

# **Nuvama Wealth and Investment Limited**

**(formerly known as Edelweiss Broking Limited)**

**Corporate Identity Number: U65100GJ2008PLC077462**

---

**Annual Report for the year ended March 31, 2023**

**Nuvama Wealth and Investment Limited**  
**(formerly known as Edelweiss Broking Limited)**  
**16<sup>th</sup> Annual Report 2022-23**

**Board of Directors**

Mr. Birendra Kumar	- Independent Director - Chairman
Mr. Rahul Jain	- Managing Director & Chief Executive Officer
Mr. Prashant Mody	- Executive Director
Mr. Ashish Kehair	- Non-executive Director
Ms. Neetu Ranka	- Non-executive Director
Dr. Vinod Juneja	- Independent Director

**Chief Financial Officer**

Mr. Viral Thanawala (resigned w.e.f. August 10, 2022)  
Ms. Sheetal Gandhi (appointed w.e.f. August 11, 2022)

**Chief Executive Officer**

Mr. Rahul Jain

**Company Secretary**

Mr. Dipankar Basu (resigned w.e.f. August 10, 2022)  
Mr. Vandana Das (resigned w.e.f. January 23, 2023)  
Mr. Rohan Jadhav (appointed w.e.f. May 24, 2023)

**Statutory Auditors**

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

**Registered Office**

2<sup>nd</sup> Floor, Office No. 201-203,  
Zodiac Plaza, Xavier College Road,  
Off C G Road, Ahmedabad- 380 009.  
Corporate Identity No.: U65100GJ2008PLC077462  
Tel: (079) 4001 9900  
Email: [Secretarial@nuvama.com](mailto:Secretarial@nuvama.com)

**Debenture Trustee**

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

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

**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 and Investment Limited  
(formerly known as Edelweiss Broking Limited)

The Directors of your Company hereby present their 16<sup>th</sup> Annual Report on the business, operations and state of affairs of the Company together with the audited financial statement for the year ended March 31, 2023:

### Financial Highlights

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

**(Amount Rs.in million)**

Particulars	2022-2023	2021-2022
<b>Total Income</b>	12,156.27	8,677.37
Total Expenses	10,299.43	7,242.33
<b>Profit Before Tax</b>	<b>1,856.84</b>	<b>1,435.04</b>
Provision for tax (including Deferred Tax)	434.47	488.55
<b>Profit for the year</b>	<b>1,422.37</b>	<b>946.49</b>
<b>Other Comprehensive Income</b>	<b>(7.43)</b>	<b>(9.74)</b>
Total Comprehensive Income	1,414.94	936.75
<b>Opening Balance</b>	<b>187.30</b>	<b>(572.18)</b>
<b>Profit available for appropriation</b>	1,633.53	395.13
<b>Appropriations</b>		
- Transfer to Debenture Redemption Reserve	-	(207.83)
<b>Surplus carried to Balance Sheet</b>	<b>1,633.53</b>	187.30

### Information on the state of affairs of the Company

During the year ended March 31, 2023, the Company earned revenue of Rs. 12,156.27 million as compared to Rs. 8,677.37 million in the previous year. Of the total income earned during the year, income from fees and commission stood at Rs.9304.39 million as compared to Rs.6878.13 million in the previous year and interest income stood at Rs.2306.92 million as compared to Rs. 1,357.31 million in the previous year.

The Profit after Tax for the year ended March 31, 2023 was Rs. 1,422.37 million as compared to incurring a Profit of Rs. 946.49 million during the previous year.

### Change of name of the Company

During the year under review, the Company had changed its name from Edelweiss Broking Limited to Nuvama Wealth and Investment Limited with effect from

September 30, 2022 with a view to establish the Company as an entity of its own standing in the market.

### Dividend

During year under review, the Board of Directors did not recommend any dividend.

### Share Capital

The total paid-up share capital of the Company stood at Rs. 4,30,45,40,000 divided into 43,04,54,000 Equity Shares of Rs.10 each, as at March 31, 2023.

### Public Issue of Non-convertible Debentures

During the year under review, the Company successfully completed its maiden public issue of 29,80,439 Non-convertible Debentures of Rs.1,000 each (NCDs) aggregating Rs. 2,980.4390 million.

The NCDs are listed on BSE Limited.

### 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:

<b>Beacon Trusteeship Limited</b>	<b>Catalyst Trusteeship Limited</b>
4C&D, Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club Bandra (E), Mumbai 400 051.	Windsor, 6 <sup>th</sup> Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400 098.

### Loans, Investments and Guarantees

Particulars of loans given are mentioned in the 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 neither made any investments nor given any guarantee/provided security.

### Related Party Transactions

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

The particulars of the material contracts/arrangements entered into by the Company with related parties on arm's length are disclosed in [Annexure I](#) (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 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.

#### ii. Non-executive Directors

During the year under review, pursuant to the recommendations of the Nomination and Remuneration Committee, Ms. Ananya Suneja (DIN: 07297081) was appointed as Non-executive Director with effect from November 25, 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	-	November 25, 2023
2.	Ms. Ananya Suneja	-	March 22, 2023

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

Pursuant to the recommendations of the Nomination and Remuneration Committee, Ms. Neetu Ranka (DIN: 10081505) was appointed as Non-executive Director with effect from April 26, 2023.

### **iii. Retirement of Director by Rotation**

Mr. Prashant Mody (DIN: 03101048), Executive Director, retires by rotation at the forthcoming Annual General Meeting and, being eligible, has offered himself for re-appointment.

### **iv. Key Managerial Personnel**

During the year under review, Ms. Prachi Mathur resigned as Company Secretary of the Company and Mr. Dipankar Basu was appointed as the Company Secretary of the Company with effect from May 25, 2022.

Mr. Viral Thanawala resigned as Chief Financial Officer of the Company w.e.f August 10, 2022 and Ms. Sheetal Gandhi was appointed as Chief Financial Officer of the Company w.e.f August 11, 2022.

Mr. Dipankar Basu resigned as Company Secretary of the Company w.e.f August 10, 2022 and Ms. Vandana Das was appointed as Company Secretary of the Company w.e.f October 20, 2022.

Ms. Vandana Das resigned as Company Secretary of the Company w.e.f January 23, 2023 and Mr. Rohan Jadhav was appointed as the Company Secretary of the Company with effect from May 24, 2023.

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 five (5) 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 II](#) 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 presently comprises of the following Directors as its members:

- Mr. Birendra Kumar - Independent Director and Chairman
- Mr. Ashish Kehair - Non - executive Director
- Dr. Vinod Juneja- 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 II](#) 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. Ashish Kehair - Non-Executive Director
- Dr. Vinod Juneja- 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 4 times.

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

The Remuneration Policy ('the Policy) pursuant to Section 178 of the Companies Act, 2013 is annexed as [Annexure III](#) 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. Ashish Kehair - Non-Executive Director and Chairman
- Mr. Birendra Kumar - Independent Director
- Mr. Rahul Jain - Managing Director & Chief Executive Officer

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 twice.

The CSR Policy of the Company is uploaded on the website of the Company at the link: <https://www.nuvamawealth.com/>

### **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 during the year, wherein the performance of the Non-Independent Directors, performance of the Board as a whole and 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 June 21, 2021, appointed M/s. S. R. Batliboi & Co. LLP, as the Auditors of the Company for a term of five years from till the conclusion of the 19<sup>th</sup> Annual General Meeting to be held in the year 2026.



## **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 V](#) 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 the Workplace**

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

One case was reported under the Policy during the year under review. The Company has complied with the provisions relating to the constitution of the 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://www.nuvamawealth.com/investor-relations>

### 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://www.nuvamawealth.com/>. 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 - 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

During the year under review, the Company had incurred following expenditure in foreign currency (on accrual basis):-

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Purchase of Securities	-	1,017.92
Referral & other expenses	4.27	46.57

The Company had earned following income in foreign currency (on accrual basis):-

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Fees & Advisory Income	8.19	9.32

### 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/loss) 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 VI](#) 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 II](#) 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 II](#) which forms part of this Report.

## 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.

### 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 and Investment Limited  
(formerly known as Edelweiss Broking Limited)**



**Rahul Jain**  
Managing Director & CEO  
DIN: 00387505



**Prashant Mody**  
Executive Director  
DIN: 03101048

Mumbai, May 24, 2023

**Annexure I**
**Form AOC-2**

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

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

(Currency: Indian rupees in millions)

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

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

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

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date of approval by the Audit Committee	Amount paid as advances , if any
1	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)		Loans taken from		January 21, 2022	Nil
2	Edelweiss Rural & Corporate Services Limited		Loans taken from		January 21, 2022	Nil
3	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)		Loan repaid to		January 21, 2022	Nil

4	Edelweiss Rural & Corporate Services Limited	Loan repaid to	Recurring Transaction	1,000.00	January 21, 2022	Nil
5	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	Margin placed with	Recurring Transaction	1,46,484.76	January 21, 2022	Nil
6	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	Margin withdrawn from	Recurring Transaction	1,41,214.29	January 21, 2022	Nil
7	Ecap Equities Limited (formerly Edel Land Limited)	Brokerage income received from	Recurring Transaction	0.06	January 21, 2022	Nil



8	Edelweiss Tokio Life Insurance Company Limited	Brokerage income received from	Recurring Transaction	0.47	January 21, 2022	Nil
9	Key Managerial Personnel	Brokerage income received from	Recurring Transaction	0.27	January 21, 2022	Nil
10	Key Managerial Personnel of Holding Company	Brokerage income received from	Recurring Transaction	0.01	January 21, 2022	Nil
11	Relatives of Key Managerial Personnel of Holding Company	Brokerage income received from	Recurring Transaction	0.56	January 21, 2022	Nil
12	Relatives of Key Managerial Personnel	Brokerage income received from	Recurring Transaction	0.45	January 21, 2022	Nil
13	ECL Finance Limited	Fees income received from	Recurring Transaction	2.17	January 21, 2022	Nil

14	Edel Finance Company Limited	Fees income received from	Recurring Transaction	3.44	January 21, 2022	Nil
15	Edel Investments Limited	Fees income received from	Recurring Transaction	15.00	January 21, 2022	Nil
16	ECap Equities Limited (formerly Edel Land Limited)	Fees income received from	Recurring Transaction	877.51	January 21, 2022	Nil
17	Edelcap Securities Limited	Fees income received from	Recurring Transaction	17.95	January 21, 2022	Nil
18	Edelweiss Alternative Asset Advisors Limited	Fees income received from	Recurring Transaction	1,550.38	January 21, 2022	Nil
19	Edelweiss Asset Management Limited	Fees income received from	Recurring Transaction	615.14	January 21, 2022	Nil

20	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	Fees income received from	Recurring Transaction	43.91	January 21, 2022	Nil
21	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	Fees income received from	Recurring Transaction	92.63	January 21, 2022	Nil
22	Edelweiss Financial Services Limited	Fees income received from	Recurring Transaction	380.48	January 21, 2022	Nil
23	Zuno General Insurance Limited	Fees income received from	Recurring Transaction	3.22	January 21, 2022	Nil
24	Nido Home Finance Limited (formerly Edelweiss)	Fees income received from	Recurring Transaction	97.40	January 21, 2022	Nil

	Housing Finance Limited)						
25	Edelweiss Investment Adviser Limited	Fees income received from	Recurring Transaction	17.95	January 21, 2022	Nil	
26	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	Fees income received from	Recurring Transaction	1.77	January 21, 2022	Nil	
27	Edelweiss Securities And Investments Private Limited	Fees income received from	Recurring Transaction	289.04	January 21, 2022	Nil	
28	Edelweiss Tokio Life Insurance Company Limited	Fees income received from	Recurring Transaction	185.09	January 21, 2022	Nil	

29	Nuvama Asset Management Limited (formerly ESL Securities Limited)	Fees income received from	Recurring Transaction	14.84	January 21, 2022	Nil
30	Edelweiss Tokio Life Insurance Company Limited	Banner fees recovered from	Recurring Transaction	99.90	January 21, 2022	Nil
31	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	Commission and brokerage expenses paid to	Recurring Transaction	116.41	January 21, 2022	Nil
32	Edelweiss Financial Services Limited	Commission and brokerage expenses paid to	Recurring Transaction	3.00	January 21, 2022	Nil
33	Nuvama Custodial Services Limited (formerly Edelweiss Capital Services)	Rental income from	Recurring Transaction	0.51		Nil

	Limited)			January 21, 2022	
34	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	Rental income from	Recurring Transaction	3.25	January 21, 2022
					Nil
35	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	Rental income from	Recurring Transaction	22.82	January 21, 2022
					Nil
36	Edelweiss Financial Services Limited	Rental income from	Recurring Transaction	0.10	January 21, 2022
					Nil
37	Nuvama Wealth Management Limited (formerly	Rental income from	Recurring Transaction	2.40	January 21, 2022
					Nil

Edelweiss Securities Limited)				January 21, 2022	
38	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	Interest paid on loan to	Recurring Transaction	January 21, 2022	113.36 Nil
39	Edelweiss Rural & Corporate Services Limited	Interest paid on loan to	Recurring Transaction	January 21, 2022	11.36 Nil
40	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	Interest income on debt instrument	Recurring Transaction	January 21, 2022	1.92 Nil
41	Nuvama Clearing Services Limited (formerly Edelweiss	Interest received on margin from	Recurring Transaction		513.05 Nil

	Custodial Services Limited)				January 21, 2022	
42	ECL Finance Limited	Shared premises cost paid to	Recurring Transaction	0.35	January 21, 2022	Nil
43	ECap Equities Limited (formerly Edel Land Limited)	Shared premises cost paid to	Recurring Transaction	0.09	January 21, 2022	Nil
44	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	Shared premises cost paid to	Recurring Transaction	83.89	January 21, 2022	Nil
45	Edelweiss Rural & Corporate Services Limited	Shared premises cost paid to	Recurring Transaction	0.99	January 21, 2022	Nil



46	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	Shared premises cost paid to	Recurring Transaction	36.48	January 21, 2022	Nil
47	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	Clearing charges paid to	Recurring Transaction	93.05	January 21, 2022	Nil
48	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	Software usage charges paid to	Recurring Transaction	144.31	January 21, 2022	Nil
49	Edelweiss Rural & Corporate Services Limited	Technology Shared Service Cost paid to	Recurring Transaction	0.68	January 21, 2022	Nil

50	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	Technology Shared Service Cost paid to	Recurring Transaction	221.45	January 21, 2022	Nil
51	Edelcap Securities Limited	Technology Shared Service Cost paid to	Recurring Transaction	2.32	January 21, 2022	Nil
52	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	Branding expenses paid to	Recurring Transaction	23.61	January 21, 2022	Nil
53	Edelweiss Rural & Corporate Services Limited	Enterprise/ Corporate cost paid to	Recurring Transaction	2.76	January 21, 2022	Nil
54	Nuvama Wealth Management Limited (formerly Edelweiss)	Enterprise/ Corporate cost paid to	Recurring Transaction	239.02		Nil

	Securities Limited)				January 21, 2022	
55	Edelgive Foundation	Contribution to CSR	Recurring Transaction	6.91	January 21, 2022	Nil
56	Key Managerial Personnel	Charges recovered from	Recurring Transaction	0.33	January 21, 2022	Nil
57	Relatives of Key Managerial Personnel	Charges recovered from	Recurring Transaction	0.24	January 21, 2022	Nil
58	Relatives of Key Managerial Personnel of Holding Company	Charges recovered from	Recurring Transaction	0.01	January 21, 2022	Nil
59	Edelweiss Financial Services Limited	Employee Stock Option Cost paid to	Recurring Transaction	5.46	January 21, 2022	Nil

60	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	Employee Stock Option Cost paid to	Recurring Transaction	82.25	January 21, 2022	Nil
61	Edelweiss Financial Services Limited	Employee Stock Appreciation Rights paid to	Recurring Transaction	7.99	January 21, 2022	Nil
62	Edelweiss Financial Services Limited	Employee Stock Option Cost reversed	Recurring Transaction	31.20	January 21, 2022	Nil
63	Zuno General Insurance Limited	Insurance Premium Paid to	Recurring Transaction	62.58	January 21, 2022	Nil
64	Edelweiss Tokio Life Insurance Company Limited	Insurance Premium Paid to	Recurring Transaction	17.45	January 21, 2022	Nil

65	Edelweiss Rural & Corporate Services Limited	Rental security deposit paid to	Recurring Transaction	1.05	January 21, 2022	Nil
66	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	Purchase of securities from	Recurring Transaction	5,353.53	January 21, 2022	Nil
67	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	Sale of securities to	Recurring Transaction	3,819.45	January 21, 2022	Nil
68	ECL Finance Limited	Cost reimbursement paid to	Recurring Transaction	0.25	January 21, 2022	Nil
69	ECap Equities Limited (formerly Edel Land Limited)	Cost reimbursement paid to	Recurring Transaction	1.65	January 21, 2022	Nil

70	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	Cost reimbursement paid to	Recurring Transaction	2.08	January 21, 2022	Nil
71	Edelweiss Rural & Corporate Services Limited	Cost reimbursement paid to	Recurring Transaction	0.04	January 21, 2022	Nil
72	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	Cost reimbursement paid to	Recurring Transaction	125.32	January 21, 2022	Nil
73	Nuvama Asset Management Limited (formerly ESL Securities Limited)	Cost reimbursement paid to	Recurring Transaction	0.10	January 21, 2022	Nil

74	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	Cost reimbursement paid to	Recurring Transaction	0.00	January 21, 2022	Nil
75	Nuvama Custodial Services Limited (formerly Edelweiss Capital Services Limited)	Cost reimbursement paid to	Recurring Transaction	5.46	January 21, 2022	Nil
76	ECap Equities Limited (formerly Edel Land Limited)	Cost reimbursement recovered from	Recurring Transaction	0.01	January 21, 2022	Nil
77	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	Cost reimbursement recovered from	Recurring Transaction	0.03	January 21, 2022	Nil

78	Edelweiss Financial Services Limited	Cost reimbursement recovered from	Recurring Transaction	0.02	January 21, 2022	Nil
79	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	Cost reimbursement recovered from	Recurring Transaction	0.02	January 21, 2022	Nil
80	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	Cost reimbursement recovered from	Recurring Transaction	0.27	January 21, 2022	Nil
81	Nuvama Asset Management Limited (formerly ESL Securities Limited)	Cost reimbursement recovered from	Recurring Transaction	0.04	January 21, 2022	Nil




82	Edel Finance Company Limited	Purchase of Property Plant and Equipment & Intangible Assets from	Recurring Transaction	0.00	January 21, 2022	Nil
83	Edelweiss Financial Services Limited	Purchase of Property Plant and Equipment & Intangible Assets from	Recurring Transaction	0.00	January 21, 2022	Nil
84	Edelweiss Investment Adviser Limited	Purchase of Property Plant and Equipment & Intangible Assets from	Recurring Transaction	0.03	January 21, 2022	Nil
85	Edelweiss Rural & Corporate Services Limited	Purchase of Property Plant and Equipment & Intangible Assets from	Recurring Transaction	0.00	January 21, 2022	Nil
86	Edel Investments Limited	Sale of Property Plant and Equipment & Intangible Assets to	Recurring Transaction	0.00	January 21, 2022	Nil

87	Edelcap Securities Limited	Sale of Property Plant and Equipment & Intangible Assets to	Recurring Transaction	0.00	January 21, 2022	Nil
88	Independent Directors	Director's Sitting Fees paid to	Recurring Transaction	0.70	January 21, 2022	Nil
89	Key Managerial Personnel	Remuneration paid to	Recurring Transaction	66.31	January 21, 2022	Nil

For and on behalf of the Board of Directors  
**Nuvama Wealth and Investment Limited**  
 (formerly known as Edelweiss Broking Limited)



**Rahul Jain**  
 Managing Director & CEO  
 DIN: 00387505



**Prashant Mody**  
 Executive Director  
 DIN: 03101048

**Mumbai, May 24, 2023**

**Company's Philosophy on Corporate Governance**

At Nuvama Wealth and Investment Limited (formerly known as Edelweiss Broking 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 5 times i.e. on: April 22, 2022; May 20, 2022; July 21, 2022; October 20, 2022 and January 20, 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 21, 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	5	No	2	0	0	1
Dr. Vinod Juneja DIN: 00044311	Independent	5	No	8	2- Director  Shyam Telecom Limited  Shristi Infrastructure Development	7	2

					Corporation Limited		
Mr. Ashish Kehair DIN: 07789972	Non-executive, Non-independent	5	Yes	2	0	0	0
Ms. Neetu Ranka DIN: 10081505 (appointed w.e.f April 26, 2023)	Non-executive, Non-independent	0	NA	0	0	0	0
Mr. Rahul Jain DIN: 00387505	Executive, Non-independent	5	Yes	0	0	0	0
Mr. Prashant Mody DIN: 03101048	Executive, Non-independent	3	No	2	0	0	0
Ms. Kamala Kantharaj DIN: 07917801 (resigned w.e.f. November 25, 2022)	Non-executive, Non-independent	3	NA	-	-	-	-
Ms. Ananya Suneja DIN: 07297081 (appointed w.e.f. November 25, 2022 and resigned w.e.f. March 22, 2023)	Non-executive, Non-independent	-	NA	-	-	-	-

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

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

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 been disclosed: <https://www.nuvamawealth.com/investor-relations>

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	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓
Dr. Vinod Juneja	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Ashish Kehair	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ms. Neetu Ranka	✓	✓	-	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Rahul Jain	✓	✓	-	✓	✓	✓	✓	-	✓	✓	✓
Mr. Prashant Mody	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓

### 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 20, 2022; July 21, 2022; October 20, 2022 and January 20, 2023.

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

Name	Position	No. of Meetings Attended
Mr. Birendra Kumar	Independent Director- Chairman	5
Mr. Rahul Jain	Managing Director & CEO - Member	5
Dr. Vinod Juneja	Independent Director- Member	5

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 include the following:

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

- i. 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;
- ii. recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- iii. examination of the financial statement and the auditors' report thereon;
- iv. monitoring the end use of funds raised through public offers and related matters
- v. approval of payment to the statutory auditors for any other services rendered by the statutory auditors;
- vi. 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;
- vii. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- viii. 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;
- ix. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- x. approval or any subsequent modification of transactions of the listed entity with related parties;
- xi. scrutiny of inter-corporate loans and investments;
- xii. valuation of undertakings or assets of the listed entity, wherever it is necessary;
- xiii. evaluation of internal financial controls and risk management systems;
- xiv. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xv. 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;
- xvi. discussion with internal auditors of any significant findings and follow up there on;
- xvii. 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;

xviii. 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;

xix. 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;

xx. to review the functioning of the whistle blower mechanism;

xxi. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

xxii. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

xxiii. 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.

xxiv. 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:

xxv. review the management discussion and analysis of financial condition and results of operations;

xxvi. statement of significant (material) related party transactions (as defined by the audit committee), submitted by management;

xxvii. management letters / letters of internal control weaknesses issued by the statutory auditors;

xxviii. internal audit reports relating to internal control weaknesses; and

xxix. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

xxx. 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 4 times on May 20, 2022; July 21, 2022; October 20, 2022 and January 20, 2023.

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

Name	Position	No. of Meetings Attended
Mr. Birendra Kumar	Independent Director- Chairman	4
Mr. Ashish Kehair	Non-executive Director- Member	4
Dr. Vinod Juneja	Independent Director- Member	4

Brief description of the terms of reference of the Nomination and Remuneration Committee inter alia includes:

- i. 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;
- ii. 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.
- iii. formulation of criteria for evaluation of performance of independent directors and the board of directors;
- iv. devising a policy on diversity of board of directors;
- v. 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 ever director 's performance.

vi. 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.

vii. recommend to the Board, all remuneration, in whatever form, payable to senior management.

viii. 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;

ix. to ensure 'fit and proper' status of proposed/existing directors as required

x. 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 once on January 16, 2023.

The composition as on March 31, 2023:

Name	Position
Mr. Ashish Kehair	Non-executive Director- Chairman
Mr. Birendra Kumar	Independent Director- Member
Mr. Prashant Mody	Executive Director- Member

There was no Compliance Officer of the Company under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on March 31, 2023.

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 2 times on July 21, 2022 and January 16, 2023.

