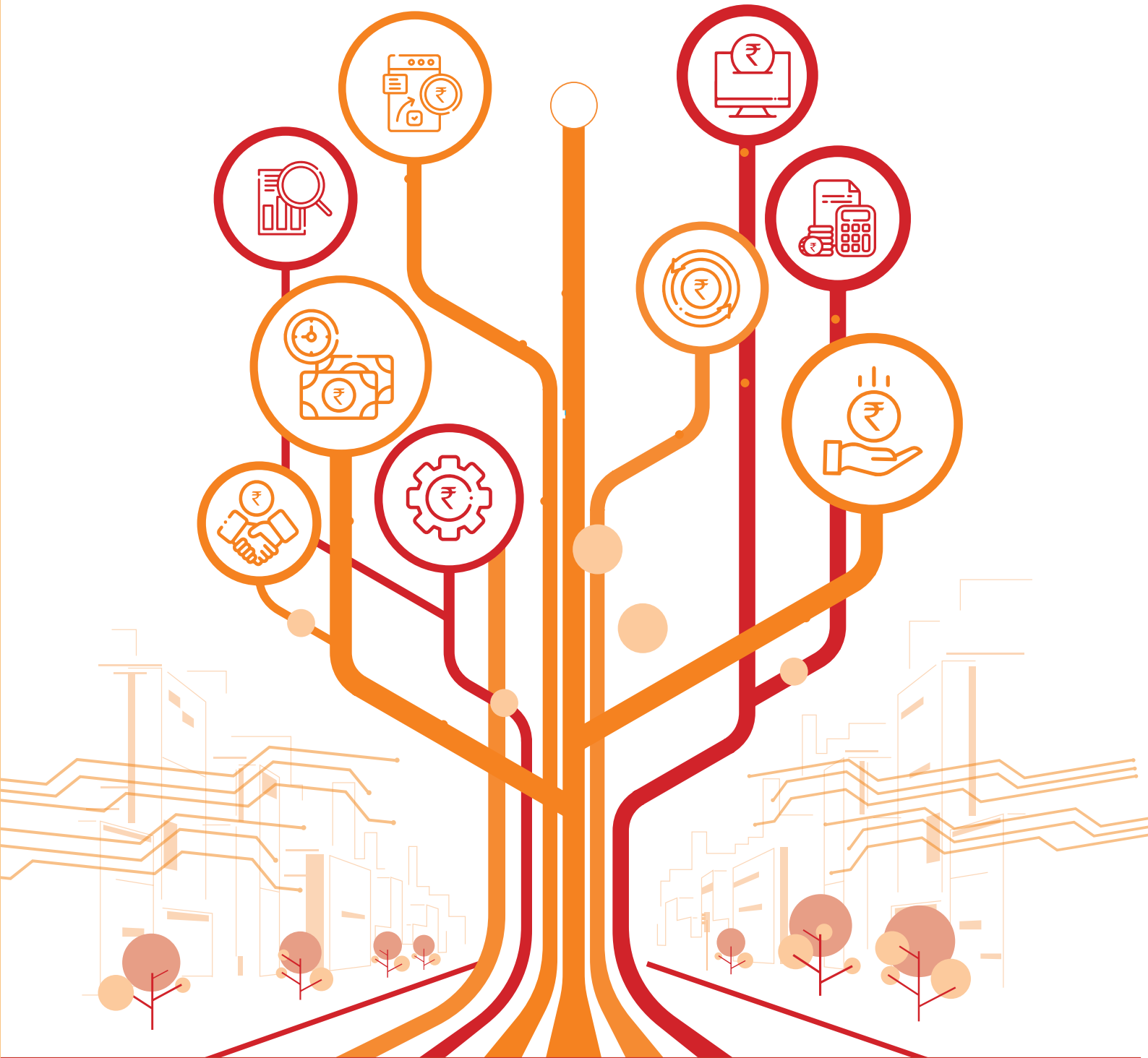


Annual Report **2022-23**

Emkay Investment Managers Limited

Emkay[®]

