	-	49.83	812.12	-	-
Over one month to	-	-	-	-	-
2 months	-	3128.88	1570.11	-	-
Over 2 months to	-	-	-	-	-
3 months	-	1517.30	1071.86	407.98	-
Over 3 months to	-	-	-	-	-
6 months	-	269.17	4084.43	-	975.64
Over 6 months to 1 year	-	3436.40	13375.50	-	-
Over 1 year to 3 years	-	11774.73	637.85	-	-
Over 3 years to 5 years	-	2554.47	0.00	-	-
Over 5 years	-	519.30	0.00	-	-
Total	-	27,465.25	22,443.03	8,802.01	975.64

Maturity pattern of certain assets and liabilities as at March 31, 2022

Particulars	Liabilities		Assets		
	Deposit	Borrowings	Advances	Securities held for trading	Investments
1 to 7 days	-	1066.30	856.64	6,102.70	-
8 to 14 days	-	-	66.96	-	-
15 day to 30/31 days	-	348.42	1043.51	-	-
Over one month to	-	-	-	-	-
2 months	-	3539.53	1624.83	-	-
Over 2 months to	-	-	-	-	-
3 months	-	27.85	1033.95	501.67	-
Over 3 months to	-	-	-	-	-
6 months	-	982.14	4297.09	-	-
Over 6 months to 1 year	-	3970.64	10257.94	-	-
Over 1 year to 3 years	-	8476.71	469.51	-	-
Over 3 years to 5 years	-	5247.03	-	-	-
Over 5 years	-	516.32	-	-	-
Total	-	24,174.94	19,650.42	6,604.37	-



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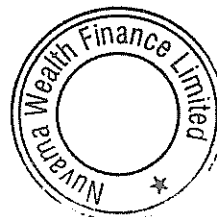
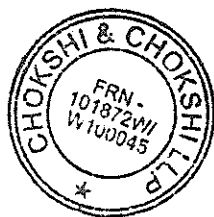
Notes to the financial statements (Continued)

(Currency : Indian rupees in million)

44.08 Movements in Non Performing Advances:

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

Particulars	As at	As at
	March 31, 2023	March 31, 2022
i) Movement of NPAs (Gross)		
a) Opening Balance	-	-
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing balance	-	-
ii) Movement of Net NPAs		
a) Opening Balance	-	-
b) Additions during the year	-	-
c) Reductions during the year	-	-
d) Closing balance	-	-
iii) 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	-	-



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Notes to the financial statements (Continued)

(Currency : Indian rupees in million)

44. Regulatory disclosures - RBI (continued)

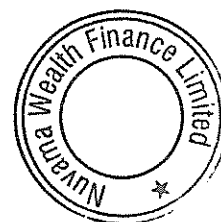
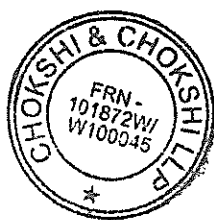
44.09 Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss.

Particulars	As at	As at
	March 31, 2023	March 31, 2022
(i) Provisions for depreciation on investment	-	-
(ii) Provision towards NPA	-	-
(iii) Provision made towards income tax (net of deferred tax)	256.01	142.49
(iv) Provision for stage 1 / stage 2 assets	11.22	22.23
(v) Other Provision and Contingencies (Provision for doubtful debts)	3.73	4.80

44.10 Concentration of Deposits, Advances, Exposures and NPAs*

Particulars	As at	As at
	March 31, 2023	March 31, 2022
A) Concentration of Advances		
Total advances to twenty largest borrowers	10,288.00	8,122.54
Percentage of advances to twenty largest borrowers to total advances	45.66%	41.17%
B) Concentration of Exposures		
Total exposures to twenty largest borrowers / customers	10,288.00	8,122.54
Percentage of exposures to twenty largest borrowers / customers to total	45.66%	41.17%
C) Concentration of NPAs		
Total exposures to top four NPAs		-
D) Sector-wise NPAs		
Sectors	Percentage of NPAs to Total Advances in that sector	
	March 31, 2022	March 31, 2022
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.