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

Name	Position	No. of Meetings Attended
Mr. Ashish Kehair	Non-executive Director- Chairman	2
Mr. Birendra Kumar	Independent Director- Member	2
Mr. Rahul Jain	Managing Director & Chief Executive Officer - Member	2

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://www.nuvamawealth.com/investor-relations>

### Remuneration to the Directors

The Company pays sitting fee of Rs. 20,000\* 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:

(Amount in Rs.)

Name of the Director	Salary	Perquisites	Sitting Fees	Commission/Bonus	Total	No. of Equity Shares held\$
Mr. Birendra Kumar DIN: 00163054	-	-	3,80,000	-	3,80,000	NIL
Dr. Vinod Juneja DIN: 00044311	-	-	2,80,000	-	2,80,000	NIL
Mr. Ashish Kehair DIN: 07789972	-	-	NA	-	-	NIL
Mr. Rahul Jain DIN: 00387505	1,84,04,239	34,200	NA	2,75,00,000 (Bonus)	4,59,38,439	NIL
Mr. Prashant Mody DIN: 03101048	70,46,644	34,200	NA	42,00,000 (Bonus)	1,12,80,844	NIL

\$ Shareholding as on March 31, 2023.

Ms. Kamala Kantharaj resigned as Director from the Board with effect from November 25, 2022 and Ms. Ananya Suneja resigned as Director from the Board with effect from March 22, 2023.

No remuneration was paid to them.

The Criteria for making payments to Non-executive Directors of the Company is published on the website at: <https://www.nuvamawealth.com/investor-relations>

### 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 21, 2022	2:00 p.m.	Edelweiss House, Off C.S.T. Road, Kalina, Mumbai- 400 098.	4
2021-2022	July 21, 2021	2.00 p.m.	Edelweiss House, Off C.S.T. Road, Kalina, Mumbai- 400 098.	1
2020-2021	September 22, 2022	2.00 p.m.	2 <sup>nd</sup> Floor, Office No. 201-203, Zodiac Plaza, Xavier College Road, Off C G Road, Ahmedabad - 380 009	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://www.nuvamawealth.com/>

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:	Tuesday, August 1, 2023 at 11:00 a.m. at the Registered Office of the Company at 2 <sup>nd</sup> Floor, Office No. 201 - 203, Zodiac Plaza, Xavier College Road, Off CG Road, Ahmedabad - 380 009.
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, 6<sup>th</sup> Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East),  
Mumbai - 400 098.

### 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
<b>Equity Shares</b>			
1.	Nuvama Wealth Management Limited (NWML)* (formerly known as Edelweiss Securities Limited)	43,04,54,000	100
	<b>Total</b>	<b>43,04,54,000</b>	<b>100</b>

\*Includes 6 shares held by the Nominees of NWML

### IV. Dematerialisation of shares:

As on March 31, 2023, 43,04,54,000 equity shares representing 100% of the outstanding equity 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	05-08-2023	ACUITE AA- /Negative
BWR	BWR AA- /Stable	NCD LT, SP LT, Bank Facilities		
BWR	BWR A1+	CP, SP ST, Bank Facilities		
CRISIL	CRISIL A1+	CP, Bank Facilities		
CRISIL	CRISIL AA- /Negative	NCD, Bank Facilities	22-10-2022	CRISIL AA- /Stable
CRISIL	CRISIL PPMLD A1+	SP ST		
CRISIL	CRISIL PPMLD AA- /Stable	SP LT		
CARE	CARE A1+			

### 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; - Attached 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://www.nuvamawealth.com/investor-relations>

- 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. S. R. Batliboi & Co. LLP, the Auditors were paid a consolidated amount of Rs. 11.70 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: One
  - b) Number of complaints disposed of during the Financial Year: Nil
  - c) Number of complaints pending as on end of the Financial Year: One
- 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**

Nuvama Wealth and Investment Limited  
(formerly known as Edelweiss Broking Limited)  
801- 804, Wing A, Building No. 3, Inspire  
BKC, G Block, Bandra Kurla Complex,  
Bandra East,  
Mumbai - 400 051.  
Tel: +91 (079) 4001 9900  
  
Email: Secretarial@nuvama.com

**Registrar and Share Transfer Agent**

Link Intime India Private Limited	KFin Technologies Private Limited
C 101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai - 400 083.	Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032
Tel: +91 22 4918 6270	Tel: +91 40 6716 2222
Email: rnt.helpdesk@linkintime.co.in	Email: einward.ris@kfintech.com

## Annexure A

Sr. No.	Month / Year	Details of violations / observations / matters requiring attention or action	Regulatory / Relevant Authority (FMC / SEBI / Exchange / Others**)	Action taken	Amount (if any)
1	Feb 2020	<p>The major observations are:</p> <ul style="list-style-type: none"> <li>• Funding of securities other than Group I equity shares under MTF</li> <li>• Incorrect email id and mobile number in the UCC database</li> <li>• Reporting of Incorrect data towards the monthly clients' securities balances</li> </ul> <p>For other violations. the Exchange issued warning and advice.</p>	NSE	Penalty	7,75,500
2	Dec 2020	Incorrect data uploaded in the weekly holding statement	NSE	Penalty	25000
3	Jan 21	Non adherence to the leverage and exposure limits for MTF	NSE/SAT	Penalty	25,00,000
4	May 2021	Corrective actions are taken by DP, for cases kept on hold – rejected by KRA	CDSL	Warning	Nil
5	June 2021	<ul style="list-style-type: none"> <li>• Submission of incorrect data in the weekly holding statement</li> <li>• Non-settlement of funds and securities of inactive clients</li> </ul>	NSE	Penalty	25000
6	Oct 2021	<ul style="list-style-type: none"> <li>• Settlement of funds or securities /commodities were not done on monthly/quarterly basis as specified by the client</li> </ul>	NCDEX	Penalty	15000
7	November 2021	Incorrect data submitted in the weekly holding statement	NSE	Penalty	100000
8	November 2021	Non-settlement of client funds	NSE	Advice	Nil
9	December 2021	Incorrect data uploaded in the weekly holding statement	NSE	Penalty	100000

10	Jan 2022	Non-settlement of client funds	NSE	Advice	Nil
11	March 2022	Non-settlement of client funds	NSE	Advice	Nil
12	March 2022	Non-settlement of client funds	NSE	Advice	Nil
13	May 2022	Violations observed in Internal Audit Report for half year ended Sep 2021	BSE	Penalty	13000
14	May 2022	Incorrect reporting of margin collected from clients to exchange	NSE	Penalty	39200
15	May 2022	Incorrect data submission towards weekly holding statement	NSE	Warning	Nil
16	June 2022	Incorrect data reported towards weekly Holding Statement as on April 29, 2022	NSE	Penalty	100000
17	July 2022	<ul style="list-style-type: none"> <li>Shortfall of clients' funds to the maximum extent of Rs. 95.10 crores on 23 dates</li> <li>Incorrect data submitted towards the weekly monitoring of clients' funds on few dates</li> </ul>	NSE	Warning	Nil
18	July 2022	<ul style="list-style-type: none"> <li>Non-settlement of client funds</li> </ul>	NSE	Advice	Nil
19	Aug 2022	<ul style="list-style-type: none"> <li>Incorrect data towards weekly client level cash and cash equivalent submission</li> </ul>	NSE	Warning	Nil
20	October 2022	<ul style="list-style-type: none"> <li>Non-settlement of client funds</li> </ul>	NSE	Advice	Nil
21	Dec 2022	Incorrect data in Weekly holding submission Non Settlement of client funds-Advice	NSE	Penalty	100000
22	April 2020 to Sept 2020	Violations observed in Internal Audit Report (NSE) for half year ended Sept 2020	NSE	Penalty	2000
23	Oct 2020 to March 2021	Violations observed in Internal Audit Report (NSE) for half year ended March 2021	NSE	Penalty	2000
24	April 2021 to Sept 2021	Violations observed in Internal Audit Report (NSE) for half year ended Sept 2021	NSE	Penalty	11000

<b>25</b>	Oct 2021 to March 2022	Violations observed in Internal Audit Report (NCDEX) for half year ended March 2022	NCDEX	Penalty	2000
<b>26</b>	April 2021 to March 2022	The gap between two running account settlements is more than 90/30 days as the choice of client.	MCX	Advice	Nil



**Annexure B**

**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 and Investment Limited**  
(formerly known as Edelweiss Broking Limited)  
2nd Floor, Office No. 201-203, Zodiac Plaza,  
Xavier College Road, Off C G Road,  
Ahmedabad - 380 009.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Nuvama Wealth and Investment Limited (formerly known as Edelweiss Broking Limited) having CIN U65100GJ2008PLC077462 and having its registered office at 2nd Floor, Office No. 201-203, Zodiac Plaza, Xavier College Road, Off C G Road, Ahmedabad - 380 009 (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](http://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.	Prashant Mody	03101048	27-Apr-2016
2.	Rahul Jain	00387505	28-Jan-2021



3.	Ashish Kehair	07789972	19-Mar-2021
4.	Kamala Kantharaj <sup>*</sup>	07917801	21-Sep-2021
5.	Vinod Juneja	00044311	17-Feb-2022
6.	Birendra Kumar	00163054	17-Feb-2022
7.	Ananya Suneja <sup>^</sup>	07297081	25-Nov-2022

<sup>\*</sup> Resigned as Director w.e.f. November 25, 2022.

<sup>^</sup> Resigned as Director w.e.f. March 22, 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 24, 2023**

**UDIN: F012007E000368198**

**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 and Investment Limited  
(formerly known as Edelweiss Broking Limited)**



**Rahul Jain**  
**Managing Director & CEO**  
**DIN: 00387505**

**Mumbai, May 24, 2023**



**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

**Annexure - D**

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

To,  
The Members,  
**Nuvama Wealth and Investment Limited**  
*(formerly known as Edelweiss Broking Limited)*  
2nd Floor, Office No. 201-203, Zodiac Plaza,  
Xavier College Road, Off C G Road  
Ahmedabad - 380 009.

We have examined the compliance with the conditions of Corporate Governance of Nuvama Wealth and Investment Limited *(formerly known as Edelweiss Broking 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 24, 2023**

**UDIN: F012007E000366383**



**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.

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.

### 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.

**For and on behalf of the Board of Directors  
Nuvama Wealth and Investment Limited  
(formerly known as Edelweiss Broking Limited)**



**Rahul Jain**  
Managing Director & CEO  
DIN: 00387505



**Prashant Mody**  
Executive Director  
DIN: 03101048

**Mumbai, May 24, 2023**

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

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

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

Sr. No.	Name of Director	Designation Nature Directorship	/ of	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Ashish Kehair	Non-executive Director and Chairman		2	2
2.	Mr. Birendra Kumar	Independent Director		2	2
3.	Mr. Rahul Jain	Managing Director & CEO		2	2

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.	<a href="https://www.nuvamawealth.com/investor-relations">https://www.nuvamawealth.com/investor-relations</a>
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. 34,54,95,964
7.	Two percent of average net profit of the company as per section 135(5).	: Rs. 69,09,919

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. 69,09,919

11.

- a. CSR amount spent ~~or unspent~~ for the financial year: Rs. 69,10,000
- 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 implemen- tation- Direct (Yes/ No)	11 Mode of implementation through implementation agency	
				State	District						Name	CSR registrat ion no.
1	The Collabor ators for Transfor ming Educati on	Education- Schedule VII(ii)	No	Maharas htra	Gadchiroli	1	5,67,614	-	No	EdelGive Foundation	CSR0000 0514	
2	Strengthen ing Support Systems for Access to Justice	Empoweri ng Women- Schedule VII(iii)	No	Uttar Pradesh	Raebareilly Ayodhya Kaushambhi Sonbhadra Jhansi	3	50,00,000	50,00,000	No	EdelGive Foundation	CSR0000 0514	

3	Science Centre, Operation Vasantha, Young Instructor or Leader, Lab in a Box and Innovation Hub	Education-Schedule VII(ii)	No	Maharashtra	Alibaug	3	13,42,386	13,42,386	-	No	EdelGive Foundation	CSR00000514
	<b>TOTAL</b>						<b>69,10,000</b>	<b>69,10,000</b>				

- 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. 69,10,000
- g. Excess amount for set off, if any

Sr. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 69,09,919
(ii)	Total amount spent for the Financial Year	Rs. 69,10,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs. 81
(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. 81

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) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No)	(5) Location of the project	(6) Project duration	(7) Amount allocated for the project (in Rs.)	(8) Amount spent in the current financial Year (in Rs.)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	CSR Registration number
-	-	-	-	-	-	-	-	-	-	-	-


For the Financial Year 2020-21:

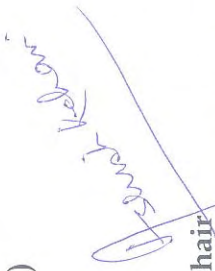
Amount unspent, if any: Nil

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 and Investment Limited  
(formerly known as Edelweiss Broking Limited)

  
Rahul Jain  
Managing Director & CEO  
DIN: 00387505

  
Ashish Kehair  
Non-executive Director - Chairman - CSR Committee  
DIN: 07789972

Mumbai, May 24, 2023

**Annexure V**

**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 and Investment Limited**  
(formerly known as Edelweiss Broking Limited)  
2nd Floor, Office No. 201-203, Zodiac Plaza,  
Xavier College Road, Off C G Road  
Ahmedabad GJ 380009 IN

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Nuvama Wealth and Investment 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, 2011<sup>1</sup>;
  - (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, 2018<sup>2</sup>;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014<sup>3</sup>;
  - (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, 2021<sup>4</sup>;
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018<sup>5</sup>;
  - (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) SEBI (Stock Brokers & Sub Brokers) Regulation, 1992
  - b) Byelaws, Rules, Regulations and circulars issued by Stock Exchanges
  - c) The Securities and Exchange Board of India {KYC (Know Your Client) Registration Agency} Regulations, 2011;
  - d) SEBI (Certification of Associated Persons in the Securities Markets) Regulations, 2007; and
  - e) Securities and Exchange Board of India (Intermediaries) Regulations, 2008.
  - f) Prevention of Money Laundering Act, 2002, and the rules regulations made thereunder.
  - g) The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
  - h) The Securities and Exchange Board of India (Custodian) Regulations, 1996
  - i) The Securities and Exchange Board of India {KYC (Know Your Client) Registration Agency} Regulations, 2011
  - j) SEBI (Certification of Associated Persons in the Securities Markets) Regulations, 2007
  - k) Securities and Exchange Board of India (Intermediaries) Regulations, 2008
  - l) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

<sup>1</sup> Not applicable to the Company during the Audit period

<sup>2</sup> ibid

<sup>3</sup> ibid

<sup>4</sup> ibid

<sup>5</sup> ibid



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

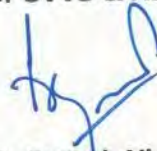
Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes<sup>6</sup>.

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

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

May 24, 2023  
Mumbai

For SVVS & Associates Company Secretaries LLP



CS. Suresh Viswanathan  
Designated Partner  
UDIN : F004453E000346487  
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.

<sup>6</sup> All resolutions were carried unanimously

**ANNEXURE A**

The Members,  
**Nuvama Wealth and Investment Limited**  
(formerly known as Edelweiss Broking Limited)  
2nd Floor, Office No. 201-203, Zodiac Plaza,  
Xavier College Road, Off C G Road  
Ahmedabad GJ 380009 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.
12. It has been observed that the Company has received a show cause notice and along with the enquiry report from SEBI on October 06, 2022 in respect of irregularities allegedly committed during the year 2018. The said report recommends suspension of SEBI Stock Broking Registration of the company for a period of 3 months. We are informed by the company has made submission in this regard and the final order in this regard is awaited.
13. NSE has conducted limited purpose inspections during the months, May, June and December of the year under review.
14. It has been observed that the Company has received show cause notices from National Stock Exchange (NSE) on June 10, 2022, September 30, 2022, October 31, 2022, November 23, 2022, December 29, 2022, January 31, 2023, and March 20, 2023 and the same has been addressed by the company on June 17, 2022, October 14, 2022, November 14, 2022, December 06, 2022, January 13, 2023, February 13, 2023, respectively. The show cause notice received on March 20, 2023 was not replied during the year under review.

**May 24, 2023**  
**Mumbai**

**For SVVS & Associates Company Secretaries LLP**



**CS. Suresh Viswanathan**  
**Designated Partner**  
**UDIN : F004453E000346487**  
**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.



## Annexure VI

### 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. Rahul Jain	Managing Director	2.24%
		Mr. Prashant Mody	Executive Director	1.54%
	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	<b>Directors/KMP's</b>	<b>Title</b>	<b>% increase in remuneration</b>
		Mr. Rahul Jain	Chief Executive Officer	124.39%
		Mr. Prashant Mody	Executive Director	54.40%
		Ms. Prachi Mathur (resigned w.e.f. May 25, 2022)	Company Secretary	-77.78%
		Mr. Dipankar Basu (appointed w.e.f. May 25, 2022 resigned w.e.f August 10, 2022)	Company Secretary	NA

		Ms. Vandana Das (appointed w.e.f. October 20, 2022 and resigned w.e.f. January 23, 2023)	Company Secretary	NA
		Mr. Viral Thanawala (resigned w.e.f August 10, 2022)	Chief Financial Officer	-2.03%
		Ms. Sheetal Gandhi (appointed w.e.f August 11, 2022)	Chief Financial Officer	NA
3	Percentage increase in the median remuneration of employees in the financial year	-15.21%		
4	Number of permanent employees on the rolls of Company at the end of the year	1991 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	<p>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 3.3%</p> <p>The average increase for managerial personnel is 179.3%</p>		
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  
Edelweiss Broking Limited**



**Rahul Jain**  
Managing Director & CEO  
DIN: 00387505



**Prashant Mody**  
Executive Director  
DIN: 03101048

**Mumbai, May 24, 2023**

**NUVAMA WEALTH AND INVESTMENT LIMITED**  
**(Formerly known as Edelweiss Broking Limited)**

**FINANCIALS FOR THE YEAR ENDED**

**2022-23**

## INDEPENDENT AUDITOR'S REPORT

To the Members of Nuvama Wealth and Investment Limited  
(Formerly known as Edelweiss Broking Limited)

### Report on the Audit of the Financial Statements

#### Opinion

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

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

#### Basis for Opinion

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 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 statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.



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

**Other Information**

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.

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

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

**Responsibilities of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of



appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal





control that we identify during our audit.

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

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

### **Report on Other Legal and Regulatory Requirements**

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



# S.R. BATLIBOI & CO. LLP

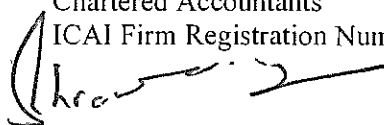
Chartered Accountants

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 38 to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
  - a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 63 (A) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 63 (B) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Shrawan Jalan

Partner

Membership Number: 102102

UDIN: 23102102BGXJEH7386

Place of Signature: Mumbai

Date: May 24, 2023

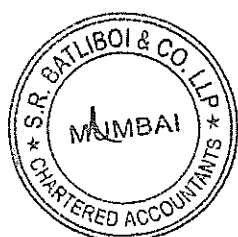


**ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIRMENTS” OF OUR REPORT OF EVEN DATE**

**Re: Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited) (“the Company”)**

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

- ((i)(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.**
- (i)(a)(B) The Company has maintained proper records showing full particulars of intangibles assets.**
- (i)(b) The Company has a regular programme of physical verification of its property, plant and equipment and are verified by the management according to a phased programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the policy, the Company has physically verified certain property, plant and equipment during the year and no discrepancies were noticed in respect of assets verified during the year.**
- (i)(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.**
- (i)(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.**
- (i)(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.**
- (ii)(a) The Company’s business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.**
- (ii)(b) As disclosed in note 53 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the audited books of accounts of the Company.**
- (iii)(a) During the year the Company has provided loans, guarantees, advances in the nature of loans to companies or other parties as follows:**



(Rs. in millions)

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year - Companies or Other parties	NA	NA	1,09,447	NA
Balance outstanding as at balance sheet date* - Companies or Other parties	NA	NA	13,119	NA

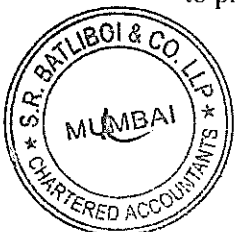
\*Balance outstanding is total outstanding (including unamortised processing fees) as at March 31, 2023

- (iii)(b) During the year the terms and conditions of the grant of all loans to companies or any other parties are not prejudicial to the Company's interest.
- (iii)(c) In respect of loans granted to companies, or other parties, the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular except in the following cases:

(Rs. in millions)

Name of the Entity	Amount	Due date	Extent of delay	Remarks, if any
Various Parties (ESOP Loans)	129.89	22-03-2023 to 30-03-2023	1 to 9 days	ESOP Loans has been renewed or repaid after March 31, 2023 as per original loan agreements entered into with the borrower.
Various Parties (SMTF Loans)	3.45	24-02-2023 to 31-03-2023	1 to 35 days	

- (iii)(d) There are no amounts of loans granted to companies or any other parties which are overdue for more than ninety days.
- (iii)(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (iii)(f) During the year, the Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties as stated below and none of these are granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013.



(Rs. in millions)	
	All Parties
Aggregate amount of loans/ advances in nature of loans - Repayable on demand	19,293.64
Percentage of loans/ advances in nature of loans to the total loans	17.63%

- (iv) The Company has not advanced loans to directors / to a Company in which the director is interested to which provisions of section 185 of the Companies Act 2013 apply and hence not commented upon. Further, according to the information and explanations given to us, provisions of sections 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security have been complied with by the Company.
- (v) In respect of deposits accepted or amounts which are deemed to be deposits, directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules made there under, to the extent applicable, have been complied with. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

There has been a delay in depositing provident fund dues under the Provident Fund and Miscellaneous Provisions Act, 1952 of an amount of Rs. 2.04 million pertaining to the period from March 01, 2022 to February 28, 2023. The due date for depositing this amount is 15th of the following month to which they pertain. As represented by the Company, the delay in the deposit of provident fund within the stipulated time as the Aadhaar number of the new employees could not be linked to their UAN as per the government norms. Further, the Company is making the efforts to pay the amount and resolve the matter.

As explained to us, the Company did not have any dues on account of sales-tax, service tax, duty of custom, duty of excise and value added tax.

- (vii)(b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, service tax, cess and other statutory dues which have not been deposited on account of any dispute. The dues outstanding in respect of service tax & goods and service tax on account of dispute, are as follows:

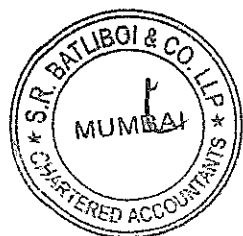


(Rs. in millions)

Name of Statute	Nature of dues	Amount	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax	0.58	F.Y. 2010-11	CESTAT - Ahmedabad
IGST Act, 2017	Goods and Service Tax	0.31	F.Y. 2019-20	State tax - Raipur
SGST Act, 2017	Goods and Service Tax	0.03	F.Y. 2019-20	State tax – Raipur
CGST Act, 2017	Goods and Service Tax	0.03	F.Y. 2019-20	State tax – Raipur

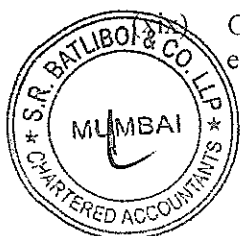
As explained to us, the Company did not have any dues on account of sales-tax, service tax, duty of custom, duty of excise and value added tax.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix)(a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (ix)(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (ix)(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (ix)(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (ix)(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (ix)(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x)(a) The Company has utilized the monies raised during the year by way of public offer of debt instruments for the purposes for which they were raised.
- (x)(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi)(a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (xi)(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.