Your success is our success



**REIMAGINING INVESTMENTS
WITH TECHNOLOGY**

CORPORATE INFORMATION

| | |
|----------------------------------|---|
| BOARD OF DIRECTORS | G.C.Vasudeo Director - (DIN 00021772) Rajesh Sharma Director - (DIN:01239871) Saket Agrawal Director - (DIN:06960186) |
| COMPANY SECRETARY | Dipti Modi |
| STATUTORY AUDITORS | B. L. Sarda & Associates, Chartered Accountants 61, Rajgir Chambers, 7th floor, opp. Old Custom House, 12/14 Shahid Bhagat Singh Road, Mumbai-400023 Tel. No. 022-22664618, 022-22662752 |
| INTERNAL AUDITORS | Lovi Mehrotra & Associates, Chartered Accountants |
| BANKERS | HDFC Bank Limited AXIS Bank Limited |
| REGISTERED OFFICE | The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (west), Mumbai-400028 |
| ADMINISTRATIVE OFFICE | Paragon Centre, "C-06", Ground Floor, P. B. Marg, Opp. Century Mills, Worli, Mumbai -400 013 |
| CORPORATE IDENTITY NUMBER | : U67190MH2010PLC203819 |

NOTICE

NOTICE is hereby given that the 13th Annual General Meeting of the Members of **EMKAY INVESTMENT MANAGERS LIMITED** will be held on Wednesday, 9th August, 2023 at 10:30 a.m. at the Registered Office of the Company i.e. The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028 to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the audited Financial Statement of the Company for the Financial Year ended, 31st March, 2023 together with the report of the Board of Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. Rajesh Sharma (DIN: 01239871) who retires by rotation and being eligible offers himself for re-appointment.

BY ORDER OF THE BOARD OF DIRECTORS
Emkay Investment Managers Limited

Dipti Modi
Company Secretary

Registered Office
The Ruby, 7th Floor,
Senapati Bapat Marg
Dadar (West), Mumbai-400028

Place : Mumbai

Dated : 12th May, 2023

NOTES:

- 1) A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint Proxy/ Proxies to attend and vote instead of himself/herself. Proxy/Proxies need not be a member of the company. Person can act as proxy on behalf of members not exceeding fifty (50) and holding not more than ten percent (10%) of the total share capital of the company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. Proxies in order to be effective must be received by the company at its registered office not later than forty-eight hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/ authority, as applicable.
- 2) Corporate Members intending to send their authorized representatives to attend the Annual General Meeting are requested to send a duly certified copy of their board resolution.
- 3) Members/Proxies/Representatives should bring the enclosed Attendance Slip, dully filled in, for attending the Meeting. Copies of the Annual Report or Attendance Slips will not be distributed at the Meeting.

NOTICE

ANNEXURE TO ITEM NO. 2 OF THE NOTICE

[Pursuant to and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India]

| Sr. No. | Name of the Director | Mr. Rajesh Sharma |
|---------|--|--|
| 1 | DIN | 0129871 |
| 2 | Age & Date of Birth | 54 Yrs (DOB 14/07/1966) |
| 3 | Date of first appointment on Board | 20.10.2014 |
| 4 | Brief resume including including qualification and experience (i) Qualification (ii) Experience | (i) C.A (ii) Rich and vast experience in the field of Finance and Accounting |
| 5 | Expertise in specific functional areas | Rich and vast experience in the field of Finance and Accounting |
| 6 | Other Directorships (as on May 12, 2023) | Emkay Commotrade Limited Emkay Global Financial Services IFSC Private Limited |
| 7 | Chairmanship/Membership of Committees in Companies in which position of Directors held (as on May 12, 2023) | None |
| 8 | Relationship with other Directors, Managers and Key Managerial Personnel of the Company | None |
| 9 | No. of equity shares held in the Company (as on May 12, 2023) | None |
| 10 | No. of board meetings attended during the financial year (FY 2022-23) | 7 out of 7 |
| 11 | Terms and conditions of appointment including remuneration | Appointed as a Non-executive Director liable to retire by rotation. |

REPORT OF THE BOARD OF DIRECTORS

Dear Members,

Your Directors present the 13th Annual Report of your Company and the Audited Financial Statements for the year ended on March 31, 2023.