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

(Currency : Indian rupees in million)

44.11 Customer Complaints

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

Sr. No	Particulars	FY2022-23	FY2021-22
	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	3	5
3	Number of complaints disposed during the year	3	5
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	0	0
5*	Number of maintainable complaints received by the NBFC from Office of Ombudsman	3	1
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 grounds² of complaints received by the NBFCs from customers

FY 2022-23

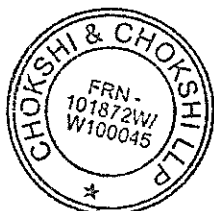
Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the FY22-23	Number of complaints received during the year	% increase/decrease in the number of complaints received over the FY 21-22	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Ground - 1	-	-	-	-	-
Ground - 2	-	-	-	-	-
Ground - 3	-	-	-	-	-
Ground - 4	-	-	-	-	-
Ground - 5	0	6	0%	0	0
Others	-	-	-	-	-
Total	-	6	0%	0	0

FY 2021-22

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the FY21-22	Number of complaints received during the year	% increase/decrease in the number of complaints received over the FY 20-21	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
Ground - 1	-	-	-	-	-
Ground - 2	-	-	-	-	-
Ground - 3	-	-	-	-	-
Ground - 4	-	-	-	-	-
Ground - 5	0	6	20%	0	0
Others	-	-	-	-	-
Total	-	6	0%	0	0

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

44.13 The Company has not restructured any loans and advances during the year ended March 31, 2023 and March 31, 2022



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

(Currency : Indian rupees in million)

44. Regulatory disclosures - RBI (continued)

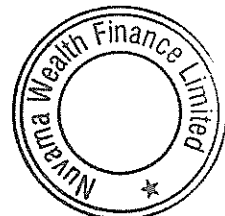
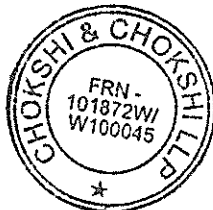
44.14 Notes to the Balance Sheet of a non-deposit taking non-banking financial company (as required in terms of Paragraph 19 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016.

Liabilities side :

	As at March 31, 2023		As at March 31, 2022	
	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	22,365.34	-	19,142.48	-
ii) Unsecured	-	-	-	-
(b) Deferred Credits	-	-	-	-
(c) Term Loans	-	-	-	-
(d) Inter-Corporate Loans and Borrowing	-	-	-	-
(e) Commercial Paper	739.59	-	3,819.43	-
(f) Other Loans:				
Borrowings (Repo)	4,208.57	-	1,059.63	-
Preference Share Capital	151.75	-	153.40	-
(* Please see Note 1 below)				

Assets side :

	Amount Outstanding	
	As at March 31, 2023	As at March 31, 2022
(2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured	21,668.20	17,816.03
(b) Unsecured	865.22	1,913.57
(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) Hypothecation loans counting towards EL / HP activities :		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
(4) Break-up of Current		
1. Quoted :		
(i) Shares : (a) Equity	455.95	1,052.32
(b) Preference	-	-
(ii) Debentures and Bonds	1,647.00	279.01
(iii) Units of Mutual Funds	28.46	3,000.30
(iv) Government Securities	5,277.71	1,519.01
(v) Others	-	-



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Notes to the financial statements (Continued)

(Currency : Indian rupees in million)

44.14 Notes to the Balance Sheet of a non-deposit taking non-banking financial company (as required in terms of Paragraph 19 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016. (Continued)

(4) Break-up of Investments (Continued)	Amount Outstanding	
	As at March 31, 2023	As at March 31, 2022
2. <u>Unquoted</u> :		
(i) Shares : (a) Equity	408.03	501.71
(b) Preference	-	252.02
(ii) Debentures and Bonds	72.06	-
(iii) Units of Mutual Funds	1,888.45	-
(iv) Government Securities	-	-
(v) Others (Debt instruments)	-	-
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	-	-
(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	-	-

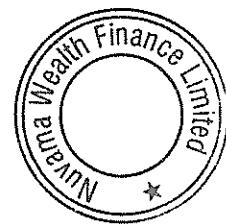
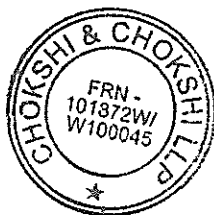
(5) Borrower group-wise classification of all assets financed as in (2) and (3) above:

As at March 31, 2023

Category	Secured	Amount (net of provisions)	
		Unsecured	Total
1. Related Parties**			
(a) Subsidiaries	-	-	-
(b) Other related parties	-	6.27	6.27
2. Other than related parties	21,581.30	855.45	22,436.75

As at March 31, 2022

Category	Secured	Amount (net of provisions)	
		Unsecured	Total
1. Related Parties**			
(a) Subsidiaries	-	-	-
(b) Other related parties	-	-	-
2. Other than related parties	18,685.83	964.60	19,650.43



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Notes to the financial statements (Continued)

(Currency : Indian rupees in million)

44.14 Notes to the Balance Sheet of a non-deposit taking non-banking financial company (as required in terms of Paragraph 19 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016. (Continued)

(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		Book value (net of provisions)	
	31 March 2023	31 March 2022	March 31, 2023	March 31, 2022
1. Related parties**				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	54.34	201.62	54.34	201.62
(c) Other related parties	-	-	-	-
2. Other than related parties	9,723.31	6,402.75	9,723.31	6,402.75
Total	9,777.65	6,604.37	9,777.65	6,604.37

** As per Ind AS-24 Related Party Disclosures

(7) Other information

Particulars	As at	
	March 31, 2023	March 31, 2022
(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:

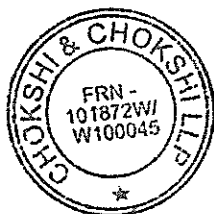
- As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998
- Market value/Breakup Value or Fair Value or NAV is taken as same as book value in case if unquoted shares in absence of market value / breakup value or fair value or NAV.

44.15 Ratings assigned by credit rating agencies and migration of ratings during the year ended March 31, 2023

Instrument category	CRISIL	Acuite	CARE	Brickworks
(i) Long Term Instruments				
Rating	CRISIL AA-/Stable	NA	AA-; Stable	AA-/ Stable
Amount	10,668	NA	14,020	8,500
(ii) Short Term Instruments				
Rating	A1+	NA	A1+	-
Amount	25,000 NA		37,000	-
(iii) Market linked debentures				
a. Short Term				
Rating	PPMLD A1+	-	PP-MLD A1+	-
Amount	1,000	-	2,500	-
b. Long Term				
Rating	PPMLD AA- /Stable	-	PP-MLD AA-; Stable	PP-MLD AA-/ Stable
Amount	21,837	-	5,000	4,392

Ratings assigned by credit rating agencies and migration of ratings during the year ended March 31, 2022

Instrument category	CRISIL	Acuite	CARE	Brickworks
(i) Long Term Instruments				
Rating	AA-/Negative	AA/ Negative	A+ / Stable	AA-/ Stable
Amount	13,150	4,000	14,020	8,500
(ii) Short Term Instruments				
Rating	A1+	A1+	A1+	-
Amount	40,000	2,000	37,000	-
(iii) Market linked debentures				
a. Short Term				
Rating	PP- MLD A1+r	-	PP-MLD A1+	-
Amount	3,715	-	2,500	-
b. Long Term				
Rating	PP-MLD AA-r/Negative	-	PP-MLD A+/stable	PP-MLD AA-/ Stable
Amount	17,138	-	5,000	5,000



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Notes to the financial statements (Continued)

(Currency : Indian rupees in million)

44. Regulatory disclosures - RBI (continued)

44.16 Details of transaction with non executive directors

Sr.	Name of the Non executive director	Nature of Transaction	For the year ended March 31, 2023	For the year ended March 31, 2022
1	Kunnasagaran Chinniah	Sitting Fees	1.80	1.24
2	Birendra Kumar	Sitting Fees	1.90	0.30
3	Anisha Motwani	Sitting Fees	1.70	0.92
4	Ramesh Abhishek	Sitting Fees	1.96	

44.17 The Company has not sold any financial assets to securitisation/reconstruction company during March 31,2023 and March 31, 2022. Hence no disclosure has been made with respect to the same.