- (xi)(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii)(a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.
- (xii)(b) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.
- (xii)(c) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given by the management and audit procedures performed, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv)(a) The Company has an internal audit system commensurate with the size and nature of its business.
- (xiv)(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi)(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (xvi)(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (xvi)(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvi)(d) There is no Core Investment Company as a part of the Group as at March 31, 2023, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year respectively.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

On the basis of the financial ratios disclosed in note 51 (a) to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other



# **S.R. BATLIBOI & CO. LLP**

Chartered Accountants

information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx)(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 33 (b) to the financial statements.
- (xx)(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 33 (b) to the financial statements.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

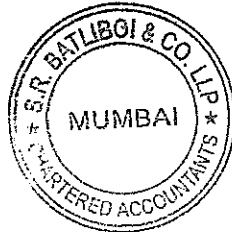
*Shrawan Jalan*

per **Shrawan Jalan**

Partner

Membership Number: 102102

UDIN: 23102102BGXJEH7386



Place of Signature: Mumbai

Date: May 24, 2023



**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NUVAMA WEALTH AND INVESTMENT LIMITED (FORMERLY KNOWN AS EDELWEISS BROKING LIMITED)**

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

We have audited the internal financial controls with reference to financial statements of Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited) ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

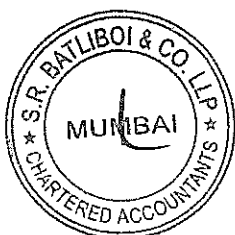
The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial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

**Auditor's Responsibility**

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

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

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



**Meaning of Internal Financial Controls with Reference to these Financial Statements**

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

**Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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

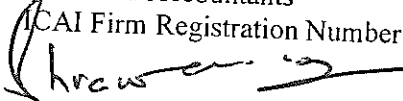
**Opinion**

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

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Shrawan Jalan**

Partner

Membership Number: 102102

UDIN: 23102102BGXJEH7386



Place of Signature: Mumbai

Date: May 24, 2023

Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

Balance Sheet

(Currency : Indian rupees in millions)

	Notes	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Financial assets</b>			
(a) Cash and cash equivalents	2	1,215.48	2,334.89
(b) Bank balances other than cash and cash equivalents	3	3,524.67	4,119.31
(c) Derivative financial instruments	4	3,123.98	200.70
(d) Securities held for trading	5	3,030.00	1,911.67
(e) Trade receivables	6	5,458.20	2,996.31
(f) Loans	7	13,096.64	9,880.22
(g) Other financial assets	8	15,997.89	10,048.51
		<u>45,446.86</u>	<u>31,491.61</u>
<b>Non-financial assets</b>			
(a) Current tax assets (net)	9	160.32	246.17
(b) Deferred tax assets (net)	10	47.69	94.87
(c) Property, Plant and Equipment	11	501.45	420.44
(d) Intangible assets	12	130.05	160.56
(e) Intangible assets under development	13	221.08	160.37
(f) Other non-financial assets	14	361.85	88.56
		<u>1,422.44</u>	<u>1,170.97</u>
<b>TOTAL ASSETS</b>		<u><b>46,869.30</b></u>	<u><b>32,662.58</b></u>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
(a) Derivative financial instruments	15	380.29	-
(b) Trade payables	16		
(i) Total outstanding dues of micro enterprises and small enterprises		37.07	17.13
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		13,101.12	14,112.82
(c) Debt securities	17	21,638.69	8,945.64
(d) Borrowings (other than debt securities)	18	3,222.21	2,249.06
(e) Other financial liabilities	19	1,075.09	1,361.69
		<u>39,454.47</u>	<u>26,686.34</u>
<b>Non-financial liabilities</b>			
(a) Current tax liabilities (net)	20	8.90	-
(b) Provisions	21	35.17	70.54
(c) Other non-financial liabilities	22	585.74	566.91
		<u>629.81</u>	<u>637.45</u>
<b>EQUITY</b>			
(a) Equity share capital	23	4,304.54	4,304.54
(b) Other equity	24	2,480.48	1,034.25
		<u>6,785.02</u>	<u>5,338.79</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u><b>46,869.30</b></u>	<u><b>32,662.58</b></u>

The accompanying notes are an integral part of the financial statements

1 - 66

As per our report of even date attached

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



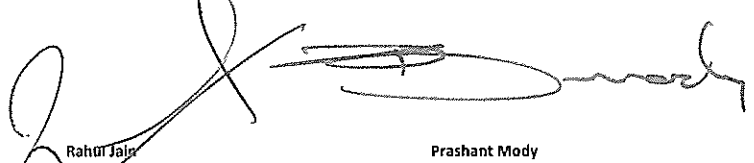
per Shrawan Jalan  
Partner

Membership No.: 102102



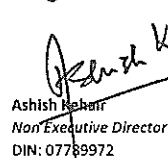
Mumbai  
May 24, 2023

For and on behalf of the Board of Directors



Ravi Jais  
Managing Director &  
Chief Executive Officer  
DIN: 00387505

Prashant Mody  
Executive Director  
DIN: 03101048



Ashish Behar  
Non Executive Director  
DIN: 07789972



Sheeta Gandhi  
Chief Financial Officer



Rohan Jadhav  
Company Secretary

Mumbai  
May 24, 2023



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Statement of Profit and Loss**

(Currency : Indian rupees in millions)

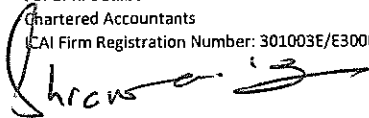
	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Revenue from operations</b>			
Interest income	25	2,306.92	1,357.31
Rental income	26	29.08	26.42
Fee and commission income	27	9,304.39	6,878.13
Net gain on fair value changes	28	484.61	383.16
<b>Total Revenue from operations</b>		<b>12,125.00</b>	<b>8,645.02</b>
<b>Other income</b>	29	<b>31.27</b>	<b>32.35</b>
<b>Total Income</b>		<b>12,156.27</b>	<b>8,677.37</b>
<b>Expenses</b>			
Finance costs	30	1,584.80	593.49
Impairment on financial instruments	31	0.14	46.56
Employee benefits expense	32	3,798.75	2,818.29
Depreciation, amortisation and impairment	11,12	263.26	231.38
Other expenses	33	4,652.48	3,552.61
<b>Total expenses</b>		<b>10,299.43</b>	<b>7,242.33</b>
<b>Profit before tax</b>		<b>1,856.84</b>	<b>1,435.04</b>
<b>Tax expenses:</b>			
Current tax		387.29	-
Deferred tax		47.18	488.55
<b>Profit for the year</b>		<b>1,422.37</b>	<b>946.49</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
Remeasurement (loss)/ gain on defined benefit plans		(7.43)	(9.74)
<b>Other Comprehensive Income</b>		<b>(7.43)</b>	<b>(9.74)</b>
<b>Total Comprehensive Income</b>		<b>1,414.94</b>	<b>936.75</b>
<b>Earnings per equity share (Face value of ₹ 10 each):</b>	35		
(1) Basic		3.30	2.69
(2) Diluted		3.30	2.69

The accompanying notes are an integral part of the financial statements

1 - 66

As per our report of even date attached

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



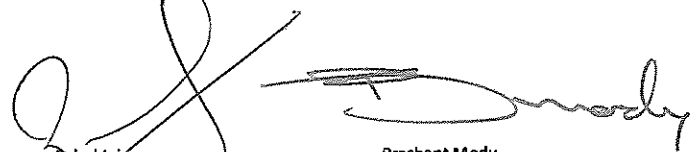
per Shrawan Jalan  
Partner

Membership No.: 102102



Mumbai  
May 24, 2023

For and on behalf of the Board of Directors



Rahul Jain  
Managing Director &  
Chief Executive Officer  
DIN: 00387505

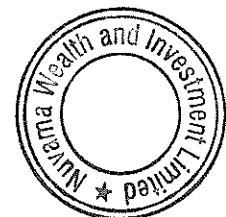
Prashant Mody  
Executive Director  
DIN: 03101048

Ashish Keshari  
Non Executive Director  
DIN: 07789972

Sheetal Gandhi  
Chief Financial Officer

Rohan Jadhav  
Company Secretary

Mumbai  
May 24, 2023

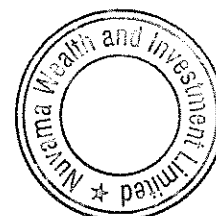


**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Statement of Cash Flows**

(Currency : Indian rupees in millions)

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A Cash flow from operating activities</b>		
Profit before taxation	1,856.84	1,435.04
<i>Adjustments for:</i>		
Depreciation, amortisation and impairment	263.26	231.38
Provision for Expected Credit Loss (ECL) on Trade receivables, financial and non financial assets	0.14	46.56
Fair Value Gain on closing stock	(21.91)	(120.53)
(Gain)/ Loss on sale/ write-off of Property, Plant and Equipment and intangibles (net)	(0.47)	0.46
Lease waiver and profit on pretermination of leases	(8.45)	(20.36)
Compensated absences	(6.47)	7.09
Finance costs, incl. Bank guarantee commission	1,580.69	593.00
<b>Operating cash flow before working capital changes</b>	<b>3,663.63</b>	<b>2,172.64</b>
<i>Add/ (less): Adjustments for working capital changes</i>		
Increase in trade receivables	(2,458.64)	(2,095.82)
Increase in Securities held for trading	(1,096.46)	(1,785.39)
Increase in fixed deposits, loans and other financial assets	(9,991.30)	(9,511.19)
Increase in other non financial assets	(273.30)	(50.29)
(Decrease)/ Increase in Trade payables and other financial liabilities	(943.32)	3,744.44
(Decrease)/ Increase in provisions and other non-financial liabilities	(17.49)	401.31
<b>Cash flow from operations</b>	<b>(11,116.88)</b>	<b>(7,124.30)</b>
Income tax paid	292.54	170.26
<b>Net cash used in operating activities - A</b>	<b>(11,409.42)</b>	<b>(7,294.56)</b>
<b>B Cash flow from investing activities</b>		
Purchase of Property, Plant and Equipment, and intangible assets	(117.93)	(181.42)
Sale of Property, Plant and Equipment, and intangible assets	1.56	2.88
<b>Net cash used in investing activities - B</b>	<b>(116.37)</b>	<b>(178.54)</b>
<b>C Cash flow from financing activities</b>		
Proceeds from issue of equity share capital including securities premium	-	1,000.00
Repayment of short term borrowings (net)	-	(2,140.00)
Proceeds from secured working capital demand loan (net)	969.49	1,250.00
(Repayment of)/ Proceeds from unsecured working capital demand loan and bank overdraft (net)	(0.00)	990.00
Proceeds from issue of Debt securities	27,137.88	8,744.94
Repayment of Debt securities	(16,063.50)	-
Finance costs, incl. Bank guarantee commission	(1,419.27)	(558.07)
Interest paid on lease liability	(46.46)	(48.06)
Principal repayment of lease liability	(171.76)	(128.65)
<b>Net cash generated from financing activities - C</b>	<b>10,406.38</b>	<b>9,110.16</b>
<b>Net (decrease)/ increase in cash and cash equivalents (A+B+C)</b>	<b>(1,119.41)</b>	<b>1,637.06</b>
<i>0.00 indicates amounts less than 0.01 millions</i>		
Cash and cash equivalents as at the beginning of the year	2,334.89	697.83
Cash and cash equivalents as at the end of the year (refer note 2)	1,215.48	2,334.89



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Statement of Cash Flows (Continued)**

(Currency : Indian rupees in millions)

**Notes:**

i. Above Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 prescribed under the Companies Act (Indian Accounting Standard) Rules, 2015 (as amended from time to time) under the Companies Act, 2013

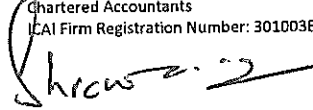
ii. Cash receipts and payments for transactions with group companies in which the turnover is quick, the amounts are large and the maturities are short are presented on net basis in accordance with Ind AS-7 Statement of Cash Flows.

iii. Components of Cash & Cash Equivalents

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Cash &amp; Cash Equivalents</b>		
Cash on hand	-	-
Balances with banks	1,215.48	2,334.89
- in current accounts	<u>1,215.48</u>	<u>2,334.89</u>

As per our report of even date attached

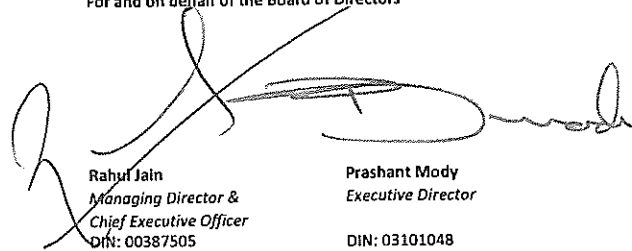
For S. R. Batliboi & Co. LLP  
Chartered Accountants  
CAI Firm Registration Number: 301003E/E300005



per Shrawan Jalan  
Partner

Membership No.: 102102

For and on behalf of the Board of Directors



Rahul Jain  
Managing Director &  
Chief Executive Officer  
DIN: 00387505

Prashant Mody  
Executive Director  
DIN: 03101048



Ashish Kehair  
Non Executive Director  
DIN: 07789972



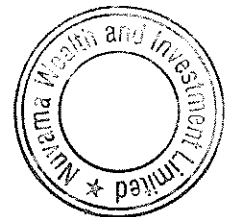
Sheetal Gandhi  
Chief Financial Officer



Rohan Jadhav  
Company Secretary

Mumbai  
May 24, 2023

Mumbai  
May 24, 2023



Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

Statement of Changes in Equity

(Currency : Indian rupees in millions)

	As at March 31, 2023	As at March 31, 2022
<b>a) Equity share capital</b>		
Balance as at the beginning of the year	4,304.54	3,471.90
Change in equity share capital during the year (refer note 23)	-	832.64
Balance as at the end of the year	4,304.54	4,304.54

**b) Other equity**

	Securities premium (refer note a below)	Deemed capital contribution - ESOP (refer note b below)	Debenture Redemption Reserve (refer note c below)	Retained earnings (refer note d below)	Total
Balance at March 31, 2021	432.34	39.42	-	(572.18)	(100.42)
Additions on issue of equity shares	167.36	-	-	-	167.36
Profit for the year	-	-	-	946.49	946.49
Other comprehensive income	-	-	-	(9.74)	(9.74)
Reversal of ESOP cost on cancellation	-	-	-	30.56	30.56
Transfer to Debenture Redemption Reserve	-	-	207.83	(207.83)	-
<b>Balance at March 31, 2022</b>	<b>599.70</b>	<b>39.42</b>	<b>207.83</b>	<b>187.30</b>	<b>1,034.25</b>
Additions on issue of equity shares	-	-	-	-	-
Profit for the year	-	-	-	1,422.37	1,422.37
Other comprehensive income	-	-	-	(7.43)	(7.43)
Reversal of ESOP cost on cancellation	-	-	-	31.29	31.29
Transfer to Debenture Redemption Reserve	-	-	-	-	-
<b>Balance at March 31, 2023</b>	<b>599.70</b>	<b>39.42</b>	<b>207.83</b>	<b>1,633.53</b>	<b>2,480.48</b>

**Notes:**

**a) Securities premium**

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

**b) Deemed capital contribution - ESOP**

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

**c) Debenture Redemption Reserve**

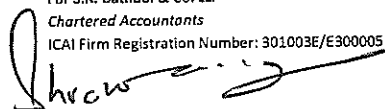
Debenture redemption reserve represents reserves created as per the Companies Act, 2013 w.r.t. outstanding redeemable debentures out of free reserves. The amounts credited to the debenture redemption reserve may not be utilised except to redeem debentures. On redemption of debentures, the amount may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

**d) Retained earnings**

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

As per our report of even date attached

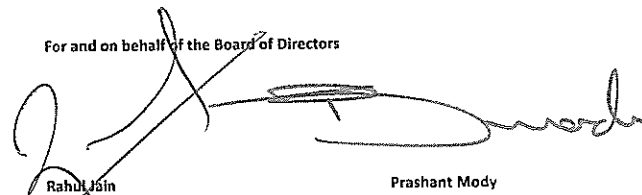
For S.R. Batliboi & Co. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005



per Shrawan Jalan  
Partner

Membership No.: 102102

For and on behalf of the Board of Directors



Rahul Jain  
Managing Director &  
Chief Executive Officer  
DIN: 00387505

Prashant Mody  
Executive Director

DIN: 03101048



Ashish Behar  
Non Executive Director  
DIN: 07789972



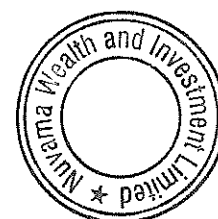
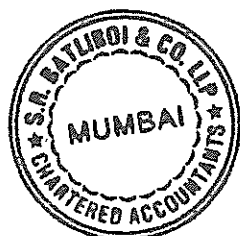
Sheetal Gandhi  
Chief Financial Officer



Rohan Jadhav  
Company Secretary

Mumbai  
May 24, 2023

Mumbai  
May 24, 2023



# Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

## Notes to the financial statements

for the year ended March 31, 2023

### 1.1 Background

Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited) ("the Company") was incorporated on February 7, 2008. The Company is a 100% subsidiary of Nuvama Wealth Management Limited (Formerly known as Edelweiss Securities Limited). PAGAC Ecstasy Pte. Limited is the Ultimate Holding Company of the Company. The registered office is located at 2nd Floor, Office No. 201-203, Zodiac Plaza, Xavier College Road, Off C G Road, Ahmedabad 380009.

The Company is registered as a trading member with National Exchange of India Limited ('NSEI'), BSE Limited ('BSE') and Metropolitan Stock Exchange of India Limited (MSEI), Multi-commodity Exchange of India Limited (MCX), National Commodity and Derivatives Exchange Limited (NCDEX) and provides broking services to the clients. The Company is also registered as Depository Participant with National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and also registered as Repository Participant with National E-Repository Limited (NERL) and CDSL Commodity Repository Limited (CCRL). The Company is registered as Research Analyst with Securities and Exchange Board of India (SEBI) and Corporate agent (Composite) with Insurance Regulatory and Development Authority of India (IRDAI). The Company is registered as Point of Presence (PoP) under the National Pension System (NPS) with Pension Fund Regulatory and Development Authority and Real Estate Agent with Maharashtra Real Estate Regulatory Authority, Uttar Pradesh Real Estate Regulatory Authority, Haryana Real Estate Regulatory Authority Panchkula. The Company is also a distributor for various financial products such as Mutual Funds, Bonds, NCD, PMS, Structured Products & Alternative Investment fund etc.

### 1.2 Basis of preparation of financial statements

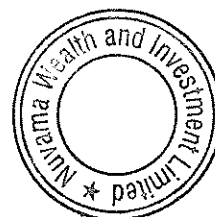
The financial statements of the Company has been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

These financial statements have been prepared on a historical cost basis, except for certain financial instruments such as financial asset measured at fair value through other comprehensive income (FVOCI) instruments, derivative financial instruments, and other financial assets held for trading, which have been measured at fair value through profit or loss (FVTPL). The financial statements are presented in Indian Rupees (INR) in millions, except when otherwise indicated.

#### Estimation of uncertainties relating to the global health pandemic from COVID-19

The outbreak of COVID - 19 pandemic has affected several countries across the world, including India. The Government is undertaking several measures to restrict the spread of virus and provide financial support to some stressed sectors. Further, while the COVID-19 vaccination efforts have gained momentum, uncertainty due to the resurgence of COVID cases across many parts of India is rising. The extent to which COVID-19 pandemic will impact the Company, if any, depends on future spread of the virus and related developments, which are uncertain at this point of time. There has been no material change in the controls or processes followed in the closing of the financial statements of the Company.

In preparing the accompanying financial results, the Company's management has view that there is no material impact of the pandemic on its operations and its assets as at March 31, 2023.





# Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

## Notes to the financial statements

for the year ended March 31, 2023

### 1.3 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. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in note 38.

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

### Significant accounting policies

### 1.4 Recognition of interest

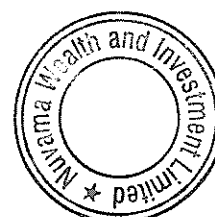
Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost and debt instrument measured at FVOCI. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

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.

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.



# Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

## Notes to the financial statements

for the year ended March 31, 2023

### 1.5 Financial Instruments

#### a) Date of recognition

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

#### b) 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.

#### c) Day 1 profit or loss

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

### 1.6 Classification of financial instruments

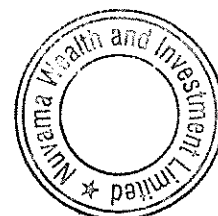
#### a) Financial assets:

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:

- Amortised cost
- Fair value through other comprehensive income [FVOCI]
- Fair value through profit or loss [FVTPL]

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

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



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements

for the year ended March 31, 2023

#### 1.6 Classification of financial instruments (Continued)

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

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

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

##### i. 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 paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

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

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

##### ii. Investment in equity instruments

The Company subsequently measures all equity investments at fair value through profit or loss.

##### b) Financial liabilities:

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

##### c) Derivative financial instruments

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



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements

for the year ended March 31, 2023

#### 1.6 Classification of financial instruments (Continued)

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.

##### Debt securities and other borrowed funds

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

##### d) 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 mandatorily required to be measured at fair value under Ind AS 109.

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

##### e) 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 a Company entity are recognized at the proceeds received.

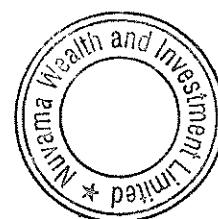
Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

#### 1.7 Derecognition of financial assets and financial liabilities

##### a) Derecognition of financial assets due to substantial modification of terms and conditions:

The Company derecognises a financial asset, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new financial asset, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded.

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



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements

for the year ended March 31, 2023

#### 1.7 Derecognition of financial assets and financial liabilities (Continued)

b) Derecognition of financial assets (other than due to substantial modification):

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition. The difference between the carrying value of the original financial asset and the consideration received would be recognised in profit or loss.

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

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

c) Derecognition of financial liabilities:

A financial liability is derecognized 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 financial liability are substantially modified, such an exchange or modification is treated as a derecognition of the original financial liability and the recognition of a new financial 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, would be recognised in profit or loss.

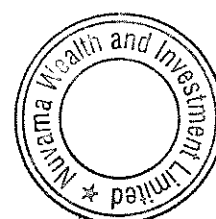
#### 1.8 Reclassification of financial assets and financial liabilities

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.

#### 1.9 Impairment of financial assets

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 expected credit losses.

For ESOP funding and Receivables towards Margin Trading Funding, 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



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements

for the year ended March 31, 2023

#### 1.9 Impairment of financial assets (Continued)

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.

Company categories its ESOP funding and Receivables towards Margin Trading Funding 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.

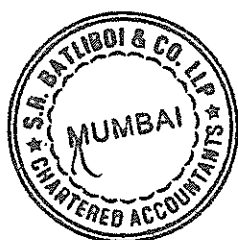
##### Stage 2 assets:

Stage 2 Assets includes financial instruments that have had a significant increase in credit risk since initial recognition. For these assets lifetime ECL 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 all other financial assets, the expected credit loss 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 gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.



## **Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

### **Notes to the financial statements**

*for the year ended March 31, 2023*

#### **1.10 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, and letters of guarantees. Collateral, unless repossessed, is not recorded on the balance sheet. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a periodical basis. However, some collateral, for example, cash or securities relating to margining requirements, is valued daily.

To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models.

#### **1.11 Collateral repossessed**

The Company's policy is to determine whether a repossessed asset can be best used for its internal operations or should be sold. Assets determined to be useful for the internal operations are transferred to their relevant asset category at the lower of their repossessed value or the carrying value of the original secured asset. Assets for which selling is determined to be a better option are transferred to assets held for sale at their fair value (if financial assets) and fair value less cost to sell for non-financial assets at the repossession date in, line with the Company's policy.

#### **1.12 Write off**

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

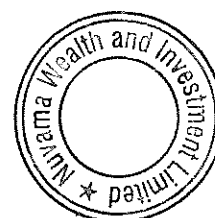
#### **1.13 Determination of fair value**

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

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

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

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



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements

for the year ended March 31, 2023

#### 1.13 Determination of fair value (Continued)

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

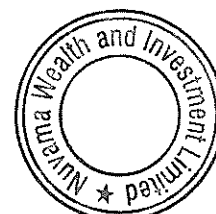
- Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities 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. However, the base models may not fully capture all factors relevant to the valuation of the Company's financial instruments such as credit risk (CVA), own credit (DVA) and/or funding costs (FVA).
- Therefore, the Company applies various techniques to estimate the credit risk associated with its financial instruments measured at fair value, which include a portfolio-based approach that estimates the expected net exposure per counterparty over the full lifetime of the individual assets, in order to reflect the credit risk of the individual counterparties for non-collateralised financial instruments.