1. FINANCIAL RESULTS

An overview of the financial performance of the Company for the financial year 2022-23 is as under:

(in Lakhs)

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|--|-------------------------------|-------------------------------|
| Revenue from Operations | 1215.02 | 1414.26 |
| Other Income | 166.05 | 142.47 |
| Expenses | 1167.24 | 1217.30 |
| Profit Before Tax | 213.83 | 339.44 |
| Less: Provision for Taxation | 35.91 | 76.57 |
| Less: Deferred Tax Charge / (Benefit) | (0.39) | 4.11 |
| Short / (Excess) Provision for Taxation for Earlier Year | - | (1.36) |
| Profit After Tax | 178.31 | 260.11 |
| Other Comprehensive Income / (Loss) (net of tax) | 1.03 | (1.70) |
| Total Comprehensive Income | 179.34 | 258.41 |

2. REVIEW OF OPERATIONS AND BUSINESS HIGHLIGHTS

During the year under review, your Company recorded a total income of ₹ 1381.07 lacs as compared to ₹ 1556.73 lacs in the previous financial year decreased by 11.28%.

The Profit after Tax for the year under review stands at ₹ 178.31 lacs as compared to ₹ 260.11 lacs in previous financial year, decreased by 31.44%.

3. RESERVES AND SURPLUS

The Company has not transferred any amount to General Reserve.

4. DIVIDEND

In order to conserve the resources for future business growth, your directors do not recommend any dividend for the financial year 2022-23.

5. ANNUAL RETURN

The Annual Return as required under Section 92(3) and Section 134 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the Company's website at <http://www.emkayim.com/Investor-relations>.

6. MATERIAL CHANGES BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF REPORT

There have been no material changes and commitments between the end of financial year 2022-23 and the date of this report adversely affecting the financial position of the Company.

7. DIRECTORS & KEY MANAGERIAL PERSONNEL APPOINTMENT

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014 and Articles of Association of the Company, Mr. Rajesh Sharma (DIN: 01239871), Director of the Company is liable to retire by rotation and being eligible, offers himself for re-appointment. Your Board recommends his re- appointment.

The above re-appointment forms part of the Notice of the forthcoming 13th Annual General Meeting and the respective resolution is recommended for your approval.

The following person was formally noted as Key Managerial Personnel of the Company in compliance with the provisions of Section 203 of the Companies Act, 2013:

a) Ms. Dipti Modi – Company Secretary

Mr. Vikaas Sachdeva Chief Executive Officer of the company has resigned from the company on 30.09.2022. He was associated with the company as Chief Executive Officer of the company from 29th October 2019. The Board placed on record its sincere appreciation for the valuable contribution made by Mr. Vikaas Sachdeva during his tenure as Chief Executive Officer of the Company.

8. INDEPENDENT DIRECTORS

The provisions of Section 149 (4) of the Companies Act, 2013 read with The Companies (Appointment and qualification of Directors) Rule 2014 pertaining to appointment of Independent Director are not applicable to the Company. Pursuant to SEBI (Listing obligations and Disclosure requirements) Regulation 2015 being a material subsidiary Mr. G. C. Vasudeo Independent Director of Holding Company appointed on the board of the Company.

REPORT OF THE BOARD OF DIRECTORS

9. CORPORATE GOVERNANCE

a. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2022-23, 07 meetings of the Board of Directors were held on 25.04.2022, 02.05.2022, 23.05.2022, 05.08.2022, 04.11.2022, 27.01.2023 and 20.03.2023.