44.18 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)

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

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

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

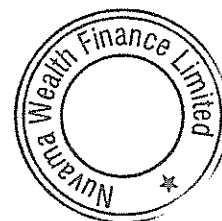
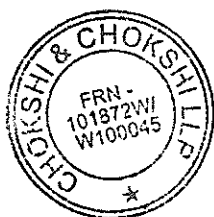
44.22 Note to the Balance Sheet of a non-banking financial company as required in terms of Chapter II paragraph 5 of Monitoring of frauds in NBFCs (Reserve Bank) Directions, 2016 - Nil (Previous year Nil)

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

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

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

44.26 Disclosure of Penalties imposed by RBI and other regulators - Rs. 0.96 millions (Previous year Nil)



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Notes to the financial statements (Continued)

(Currency : Indian rupees in million)

44. Regulatory disclosures - RBI (continued)

44.27 Prudential Floor for ECL

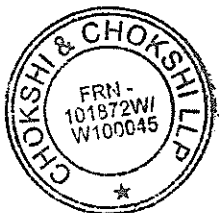
As required in terms of paragraph 2 of circular RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 - Non-Banking Financial Company - Implementation of Indian Accounting Standards

As at March 31, 2023

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	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	22,525.89	90.36	22,435.53	90.36	-
	Stage 2	7.53	0.03	7.50	0.03	-
Subtotal (i)		22,533.42	90.39	22,443.03	90.39	-
Non performing assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful	Stage 3	-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal (ii)		-	-	-	-	-

As at March 31, 2022

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	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	19,728.19	79.16	19,649.03	79.16	-
	Stage 2	1.41	0.01	1.40	0.01	-
Subtotal (i)		19,729.60	79.17	19,650.43	79.17	-
Non performing assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful	Stage 3	-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal (ii)		-	-	-	-	-
Total	Stage 1	19,728.19	79.16	19,649.03	79.16	-
	Stage 2	1.41	0.01	1.40	0.01	-
	Stage 3	-	-	-	-	-
	Total	19,729.60	79.17	19,650.43	79.17	-



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in million)

44. Regulatory disclosures - RBI (continued)

44.28 Disclosure on liquidity risk

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

	As at March 31, 2023	As at March 31, 2022
Number of significant counterparties*	4	6
Amount of borrowings from significant counterparties **	6,300.85	5,502.52
% of Total deposits	NA	NA
% of Total liabilities #	19.63%	20.59%

* "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

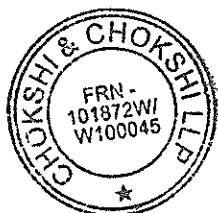
	As at March 31, 2023	As at March 31, 2022
Amount of Borrowings from top 10 lenders*	7,570.85	6,452.52
% of Total Borrowings **	27.57%	26.69%

* Represents principal amount

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

iii) Funding Concentration based on significant instrument/product

Name of the product	As at March 31, 2023		As at March 31, 2022	
	Amount	% of Total Liabilities #	Amount	% of Total Liabilities #
Debentures				
Market linked debentures	20,977.92	65.37%	17,404.30	65.13%
Public issue	1,387.42	4.32%	1,738.18	6.50%
Commercial paper	739.59	2.30%	3,819.43	14.29%
Borrowings other than Debt Securities				
Clearcorp Repo Order Matching System (CROM)	4,208.57	13.11%	1,059.63	3.97%
Subordinated Liabilities				
Preference Shares - privately placed	151.75	0.47%	153.40	0.57%
Total	27,465.25	85.58%	24,174.94	90.46%



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in million)

iv) Stock ratios:

Commercial papers

as a % of total public funds *
as a % of total liabilities #
as a % of total assets

Non-convertible debentures (original maturity of less than one year)

as a % of total public funds *
as a % of total liabilities #
as a % of total assets

Other short-term liabilities**

as a % of total public funds*
as a % of total liabilities #
as a % of total assets

	As at March 31, 2023	As at March 31, 2022
	2.69%	15.80%
	2.30%	14.29%
	1.86%	11.34%
	0%	0.27%
	0%	0.24%
	0%	0.19%
	61.86%	51.18%
	52.94%	46.30%
	42.72%	36.73%

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

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

Total liabilities = Financial Liabilities + Non - Financial Liabilities

iv) 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 -

- (a) Implement and administer guidelines on Asset-Liability Management approved by the Board and its revision, if any
- (b) 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;
- (c) 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
- (d) 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
(Formerly known as Edelweiss Finance & Investments Limited)