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

#### 1.14 Revenue from contract with customer

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

- i) Identification of contract(s) with customers;
- ii) Identification of the separate performance obligations in the contract;
- iii) Determination of transaction price;





## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements

for the year ended March 31, 2023

#### 1.14 Revenue from contract with customer (Continued)

- iv) Allocation of transaction price to the separate performance obligations; and
- v) Recognition of revenue when (or as) each performance obligation is satisfied

The Company recognises revenue from the following sources:

- a. Brokerage income on securities broking business is recognised as per contracted rates at the execution of transactions on behalf of the customers on the trade date and is reflected net of related goods and service tax ("GST").
- b. Fee income including advisory fees, referral fees, commission income, and transaction fees is accounted at a point in time as the customer receives and consumes the benefits.
- c. Interest on delayed payments are recognised as revenue on certainty of realisation.
- d. Research services fee income is accounted when there is reasonable certainty as to its receipts.
- e. Interest income is recognized on accrual basis.

#### 1.15 Leases

Company as a lessee:

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

##### Right of Use Asset

The Company recognizes 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 recognized, 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



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements

for the year ended March 31, 2023

#### 1.15 Leases (Continued)

##### Lease Liabilities (Continued)

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.

##### Incremental borrowing rate

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

##### 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 (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Company recognises lease payment associated with these leases as an expense on a straight line basis over lease term (refer note 33).

#### 1.16 Earnings per share

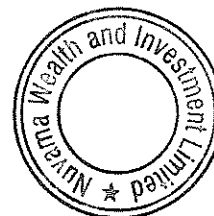
Basic earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding for the year.

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.

#### 1.17 Foreign currency transactions

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

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



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements

for the year ended March 31, 2023

#### 1.18 Retirement and other employee benefit

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.

Gratuity

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

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

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

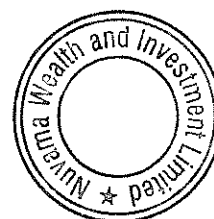
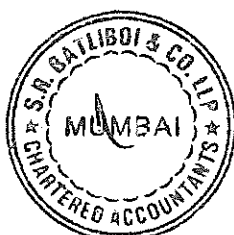
Benefits in respect of gratuity are funded with an Insurance Company approved by Insurance Regulatory and Development Authority (IRDA).

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

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

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.



## **Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

### **Notes to the financial statements**

*for the year ended March 31, 2023*

#### **1.19 Share-based payment arrangements**

Equity-settled share-based payments to employees and others providing similar services that are granted by Edelweiss Financial Service Limited (EFSL) and current Holding Company Nuvama Wealth Management Limited (NWML) (formerly Edelweiss Securities Limited (ESL)) are measured by reference to the fair value of the equity instruments at the grant date.

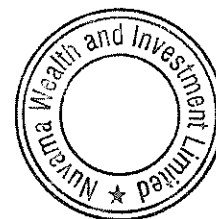
The fair value determined at the grant date of the equity-settled share-based payments of NWML and EFSL is expensed in employee benefit expenses over the vesting period, based on the Company's estimate of equity instruments that will eventually vest. At the end of each reporting period, the Company revises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

#### **1.20 Property, plant and equipment and Right of Use Asset**

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

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

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



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements

for the year ended March 31, 2023

#### 1.20 Property, plant and equipment and Right of Use Asset (Continued)

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:

Estimated useful lives of the assets are as follows:

Nature of assets	Estimated useful life
Furniture and fixtures	10 years
Vehicles	8 years
Office Equipment	5 years
Computers - Servers and networks	6 years
Computers - End user devices, such as desktops, laptops, etc.	3 years

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

Right of use assets are presented together with property and equipment in the statement of financial position – refer to the accounting policy 1.15. Right of use assets are depreciated on a straight-line basis at the lower of lease term or useful life.

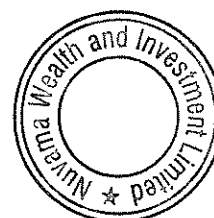
An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The carrying amount of those components which have been separately recognized as assets is derecognized at the time of replacement thereof. 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 recognized 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.

#### 1.21 Intangible assets

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

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



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements

for the year ended March 31, 2023

#### 1.21 Intangible assets (Continued)

Intangibles such as software is amortized over a period of upto 5 years based on its estimated useful life.

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

#### Intangible assets under development

Intangible assets under Development includes Software under development.

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- i. The technical feasibility of completing the intangible asset so that the asset will be available for use or sale.
- ii. Its intention to complete and its ability and intention to use or sell the asset
- iii. How the asset will generate future economic benefits
- iv. The availability of resources to complete the asset
- v. The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit.

#### 1.22 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. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU's) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

#### 1.23 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.



## **Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

### **Notes to the financial statements**

*for the year ended March 31, 2023*

#### **1.24 Provisions and other contingent liabilities**

Provisions are recognized 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 recognized in the financial statements since this may result in the recognition of income that may never be realized. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognized.

#### **1.25 Income tax expenses**

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

##### **a) 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.

##### **b) Deferred tax**

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

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

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



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements

for the year ended March 31, 2023

#### 1.25 Income tax expenses (Continued)

extent it is probable that:

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

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

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

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

#### c) 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.

#### d) Minimum alternate tax (MAT)

MAT paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognises unused MAT credit as a deferred tax asset only to the extent that it is probable that the Company will be able to utilise during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognises deferred tax asset (MAT credit) as an asset, the said asset is created by way of credit to the Statement of Profit and Loss. The Company reviews the MAT asset at each reporting date and writes down the asset to the extent that it is not probable that the Company will be able to utilise it during the specified period.





# Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

## Notes to the financial statements

for the year ended March 31, 2023

### 1.26 Critical accounting judgements and key sources of estimation uncertainty

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.

#### a) 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.

#### b) Effective interest rate method

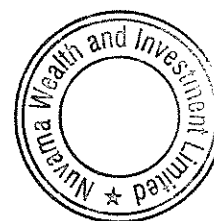
The Company's EIR methodology recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given/ taken and recognises the effect of characteristics of the product life cycle.

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

#### c) Accounting for deferred taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has recognised deferred tax assets on carried forward tax losses where the Company believes that the said deferred tax assets shall be recoverable based on the estimated future taxable income which in turn is based on approved business plans and budgets. The losses are allowed to be carried forward to the years in which the Company expects that there will be sufficient taxable profits to offset these losses.



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements

for the year ended March 31, 2023

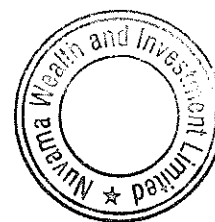
#### 1.27 Standards issued but not notified (in accounting policy)

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 March 31, 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 April 1, 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 April 1, 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 April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

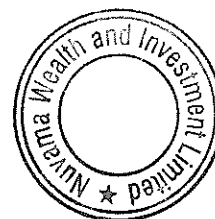


## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at March 31, 2023	As at March 31, 2022
<b>2 Cash and cash equivalents</b>		
Balances with banks		
- in current accounts	1,215.48	2,334.89
	<u>1,215.48</u>	<u>2,334.89</u>
<b>3 Bank balances other than cash and cash equivalents</b>		
Fixed deposits (refer note 47)	3,524.67	4,119.31
	<u>3,524.67</u>	<u>4,119.31</u>
<b>4 Derivative financial instruments</b>		
Premium paid on outstanding exchange traded options	1,415.90	-
Embedded derivatives in market linked debentures	1,708.08	200.70
	<u>3,123.98</u>	<u>200.70</u>



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Notes to the financial statements (Continued)**

(Currency : Indian rupees in millions)

**4a Derivative financial instruments**

The Company enters into derivatives for risk management purposes. These include hedges that either meet the hedge accounting requirements or hedges that are economic hedges, but the Company has elected not to apply hedge accounting requirements.

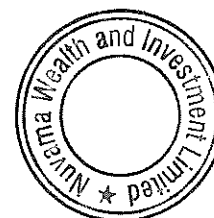
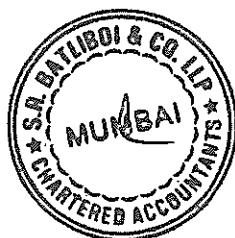
The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

Particulars	As at March 31, 2023							
	Unit	Currency	Notional *	Fair value Asset	Unit	Currency	Fair value liability	
(i) Embedded derivatives** In market linked debentures				1,708.08			-	
<b>Subtotal(i)</b>				<b>1,708.08</b>			<b>-</b>	
(ii) Equity linked derivatives								
Stock Futures	No of Shares		103,582	4.11	No of Shares		32,925	0.74
Options purchased	No of Shares		149,107	17.18				
Options sold (written)				(4.11)	No of Shares		149,107	4.28
Less: Offset with Margin								(0.74)
<b>Subtotal(ii)</b>				<b>17.18</b>				<b>4.28</b>
(iii) Index linked derivatives								
Index Futures	Index Units		372,200	123.94	Index Units		56,175	11.40
Options purchased	Index Units		958,900	1,398.72				-
Options sold (written)					Index Units		959,650	376.01
Less: Offset with Margin				(123.94)				(11.40)
<b>Subtotal(iii)</b>				<b>1,398.72</b>				<b>376.01</b>
<b>Total Derivative Financial Instruments</b>			<b>Total</b>	<b>3,123.98</b>			<b>Total</b>	<b>380.29</b>

Particulars	As at March 31, 2022							
	Unit	Currency	Notional *	Fair value Asset	Unit	Currency	Fair value liability	
(i) Embedded derivatives** In market linked debentures				200.70			-	
<b>Subtotal(i)</b>				<b>200.70</b>			<b>-</b>	
(ii) Equity linked derivatives								
Stock Futures				-	No of Shares		137,500	5.75
Less: Offset with Margin				-				(5.75)
<b>Subtotal(ii)</b>				<b>-</b>				<b>-</b>
(iii) Index linked derivatives								
Index Futures	Index Units		65,950	0.83				-
Less: Offset with Margin				(0.83)				-
<b>Subtotal(iii)</b>				<b>-</b>				<b>-</b>
<b>Total Derivative Financial Instruments</b>			<b>Total</b>	<b>200.70</b>			<b>Total</b>	<b>-</b>

\* The notional column represents quantity in case of Equity and Index linked derivatives. The notional / units held indicate the value of transactions outstanding at the year end and are not indicative of either the market risk of 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. Refer Note 1.6 (c) for further details.



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

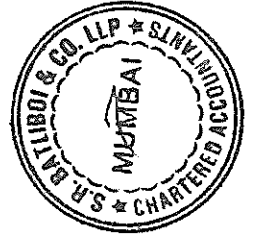
**4b Offsetting**

The table 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**

	Offsetting recognised in balance sheet		Netting potential not recognised in balance sheet		Assets after consideration of netting potential	Assets not subject to netting arrangements	Total Assets	Maximum Exposure to Risk
	Gross asset before offset	Amount offset*	Financial Assets	Collaterals paid				
As at March 31, 2023								
Derivative Assets	128.04	(128.04)	-	-	-	3,123.98	3,123.98	3,123.98
As at March 31, 2023								
Derivative Liabilities	12.14	(12.14)	-	-	-	380.29	380.29	380.29
As at March 31, 2022								
Derivative Assets	0.83	(0.83)	-	-	-	200.70	200.70	200.70
As at March 31, 2022								
Derivative Liabilities	5.75	(5.75)	-	-	-	-	-	-

\*Note: As at the reporting date, mark to market gain on Derivative asset and mark to market loss on derivative liability has been offset with margin placed with Professional clearing member (PCM). Accordingly the same has been presented in the financial statements.



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements (Continued)

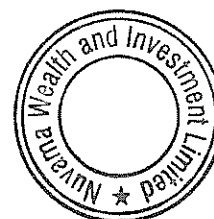
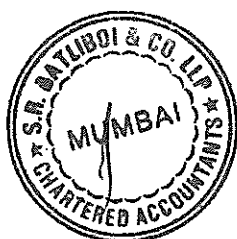
(Currency : Indian rupees in millions)

	As at March 31, 2023	As at March 31, 2022
<b>5 Securities held for trading</b>		
<i>(at Fair value through Profit and Loss account, within India)</i>		
Equity shares	45.86	1,407.23
Mutual fund	1,228.98	-
Debt securities	1,755.16	504.44
	<u>3,030.00</u>	<u>1,911.67</u>

Please refer note 45 - Fair value measurement for valuation methodology for securities held for trading.

### 6 Trade receivables

Receivables considered good - Secured	2,590.04	2,112.68
Receivables considered good - Unsecured	2,882.00	889.13
Receivables which have significant increase in credit risk	-	-
Receivables - Credit impaired	<u>127.72</u>	<u>138.98</u>
	5,599.76	3,140.79
<b>Less : Impairment allowance</b>		
Receivables considered good - Unsecured	13.84	5.50
Receivables - Credit impaired	<u>127.72</u>	<u>138.98</u>
	<u>5,458.20</u>	<u>2,996.31</u>



Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

6 Trade receivables (Continued)

Reconciliation of impairment allowance on trade receivables:

Particulars	Amount
Impairment allowance as on April 31, 2021	98.34
Add/ (less): asset originated/ recovered (net)	46.14
Impairment allowance as on March 31, 2022	144.48
Add/ (less): asset originated/ recovered (net)	(2.92)
Impairment allowance as on March 31, 2023	141.56

Note:

1) Please refer note 41 - Related party disclosure for trade or other receivables due from directors or other officers of the Company either severally or jointly with any other person or from firms or Private Companies in which directors are partner/ director or a member.

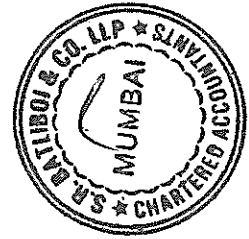
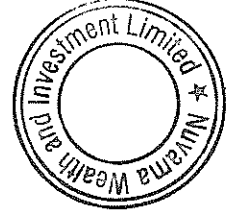
Trade receivable ageing information

As at	Unbilled	Not due	Outstanding for following periods from due date of transaction				Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	
March 31, 2023							
Undisputed Trade receivables	495.64	1,698.54	3,276.22	0.05	0.12	0.17	5,472.02
- considered good	-	-	-	-	-	-	-
- have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	5.33	18.63	14.41	12.40	121.34
Disputed Trade receivables	-	-	0.02	-	-	-	0.02
- considered good	-	-	-	-	-	-	-
- have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	0.00	0.00	0.00	6.38	6.38
ECL - Simplified approach	-	-	(18.55)	(18.68)	(14.53)	(12.57)	(441.56)
Gross amount	495.64	1,698.54	3,263.02	-	-	-	5,458.20

Trade receivable ageing information

As at	Unbilled	Not due	Outstanding for following periods from due date of transaction				Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	
March 31, 2022							
Undisputed Trade receivables	287.37	207.60	2,506.04	0.02	0.24	0.15	3,001.81
- considered good	-	-	-	-	-	-	-
- have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	4.37	15.47	17.94	19.08	119.25
Disputed Trade receivables	-	-	-	-	-	-	-
- considered good	-	-	-	-	-	-	-
- have significant increase in credit risk	-	-	0.02	0.97	2.98	6.13	19.73
- credit impaired	-	-	(9.09)	(16.46)	(21.16)	(25.36)	(444.48)
ECL - Simplified approach	-	-	-	-	-	-	-
Gross amount	287.37	207.60	2,501.34	-	-	-	2,996.31

0.00 indicates amounts less than 0.01 millions



# Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

## Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at March 31, 2023	As at March 31, 2022
<b>7 Loans</b>		
<i>(At amortised cost, within India)</i>		
ESOP funding	7,983.20	4,455.90
Margin trading facility	5,117.74	5,425.97
Total Gross	<u>13,100.94</u>	<u>9,881.87</u>
Less : Impairment allowance	<u>(4.30)</u>	<u>(1.65)</u>
Total Net	<u><u>13,096.64</u></u>	<u><u>9,880.22</u></u>
i) Secured by securities		
ESOP Funding	7,510.49	4,416.34
Margin trading facility	5,115.91	5,424.30
Total (i)	<u>12,626.40</u>	<u>9,840.64</u>
ii) Unsecured		
ESOP Funding	472.71	39.56
Margin trading facility	1.83	1.67
Total (ii)	<u>474.54</u>	<u>41.23</u>
Total Gross (i)+(ii)	<u>13,100.94</u>	<u>9,881.87</u>
Less : Impairment allowance	<u>(4.30)</u>	<u>(1.65)</u>
Total Net	<u><u>13,096.64</u></u>	<u><u>9,880.22</u></u>
<b><u>Loans in India</u></b>		
Public sector	-	-
Others	13,100.94	9,881.87
Total Gross	<u>13,100.94</u>	<u>9,881.87</u>
Less : Impairment allowance	<u>(4.30)</u>	<u>(1.65)</u>
Total Net	<u><u>13,096.64</u></u>	<u><u>9,880.22</u></u>





## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at March 31, 2023	As at March 31, 2022
<b>8 Other financial assets</b>		
Security deposits - Rent	113.94	112.11
Less: Impairment of rent deposits	(0.14)	-
Other deposits	6.79	6.18
Less: Impairment on other deposits	(2.06)	(0.61)
Deposits placed with exchange/ depositories	32.98	30.37
Less: Impairment on exchange deposits	(2.08)	(2.08)
Receivable from exchange/ clearing house (net)	881.55	648.94
Margin with exchange/ clearing house	14,936.05	9,151.04
Advances recoverable in cash for value to be received	30.87	102.56
	<u>15,997.89</u>	<u>10,048.51</u>



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at March 31, 2023	As at March 31, 2022
<b>9 Current tax assets (net)</b>		
Advance income taxes (net of provision for tax ₹ 398.16 millions (P.Y. ₹ 74.12 millions))	160.32	246.17
	<u>160.32</u>	<u>246.17</u>
<b>10 Deferred tax assets (net)</b>		
<b>Deferred tax assets</b>		
<u>Trade receivables, Loans and other financial assets</u>		
Provision for expected credit losses	37.79	37.45
<u>Property, plant and equipment and intangibles</u>		
Difference between book and tax depreciation	22.56	27.52
<u>Employee benefit obligations</u>		
Provision for Gratuity and compensated absences	5.07	6.69
<u>Unused tax losses</u>		
Accumulated Losses	-	19.86
Right of Use asset net off Lease Liability	18.50	23.25
Others	7.06	2.98
	<u>90.98</u>	<u>117.75</u>
<b>Deferred tax liabilities</b>		
<u>Financial instruments</u>		
Fair valuation of securities held for trading/ derivative instruments	14.52	22.88
<u>Borrowings</u>		
Unamortised loan origination costs - EIR on borrowings	28.77	-
	<u>43.29</u>	<u>22.88</u>
<b>Net Deferred tax assets (net)</b>	<u>47.69</u>	<u>94.87</u>



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Notes to the financial statements (Continued)**

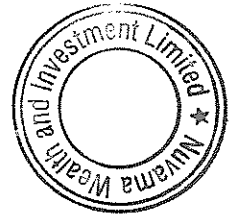
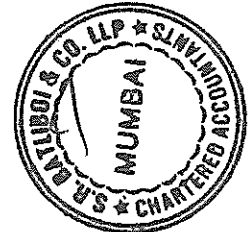
(Currency : Indian rupees in millions)

**11 Property, Plant and Equipment**

Description of Assets	Gross Block			Accumulated Depreciation			Net Block	
	As at April 1, 2022	Additions during the year	Disposals during the year	As at April 1, 2022	Charge for the year*	Disposals during the year	As at March 31, 2023	As at March 31, 2022
Leasehold improvements	60.71	19.21	2.83	31.10	16.65	2.77	44.98	32.11
Furniture and Fixtures	22.87	2.78	0.94	11.59	3.80	0.69	14.70	10.01
Vehicles	2.83	-	2.57	2.43	0.06	2.30	0.19	0.07
Office equipment	44.23	6.36	1.09	32.86	6.81	1.02	38.65	10.85
Computers	206.14	29.09	11.59	151.16	27.06	11.17	167.05	56.59
Right of Use - leasehold premises	705.16	276.34	60.85	392.36	161.35	24.88	528.83	391.82
<b>Total</b>	<b>1,041.94</b>	<b>333.78</b>	<b>79.87</b>	<b>621.50</b>	<b>215.73</b>	<b>42.83</b>	<b>794.40</b>	<b>501.44</b>

Description of Assets	Gross Block			Accumulated Depreciation			Net Block	
	As at April 1, 2021	Additions during the year	Disposals during the year	As at April 1, 2021	Charge for the year	Disposals during the year	As at March 31, 2022	As at March 31, 2022
Leasehold improvements	54.56	6.39	0.24	15.99	15.28	0.17	31.10	29.61
Furniture and Fixtures	23.75	1.43	2.31	9.23	3.94	1.58	11.59	11.28
Vehicles	6.81	-	3.98	4.83	0.42	2.82	2.43	0.40
Office equipment	42.83	5.45	4.05	30.18	6.31	3.63	32.86	11.37
Computers	195.08	36.62	25.56	144.86	30.91	24.61	151.16	54.98
Right of Use - leasehold premises	645.06	131.77	71.67	265.06	127.30	-	392.36	312.80
<b>Total</b>	<b>968.09</b>	<b>181.66</b>	<b>107.81</b>	<b>470.15</b>	<b>184.16</b>	<b>32.81</b>	<b>621.50</b>	<b>420.44</b>

\*including impairment provision for Furniture and Fixtures ₹ 0.53 Million, Office equipment ₹ 0.87 millions and computers ₹ 1.70 Million (P.Y. Nil)



Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

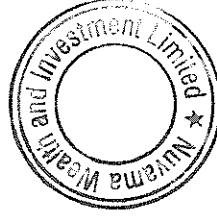
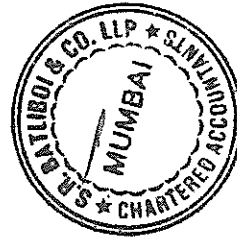
Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

12 Intangible Assets

Description of Assets	Gross Block			Accumulated Amortisation			Net Block	
	As at April 1, 2022	Additions during the year	Disposals during the year	As at April 1, 2022	Charge for the year	Disposals during the year	As at March 31, 2023	As at March 31, 2023
Software	234.11	17.01	-	73.55	47.52	-	121.07	130.05
<b>Total</b>	<b>234.11</b>	<b>17.01</b>	<b>-</b>	<b>73.55</b>	<b>47.52</b>	<b>-</b>	<b>121.07</b>	<b>130.05</b>

Description of Assets	Gross Block			Accumulated Amortisation			Net Block	
	As at April 1, 2021	Additions during the year	Disposals during the year	As at April 1, 2021	Charge for the year	Disposals during the year	As at March 31, 2022	As at March 31, 2022
Software	201.75	192.16	159.80	186.12	47.22	159.79	73.55	160.56
<b>Total</b>	<b>201.75</b>	<b>192.16</b>	<b>159.80</b>	<b>186.12</b>	<b>47.22</b>	<b>159.79</b>	<b>73.55</b>	<b>160.56</b>



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

**13 Intangible assets under development**

As at March 31, 2023

Particulars	Amount in Intangible assets under development for a period of			Total
	Less than 1 year	1-2 years	2-3 years more than 3 years	
Projects in progress	129.78	91.29	-	221.08

B) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, following is the completion schedule :

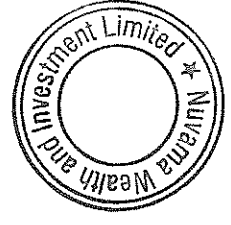
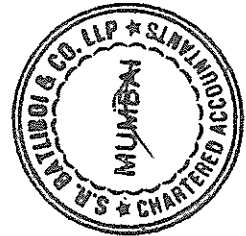
Software development projects in progress	To be completed in		
	Less than 1 year	1-2 years	2-3 years more than 3 years
Projects in progress	221.08	-	-
Total	221.08	-	-

As at March 31, 2022

Particulars	Amount in Intangible assets under development for a period of			Total
	Less than 1 year	1-2 years	2-3 years more than 3 years	
Projects in progress	121.41	21.20	8.67	160.37

B) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, following is the completion schedule :

Software development projects in progress	To be completed in		
	Less than 1 year	1-2 years	2-3 years more than 3 years
Projects in progress	151.40	-	-
Total	151.40	-	-

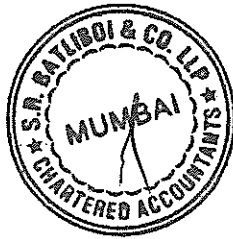


**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Notes to the financial statements (Continued)**

(Currency : Indian rupees in millions)

	As at March 31, 2023	As at March 31, 2022
<b>14 Other non-financial assets</b> <i>(Unsecured Considered good, unless stated otherwise)</i>		
Deposits	9.46	5.21
Prepaid expenses	78.00	49.17
Vendor Advances	51.63	29.40
Advances recoverable in kind for value to be received	5.58	3.23
Advances to employees	1.80	1.55
Recoverable from court (refer Note 40e )	215.38	-
	<u>361.85</u>	<u>88.56</u>



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Notes to the financial statements (Continued)**

(Currency : Indian rupees in millions)

As at  
March 31, 2023

As at  
March 31, 2022

**15 Derivative financial instruments**

Premium received on outstanding exchange traded options

380.29	-
<u>380.29</u>	<u>-</u>

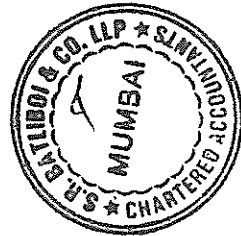
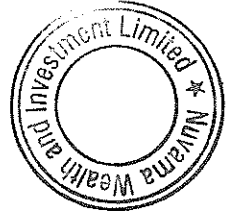
**16 Trade Payables**

Total outstanding dues of micro enterprises and small enterprises (MSME)  
Total outstanding dues to creditors other than micro enterprises and small

37.07	17.13
<u>13,101.12</u>	<u>14,112.82</u>
<u>13,138.19</u>	<u>14,129.95</u>

As at March 31, 2023 Particulars	Unbilled	Outstanding for following periods from due date of transactions			Total
		Less than 1 year	1-2 years	2-3 years more than 3 years	
MSME	35.59	1.48	-	-	37.07
Others	1,179.62	11,881.79	20.83	4.33	13,099.93
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	1.02	0.17	-	1.19
<b>As at March 31, 2022</b>					<b>Total</b>
<b>Particulars</b>	<b>Unbilled</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years more than 3 years</b>	<b>Total</b>
MSME	16.81	0.32	-	-	17.13
Others	808.01	13,210.95	57.33	1.06	14,112.82
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

Trade Payables includes ₹ 37.07 millions for year ended March 31, 2023 (P.Y. ₹ 17.13 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 year to "Suppliers" registered under this Act. The above mentioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said Act.



# Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

## Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at March 31, 2023	As at March 31, 2022
<b>17 Debt securities</b>		
<i>(At amortised cost, within India)</i>		
<b><u>Secured</u></b>		
<b>Non-convertible redeemable debentures</b>		
Privately Placed Non-convertible debentures (Pari-Passu charge by way of hypothecation on all Current Assets (excluding Receivables and securities held on account and behalf of the clients and Secured by charge over the shares of Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited) held by Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited))	11,582.84	2,233.53
Public issue Non-convertible debentures [variable rate of interest] (Secured by charge over the shares of Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited) held by Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited))	2,977.42	-
<b><u>Unsecured</u></b>		
Commercial paper	7,210.00	6,800.00
Less : Unamortised discount	(131.57)	(87.89)
	7,078.43	6,712.11
	21,638.69	8,945.64





**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Notes to the financial statements (Continued)**

(Currency : Indian rupees in millions)

17a Maturity profile and rate of interest of debt securities are set out below:

**Redeemable non-convertible debentures (refer note below) :**

Month	As at Mach 31, 2023	As at March 31, 2022
Jan-24	870.83	747.22
Mar-24	589.13	-
Jan-25	35.03	31.92
Mar-25	155.20	34.35
Apr-25	18.68	17.07
May-25	62.43	53.03
Jun-25	170.03	89.31
Jul-25	1,012.47	863.99
Aug-25	1,132.01	396.64
Sep-25	1,645.57	-
Oct-25	1,857.54	-
Nov-25	1,536.08	-
Dec-25	1,318.54	-
Apr-26	387.26	-
May-26	403.65	-
Jun-26	388.38	-
	<b>11,582.84</b>	<b>2,233.53</b>

**Commercial paper**

Month	Rate of Interest	As at March 31, 2023	As at March 31, 2022
Apr-22	5.90%	-	3,000.00
May-22	5.85%	-	2,500.00
Jul-22	7.00%	-	100.00
Oct-22	from 8.00% to 8.25%	-	550.00
Dec-22	from 7.25% to 8.00%	-	150.00
Jan-23	8.40%	-	-
Feb-23	8.55%	-	500.00
Mar-23	from 7.40% to 8.55%	-	-
May-23	from 8.25% to 9.15%	-	-
Jun-23	7.80%	-	-
Apr-23	8.50%	400.00	-
May-23	from 8.25% to 9.25%	3,000.00	-
Jun-23	from 7.80% to 9.00%	2,160.00	-
Jul-23	from 7.80% to 9.00%	1,100.00	-
Feb-24	8.65%	500.00	-
Mar-24	8.30%	50.00	-
Less: Unamortised Discount		(131.57)	(87.89)
		<b>7,078.43</b>	<b>6,712.11</b>



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

17a Maturity profile and rate of interest of debt securities are set out below (Continued):

#### Public issue Non-convertible debentures

Month	Rate of Interest	As at	As at
		March 31, 2023	March 31, 2022
Jul-24	8.75%	419.88	-
Jul-25	from 8.80% to 9.15%	1,236.46	-
Jul-27	from 9.16% to 9.55%	846.08	-
Jul-32	from 9.53% to 9.55%	478.02	-
Add : Interest accrued**		111.29	-
		<b>3,091.73</b>	-

#### Note:

##### Details of Market linked debentures:

Market linked debentures are secured by pari passu charge, as the case may be, on all Current Assets (excluding Receivables and securities held on account and behalf of the clients and Secured by charge over the shares of Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited) held by Nuvama Wealth Management Limited (Formerly Edelweiss Securities Limited)).

In case of 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 and Investment Limited (Formerly known as Edelweiss Broking Limited)

## Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at March 31, 2023	As at March 31, 2022
<b>18 Borrowings (other than debt securities)</b> (At amortised cost, within India)		
<b>Short-term borrowings</b>		
<u>Secured</u>		
Term loan from Banks (Secured by charge on trade receivables, fixed deposits and corporate guarantee from Holding Company) (Interest rate ranging from 7.50% to 10.25% p.a. (P.Y. : 6.75% to 9.50% p.a.))	2,226.01	1,257.75
<u>Unsecured</u>		
Interest accrued on Group Company borrowings	3.04	-
Bank overdraft (Interest rate 8.60% p.a. (P.Y. : 7.25% p.a.))	792.44	790.16
Term loan from Banks (Interest rate 8.20% p.a. (P.Y. : 6.75% p.a.))	200.72	201.15
	<b>3,222.21</b>	<b>2,249.06</b>
<b>19 Other financial liabilities</b>		
Other payables	26.42	68.20
Bank overdraft	0.00	3.75
Accrued salaries and benefits	360.53	248.12
Payable to exchange/ clearing house (net)	-	0.12
Deposits from sub-brokers	130.67	180.08
Retention money payable	0.58	0.98
Advances from customers	91.55	455.26
Lease Liability	465.34	405.18
	<b>1,075.09</b>	<b>1,361.69</b>

0.00 indicates amounts less than 0.01 millions



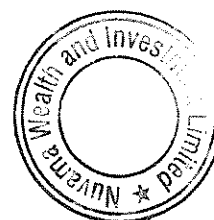
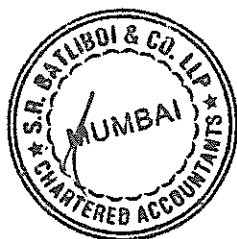
## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at March 31, 2023	As at March 31, 2022
<b>20 Current tax liabilities (net)</b>		
Provision for taxation (net of Tax Deducted as Source and advance tax ₹ 378.39 millions (P.Y.: Nil))	8.90	-
	<u>8.90</u>	<u>-</u>
<b>21 Provisions</b>		
Gratuity	15.04	43.94
Compensated leave absences	20.13	26.60
	<u>35.17</u>	<u>70.54</u>
<b>22 Other non-financial liabilities</b>		
Amount received in advance	401.22	418.54
Statutory dues*	183.88	147.28
Others	0.64	1.09
	<u>585.74</u>	<u>566.91</u>

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



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Notes to the financial statements (Continued)**

(Currency : Indian rupees in millions)

	As at March 31, 2023	As at March 31, 2022
<b>23 Equity share capital</b>		
<b>Authorised:</b>		
463,300,000 (P.Y. 463,300,000) Equity Shares of ₹ 10 each	4,633.00	4,633.00
10,000,000 (P.Y. 10,000,000) Preference Shares of ₹ 10 each	100.00	100.00
	<u>4,733.00</u>	<u>4,733.00</u>
<b>Issued, subscribed and paid up:</b>		
430,454,000 (P.Y. 430,454,000) Equity shares of ₹ 10 each, fully paid-up	4,304.54	4,304.54
	<u>4,304.54</u>	<u>4,304.54</u>
<b>a. Movement in share capital :</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
	<b>Amount</b>	<b>Amount</b>
Outstanding at the beginning of the year	4,304.54	3,471.90
Shares issued during the year	-	832.64
Outstanding at the end of the year	<u>4,304.54</u>	<u>4,304.54</u>

**b. Terms/ rights attached to equity shares :**

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

**c. Shares held by the Holding Company :**

	March 31, 2023	March 31, 2022
	%	%
Nuvama Wealth Management Limited (Formerly known as Edelweiss Securities Limited), and its nominees	100%	100%
	<u>100%</u>	<u>100%</u>

**d. Details of shares held by Promoters :**

	As at March 31, 2023		
	No of shares (including shares held by nominees)	% holding	% change during the year
Nuvama Wealth Management Limited (Formerly known as Edelweiss Securities Limited)	430,454,000	100%	0%
	As at March 31, 2022		
	No of shares (including shares held by nominees)	% holding	% change during the year
Nuvama Wealth Management Limited (Formerly known as Edelweiss Securities Limited)	430,454,000	100%	100%



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	As at March 31, 2023	As at March 31, 2022
<b>24 Other Equity</b>		
a) Securities premium account - Opening balance	599.70	432.34
Add : Additions during the year	-	167.36
	<u>599.70</u>	<u>599.70</u>
b) Debenture Redemption Reserve - Opening balance	207.83	-
Add : Additions during the year	-	207.83
	<u>207.83</u>	<u>207.83</u>
c) Deemed capital contribution - ESOP	39.42	39.42
d) Retained earnings - Opening Balance	187.30	(572.18)
Add: Reversal of ESOP cost on cancellation / lapsed	31.29	30.56
Add: Profit for the year	1,422.37	946.49
Add: Other comprehensive income for the year	(7.43)	(9.74)
Amount available for appropriation	<u>1,633.53</u>	<u>395.13</u>
Appropriations:		
Transfer to Debenture Redemption Reserve	-	(207.83)
	<u>1,633.53</u>	<u>187.30</u>
<b>Total (a + b + c + d)</b>	<u><u>2,480.48</u></u>	<u><u>1,034.25</u></u>

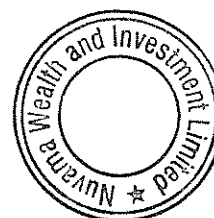


# Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

## Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	for the year ended March 31, 2023	for the year ended March 31, 2022
<b>25 Interest Income</b> (On Financial assets measured at amortised cost)		
On ESOP funding	560.49	143.09
On Margin Trading Facility	781.95	600.79
On fixed deposits	203.73	175.27
On margin with brokers	669.54	338.87
On delayed payment	88.59	97.70
Others	2.62	1.59
	<u>2,306.92</u>	<u>1,357.31</u>
<b>26 Rental Income</b>	<u>29.08</u>	<u>26.42</u>
	<u>29.08</u>	<u>26.42</u>
<b>27 Fee and commission income</b>		
Income from Broking	2,975.52	2,948.79
Advisory and other fees	6,328.87	3,929.34
	<u>9,304.39</u>	<u>6,878.13</u>
Below is the disaggregation of the revenue from contracts with customers:		
Service transferred at a point in time	9,170.48	6,792.50
Service transferred over time	133.90	85.64
Total revenue from contract with customers	<u>9,304.38</u>	<u>6,878.14</u>
<b>28 Net gain on fair value changes at FVTPL</b>		
<b>(A) Securities held for trading</b>		
Profit on trading of securities held for trade (net)	326.01	420.82
Profit/ (Loss) on equity derivative instruments (net)	158.60	(32.05)
Loss on currency derivative instruments (net)	-	(5.61)
Total Net gain on fair value changes	<u>484.61</u>	<u>383.16</u>
Fair value changes:		
Realised	426.91	293.12
Unrealised	57.70	90.04
Total Net gain on fair value changes	<u>484.61</u>	<u>383.16</u>
<b>29 Other income</b>		
Interest on Income tax refund	3.49	-
Miscellaneous income	27.78	32.35
	<u>31.27</u>	<u>32.35</u>



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements (Continued)

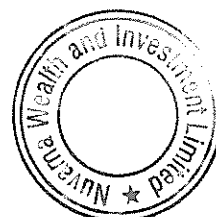
(Currency : Indian rupees in millions)

	for the year ended March 31, 2023	for the year ended March 31, 2022
<b>30 Finance costs</b>		
<i>(On Financial liabilities measured at amortised cost)</i>		
Interest on Inter-corporate deposits	-	20.69
Interest on bank overdraft	34.50	3.18
Interest on loan from group companies	124.72	289.06
Interest on term loan from banks	153.48	38.77
Cost of Market linked debentures	569.28	19.98
Discount on commercial paper	388.14	64.82
Interest on Public issue Non-convertible debentures	217.54	-
Financial and bank charges	46.58	108.45
Interest on Margin	3.00	0.47
Interest Expenses on lease liabilities	46.46	48.06
Interest - others	1.10	0.01
	<b>1,584.80</b>	<b>593.49</b>
<b>31 Impairment on financial instruments</b>		
<i>(On Financial instruments measured at amortised cost)</i>		
Bad-debts (written back)/ written off (net)	(1.18)	(0.22)
Provision for expected credit losses - Trade receivables, Loans	(0.28)	46.17
Impairment on other financial assets	1.60	0.61
	<b>0.14</b>	<b>46.56</b>
<b>32 Employee benefit expenses</b>		
Salaries and wages	3,425.69	2,547.67
Contribution to provident and other funds	156.04	120.94
Expense on Employee Stock Option Scheme (ESOP)*	87.71	53.70
Staff welfare expenses (refer note 48)	121.34	88.77
Expense on Employee Stock Appreciation Rights (SAR)*	7.97	7.21
	<b>3,798.75</b>	<b>2,818.29</b>

\*Edelweiss Financial Services Limited ("EFSL") has granted an ESOP/Stock appreciation rights (SAR) option to acquire equity shares of EFSL that would vest in a graded manner to the Company's employees. Based on group policy / arrangement, EFSL has charged the fair value of such stock options, and the Company has accepted such cross charge and recognised the same under the employee cost.

\*Nuvama Wealth Management Limited ('NWML') (Formerly known as Edelweiss Securities Limited ('ESL')), the Holding Company has Employee Stock Option Plans (ESOP) in force. Based on such ESOP schemes, NWML has granted an ESOP option to acquire equity shares of NWML that would vest in a graded manner to company's employees.

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



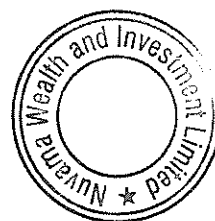
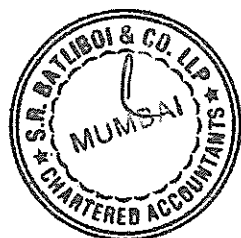


## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

	for the year ended March 31, 2023	for the year ended March 31, 2022
<b>33 Other expenses</b>		
Advertisement and business promotion (refer note 48)	255.51	137.42
Auditors' remuneration (refer note 33a)	6.14	8.22
Clearing & custodian charges	93.07	66.82
Communication	64.56	55.68
Computer expenses	504.22	346.60
Computer software	353.67	211.54
Corporate social responsibility (refer note 33b)	6.91	-
Dematerialisation charges	42.56	51.66
Directors' sitting fees	0.70	0.04
Donation	0.02	0.42
Electricity charges	25.19	20.33
Foreign exchange loss (net)	0.07	0.11
Goods & Service tax expenses	47.44	19.52
Insurance	4.82	3.21
Legal and professional fees	181.57	129.79
(Profit)/ Loss on sale of property, plant and equipment and intangible	(0.47)	0.46
Membership and subscription	16.27	9.27
Miscellaneous expenses	2.84	6.84
Office expenses	255.22	112.96
Outside Services Cost	150.98	122.15
Postage and courier	16.89	11.56
Printing and stationery	11.87	9.07
Rates and taxes	1.07	0.82
Rating support fees	3.74	1.12
Referrals and commissions	2,207.59	1,972.59
Rent (refer note 48)	164.29	127.83
Repairs and maintenance	11.21	9.43
ROC Expenses	0.07	0.04
Securities transaction tax	15.68	-
Seminar and Conference	5.73	0.20
Stamp duty	22.64	14.88
Stock exchange expenses	44.80	21.64
Travelling and conveyance	135.61	80.39
	<b>4,652.48</b>	<b>3,552.61</b>



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements (Continued)

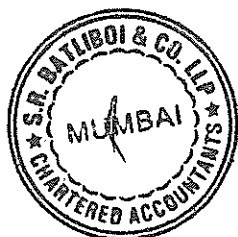
(Currency : Indian rupees in millions)

	for the year ended March 31, 2023	for the year ended March 31, 2022
<b>33a Auditors' remuneration (Continued)</b>		
As a Auditor		
Statutory audit	2.50	2.50
Limited review	2.10	2.10
Other services including certification work	1.36	3.60
Towards reimbursement of expenses	0.18	0.02
	<u>6.14</u>	<u>8.22</u>

Note : In addition to above, during the year ended March 31, 2023, the Company has paid an amount of ₹ 5.56 millions to statutory auditors towards certification fees for Public issue of Non Convertible Debentures. The fees paid to the statutory auditors has been amortised as over the Non Convertible debentures period and the same has been considered in calculation of Effective Interest Rate (EIR).

### 33b Details of Corporate Social responsibility (CSR) activities

a. Gross amount required to be spent by the Company during the year	6.91	Nil
	<u>6.91</u>	<u>Nil</u>
b. Amount spent during the year		
i) Construction / acquisition of any asset	-	-
ii) On purpose other than above	6.91	-
	<u>6.91</u>	<u>-</u>



Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

34 Income Tax

a. Components of income tax expense

Particulars	March 31, 2023	March 31, 2022
Current tax	387.29	-
Deferred tax relating to origination and reversal of temporary differences	379.90	175.69
Deferred tax asset recognised on unused tax credit/ unused tax losses/ utilisation of the same	(332.72)	312.86
<b>Total tax charge</b>	<b>434.47</b>	<b>488.55</b>
Current tax	387.29	-
Deferred tax	47.18	488.55

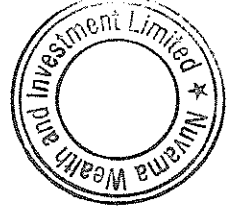
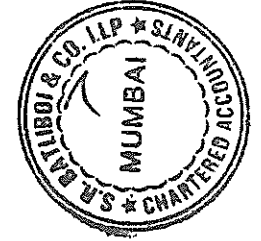
b. Reconciliation of total tax charge

Particulars	March 31, 2023	March 31, 2022
Accounting profit before tax as per Financial statements	1,856.84	1,435.04
Tax rate (in percentage) (refer note below)	25.17%	25.17%
Income tax expense calculated based on this tax rate	467.33	361.17
Adjustment in respect of current income tax of prior years	-	-
<b>Effect of non-deductible expenses:</b>		
Penalties	0.02	-
Effect of non-deductible expenses	1.74	15.44
Effect of utilisation of tax losses on which deferred tax asset earlier not recognised earlier or deferred tax assets on losses earlier recognised now considered not recoverable	(34.62)	(91.45)
Recognition of available tax credits (Minimum Alternate Tax credit)	-	112.30
Impact of tax rate changes (refer note below)	-	91.08
<b>Tax charge for the year recorded in the Statement of Profit and Loss</b>	<b>434.47</b>	<b>488.55</b>

Note:

Pursuant to The Taxation Laws (Amendment) Ordinance 2019, promulgated on September 20, 2019, Company has elected to apply the concessional tax rate permitted u/s 115BAA of The Income tax Act, 1961 from the financial year ended March 31, 2021 onwards. Accordingly, the Company has re-measured the closing net deferred tax asset at concessional rate as on the year ended March 31, 2021 in the financial year ended March 31, 2022.

Consequently, Minimum alternate tax amounting to ₹ 112.30 million as on financial year ended March 31, 2021 has been expensed out in statement of profit and loss in the financial year ended March 31, 2022.



Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

34 Income Tax (Continued)

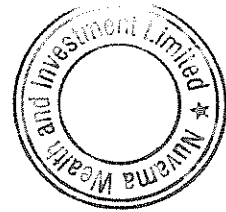
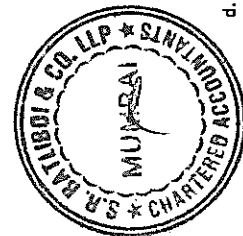
c. The following table shows deferred tax recorded in the Balance sheet and changes recorded in the Income tax expense:

	Movement for the year ended March 31, 2023			
	Opening deferred tax asset / (liability)	Recognised in statement of profit and loss	Total movement	Closing deferred tax asset / (liability)
<i>Deferred taxes in relation to:</i>				
Property, Plant and Equipment and Intangibles	27.53	(4.96)	(4.96)	22.57
Securities held for trading/ derivative instruments	(22.88)	8.35	8.35	(14.53)
Trade receivables and Receivable towards Margin trading facility and other financial assets	37.45	0.34	0.34	37.79
Employee benefits obligations	6.69	(1.62)	(1.62)	5.07
Borrowings - Unamortised loan origination costs - EIR on borrowings	-	(28.77)	(28.77)	(28.77)
Unused tax losses (including but not limited to business losses, unabsorbed depreciation)	19.86	(19.86)	(19.86)	-
Right of Use Asset less Lease Liability	23.25	(4.75)	(4.75)	18.50
Others	2.97	4.09	4.09	7.06
<b>Total</b>	<b>94.87</b>	<b>(47.18)</b>	<b>(47.18)</b>	<b>47.69</b>

	Movement for the year ended March 31, 2022			
	Opening deferred tax asset / (liability)	Recognised in statement of profit and loss	Total movement	Closing deferred tax asset / (liability)
<i>Deferred taxes in relation to:</i>				
Property, Plant and Equipment and Intangibles	48.33	(20.80)	(20.80)	27.53
Securities held for trading/ derivative instruments	0.08	(22.96)	(22.96)	(22.88)
Trade receivables and Receivable towards Margin trading facility and other financial assets	31.84	5.61	5.61	37.45
Employee benefits obligations	11.86	(5.17)	(5.17)	6.69
Unused tax losses (including but not limited to business losses, unabsorbed depreciation)	332.72	(312.86)	(312.86)	19.86
Unused tax credits (Minimum Alternate Tax credit)	112.30	(112.30)	(112.30)	-
Right of Use Asset less Lease Liability	35.59	(12.35)	(12.35)	23.25
Others	10.69	(7.72)	(7.72)	2.97
<b>Total</b>	<b>583.41</b>	<b>(488.55)</b>	<b>(488.55)</b>	<b>94.87</b>

	March 31, 2023	March 31, 2022
Break-up of recognition of current tax	387.29	-
In statement of Profit and Loss		

d.