The details of attendance of the Directors at the meetings are as under:

| Name of the Director | Category | Board Meetings during Financial Year 2021-22 | |
|----------------------|----------|--|----------|
| | | Held | Attended |
| Mr. G. C. Vasudeo | Director | 7 | 1 |
| Mr. Rajesh Sharma | Director | 7 | 7 |
| Mr. Saket Agrawal | Director | 7 | 7 |

b. AUDIT COMMITTEE

Provisions of section 177 of the Companies Act, 2013 pertaining to constitution of Audit Committee are not applicable to the Company. Accordingly, the Company has not constituted the Audit Committee.

c. NOMINATION AND REMUNERATION COMMITTEE

Provisions of section 178 of the Companies Act, 2013 pertaining to constitution of Nomination and Remuneration Committee are not applicable to the Company. Accordingly, the Company has not constituted the Nomination and Remuneration Committee.

d. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Since the Company was not falling in any of the criteria given under section 135 of the Companies Act, 2013, during the immediately preceding financial year 2021-22, the Company was not required to constitute the Corporate Social Responsibility Committee.

10. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013, the Directors confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to Material departures if any, that there are no material departures;
- The directors have selected such accounting policies 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 at the end of the financial year and of the profit of the Company for the year under review;

- The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The directors have prepared the annual accounts on a going concern basis;
- The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate & operating effectively.

11. PUBLIC DEPOSITS

During the year under review, your Company has not accepted and/or renewed any public deposits in terms of the provisions of Section 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees or Investments covered under Section 185 and 186 of the Companies Act, 2013, are given under notes to the Financial Statements.

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013

The details of the related party transactions, as per requirement of Accounting Standards-18 are disclosed in notes to the financial statements of the Company for the financial year 2022-23. All the directors have disclosed in their interest in Form MBP-1 pursuant to the provisions of Section 184 of the Companies Act, 2013 and as and when any changes in their interest take place, such changes are placed before the Board at its meetings. None of the transactions with any of the related parties was in conflict

REPORT OF THE BOARD OF DIRECTORS

with the interest of the Company. The particulars of contracts or arrangements with related parties referred to in Section 188(1), in prescribed Form AOC - 2 under Companies (Accounts) Rules, 2014 are appended as “Annexure A”.

14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

- a. Conservation of Energy, Technology Absorption do not have much relevance to the activities of the Company since it does not own any manufacturing facility and hence the disclosure of information to be disclosed in terms of Section 134(3)(m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014 in respect of Conservation of Energy, Technology Absorption are not given.
- b. There were no Foreign Exchange earnings during the year under review.
- c. The total Foreign Exchange Outgo during the year under review was ₹ Nil.

15. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE COURTS OR REGULATORS

During the year under review no significant and material orders were passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

16. STATUTORY AUDITORS

Pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 (“the Act”) read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof for the time being in force), M/s. B. L. Sarda & Associates, Chartered Accountants, bearing Firm Registration Number 109266W with the Institute of Chartered Accountants of India (ICAI) were appointed as the Statutory Auditors of the Company at the 9th Annual General Meeting held on 12th August, 2019 for a period of five years commencing from the conclusion of the 9th Annual General Meeting (AGM) till the conclusion of the 14th Annual General Meeting of the Company to be held for the Financial Year 2023-24.

M/s. B. L. Sarda & Associates, Chartered Accountants have confirmed their eligibility and qualification required under section 139 and 141 and other applicable provisions

of the Companies Act, 2013 and Rules issued thereunder (including any statutory modification(s) or re-enactment(s) thereof) for the time being in force.

There are no qualifications or observations or remarks made by the Auditors in their report.

17. CHANGE IN ACCOUNTING POLICY

The company has adopted Indian Accounting Standard (IND AS) with effect from 1st April 2019 and the effective date of such transition is 1st April 2018. There is no change in Accounting Policy thereafter.

18. SECRETARIAL AUDIT

Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company being a material unlisted subsidiary of Emkay Global Financial Services Limited (Listed Holding Company) was required to obtain Secretarial Audit Report from Practicing Company Secretary.

There is no qualification, disclaimer, and adverse remarks in the Report of the Secretarial Auditor of the Company for the end of the financial year 2022-23 and the report has been attached as “Annexure B”

19. COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 and rules made thereunder are not applicable for the business activities carried out by the Company.

20. REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditor have not reported to the Board as specified under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board’s report.

21. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Company has an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively during the Financial Year 2022-23.

REPORT OF THE BOARD OF DIRECTORS

22. SECRETARIAL STANDARDS

The Company complies with the applicable secretarial standards issued by the Institute of Company Secretaries of India.

23. HUMAN RESOURCE

a. PARTICULARS OF EMPLOYEES

The particulars of employees, in terms of requirement under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not annexed, as there are no employees whose remuneration falls within the prescribed limits of the Section 197.

b. INFORMATION UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

During the year under review no complaint was filed before the Internal Complaints Committee constituted under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

24. ACKNOWLEDGEMENT

Your Directors would like to take this opportunity to express sincere gratitude towards the customers, bankers and other business associates for the continued cooperation and patronage provided by them. Your Directors gratefully acknowledge the ongoing co-operation and support provided by the Government Authorities, Regulatory Bodies and other entities dealing with the Company.

Your Directors place on record their deep appreciation for the exemplary contribution made by employees at all levels.

For and on behalf of the Board of Directors

Rajesh Sharma
Director
DIN: 01239871

Saket Agrawal
Director
DIN: 06960186

Place : Mumbai
Dated : 12th MAY, 2023

REPORT OF THE BOARD OF DIRECTORS

ANNEXURE “A”

Form No. 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 arms’ length transactions under Fourth proviso thereto.

1. Details of contracts or arrangements or transactions not at arm’s length basis

| Sr. No | Particulars | Details of Transaction |
|---|--|--|
| A | Name(s) of the related party and nature of relationship | Emkay Global Financial Services Limited – Holding Company |
| b | Nature of contracts / arrangements / transactions | Reimbursement of Rent, Electricity, Water Charges, Telephone Expenses, Building Maintenance etc for the use of office premises of the Holding Company. |
| c | Duration of the contracts / arrangements /transactions | From 1st April, 2022 to 31st March, 2023 |
| d | Salient terms of the contracts or arrangements or transactions including the value, if any | Reimbursement of certain common expenses such as Rent, Electricity, Water Charges, Telephone Expenses, Building Maintenance etc to the Holding Company on the basis of cost incurred by the Holding Company and dividing the same by the total number of employees sitting in the premises to arrive at cost per employee and paying this to the Holding Company on the basis of number of employees of the Company. |
| e | Justification for entering into such contracts or arrangements or transactions | The Company is not having its own office premises. Hence, it is using office premises of its Holding Company. |
| f | Date(s) of approval by the Board | 24.01.2022 |
| g | Amount paid as advances, if any | N.A |
| h | Date on which the resolution was passed in general meeting as required under first proviso to section 188 ## | N.A |
| Note: | | |
| ## 1. As per 5 th proviso to section 188(1) of the Companies Act, 2013 passing of shareholders resolution under 1 st proviso is not applicable for transactions entered into between Holding Company and its wholly owned subsidiary company whose accounts are consolidated with such Holding Company and placed before the shareholders at the Annual General Meeting for approval. | | |
| 2. Necessary omnibus approval/approval of the Board has been obtained prior to entering into the related party transactions. | | |

2. Details of material contracts or arrangement or transactions at arm’s length basis

| | |
|---|-------|
| (a) Name(s) of the related party and nature of relationship | – N.A |
| (b) Nature of contracts/arrangements/transactions | – N.A |
| (c) Duration of the contracts / arrangements/transactions | – N.A |
| (d) Salient terms of the contracts or arrangements or transactions including the value, if any: | – N.A |
| (e) Date(s) of approval by the Board, if any: | – N.A |
| (f) Amount paid as advances, if any: | – N.A |

There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large.