Notes to financial statements (continued)

(Currency : Indian rupees in million)

45. Other disclosures

45.01 Details of open interest for derivative instruments

45.01(a) Open interest in interest rate derivatives:

As at March 31, 2023 : Nil

As at March 31, 2022 : Nil

45.01(b) Open interest rate futures as at March 31, 2023 and March 31, 2022 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	-	-	-	-

Open interest rate futures as at March 31, 2021 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	-	-	-	-

45.02 Foreign currency

Foreign currency transaction during the year ended March 31, 2023 and March 31, 2022

For year ended March 31, 2023

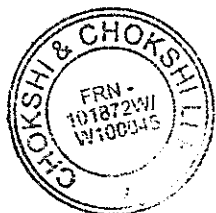
Nature	Amount in INR (In Millions)
Purchase of Securities	1498.75
Director Sitting Fees	1.80

For year ended March 31, 2022

Nature	Amount in INR (In Millions)
Purchase of Securities	590.63
Director Sitting Fees	1.24

45.03 There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2023 (Previous year Rs. Nil).

45.04 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.



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)
Notes to financial statements (continued)
(Currency : Indian rupees in million)

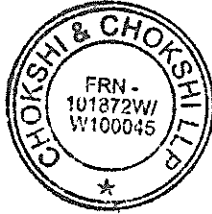
45.05 Sectoral exposure

Sector	As at March 31, 2023			As at March 31, 2022		
	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*	22,533.42	-	0%	19,729.60	-	0%
Total	22,533.42	-	-	19,729.60	-	-

* This includes exposure towards loans only

45.06 Intra Group Exposure

Particulars	As at March 31, 2023	As at March 31, 2022
i) Total amount of intra-group exposures	174.75	2,630.47
ii) Total amount of top 20 intra-group exposures	174.75	2,630.47
iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	0.78%	13.33%



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

45.07 Related Party Disclosure

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/Joint ventures		Key Management Personnel@		Relatives of Key Management Personnel@		Directors		Relatives of Directors@		Fellow Subsidiaries		Others*		Total		
	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	
Items																					
Borrowings [#]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits [#]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits [#]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances [#]	-	-	-	-	-	-	8.90	20.37	-	-	-	-	492.72	-	-	-	-	-	-	8.90	513.09
Advances [#] (Maximum)	-	-	-	-	-	-	20.08	23.01	-	-	-	-	800.89	-	-	-	-	-	-	20.08	823.90
Investments [#]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others*	37.62	32.54	-	-	-	-	-	-	-	-	-	-	-	-	1,404.16	671.66	5,050.00	7,236.24	483.91	1,157.31	6,491.78
Purchase of fixed/other assets	-	0.02	-	-	-	-	-	10.34	-	0.43	-	11.20	-	-	3,819.45	833.81	483.91	1,157.31	681.63	3,977.55	2,013.11
Sale of fixed/other assets	639.75	2,233.95	-	-	-	-	-	-	2.02	1.02	-	-	-	64.48	5,492.67	3,133.82	681.63	3,977.55	6.81	6.81	9,431.79
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.59	-	-	-	1.59	164.31
Interest received	76.82	-	-	-	-	-	-	-	-	0.40	0.98	23.92	55.63	-	115.20	249.73	2.83	6.42	-	220.74	314.03
Borrowing repaid	-	-	-	-	-	-	1.49	0.87	-	-	-	-	-	-	-	-	-	-	-	-	3,355.00
Loan given	93,063.50	-	-	-	-	-	12.24	28.65	-	246.13	19.58	1.21	499.06	513.33	72,694.90	19,951.67	-	-	-	1,66,289.28	20,740.99
Repayment of Loan given	93,063.50	-	-	-	-	-	23.71	8.28	-	245.73	42.57	1.40	991.78	617.26	72,694.90	22,131.67	-	-	-	1,66,816.46	23,004.34
Margin Placed with Broker	329.70	12,542.24	-	-	-	-	-	-	-	-	-	-	-	-	53,259.96	63,707.27	36,254.13	25,332.00	-	89,813.79	1,01,581.50
Margin refund received from Broker	323.75	12,753.27	-	-	-	-	-	-	-	-	-	-	-	-	52,682.37	66,496.27	38,032.81	23,496.59	-	91,038.92	1,02,746.13
Others transaction*	123.17	118.18	-	-	-	-	23.15	15.08	-	-	7.36	2.46	-	-	184.93	392.29	44.16	85.46	-	382.77	613.46

* Disclosures for directors and relatives of directors should be made separately in separate columns from other KMPs and relatives of other KMPs.