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements (Continued)

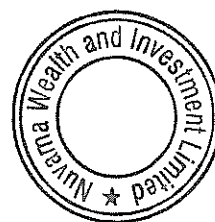
(Currency : Indian rupees in millions)

#### 35 Earnings per share

The computation of earnings per share is set out below:

Particulars	March 31, 2023	March 31, 2022
Profit for the year (as per statement of profit and loss)	1,422.37	946.49
Calculation of weighted average number of equity shares of ₹ 10		
– Number of shares at the beginning of the year	430,454,000	347,190,000
– Number of shares issued during the year	-	83,264,000
Total number of equity shares outstanding at the end of the year	430,454,000	430,454,000
Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	430,454,000	351,980,532
Basic and Diluted earnings per share (Amount in Indian rupees)	3.30	2.69

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



# Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

## Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

### 36 Segment reporting (Continued)

#### Reportable segments

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

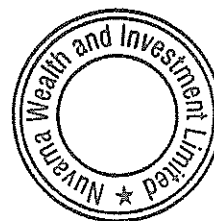
An operating segment is classified as reportable segment if reported revenue or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.

Accordingly the Company is considered to operate only in Wealth Management Business. Capital Markets does not exceed revenue or assets exceeding 10% or more of the combined total of all the operating segments.

Revenue contributed by any single customer in any of the operating segments whether reportable or otherwise does not exceed 10% of the Company's total revenue.

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

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
<b>I</b>	<b>Segment Revenue</b>		
	Wealth management	11,929.78	8,494.31
	Unallocated	226.49	183.06
	<b>Total Income</b>	<b>12,156.27</b>	<b>8,677.37</b>
<b>II</b>	<b>Segment Result</b>		
	Wealth management	2,237.86	1,550.33
	Unallocated	(381.00)	(115.29)
	<b>Total</b>	<b>1,856.84</b>	<b>1,435.04</b>
Particulars		As at March 31, 2023	As at March 31, 2022
<b>III</b>	<b>Segment assets</b>		
	Wealth management	46,469.20	32,298.53
	Unallocated	400.10	364.05
	<b>Total</b>	<b>46,869.30</b>	<b>32,662.58</b>
<b>IV</b>	<b>Segment liabilities</b>		
	Wealth management	39,713.73	27,170.34
	Unallocated	370.55	153.45
	<b>Total</b>	<b>40,084.28</b>	<b>27,323.79</b>



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Notes to the financial statements (Continued)**

(Currency : Indian rupees in millions)

**36 Segment reporting (Continued)**

Following table provides details about reclassification adjustment carried out:

Particulars	Amount as per March 31, 2022 audited financial statement	Reclassification/ Adjustments	Reclassified segments
<b>I Segment Revenue</b>			
Wealth management	-	8,494.31	8,494.31
Agency Business	7,922.54	(7,922.54)	-
Financing Business	754.83	(754.83)	-
Unallocated	-	183.06	183.06
<b>Total Income</b>	<b>8,677.37</b>	-	<b>8,677.37</b>
		-	-
<b>II Segment Result</b>			
Wealth management	-	1,550.33	1,550.33
Agency Business	1,383.46	(1,383.46)	-
Financing Business	51.60	(51.60)	-
Unallocated	(0.02)	(115.27)	(115.29)
<b>Total</b>	<b>1,435.04</b>	-	<b>1,435.04</b>
		-	-
<b>III Segment assets</b>			
Wealth management	-	32,298.53	32,298.53
Agency Business	21,102.78	(21,102.78)	-
Financing Business	11,218.76	(11,218.76)	-
Unallocated	341.04	23.01	364.05
<b>Total</b>	<b>32,662.58</b>	-	<b>32,662.58</b>
		-	-
<b>IV Segment liabilities</b>			
Wealth management	-	27,170.34	27,170.34
Agency Business	17,911.44	(17,911.44)	-
Financing Business	9,265.07	(9,265.07)	-
Unallocated	147.28	6.17	153.45
<b>Total</b>	<b>27,323.79</b>	-	<b>27,323.79</b>



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Notes to the financial statements (Continued)**

(Currency: Indian rupees in millions)

**37 Disclosure pursuant to Ind AS 19 - Employee benefits**

**A) Defined contribution plan (Provident fund):**

Amount of ₹ 117.26 millions (P.Y. : ₹ 89.77 millions) is recognized as expense and included in "Employee benefit expenses" – refer note 32 to the statement of Profit and Loss.

**B) Defined benefit plan (Gratuity):**

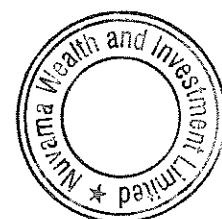
The following tables summarize the components of the net benefit expenses recognized in the statement profit and loss, the funded status and amounts recognized in the statement of assets and liabilities for the gratuity benefit plan.

**Expenses recognised in the statement of profit and loss**

	March 31, 2023	March 31, 2022
<i>Service cost</i>		
a. Current service cost	32.17	27.24
b. Past service cost	-	-
c. Net interest on net defined benefit liability	1.50	1.13
<b>Employer expenses</b>	<b>33.67</b>	<b>28.37</b>

**Reconciliation of Defined Benefit Obligation (DBO)**

	March 31, 2023	March 31, 2022
<b>Present value of DBO at start of the year</b>	<b>207.60</b>	<b>170.39</b>
<i>Service cost</i>		
a. Current service cost	32.17	27.24
b. Past service cost	-	-
Interest cost	11.54	8.70
Benefits paid	(31.15)	(16.27)
<i>Re-measurements</i>		
a. Actuarial loss from changed in demographic assumptions	(6.95)	-
b. Actuarial (gain)/ loss from changed in financials assumptions	(11.07)	(3.28)
c. Actuarial loss/ (gain) from experience over last past year	23.10	17.22
Transfer in	6.15	3.58
<b>Present value of DBO at end of the year</b>	<b>231.39</b>	<b>207.60</b>





**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Notes to the financial statements (Continued)**

(Currency: Indian rupees in millions)

**37 Disclosure pursuant to Ind AS 19 - Employee benefits (Continued)**

**Reconciliation of fair value of plan assets**

	March 31, 2023	March 31, 2022
Fair value of plan assets at start of the year	163.66	151.88
Contributions by employer	76.15	16.27
Benefits paid	(31.15)	(16.27)
Interest income plan assets	10.03	7.57
Re-measurements		
Return on plan assets excluding amount including in net interest on the net defined benefit liability/ (asset)	(2.34)	4.21
Fair value of plan assets at end of the year	216.35	163.66
Actual return on plan assets	7.70	11.78
Expected employer contributions for the coming year	15.00	45.00

**Net (asset)/ liability recognised in the Balance Sheet:**

	March 31, 2023	March 31, 2022
Present value of DOB	231.39	270.59
Fair value of plan assets	216.35	163.66
Net Liability/ (Asset)	15.04	43.94
Funded Status [Surplus/ (Deficit)]	(15.04)	(43.94)

**Actuarial assumptions:**

	March 31, 2023	March 31, 2022
Salary growth rate (% p.a.)	7% p.a	7% p.a
Discount rate (% p.a.)	7.10% p.a	5.4% p.a
Withdrawal rate (% p.a.)		
Senior	35% p.a.	25% p.a.
Middle	35% p.a.	25% p.a.
Junior	35% p.a.	25% p.a.
Mortality	IALM 2012-14 (Ultimate)	IALM 2012-14 (Ultimate)
Interest rate on net DBO/ (asset) (% p.a.)	5.40 % p.a	5 % p.a
Weighted average duration of the obligation	2 Years	3 Years



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Notes to the financial statements (Continued)**

(Currency: Indian rupees in millions)

**37 Disclosure pursuant to Ind AS 19 - Employee benefits (Continued)**

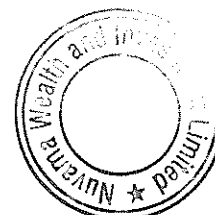
**Movement in Other Comprehensive Income**

	March 31, 2023	March 31, 2022
Balance at start of year loss	(21.72)	(11.98)
<i>Re-measurements on DBO</i>		
a. Actuarial (Loss)/ Gain from changes in demographic assumptions	6.95	-
b. Actuarial (Loss)/ Gain from changes in financial assumptions	11.07	3.28
c. Actuarial (loss)/gain from experience over last past year	(23.10)	(17.22)
<i>Re-measurements on plan assets</i>		
Return on plan assets excluding amount including in net interest on the net defined benefit liability / (asset)	(2.34)	4.21
<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	(29.14)	(21.72)

**Sensitivity Analysis**

DOB increases / (decreases ) by	March 31, 2023	March 31, 2022
1 % Increase in salary growth rate	5.84	7.76
1 % Decrease in salary growth rate	(5.64)	(7.35)
1 % Increase in discount rate	(5.58)	(7.40)
1 % Decrease in discount rate	5.89	7.96
1 % Increase in withdrawal rate	(0.36)	(0.46)
1 % Decrease in withdrawal rate	0.37	0.50
Mortality (Increase in expected lifetime by 1 year)	-	8.00
Mortality (Increase in expected lifetime by 3 year)	0.00	24.00

0.00 indicates amount less than 0.01 million



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Notes to the financial statements (Continued)**

*(Currency: Indian rupees in millions)*

**37 Disclosure pursuant to Ind AS 19 - Employee benefits (Continued)**

**Movement in Net (Liability)/ Asset**

	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Net (Liability)/ Asset at the start of the year</b>	<b>(43.93)</b>	<b>(18.51)</b>
Net transfer in	(6.15)	(3.58)
<i>Movement during the year</i>		
Current service cost	(32.17)	(27.24)
Past service cost	-	-
Net interest on net DBO	(1.50)	(1.13)
Re-measurements	(7.44)	(9.74)
Contributions/ benefits	76.15	16.27
<b>Net deficit at the end of the year</b>	<b>(15.04)</b>	<b>(43.93)</b>



Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

38 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	March 31, 2023			March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Financial assets</b>						
Cash and cash equivalents	1,215.48	-	1,215.48	2,334.89	-	2,334.89
Other bank balances	3,523.63	1.04	3,524.67	4,116.89	2.42	4,119.31
Derivative financial instruments	1,415.90	1,708.08	3,123.98	-	200.70	200.70
Securities held for trading	3,030.00	-	3,030.00	1,911.67	-	1,911.67
Trade receivables	5,313.86	144.34	5,458.20	2,825.19	171.12	2,996.31
Loans	13,096.64	-	13,096.64	9,880.22	-	9,880.22
Other financial assets	15,848.47	149.42	15,997.89	9,902.54	145.97	10,048.51
	<b>43,443.98</b>	<b>2,002.88</b>	<b>45,446.86</b>	<b>30,971.40</b>	<b>520.21</b>	<b>31,491.61</b>
<b>Non-financial assets</b>						
Current tax assets (net)	-	160.32	160.32	-	246.17	246.17
Deferred tax assets (net)	-	47.69	47.69	-	94.87	94.87
Property, plant and equipment	-	501.45	501.45	-	420.44	420.44
Intangible assets	-	130.05	130.05	-	160.56	160.56
Intangible assets under development	-	221.08	221.08	-	160.37	160.37
Other non-financial assets	7.39	354.46	361.85	80.78	7.78	88.56
	<b>7.39</b>	<b>1,415.05</b>	<b>1,422.44</b>	<b>80.78</b>	<b>1,090.19</b>	<b>1,170.97</b>
<b>Total assets</b>	<b>43,451.37</b>	<b>3,417.93</b>	<b>46,869.30</b>	<b>31,052.18</b>	<b>1,610.40</b>	<b>32,662.58</b>
<b>Particulars</b>	<b>March 31, 2023</b>			<b>March 31, 2022</b>		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Financial liabilities</b>						
Derivative financial instruments	380.29	-	380.29	-	-	-
Trade payables	13,138.19	-	13,138.19	14,129.95	-	14,129.95
Debt securities	8,627.22	13,011.47	21,638.69	6,712.11	2,233.53	8,945.64
Borrowing (other than debt securities)	3,222.21	-	3,222.21	2,249.06	-	2,249.06
Other financial liabilities	781.31	293.78	1,075.09	1,111.40	250.29	1,361.69
	<b>26,149.22</b>	<b>13,305.25</b>	<b>39,454.47</b>	<b>24,202.52</b>	<b>2,483.82</b>	<b>26,686.34</b>
<b>Non-financial liabilities</b>						
Current tax liabilities (net)	8.90	-	8.90	-	-	-
Provisions	22.19	12.98	35.17	50.47	20.07	70.54
Other non-financial liabilities	184.52	401.22	585.74	195.89	371.02	566.91
	<b>215.61</b>	<b>414.20</b>	<b>629.81</b>	<b>246.36</b>	<b>391.09</b>	<b>637.45</b>
<b>Total liabilities</b>	<b>26,364.83</b>	<b>13,719.45</b>	<b>40,084.28</b>	<b>24,448.88</b>	<b>2,874.91</b>	<b>27,323.79</b>



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Notes to the financial statements (Continued)**

(Currency : Indian rupees in millions)

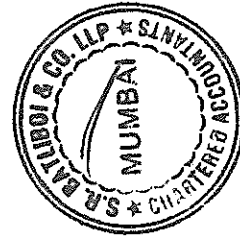
**39 Change in liabilities arising from financing activities**

Particulars	April 1, 2022	Cash flows during the year	Others during the year*	March 31, 2023
Debt securities**	8,744.94	11,074.38	111.29	19,930.61
Borrowings other than debt securities	2,249.06	969.48	3.67	3,222.21
<b>Total liabilities from financing activities</b>	<b>10,994.00</b>	<b>12,043.86</b>	<b>114.96</b>	<b>23,152.82</b>

Particulars	April 1, 2021	Cash flows during the year	Others during the year*	March 31, 2022
Debt securities**	-	8,744.94	-	8,744.94
Borrowings other than debt securities	2,162.18	100.00	(13.12)	2,249.06
<b>Total liabilities from financing activities</b>	<b>2,162.18</b>	<b>8,844.94</b>	<b>(13.12)</b>	<b>10,994.00</b>

\* includes the effect of interest accrued but not paid on borrowings.

\*\* does not include Embedded derivatives ₹ 1,708.08 millions (P.Y. ₹ 200.70 millions)



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

#### 40 Contingent liabilities, commitments and lease arrangements

##### a. Legal claims

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent in its operations. As a result, the Company is involved in various litigation, arbitration and regulatory proceedings in the ordinary course of its business. The Company has formal controls and policies for managing legal claims. Based on professional legal advice, the Company provides and/or discloses amounts in accordance with its accounting policies. At year end, the Company had several unresolved legal claims however individually any of the claim is not material. The aggregate value of claim against the Company is ₹ 227.98 millions (P.Y. ₹ 231.67 millions).

##### b. Contingent liabilities

Particulars	March 31, 2023	March 31, 2022
(a) Claims against the Company not acknowledged as debt	227.98	231.67

##### c. Leases

The Company has entered into commercial leases for premises and equipment.

##### i) Movement of Right of Use - leasehold premises

Particulars	March 31, 2023	March 31, 2022
Opening Balance	312.80	380.00
Addition / (disposal) during the year	240.37	60.10
Less: Amortisation on Right of Use - leasehold premises	(161.35)	(127.30)
Closing Balance	391.82	312.80

##### ii) Movement of Lease liability

Particulars	March 31, 2023	March 31, 2022
Opening Balance	405.18	494.09
Addition / (disposal) during the year	231.92	39.74
Add: Accretion of interest	46.46	48.06
Less: Payment during the year	(218.22)	(176.71)
Closing Balance	465.34	405.18

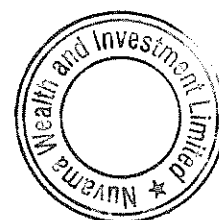
##### iii) Short term lease commitments

Short term lease payments for the year as follows:

Particulars	March 31, 2023	March 31, 2022
Within one year	6.17	5.91
Total	6.17	5.91

##### iv) Other disclosures

Particulars	March 31, 2023 Years / Amount	March 31, 2022 Years / Amount
The leases have an average life of between (in years)	5	5
The total lease payment for the year (amount)	348.31	279.55
Lease rent expenses recognised in statement of profit and loss for short term lease (amount)	130.09	102.84



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Notes to the financial statements (Continued)**

*(Currency : Indian rupees in millions)*

**40 Contingent liabilities, commitments and lease arrangements (Continued)**

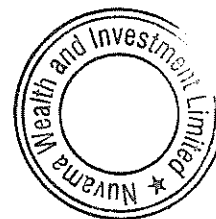
**d. Capital and other commitments**

i) Estimated amount of contracts remaining to be executed on Property, plant and equipment and Intangible assets amounts to ₹ 42.63 millions (net of advances) (P.Y. ₹ 55.35 millions).

ii) The Company has provided bank guarantees aggregating to ₹ 2,500.00 millions (P.Y. ₹ 750.00 millions) to The Bombay Stock Exchange of India Limited for meeting margin requirement.

iii) The Company has pledged fixed deposits with bank aggregating to ₹ 1,250.00 millions (P.Y. ₹ 375.00 millions) for obtaining the above bank guarantees.

e. The Company has filed Appeal u/s 37 of Arbitration and Conciliation Act, 1996 against the Arbitral Award/ Order passed in favour of Jayant Sanghavi and Pratham Investment. Both the matters are pending before the Hon'ble Court for final hearing. The clients were asked to deposit a sum of ₹ 215.38 millions (including interest amount) by the Hon'ble Court. This amount will be recoverable from the Hon'able Court after final order provided it is in our favour.



## Nuvama Wealth and Investment Limited (formerly known as Edelweiss Broking Limited)

### Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

#### 41 Disclosure as required by Ind AS 24 - "Related Party Disclosure":

##### List of related parties

##### a. Name of related party by whom control is exercised

PAGAC Ecstasy Pte. Ltd - Ultimate Holding Company

Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited) - Holding Company

##### b. Names of related parties who exercise significant influence over the Company's Holding Company (till March 30, 2023)

Edelweiss Financial Services Limited

##### c. Subsidiaries of the entity exercising significant influence over the Company's Holding Company with whom transactions have taken place (till March 30, 2023)

Allium Finance Private Limited

ECap Equities Limited (formerly Edel Land Limited)

ECL Finance Limited

Edel Finance Company Limited

Edel Investments Limited

Edelcap Securities Limited

Edelgive Foundation

Edelweiss Alternative Asset Advisors Limited

Edelweiss Asset Management Limited

Edelweiss Asset Reconstruction Company Limited

Edelweiss Comtrade Limited

Edelweiss Gallagher Insurance Brokers Limited (subsidiary of Edelweiss group till October 18, 2021)

Edelweiss Global Wealth Management Limited

Nido Home Finance Limited (formerly Edelweiss Housing Finance Limited)

Edelweiss Investment Adviser Limited

Edelweiss Retail Finance Limited

Edelweiss Rural & Corporate Services Limited

Edelweiss Securities And Investments Private Limited

Edelweiss Tokio Life Insurance Company Limited

Zuno General Insurance Limited (formerly Edelweiss General Insurance Company Limited)

##### d. Fellow subsidiaries with whom transactions have taken place

Nuvama Asset Management Limited (formerly ESL Securities Limited)

Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)

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

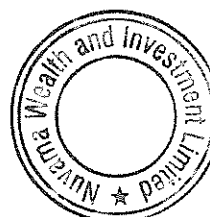
##### e. Associate of Holding Company

Nuvama Custodial Services Limited (formerly Edelweiss Capital Services Limited)

##### f. Fellow entities of the ultimate holding company with whom transactions have taken place

PAG Investment Advisors Pte. Ltd.

Asia Pragati Strategic Investment Fund





# Nuvama Wealth and Investment Limited (formerly known as Edelweiss Broking Limited)

## Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

### 41 List of related parties (Continued)

#### g. Key Management Personnel (KMP)

Rahul Jain - Managing Director & Chief Executive Officer  
Prashant Mody - Executive Director  
Ashish Kehair - Non Executive Director  
Kamala Kantharaj - Non Executive Director (till November 25, 2022)  
Ananya Suneja - Non Executive Director (w.e.f. November 25, 2022 till March 22, 2023)  
Vinod Juneja - Independent Director  
Birendra Kumar - Independent Director  
Sheetal Gandhi - Chief Financial Officer (w.e.f. August 11, 2022)  
Viral Thanawala - Chief Financial Officer (till August 10, 2022)  
Prachi Mathur - Company Secretary (till May 25, 2022)  
Dipankar Basu - Company Secretary (w.e.f. May 25, 2022 till August 10, 2022)  
Vandana Das - Company Secretary (w.e.f. October 20, 2022 till January 23, 2023)

#### h. Key Management Personnel of holding Company with whom transactions have taken place

Shivaraman Iyer - Chief Financial Officer (till October 31, 2022)  
Anisha Motwani - Independent Director  
Venkatchalam Ramaswamy - Non Executive Director (till March 17, 2023)  
Shiv Sehgal - Executive Director

#### i. Relatives of Key Management Personnel with whom transactions have taken place

Virendra Kumar Jain (Father of Rahul Jain - Managing Director & Chief Executive Officer)  
Pratiksha Jain (Spouse of Rahul Jain - Managing Director & Chief Executive Officer)  
Madhubala Jain (Mother of Rahul Jain - Managing Director & Chief Executive Officer)  
Priya Nayak Kehair (Spouse of Ashish Kehair - Non Executive Director)  
Sangeeta Thanawala (Spouse of Viral Thanawala - Chief Financial Officer)  
Viral Thanawala Hindu Undivided Family (till August 10, 2022)  
Svastha Consulting LLP (LLP Controlled by Ashish Kehair-Non Executive Director)

#### j. Relatives of Key Management Personnel of holding company with whom transactions have taken place

Aparna Tuluvinakoppa Chandrashekar (Spouse of Venkatchalam Ramaswamy - Non Executive Director) (till March 17, 2023)  
Kenai Advisors LLP (Venkatchalam Ramaswamy - Non Executive Director) (till March 17, 2023)  
Mabella Investment Adviser LLP (Rashesh Shah - Non Executive Director) (till March 17, 2023)  
Vidya Shankar (sister of Venkatchalam Ramaswamy - Non Executive Director) (till March 17, 2023)

#### Notes :-

- 1 Edelweiss Financial Services Limited ("EFSL") along with its subsidiaries holds 43.74% in the equity shares of Nuvama Wealth Management Limited ("NWML"). Till March 30, 2023, EFSL had significant influence over NWML. With effect from March 31, 2023, pursuant to the amendment agreement dated March 9, 2023 made to the amended and restated shareholders' agreement dated March 18, 2021 between EFSL, Edelweiss Global Wealth Management Limited ("EGWML"), PAGAC Ecstasy Pte Ltd ("PAGAC") and NWML, the amendment to the articles of association of NWML, EFSL has lost its significant influence as per Ind AS 28 on NWML.



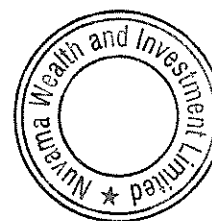
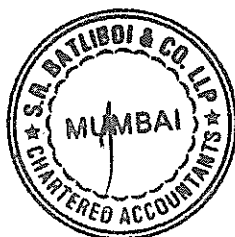
## Nuvama Wealth and Investment Limited (formerly known as Edelweiss Broking Limited)

### Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

#### 41 List of related parties (Continued)

- 2 Pursuant to the composite scheme of arrangement and amalgamation under section 230 to 232 of the Companies Act, 2013 as sanctioned by NCLT Hyderabad on February 9, 2022 and as sanctioned by NCLT Mumbai on January 10, 2022, Edel Land Limited ('Amalgamated or Resulting Company'), ECap Equities Limited ('Demerged Company' – defined in the scheme as demerged undertaking and thereby entire activities, business, operations and undertakings of the Demerged Company forming part of the Trading and Capital Markets business) and EC Commodity Limited ('Amalgamating Company') has been amalgamated with effect from April 1, 2020 ('the Appointed date'). Accordingly, the financial statements of Edel Land Limited have been prepared taking into account the effect of the composite scheme of arrangement and amalgamation and the said orders. The merger order has been filed with ROC on March 25, 2022.
- 3 The Wealth Management Business undertaking was demerged from Edelweiss Global Wealth Management Limited (EGWML) into Nuvama Wealth Management Limited (NWML) (formerly Edelweiss Securities Limited) (ESL) vide NCLT order dated March 31, 2022. Accordingly, all related party balances outstanding as at March 31, 2022 relating to Wealth Management Business undertaking of EGWML are considered to be transacted with NWML (ESL) and disclosed accordingly.