For and on behalf of the Board of Directors

Rajesh Sharma
Director
DIN: 01239871

Saket Agrawal
Director
DIN: 06960186

Place : Mumbai
Dated : 12th May 2023

REPORT OF THE BOARD OF DIRECTORS

ANNEXURE “B”

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 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]

To,
The Members,
EMKAY INVESTMENT MANAGERS LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by EMKAY INVESTMENT MANAGERS 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, the information to the extent provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by The Ministry of Corporate Affairs warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31st March, 2023, generally 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 made available to us and maintained by the Company for the financial year ended on 31st March, 2023 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (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; (Not applicable to the Company during the audit period)
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not applicable to the Company during the audit period)
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993

REPORT OF THE BOARD OF DIRECTORS

regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 and amendments from time to time; (Not applicable to the Company during the audit period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)
- (i) Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020

(vi) As represented by the Management there are no sector specific laws applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

During the period under review, the Company has generally 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. There were no changes in the composition of the Board of Directors that took place during the period under review.

Notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, 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.

Decisions at the Board Meetings meeting were taken unanimously.

We further report that there are 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 etc.

We further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:

For Parikh & Associates

Company Secretaries

Anuja Parikh

Partner

ACS No: 52937 CP No: 21367

UDIN: A052937E000299326

PR No.: 1129/2021

Place : Mumbai

Date : May 12, 2023

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

REPORT OF THE BOARD OF DIRECTORS

'Annexure A'

To,
The Members
EMKAY INVESTMENT MANAGERS LIMITED

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 process 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 process 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. Where ever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. 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.

For Parikh & Associates
Company Secretaries

Anuja Parikh
Partner

ACS No: 52937 CP No: 21367

UDIN: A052937E000299326

PR No.: 1129/2021

Place : Mumbai
Date : May 12, 2023

INDEPENDENT AUDITOR'S REPORT

To The Members of EMKAY INVESTMENT MANAGERS LIMITED

Report on the Audit of Financial Statements

OPINION

We have audited the accompanying financial statements of **EMKAY INVESTMENT MANAGERS LIMITED** ("the Company"), which comprises of Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) 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 made there under, 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.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Board's Report including Annexures to the Board report, but does not include the financial statement 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 the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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 AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 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, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is 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

INDEPENDENT AUDITOR'S REPORT

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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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.

OTHER MATTERS

We did not audit the financial statements / financial information of Portfolio Management Services (PMS services) availed by the Company, included in the financial statements of the Company. The said financial statements / financial information of the PMS services reflect total assets of ₹ 41,976.20 Hundreds as at March 31, 2023 and total revenue of ₹ 2,430.21 Hundreds for the year ended on that date, as considered in the financial statements of the Company. The said financial statements / financial information of the PMS services have been audited by other auditor whose report has been furnished to us by the Management and our opinion in so far as it relates to the amounts and disclosures included in the financial statements of the Company in respect of said PMS services availed, is based solely on the report of such other auditor of said PMS services availed.

Our opinion is not modified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement 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.

INDEPENDENT AUDITOR'S REPORT

(e) On the basis of the written representation received from the directors as on March 31, 2023 taken on records 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Sec 197(16) of the Act, as amended:

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/ provided for managerial remuneration during the year.

(h) With respect to the other matters to be included in the Auditor's report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements –Refer Note 31 to the financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note no.41(o) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries")

or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note no.41(p) to the financial statements, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e) of The Companies (Audit and Auditors) Rules, 2014, as provided under (iv) (a) and (b) above, contains any material misstatement.

v. The Company has not declared or paid any dividend during the year hence compliance with section 123 of the Act is not applicable to the Company.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For B. L. Sarda & Associates

Chartered Accountants
Firm Registration No.109266W

(CA. B. L. Sarda)

Partner
Membership No.014568
UDIN : 23014568BGVTTTC6485

Place: Mumbai
Date : 12th May, 2023

ANNEXURE “A” TO INDEPENDENT AUDITOR’S REPORT

Annexure “A” to Independent Auditor’s report of even date to the members of EMKAY INVESTMENT MANAGERS LIMITED on the financial statements as at and for the year ended March 31, 2023

- (i) (a) (A) In our opinion, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, property, plant and equipment of the Company have been physically verified by the management during the year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its property, plant and equipment. According to the information and explanations given to us, no discrepancies were noticed on such verification.
- (c) The Company does not own any immovable property during the year. Accordingly, clause 3(i)(c) of the order is not applicable to the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its property, plant and equipment or intangible assets or both during the year. Accordingly, clause 3(i)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under. Accordingly, clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The Company engaged in service activities and hence it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company

- has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of the security of current assets at any point of time during the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) In respect of Investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties:
 - (a) (A) The Company does not hold investment in any subsidiary, joint venture or associate (as defined in the Act) during the year ended 31 March 2023. Accordingly paragraph 3(iii)(a)(A) of the order is not applicable to the Company.