The outstanding at the year end and the maximum during the year are to be disclosed

* Includes all the Balances and Transactions on absolute basis with all other related parties

45.08 Loans to Directors, Senior Officers and relatives of Directors

Particulars	FY23*	FY22*
Directors and their Relatives	57.44	179.21
Entities associated with directors and their relatives	461.20	335.33
Senior Officers and their relatives	12.24	274.78

* represents loan given during the year



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)
Notes to financial statements (continued)
(Currency : Indian rupees in million)

45.08 Annual disclosure pursuant to SEBI circular SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018

S.No.	Particulars	Details
i.	2-year block period (Specify financial years)	FY2022-23 & FY 2023-24
ii.	Incremental borrowing done in FY (T)	6,544.00
iii.	Mandatory borrowing to be done through debt securities in FY (T) (b) = (25% of a)	1,636.00
iv.	Actual borrowing done through debt securities in FY (T)(c)	6,544.00
v.	Shortfall in the borrowing through debt securities, if any, for FY (T-1) carried Quantum of (d), which has been met from (c) (e)	Nil
vi.	Shortfall, if any, in the mandatory borrowing through debt securities for FY (T) (after adjusting for any shortfall in borrowing for FY (T-1) which was carried forward to FY (T)) (f) = (b) - [(c) - (e)]	Nil
		Nil
S. No.	Particulars	
	Details of penalty to be paid, if any, in respect to previous block	
i.	2-year Block period (Specify financial years)	FY2021-22 & FY 2022-23
ii.	Amount of fine to be paid for the block, if applicable	Nil



Nuvama Wealth Finance Limited
(Formerly known as Edelweiss Finance & Investments Limited)
Notes to financial statements (continued)
(Currency : Indian rupees in million)

46. Other Statutory Information

46.A Relationship with Struck off Companies

The Company has not entered in any transaction with struck off companies for year ended March 31, 2023 and March 31,2022. Also the related balances as March 31,2023 and March 31,2022 are NIL.

46.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.

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

47. The quantitative disclosures as required by RBI circular dated May 05, 2021 for the year ended March 31, 2023 are given below:

Particulars	Individual Borrowers		Small Businesses
	Personal Loans	Business Loans	
(A) Number of requests received for invoking resolution process under Part A	-	-	-
(B) Number of accounts where resolution plan has been implemented under this window	-	-	-
(C) Exposure to accounts mentioned at (B) before implementation of the plan	-	-	-
(D) Of (C), aggregate amount of debt that was converted into other securities	-	-	-
(E) Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-
(F) Increase in provisions on account of the implementation of the resolution plan	-	-	-

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

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

50. On September 19, 2022 the company has changed its name from Edelweiss Finance & Investments Limited to Nuvama Wealth Finance Limited.

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

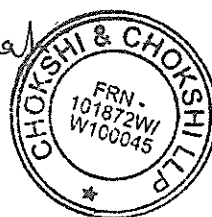
52. Previous year figures has been restated/regrouped wherever necessary.

As per our report of even date attached.

For Chokshi & Chokshi LLP
Chartered Accountants
ICAI Firms Registration Number: 101872W/W100045

Anish Shah

Partner
Membership No: 048462



For and on behalf of the Board of Directors

Tushar Agrawal
Executive Director & Chief Executive Officer
DIN: 08285408

Ashish Kehair
Non-Executive Director
DIN: 07789972

Nikhilkumar Srivastava
Non-Executive Director
DIN: 7308617

Manishkumar Jain
Chief Financial Officer
PAN: AHCPJ7436Q

Pooja Doshi
Company Secretary
PAN: AMLPD8022C

Mumbai
May 22, 2023

Mumbai
May 22, 2023