**Nuvama Wealth and Investment Limited (formerly known as Edelweiss Broking Limited)**

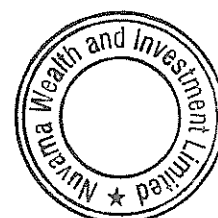
Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

**41 Disclosure as required by Ind AS 24 – “Related Party Disclosure” (Continued):**

Transactions with related parties :

Nature of Transaction	Related party name	March 31, 2023	March 31, 2022
<b>Capital account transactions</b>			
Issue of equity shares to	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	-	1,000.00
<b>Current account transactions</b>			
Loans taken from	Allium Finance Private Limited	-	900.00
	Edel Finance Company Limited	-	1,300.00
	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	72,610.30	19,625.90
	Edelweiss Rural & Corporate Services Limited	1,000.00	-
Loan repaid to	Allium Finance Private Limited	-	900.00
	Edel Finance Company Limited	-	1,300.00
	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	72,610.30	21,765.90
	Edelweiss Rural & Corporate Services Limited	1,000.00	-
Inter Corporate Deposit (ICD) taken from	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	-	900.00
Inter Corporate Deposit (ICD) paid to	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	-	900.00
<b>Secondary market transactions with clearing house</b>			
Margin placed with	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	146,484.76	140,366.80
Margin withdrawn from	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	141,214.29	138,355.86
Brokerage income received from	ECap Equities Limited (formerly Edel Land Limited)	0.06	4.53
	Edelweiss Asset Management Limited	-	0.16
	Edelweiss Tokio Life Insurance Company Limited	0.47	0.14
	Key Managerial Personnel	0.27	0.25
	Key Managerial Personnel of Holding Company	0.01	0.00
	Relatives of Key Managerial Personnel of Holding Company	0.56	-
	Relatives of Key Managerial Personnel	0.45	0.00
Fees income received from	ECL Finance Limited	2.17	-
	Edel Finance Company Limited	3.44	23.58
	Edel Investments Limited	15.00	-
	ECap Equities Limited (formerly Edel Land Limited)	877.51	495.74
	Edelcap Securities Limited	17.95	-
	Edelweiss Alternative Asset Advisors Limited	1,550.38	310.53
	Edelweiss Asset Management Limited	615.14	22.48
	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	43.91	101.13
	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	92.63	256.24
	Edelweiss Financial Services Limited	380.48	411.56
	Edelweiss Gallagher Insurance Brokers Limited	-	5.65
	Zuno General Insurance Limited	3.22	3.61
	Edelweiss Global Wealth Management Limited	-	1.88
	Nido Home Finance Limited (formerly Edelweiss Housing Finance Limited)	97.40	-
	Edelweiss Investment Adviser Limited	17.95	-
	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	1.77	1.88
	Edelweiss Securities And Investments Private Limited	289.04	-
	Edelweiss Tokio Life Insurance Company Limited	185.09	99.57
	Nuvama Asset Management Limited (formerly ESL Securities Limited)	14.84	31.55
Banner fees recovered from	Edelweiss Tokio Life Insurance Company Limited	99.90	-
Commission and brokerage expenses paid to	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	116.41	-
	Edelweiss Financial Services Limited	3.00	-
Referral Charges paid to	PAG Investment Advisors Pte. Ltd.	-	41.21
Liquidity Support charges paid to	Asia Pragati Strategic Investment Fund	-	100.00
Rental income from	ECL Finance Limited	-	0.86
	Edel Investments Limited	-	0.07
	Edelcap Securities Limited	-	0.07
	Edelweiss Alternative Asset Advisors Limited	-	0.07
	Edelweiss Asset Management Limited	-	0.25
	Edelweiss Asset Reconstruction Company Limited	-	0.98
	Nuvama Custodial Services Limited (formerly Edelweiss Capital Services Limited)	0.51	0.14
	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	3.25	1.06
	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	22.82	18.86
	Edelweiss Financial Services Limited	0.10	-
	Edelweiss Gallagher Insurance Brokers Limited	-	1.11
	Edelweiss Global Wealth Management Limited	-	0.14
	Nido Home Finance Limited (formerly Edelweiss Housing Finance Limited)	-	0.10
	Edelweiss Retail Finance Limited	-	0.31
	Edelweiss Rural & Corporate Services Limited	-	0.11
	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	2.40	2.29



## Nuvama Wealth and Investment Limited (formerly known as Edelweiss Broking Limited)

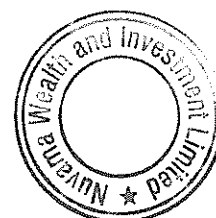
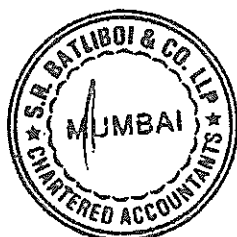
### Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

#### 41 Disclosure as required by Ind AS 24 – "Related Party Disclosure" (Continued):

##### Transactions with related parties :

Nature of Transaction	Related party name	March 31, 2023	March 31, 2022
Interest paid on loan to	Allium Finance Private Limited	-	16.51
	Edel Finance Company Limited	-	27.35
	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	113.36	245.20
	Edelweiss Rural & Corporate Services Limited	11.36	-
Interest paid on Inter-Corporate Deposit paid to	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	-	20.69
Interest income on debt instrument	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	1.92	1.59
Interest received on margin from	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	513.05	306.01
Shared premises cost paid to	ECL Finance Limited	0.35	0.23
	ECap Equities Limited (formerly Edel Land Limited)	0.09	-
	Edelweiss Alternative Asset Advisors Limited	-	0.09
	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	83.89	96.79
	Edelweiss Global Wealth Management Limited	-	0.24
	Nido Home Finance Limited (formerly Edelweiss Housing Finance Limited)	-	0.03
	Edelweiss Retail Finance Limited	-	0.02
	Edelweiss Rural & Corporate Services Limited	0.99	0.31
	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	36.48	0.08
Clearing charges paid to	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	93.05	66.60
Software usage charges paid to	Edelweiss Global Wealth Management Limited	-	98.55
	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	144.31	-
Technology Shared Service Cost paid to	Edelweiss Rural & Corporate Services Limited	0.68	-
	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	221.45	-
	Edelcap Securities Limited	2.32	-
Branding expenses paid to	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	23.61	16.50
Enterprise/ Corporate cost paid to	Edelweiss Rural & Corporate Services Limited	2.76	-
	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	239.02	98.80
Rating support fees paid to	Edelweiss Rural & Corporate Services Limited	-	0.02
Contribution to CSR	Edelgive Foundation	6.91	-
Charges recovered from	Edelcap Securities Limited	-	0.00
	Key Managerial Personnel	0.33	-
	Relatives of Key Managerial Personnel	0.24	-
	Relatives of Key Managerial Personnel of Holding Company	0.01	-
Employee Stock Option Cost paid to	Edelweiss Financial Services Limited	5.46	16.37
	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	82.25	37.33
Employee Stock Appreciation Rights paid to	Edelweiss Financial Services Limited	7.99	7.21
Employee Stock Option Cost reversed	Edelweiss Financial Services Limited	31.20	30.26
Employee Stock Appreciation Rights Cost reversed	Edelweiss Financial Services Limited	-	7.12
Insurance Premium Paid to	Zuno General Insurance Limited	62.58	48.50
	Edelweiss Tokio Life Insurance Company Limited	17.45	22.84
Rental security deposit paid to	Edelweiss Rural & Corporate Services Limited	1.05	-
Purchase of securities from	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	5,353.53	3,133.72
	Edelweiss Gallagher Insurance Brokers Limited	-	513.81
	Edelweiss Rural & Corporate Services Limited	-	115.88
	Edelweiss Securities And Investments Private Limited	-	0.69
Sale of securities to	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	3,819.45	115.91
	Key Managerial Personnel	-	12.43
Issuance of Non Convertible Debentures to	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	-	717.84
Subscription of Non Convertible Debentures of	ECap Equities Limited (formerly Edel Land Limited)	-	504.19
Cost reimbursement paid to	ECL Finance Limited	0.25	0.24
	ECap Equities Limited (formerly Edel Land Limited)	1.65	0.50
	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	2.08	0.03
	Edelweiss Financial Services Limited	-	1.66
	Edelweiss Retail Finance Limited	-	0.00
	Edelweiss Rural & Corporate Services Limited	0.04	5.81
	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	125.32	147.75
	Nuvama Asset Management Limited (formerly ESL Securities Limited)	0.10	-
	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	0.00	-
	Nuvama Custodial Services Limited (formerly Edelweiss Capital Services Limited)	5.46	-



**Nuvama Wealth and Investment Limited (formerly known as Edelweiss Broking Limited)**

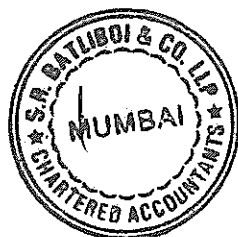
**Notes to the financial statements (Continued)**

(Currency: Indian rupees in millions)

**41 Disclosure as required by Ind AS 24 – “Related Party Disclosure” (Continued):**

**Transactions with related parties :**

Nature of Transaction	Related party name	March 31, 2023	March 31, 2022	
Cost reimbursement recovered from	ECap Equities Limited (formerly Edel Land Limited)	0.01	-	
	Edelweiss Asset Management Limited	-	0.00	
	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	0.03	0.04	
	Edelweiss Financial Services Limited	0.02	-	
	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	0.02	82.30	
	Edelweiss Gallagher Insurance Brokers Limited	-	0.02	
	Nido Home Finance Limited (formerly Edelweiss Housing Finance Limited)	-	0.08	
	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	0.27	-	
	Nuvama Asset Management Limited (formerly ESL Securities Limited)	0.04	0.00	
	Purchase of Property Plant and Equipment & Intangible Assets from	ECL Finance Limited	-	0.01
Edel Finance Company Limited		0.00	0.01	
ECap Equities Limited (formerly Edel Land Limited)		-	0.01	
Edelcap Securities Limited		-	0.00	
Edelweiss Asset Management Limited		-	0.01	
Nuvama Custodial Services Limited (formerly Edelweiss Capital Services Limited)		-	0.00	
Edelweiss Comtrade Limited		-	0.01	
Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)		-	0.03	
Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)		-	0.10	
Edelweiss Financial Services Limited		0.00	0.15	
Edelweiss Gallagher Insurance Brokers Limited		-	0.10	
Edelweiss Global Wealth Management Limited		-	0.23	
Nido Home Finance Limited (formerly Edelweiss Housing Finance Limited)		-	0.00	
Edelweiss Investment Adviser Limited		0.03	0.01	
Edelweiss Retail Finance Limited		-	0.00	
Edelweiss Rural & Corporate Services Limited		0.00	0.05	
Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)		-	0.26	
Nuvama Asset Management Limited (formerly ESL Securities Limited)		-	0.08	
Sale of Property Plant and Equipment & Intangible Assets to		Edel Investments Limited	0.00	-
		Edelcap Securities Limited	0.00	-
	Edelgive Foundation	-	0.00	
	Edelweiss Asset Management Limited	-	0.00	
	Nuvama Custodial Services Limited (formerly Edelweiss Capital Services Limited)	-	0.01	
	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	-	0.02	
	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	-	0.06	
	Edelweiss Financial Services Limited	-	0.06	
	Edelweiss Gallagher Insurance Brokers Limited	-	0.00	
	Edelweiss Global Wealth Management Limited	-	0.02	
	Edelweiss Rural & Corporate Services Limited	-	0.03	
	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	-	0.34	
	Nuvama Asset Management Limited (formerly ESL Securities Limited)	-	0.00	
	Director's Sitting Fees paid to	Independent Directors	0.70	0.04
	Remuneration paid to	Key Managerial Personnel	66.31	29.81
<b>Balances with related parties</b>				
Interest accrued and due on loan taken	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	3.04	-	
Debt securities held by	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	55.49	-	
Trade payables to	Asia Pragati Strategic Investment Fund	100.00	100.00	
	ECL Finance Limited	-	0.02	
	Edel Finance Company Limited	-	0.00	
	ECap Equities Limited (formerly Edel Land Limited)	-	0.53	
	Edelweiss Alternative Asset Advisors Limited	-	2.43	
	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	-	8.43	
	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	22.70	66.46	
	Edelweiss Financial Services Limited	-	0.15	
	Edelweiss Investment Adviser Limited	-	0.00	
	Edelweiss Rural & Corporate Services Limited	-	1.32	
	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	203.47	71.50	
	Nuvama Custodial Services Limited (formerly Edelweiss Capital Services Limited)	6.44	-	
	Nuvama Asset Management Limited (formerly ESL Securities Limited)	0.03	-	
	PAG Investment Advisors Pte. Ltd.	-	41.21	
Key Managerial Personnel	1.78	0.63		
Relatives of Key Managerial Personnel	2.53	0.13		
Other payables to	Nuvama Custodial Services Limited (formerly Edelweiss Capital Services Limited)	-	0.41	
	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	-	0.51	
	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	22.43	37.33	
	Nuvama Asset Management Limited (formerly ESL Securities Limited)	0.82	1.23	



## Nuvama Wealth and Investment Limited (formerly known as Edelweiss Broking Limited)

### Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

#### 41 Disclosure as required by Ind AS 24 – “Related Party Disclosure” (Continued):

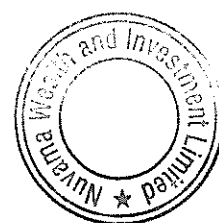
##### Transactions with related parties :

Nature of Transaction	Related party name	March 31, 2023	March 31, 2022
Trade receivables from	ECL Finance Limited	-	0.22
	Edel Finance Company Limited	-	1.69
	ECap Equities Limited (formerly Edel Land Limited)	-	150.90
	Edelcap Securities Limited	-	0.00
	Edelweiss Alternative Asset Advisors Limited	-	296.37
	Edelweiss Asset Management Limited	-	1.87
	Edelweiss Asset Reconstruction Company Limited	-	0.22
	Nuvama Custodial Services Limited (formerly Edelweiss Capital Services Limited)	0.07	0.02
	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	6.04	3.17
	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	2.76	39.69
	Edelweiss Financial Services Limited	-	1.87
	Zuno General Insurance Limited	-	0.45
	Nido Home Finance Limited (formerly Edelweiss Housing Finance Limited)	-	0.11
	Edelweiss Retail Finance Limited	-	0.13
	Edelweiss Rural & Corporate Services Limited	-	0.03
	Edelweiss Securities And Investments Private Limited	-	0.02
	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	2.77	0.95
	Edelweiss Tokio Life Insurance Company Limited	-	21.79
	Nuvama Asset Management Limited (formerly ESL Securities Limited)	3.80	3.65
	Key Managerial Personnel	-	0.01
Other Receivables from	ECL Finance Limited	-	0.09
	Edel Finance Company Limited	-	0.38
	Edelweiss Asset Management Limited	-	0.15
	Nuvama Custodial Services Limited (formerly Edelweiss Capital Services Limited)	0.01	-
	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	0.68	0.06
	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	1.27	82.30
	Edelweiss Financial Services Limited	-	0.87
	Edelweiss Rural & Corporate Services Limited	-	0.14
Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	5.01	4.92	
Vendor Advance given	Edelweiss Tokio Life Insurance Company Limited	-	20.69
Securities held for trading	ECap Equities Limited (formerly Edel Land Limited)	-	504.19
	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	1,426.43	0.25
Accrued interest on Securities held for trading	Nuvama Wealth Finance Limited (formerly Edelweiss Finance & Investments Limited)	0.01	0.00
Margin placed with	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	14,309.71	9,039.24
Accrued interest on Margin placed with	Nuvama Clearing Services Limited (formerly Edelweiss Custodial Services Limited)	126.21	91.68
<b>Off Balance sheet balances</b>			
Liquidity support availed from (Off Balance sheet)	Asia Pragati Strategic Investment Fund	10,000.00	10,000.00
Corporate Guarantee availed from (Off Balance sheet)	Nuvama Wealth Management Limited (formerly Edelweiss Securities Limited)	10,633.50	4,000.00

0.00 indicates amount less than 0.01 millions

##### Notes :-

- The intra group Company loans are generally in the nature of revolving demand loans. Loan taken from parties are disclosed based on actual amount taken/repaid during the reporting period.
- All above transactions are in the ordinary course of business and are at arms length price.
- Information relating to remuneration paid to Key Managerial Person mentioned above excludes provision made for gratuity, compensated absence and deferred bonus which are provided for group of employees on an overall basis. These are included on cash basis. The variable compensation included herein is on cash basis.



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Notes to the financial statements (Continued)**

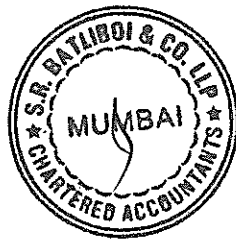
*(Currency : Indian rupees in millions)*

**42 Capital management**

The primary objective of the Company's capital management policy is to ensure that the Company maintains healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue new shares or raise/repay debt. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

In addition to above, the Company is required to maintain minimum net worth as prescribed by regulatory authorities. The management ensures that this is complied.



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

#### 43 Risk Management

The Company has operations in India. Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

##### **Risk management structure**

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Board has appointed the Risk Committee, which is responsible for monitoring the overall risk strategy of the Company.

The Risk Committee has the overall responsibility for the development of the risk strategy and reviewing principles, frameworks, policies and limits.

The Risk Group is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The risk team works closely with the Risk Committee, to ensure that procedures are compliant with the overall framework.

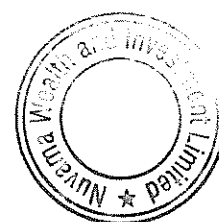
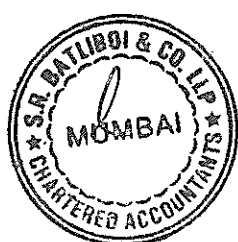
##### **Credit risk**

Credit risk is the risk of financial loss the Company may face due to current/potential inability or unwillingness of a customer or counterparty to meet financial /contractual obligations. Credit risk also covers the possibility of losses associated with diminution in the credit quality of receivables and loans. The Company has adopted a policy of dealing with creditworthy counterparties and obtains sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

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.

##### **Trade receivables including Sebi Margin Trading Facility ('SMTF')**

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.





**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Notes to the financial statements (Continued)**

(Currency: Indian rupees in millions)

**43 Risk Management (Continued)**

**Credit risk (Continued)**

The ageing wise trade receivable use to assess credit risk is as follows:

Bucketing (Ageing)	March 31, 2023 Carrying value	March 31, 2022 Carrying value
0 – 30 Days	4982.92	2724.78
31 – 60 Days	386.08	265.79
61 – 90 Days	107.75	3.03
More than 90 Days	123.01	147.19
Less: Impairment allowance	(141.56)	(144.48)
<b>Total</b>	<b>5,458.20</b>	<b>2,996.31</b>

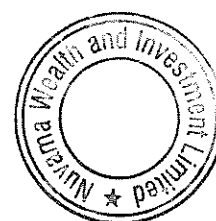
**Employee Stock Option Plan ('ESOP') Loans**

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
<b>Performing</b>		
High grade	0 dpd and 1 to 30 dpd	Stage I
Standard grade	31 to 90 dpd	Stage II
<b>Non-performing</b>		
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 following:

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



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

#### 43 Risk Management (Continued)

##### Credit risk (Continued)

##### 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 (PD)

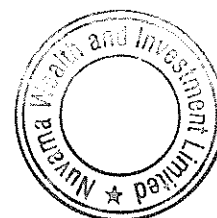
Probability of default (PD) is an estimate of the likelihood of default over a given time horizon. Company calculates the 12 month PD by taking into account the historical trends of the Loans/portfolio and its credit performance. In case of assets where there is a significant increase in credit risk / 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 of 25% 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 reformatted statement of assets and liabilities values.



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

#### 43 Risk Management (Continued)

##### Credit risk (Continued)

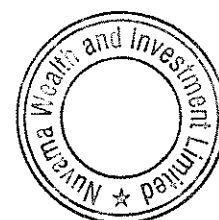
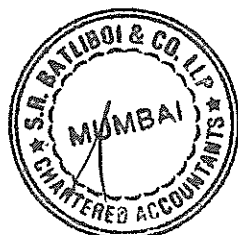
Following table provides information about exposure to credit risk and ECL on Loans:

Bucketing (Stage)	March 31, 2023		March 31, 2022	
	Carrying value	ECL	Carrying value	ECL
Stage 1	13,099.15	2.51	9,880.28	0.06
Stage 2	-	-	-	-
Stage 3	1.79	1.79	1.59	1.59
<b>Total</b>	<b>13,100.94</b>	<b>4.30</b>	<b>9,881.87</b>	<b>1.65</b>

##### Liquidity risk

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

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



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Notes to the financial statements (Continued)**

(Currency : Indian rupees in millions)

**43 Risk Management (Continued)**

**43a(i) Analysis of financial liabilities by remaining contractual maturities**

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial liabilities as at year end: Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Company expects that the counterparties will not request repayment on the earliest date it could be required to pay.

As at March 31, 2023	Less than 3 months	3 months to 6 months	6 months to 12 months	12 months to 3 years	> 3 years	Total
Derivative financial instruments	380.29	-	-	-	-	380.29
Trade payables	13,138.19	-	-	-	-	13,138.19
Debt securities	5,468.31	1,165.78	1,993.14	10,617.39	2,394.07	21,638.69
Borrowings (other than debt securities)	3,222.21	-	-	-	-	3,222.21
Other financial liabilities	662.79	50.59	67.93	189.51	104.27	1,075.09
<b>Total undiscounted financial liabilities</b>	<b>22,871.79</b>	<b>1,216.37</b>	<b>2,061.07</b>	<b>10,806.90</b>	<b>2,498.34</b>	<b>39,454.47</b>

As at March 31, 2022	Less than 3 months	3 months to 6 months	6 months to 12 months	12 months to 3 years	> 3 years	Total
Trade payables	14,129.95	-	-	-	-	14,129.95
Debt securities	5,454.80	76.30	1,181.01	813.50	1,420.03	8,945.64
Borrowings (other than debt securities)	2,249.06	-	-	-	-	2,249.06
Other financial liabilities	804.73	38.65	268.01	185.77	64.53	1,361.69
<b>Total undiscounted financial liabilities</b>	<b>22,638.54</b>	<b>114.95</b>	<b>1,449.02</b>	<b>999.27</b>	<b>1,484.56</b>	<b>26,686.34</b>

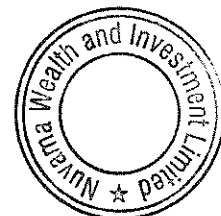
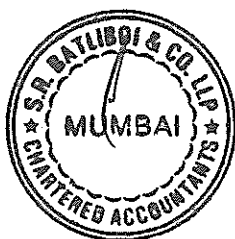
**43a(ii) Analysis of financial assets by remaining contractual maturities**

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets as at year ended:

As at March 31, 2023	Less than 3 months	3 months to 6 months	6 months to 12 months	12 months to 3 years	> 3 years	Total
Cash and cash equivalent and other bank balances	1,635.19	1,306.89	1,797.03	1.04	-	4,740.15
Derivative financial instruments	1,415.90	-	-	1,447.11	260.97	3,123.98
Securities held for trading	3,030.00	-	-	-	-	3,030.00
Trade receivables	4,041.14	577.82	694.90	144.34	-	5,458.20
Loans	860.29	1,829.00	10,865.44	-	-	13,554.73
Other financial assets	15,829.53	-	18.94	118.52	30.90	15,997.89
<b>Total</b>	<b>26,812.05</b>	<b>3,713.71</b>	<b>13,376.31</b>	<b>1,711.01</b>	<b>291.87</b>	<b>45,904.95</b>

As at March 31, 2022	Less than 3 months	3 months to 6 months	6 months to 12 months	12 months to 3 years	> 3 years	Total
Cash and cash equivalent and other bank balances	3,545.27	1,068.39	1,838.12	2.42	-	6,454.20
Derivative financial instruments	-	-	-	5.24	195.46	200.70
Securities held for trading	1,911.67	-	-	-	-	1,911.67
Trade receivables	2,560.14	10.01	255.04	171.12	-	2,996.31
Loans	489.54	808.70	8,784.70	-	-	10,082.94
Other financial assets	9,888.88	-	13.66	117.68	28.29	10,048.51
<b>Total</b>	<b>18,395.50</b>	<b>1,887.10</b>	<b>10,891.52</b>	<b>296.46</b>	<b>223.75</b>	<b>31,694.33</b>



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

#### 43 Risk Management (Continued)

##### 43b Collateral held and other credit enhancements

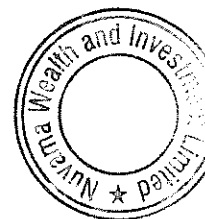
The tables shows the maximum exposure to credit risk by class of financial asset. They also shows the total fair value of collateral, any surplus collateral (the extent to which the fair value of collateral held is greater than the exposure to which it relates), and the net exposure to credit risk:

As at March 31, 2023	Maximum exposure to credit risk (carrying amount before ECL)	Principal type of collateral
<b>Financial assets</b>		
Loans (Gross)	13,100.94	Securities
Trade receivables (Gross)	5,599.76	Securities, Fixed deposits, Bank Guarantee etc.
<b>Total</b>	<b>18,700.70</b>	

As at March 31, 2022	Maximum exposure to credit risk (carrying amount before ECL)	Principal type of collateral
<b>Financial assets</b>		
Loans (Gross)	9,881.87	Securities
Trade receivables (Gross)	3,140.79	Securities, Fixed deposits, Bank Guarantee etc.
<b>Total</b>	<b>13,022.66</b>	

Collateral information is not applicable to financial assets other than those mentioned above.