- (B) Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has not provided any guarantee and given security to Companies (other than subsidiary, joint venture or associate) during the year and it has granted unsecured loans to Companies (other than subsidiary, joint venture or associate) as below :

| Particulars | Loans granted (₹ in Hundreds) |
|--|----------------------------------|
| Aggregate amount during the year | |
| - Other parties | 58,50,000.00 |
| Balance outstanding as at the balance sheet date | |
| - Other parties | 6,00,000.00 |

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, investments made during the year and the terms and conditions of the grant of loans during the year are, prima facie, not prejudicial to the Company’s interest. The Company has not provided any guarantee and given security during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, in the case of loans given, the repayment of principal and payment of interest has been

ANNEXURE “A” TO INDEPENDENT AUDITOR’S REPORT

stipulated and the repayments or receipts have been regular.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days as at 31st March, 2023 in respect of loans given and interest thereon.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no loans or advances in the nature of loans granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the over dues of existing loans or advances in the nature of loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to loan granted and investments made. The Company has neither given any guarantee nor provided any security in connection with a loan to any other body corporate or person.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014. Accordingly, clause 3(v) of the Order is not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us, the Company is not required to maintain cost records pursuant to the rules made by the Central Government under Section 148(1) of the Act. Accordingly, clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally 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, no undisputed amounts payable in respect of the aforesaid statutory dues were in arrears, as on March 31, 2023 for a period of more than six months from the date they became payable. As explained to us, the Company did not have any dues on account of sales-tax, service tax, duty of customs, duty of excise and value added tax.

- (b) As at March 31, 2023, according to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues mentioned in para vii (a) above which have not been deposited on account of any dispute except following dues on account of income tax as at 31st March, 2023 which have not been deposited by the Company on account of a dispute:

| Name of the Statute | Nature of dues | Amount of demand (₹ in Hundreds) | Period to which the amount relates | Forum where dispute is pending |
|----------------------|-------------------------|------------------------------------|------------------------------------|-------------------------------------|
| Income Tax Act, 1961 | Income Tax and Interest | 66,907.60 | F.Y. 2020-2021 | Commissioner of Income Tax (Appeal) |

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loan during the year. Accordingly

ANNEXURE “A” TO INDEPENDENT AUDITOR’S REPORT

- paragraph 3(ix)(c) of the order is not applicable to the Company.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold investment in any subsidiary, associate or joint venture (as defined in the Act) during the year ended 31st March, 2023. Accordingly, clause 3(ix)(e) and (f) of the order are not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3 (x)(a) of the order is not applicable to the Company.
- (b) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the order is not applicable to the Company
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company, noticed or reported during the year, nor have we been informed of such case by the management.
- (b) No report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) Based on our audit procedure performed and according to the information and explanations given to us, no whistle blower complaints were received by the Company during the year. Accordingly, clause 3(xi)(c) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us the Company is not a nidhi company. Accordingly, clause 3(xii)(a), (b) and (c) of the order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transaction have been disclosed in note 29 of the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports for the year under audit issued to the Company during the year and till date, in determining nature, timing and extent of our audit procedure.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as prescribed under section 192 of the Act. Accordingly, clause 3(xv) of the order is not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) (a), (b) and (c) of the Order are not applicable to the Company.
- (b) In our opinion, there is no core investment company within the “Companies in the Group” as defined in the Core Investment Companies (Reserve Bank) Directions, 2016. Accordingly, clause 3(xvi)(b) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred any cash losses during the financial year covered by our audit and immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other

ANNEXURE "A" TO INDEPENDENT AUDITOR'S REPORT

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

(xx) According to the information and explanations given to us and on the basis of our examination of the records of the Company, provisions of section 135 of the Act pertaining to expenditure on Corporate Social Responsibility are not applicable to the Company. Accordingly, clause 3(xx)(a) and (b) of the Order are not applicable to the Company.