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

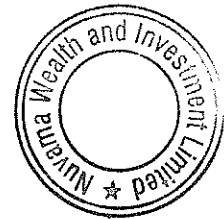
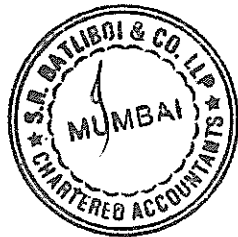
**Notes to the financial statements (Continued)**

(Currency : Indian rupees in millions)

**43 Risk Management (Continued)**

**43c Total market risk exposure**

Particulars	March 31, 2023			March 31, 2022		
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk
<b>Financial assets</b>						
Cash and cash equivalent and other bank balances	4,740.15	-	4,740.15	6,454.20	-	6,454.20
Derivative financial instruments	3,123.98	3,123.98	-	200.70	200.70	-
Securities held for trading	3,030.00	3,030.00	-	1,911.67	1,911.67	-
Loans	13,096.64	-	13,096.64	9,880.22	-	9,880.22
Trade receivables	5,458.20	-	5,458.20	2,996.31	-	2,996.31
Other Financial assets	15,997.89	14,936.05	1,061.84	10,048.51	9,151.04	897.47
<b>Total</b>	<b>45,446.86</b>	<b>21,090.03</b>	<b>24,356.83</b>	<b>31,491.61</b>	<b>11,263.41</b>	<b>20,228.20</b>
<b>Financial liabilities</b>						
Derivative financial instruments	380.29	380.29	-	-	-	-
Borrowings (other than Debt Securities)	3,222.21	-	3,222.21	2,249.06	-	2,249.06
Debt securities	21,638.69	-	21,638.69	8,945.64	-	8,945.64
Trade payables	13,138.19	-	13,138.19	14,129.95	-	14,129.95
Other liabilities	1,075.09	-	1,075.09	1,361.69	-	1,361.69
<b>Total</b>	<b>39,454.47</b>	<b>380.29</b>	<b>39,074.18</b>	<b>26,686.34</b>	<b>-</b>	<b>26,686.34</b>



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

**43 Risk Management (Continued)**

**43d Market Risk (Price Risk)**

The Company has exposure in quoted equity shares and derivative instruments. Accordingly there is effect on the Company's profitability due to variation in market price as mentioned below.

**43d(i) Index Price Risk**

Index price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the level of equity indices.

As at March 31, 2023	Increase in basis points	Effect on Profit before tax	Decrease in basis points	Effect on Profit before tax
Embedded derivative	25	4.27	25	(4.27)
Exchange traded derivatives	25	3.54	25	(3.54)

As at March 31, 2022	Increase in basis points	Effect on Profit before tax	Decrease in basis points	Effect on Profit before tax
Embedded derivative	25	0.50	25	(0.50)
Exchange traded derivatives	25	3.47	25	(3.47)

**43d (ii) Equity Price Risk**

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the level of individual investment in equity share prices.

As at March 31, 2023	Increase in basis points	Effect on Profit before tax	Decrease in basis points	Effect on Profit before tax
Equity shares, mutual fund and debt instruments	25	7.58	25	(7.58)

As at March 31, 2022	Increase in basis points	Effect on Profit before tax	Decrease in basis points	Effect on Profit before tax
Equity shares and debt instruments*	25	3.63	25	(3.63)

\*does not include unlisted equity shares remeasured at realisable values basis agreements entered with prospective buyers.



Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

44 Financial assets available to support future funding

a. Following table sets out availability of assets to support funding:

March 31, 2023	Pledge as collateral	others (refer note 1)	Available as collateral	others (refer note 2)	Total carrying amount
Cash and cash equivalents	-	-	233.07	982.41	1,215.48
Bank balances other than cash and cash equivalents	3,429.11	-	-	95.56	3,524.67
Derivative financial instruments	-	3,123.98	-	-	3,123.98
Securities held for trading	1,228.98	-	1,801.02	-	3,030.00
Trade receivables	5,458.20	-	-	-	5,458.20
Loans	7,983.20	-	5,113.44	-	13,096.64
Other financial assets	-	15,848.51	130.45	18.94	15,997.89
<b>Total assets</b>	<b>18,099.49</b>	<b>18,972.49</b>	<b>7,277.98</b>	<b>1,096.91</b>	<b>45,446.86</b>

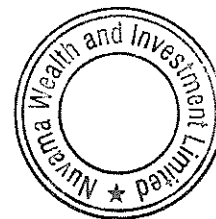
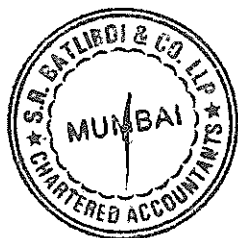
March 31, 2022	Pledge as collateral	others (refer note 1)	Available as collateral	others (refer note 2)	Total carrying amount
Cash and cash equivalents	-	-	829.51	1,505.38	2,334.89
Bank balances other than cash and cash equivalents	3,203.03	-	-	916.28	4,119.31
Derivative financial instruments	-	200.70	-	-	200.70
Securities held for trading	-	-	1,911.67	-	1,911.67
Trade receivables	2,996.31	-	-	-	2,996.31
Loans	4,455.87	-	5,424.35	-	9,880.22
Other financial assets	-	9,828.27	206.58	13.66	10,048.51
<b>Total assets</b>	<b>10,655.21</b>	<b>10,028.97</b>	<b>8,372.10</b>	<b>2,435.32</b>	<b>31,491.61</b>

Note

- 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.

b. Undrawn borrowing commitments

The Company has undrawn borrowing commitments from banks amounting to ₹ 1,090.50 millions as on March 31, 2023 (P.Y. : ₹ 1,010.00 millions).





**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Notes to the financial statements (Continued)**

(Currency : Indian rupees in millions)

**45 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.

**b. Valuation governance framework**

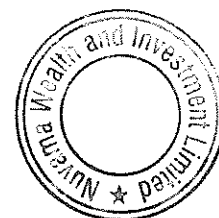
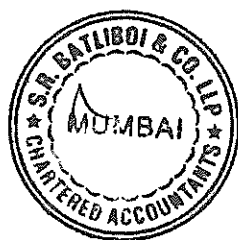
The Company's fair value methodology and the governance over its models includes a number of controls and other procedures to ensure appropriate safeguards are in place to ensure its quality and adequacy. All new product initiatives (including their valuation methodologies) are subject to approvals by 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
<b>Assets measured at fair value on a recurring basis</b>				
<b>Derivative financial instruments</b>				
Exchange traded derivatives	1,492.33	47.50	-	1,539.83
Embedded derivatives in market-linked debentures	-	-	1,708.08	1,708.08
<b>Total derivative financial instruments - A</b>	<b>1,492.33</b>	<b>47.50</b>	<b>1,708.08</b>	<b>3,247.91</b>
<b>Financial Assets held for trading</b>				
Equity Shares	45.85	0.01	-	45.86
Mutual fund	1,228.98	-	-	1,228.98
Debt instruments	-	1,755.16	-	1,755.16
<b>Total Financial assets held for trading - B</b>	<b>1,274.83</b>	<b>1,755.17</b>	<b>-</b>	<b>3,030.00</b>
<b>Total Financial assets measured at fair value (A+B)</b>	<b>2,767.16</b>	<b>1,802.67</b>	<b>1,708.08</b>	<b>6,277.91</b>
<b>Liabilities measured at fair value on a recurring basis</b>				
Exchange traded derivatives	391.68	-	-	391.68
<b>Total derivative financial Instruments</b>	<b>391.68</b>	<b>-</b>	<b>-</b>	<b>391.68</b>
<b>Total Financial liabilities measured at fair value</b>	<b>391.68</b>	<b>-</b>	<b>-</b>	<b>391.68</b>
<b>As at March 31, 2022</b>				
<b>Assets measured at fair value on a recurring basis</b>				
<b>Derivative financial instruments</b>				
Exchange traded derivatives	0.83	-	-	0.83
Embedded derivatives in market-linked debentures	-	-	200.70	200.70
<b>Total derivative financial Instruments - A</b>	<b>0.83</b>	<b>-</b>	<b>200.70</b>	<b>201.53</b>
<b>Financial Assets held for trading</b>				
Equity Shares	947.28	459.94	-	1,407.22
Debt instruments	-	504.44	-	504.44
<b>Total Financial assets held for trading - B</b>	<b>947.28</b>	<b>964.38</b>	<b>-</b>	<b>1,911.67</b>
<b>Total Financial assets measured at fair value (A+B)</b>	<b>948.11</b>	<b>964.38</b>	<b>200.70</b>	<b>2,113.20</b>
<b>Liabilities measured at fair value on a recurring basis</b>				
<b>Derivative financial instruments</b>				
Exchange-traded derivatives	-	-	-	-
<b>Total Financial liabilities measured at fair value</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

45 Fair Value measurement (Continued)

d. Valuation techniques (Continued)

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 stock exchange wherever bonds are traded actively.

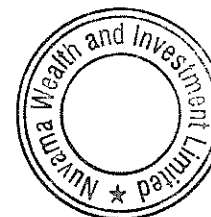
Equity Shares:

The majority of equity shares are actively traded on stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1. Equity shares in non listed entities are initially recognized at transaction price and remeasured at each reporting date with realizable values basis agreements entered with prospective buyer. Such equity shares are classified at level 2.

e. There have been no transfers between levels during the year ended March 31, 2022

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.

Assets measured at fair value on a recurring basis	Embedded derivatives		
	Assets	Liabilities	Net Balance
As at April 1, 2022	200.70	-	200.70
Issuances	1,517.18	-	1,517.18
Change in Value of the Options	(9.80)	-	(9.80)
As at March 31, 2023	1,708.08	-	1,708.08
As at April 1, 2021	-	-	-
Issuances	212.08	-	212.08
Change in Value of the Options	(11.38)	-	(11.38)
As at March 31, 2022	200.70	-	200.70



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Notes to the financial statements (Continued)**

(Currency : Indian rupees in millions)

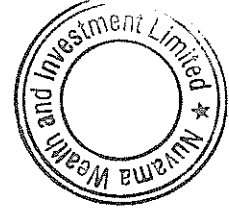
**45 Fair Value measurement (Continued)**

**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 i.e. Derivative 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 asset 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)	1,708.08	Fair value using Black Scholes model or Monte Carlo approach	Nifty level  Underlying discount rate	17,443 4.5 % to 6%	5% increase in Nifty Index curve 1% increase in Risk-adjusted discount rate	356.30 193.20	5% Decrease in Nifty Index curve 1% Decrease in Risk-adjusted discount rate	(413.40) (207.70)
Type of Financial Instruments	Fair value of asset as on March 31, 2022	Valuation techniques	Significant unobservable input <th>Range of estimates for unobservable input</th> <th>Increase in the unobservable input</th> <th>Change in fair value</th> <th>Decrease in the unobservable input</th> <th>Change in fair value</th>	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)	200.70	Fair value using Black Scholes model or Monte Carlo approach	Nifty level  Underlying discount rate	17,465 4.50% to 6%	5% increase in Nifty Index curve 1% increase in Risk-adjusted discount rate	44.60 31.60	5% Decrease in Nifty Index curve 1% Decrease in Risk-adjusted discount rate	(53.50) (35.40)

h. With respect to financial instruments not measured at fair value, their carrying amounts approximates fair value.



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Notes to the financial statements (Continued)**

(Currency: Indian rupees in millions)

**46 Foreign currency transactions**

- a. The Company has incurred following expenditure in foreign currency (on accrual basis).

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Purchase of Securities	-	1,017.92
Referral & other expenses	4.27	46.57

- b. The Company has earned following income in foreign currency (on accrual basis).

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Fees & Advisory Income	8.19	9.32

**47 Additional disclosure on fixed deposits**

1. Fixed deposits aggregating to ₹ 307.85 millions (P.Y. ₹ 2,107.00 millions) have been pledged with exchanges for meeting margin requirement.
2. Fixed deposits aggregating to ₹ 13.63 millions (P.Y. ₹ 15.13 millions) have been pledged with exchanges for meeting base capital requirement.
3. Fixed deposits aggregating to ₹ 30.13 millions (P.Y. ₹ 233.40 millions) have been pledged with exchanges towards arbitration.
4. Fixed deposits aggregating to ₹ 1250.00 millions (P.Y. ₹ 375.00 millions) have been pledged with bank for availing bank guarantees.
5. Fixed deposits aggregating to ₹ 1450.00 millions (P.Y. ₹ 1,300.00 millions) have been pledged with banks for availing Working Capital Demand Loan (WCDL)/ bank overdraft.
6. Fixed deposits aggregating to ₹ 375.50 millions (P.Y. ₹ Nil) have been pledged with banks for availing intraday facility from bank.
7. Fixed deposits ₹ 2.00 millions (P.Y. ₹ 2.00 millions) have been placed with Pension Fund Regulatory & Development Authority (PFRDA).



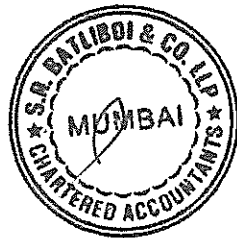
## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

#### 48 Cost sharing

Nuvama Wealth Management Limited (Formerly known as Edelweiss Securities Limited), being the Holding Company incurred expenditure like branding fee, senior management cost, technology and administrative cost etc. which is for the common benefit of itself and its subsidiaries and associates. These costs expended are reimbursed by the Company on the basis of number of employees, actual identifications, etc. On the same lines, branch running costs expended (if any) by the Holding Company for the benefit of its subsidiaries and associates are recovered by the Holding Company. Accordingly, and as identified by the management, the expenditure heads in notes 32 and 33 include reimbursements paid and are net of reimbursements received based on the management's best estimate.



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Notes to the financial statements (Continued)**

(Currency: Indian rupees in millions)

**49 Segment wise disclosure as required as per Regulation 31 (2) of Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015**

Segment wise disclosure for Revenues received for Insurance intermediation and other income from Insurers as per Regulation 31 (2) of Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015:

Particulars	March 31, 2023	March 31, 2022
<b>Edelweiss Tokio Life Insurance Company Limited</b>		
Brokerage commission earned	0.47	0.14
Commission earned on selling life insurance policies	187.22	99.57
Banner fees recovered	99.90	-
Group Life insurance for employees paid	17.45	22.76
<b>Edelweiss General Insurance Company Limited</b>		
Commission earned on selling general insurance policies	3.73	3.61
Group mediclaim insurance for employees paid	62.58	48.50
<b>Gallagher Insurance Brokers Private Limited</b>		
Research fees received	5.60	5.65
Rent and related cost recovery	-	1.11
Cost reimbursement recovered	-	0.02
Purchase of securities	-	513.81
Purchase of Property, Plant and Equipment	-	0.10
Sale of Property, Plant and Equipment	-	0.00
<b>HDFC Life Insurance Company Limited</b>		
Commission income earned	111.18	17.08
Banner fees recovered	37.50	-
<b>Star Health and Allied Insurance Company Limited</b>		
Commission income earned	0.95	1.13
<b>Bajaj Allianz Life Insurance Company Limited</b>		
Commission income earned	37.77	-

0.00 indicates amounts less than 0.01 millions



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements (Continued)

(Currency: Indian rupees in millions)

#### 50 Large Corporate Disclosure

Pursuant to SEBI Circular no. SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018, the Company has been identified as large corporate and therefore the following information is being disclosed as at March 31, 2023:

Sr. No.	Particulars	Details
1	Name of Company	Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)
2	CIN	U65100GJ2008PLC077462
3	Outstanding long term borrowing (at face value) of the Company as on March 31, 2023.	Rs. 12,560.54 millions
4	Highest Credit Rating During the previous Financial year along with name of the Credit Rating Agency.	CRISIL AA-/Stable
5	Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework.	BSE Limited

- 51 Additional regulatory information required under (WB) (xiv) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the company as it is in broking business and not an NBFC registered under section 45-IA of Reserve Bank of India Act, 1934.
- 52 There have been no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 53 The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.
- 54 The Company has not been declared wilful defaulter by any bank or financial institution or government or any other lender.
- 55 The Company does not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory year.



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Notes to the financial statements (Continued)**

*(Currency: Indian rupees in millions)*

- 56 The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- 57 The Company has not traded or invested in Crypto currency or virtual currency during the financial year.
- 58 There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company.
- 59 The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person.
- 60 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 and March 31, 2022.
- 61 a. The Company has not declared or paid any dividend.





## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

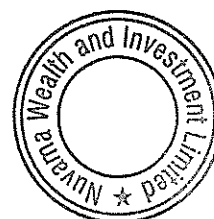
#### 61 b. Ratio Analysis and its elements

Pursuant to SEBI's Operational circular SEBI/ HO/ DDHS/ P/CIR/ 2021 /613 dated August 10, 2021 to the extent applicable to Commercial Papers, information as required under Regulation 52(4) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 for the year ended March 31, 2023 is as mentioned below :-

	Particulars	Represent in terms of	Year ended	Year ended
			March 31, 2023	March 31, 2022
1.	Debt-equity Ratio (Refer note 1)	Times	3.66	2.10
2.	Net worth (₹) (Refer note 2)	₹ in million	6,785.02	5,338.79
3.	Debt Service Coverage Ratio (Refer note 3)	Times	0.29	0.23
4.	Interest Service Coverage Ratio (Refer note 4)	Times	2.25	4.29
5.	Outstanding redeemable preference shares (no.of shares)	Nos.	NA	NA
6.	Outstanding redeemable preference shares (including dividend accrued but not due)	₹ in million	NA	NA
7.	Capital redemption reserve	₹ in million	-	-
8.	Debenture redemption reserve	₹ in million	207.83	207.83
9.	Net profit after tax	₹ in million	1,422.37	946.49
10.	Earnings Per Share (₹) (Face Value of ₹ 10/- each)			
	- Basic	per share (Rs.)	3.30	2.69
	- Diluted	per share (Rs.)	3.30	2.69
11.	Total debt to Total assets (%) (Refer Note 5)	%	53.04%	34.27%
12.	Net profit margin (%) (Refer Note 6)	%	11.70%	10.91%

Note:

- Debt-equity Ratio = Total debt/ Net worth  
Total Debt = Debt securities + Borrowings other than debt securities
- Net worth = Equity share capital + Instruments entirely equity in nature + Other equity
- Debt Service Coverage Ratio (DSCR) = Profit before tax, Exceptional items and Finance cost excluding IND AS 116 impact)/ (Finance cost excluding IND AS 116 impact + Principal repayment in next six months)
- Interest Service Coverage Ratio (ISCR) = Profit before tax, Exceptional items and Finance cost excluding IND AS 116 impact)/ Finance cost excluding IND AS 116 impact
- Total debt to Total assets = (Debt securities + Borrowings other than debt securities)/ Total assets
- Net profit margin = Net Profit after tax for the year/ Total income
- Current ratio, Long term debt to working capital, Bad Debts to account receivables ratio, Current liability ratio, Debtors turnover, Inventory turnover and Operating margin (%) are not applicable.



## Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)

### Notes to the financial statements (Continued)

#### 62 Transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

For March 31, 2023			
Name of Struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off Company
Arihant Capital Markets Ltd	Referral and commission	-	Vendor
Br Wealth Advisors Private Limited	Referral and commission	-	Vendor
PCS Securities Ltd	Referral and commission	-	Vendor
Quantum Securities Pvt Ltd	Referral and commission	-	Vendor
Sowing Bean (India) Private Limited	Referral and commission	-	Vendor
Redington India Limited	Commission Income	0.22	Advisory Fees - Client
Orion Richiz Stock Broking Private Limited	Broking and depository	0.00	Trading Client
Lalji Financial Advisors Private Limited	Broking and depository	0.00	Trading Client
Arpit Fincap Private Limited	Broking and depository	0.00	Trading Client
Sagar Associates Private Limited	Broking and depository	0.00	Trading Client
Verb Consultants Private Limited	Broking and depository	0.00	Trading Client
Om Sai Associates Private Limited	Broking and depository	0.00	Trading Client
Shashwat Wealth Creators Private Limited	Broking and depository	0.00	Trading Client
Arham Securities Private Limited	Broking and depository	0.00	Trading Client
Neelam Private Limited	Broking and depository	0.00	Trading Client
Bharati Private Limited	Broking and depository	0.00	Trading Client
Indu Private Limited	Broking and depository	(2.79)	Trading Client
Prem Kumar Private Limited	Broking and depository	(0.00)	Trading Client
Tigerlily Capital Advisors Private Limited	Broking and depository	0.00	Trading Client

For March 31, 2022			
Name of Struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off Company
Aakanksha Leasing And Services Private Limited	Referral and commission	-	Vendor
Br Wealth Advisors Private Limited	Referral and commission	-	Vendor
DNM Finserve Private Limited	Referral and commission	-	Vendor
PCS Securities Limited	Referral and commission	-	Vendor
Falguni Sales Trading Agency Private Limited	Broking and depository	0.00	Retail client
Jyoti Financial Consultant Private Limited	Broking and depository	0.00	Retail client

0.00 indicates amount less than 0.01 millions

- 63 (A) During the year ended March 31, 2023, the Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall 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 to or on behalf of the Ultimate Beneficiaries.
- 63 (B) During the year ended March 31, 2023, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Notes to the financial statements (Continued)**

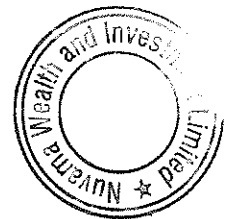
*(Currency: Indian rupees in millions)*

**64 Subsequent events**

There have been no events or transactions which have occurred since the date of Balance Sheet or are pending that would have a material effect on the financial statements and requires adjustment to the accounting estimates and disclosures included in the financial statements at that date or for the year then ended, other than those reflected or fully disclosed in the financial statements.

No events have occurred that are of such significance in relation to the Company's affairs to require mention in a note to the financial statements in order to make them not misleading regarding the financial position, results of operations, or cash flows or changes in equity of the Company.

- 65** 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.



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**

**Notes to the financial statements (Continued)**

(Currency: Indian rupees in millions)

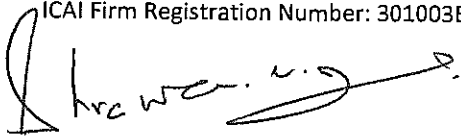
**66 Previous year comparatives**

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

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



**per Shrawan Jalan**

Partner

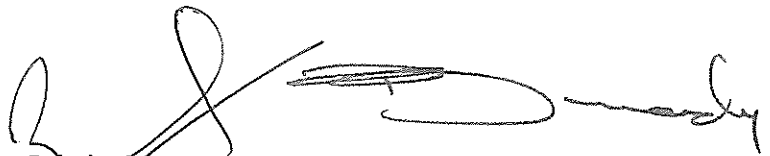
Membership No.: 102102



Mumbai

May 24, 2023

**For and on behalf of the Board of Directors**



**Rahul Jain**

Managing Director &  
Chief Executive Officer

Din: 00387505

**Prashant Mody**

Executive Director

Din: 03101048

**Ashish Kehair**

Non Executive Director

Din: 07789972

**Sheetal Gandhi**

Chief Financial Officer



**Rohan Jadhav**

Company Secretary

Mumbai

May 24, 2023