For B. L. Sarda & Associates
Chartered Accountants
Firm Registration No. 109266W

(CA B. L. Sarda)
Partner
Membership No. 014568
UDIN: 23014568BGVTTTC6485

Place: Mumbai
Date : 12th May, 2023

ANNEXURE “B” TO INDEPENDENT AUDITOR’S REPORT

Annexure “B” to Independent Auditor’s report of even date to the members of EMKAY INVESTMENT MANAGERS LIMITED on the financial statements for the year ended March 31, 2023

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

1. We have audited the internal financial controls over financial reporting of **EMKAY INVESTMENT MANAGERS 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

2. 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 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 Act.

AUDITORS’ RESPONSIBILITY

3. Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting 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 deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

6. A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting 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 OVER FINANCIAL REPORTING

7. Because of the inherent limitations of internal financial controls over financial reporting, including

ANNEXURE “B” TO INDEPENDENT AUDITOR’S REPORT

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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B. L. Sarda & Associates
Chartered Accountants
Firm Registration No. 109266W

(CA B. L. Sarda)
Partner
Membership No. 014568
UDIN: 23014568BGVTTTC6485

Place: Mumbai
Date : 12th May, 2023

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BALANCE SHEET

AS AT 31ST MARCH, 2023

(₹ in Hundreds)

| Particulars | Note No. | As at 31st March 2023 | As at 31st March 2022 |
|--|----------|-----------------------|-----------------------|
| Assets | | | |
| Non-current assets | | | |
| Property, Plant and Equipment | 3 | 3,436.35 | 5,545.81 |
| Other Intangible assets | 4 | 1,000.00 | 2,878.28 |
| Financial Assets | | | |
| - Investments | 5 | 395,361.19 | 392,613.17 |
| - Others | 6 | 550.00 | - |
| Non-current tax assets (net) | 7 | 70,219.07 | 11,024.68 |
| Other non-current assets | 8 | 622,586.38 | 131,642.47 |
| Total non-current assets | | 1,093,152.99 | 543,704.41 |
| Current assets | | | |
| Financial Assets | | | |
| - Investments | 9 | 116.65 | 111.46 |
| - Trade receivables | 10 | 225,373.60 | 281,222.39 |
| - Cash and cash equivalents | 11 | 124,719.74 | 908,559.38 |
| - Bank balances other than cash and cash equivalents | 12 | 570,482.24 | 570,000.00 |
| - Other financial assets | 13 | 615,442.85 | 15,397.35 |
| Other current assets | 14 | 300,901.57 | 230,933.72 |
| Total current assets | | 1,837,036.65 | 2,006,224.30 |
| Total Assets | | 2,930,189.64 | 2,549,928.71 |
| Equity and Liabilities | | | |
| Equity | | | |
| Equity Share capital | 15 | 900,000.00 | 900,000.00 |
| Other Equity | 16 | 1,451,321.97 | 1,318,307.00 |
| Total equity | | 2,351,321.97 | 2,218,307.00 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Deferred tax liabilities (Net) | 37(d) | 10,705.65 | 11,097.37 |
| Total non-current liabilities | | 10,705.65 | 11,097.37 |
| Current liabilities | | | |
| Financial Liabilities | | | |
| - Trade Payables:- | 17 | | |
| (a) Total outstanding dues of micro enterprises and small enterprises | | - | - |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 310,051.01 | 98,001.98 |
| - Other financial liabilities | 18 | 64,737.13 | 59,331.96 |
| Other current liabilities | 19 | 42,413.36 | 44,403.19 |
| Provisions | 20 | 150,960.52 | 118,787.21 |
| Total current liabilities | | 568,162.02 | 320,524.34 |
| Total Equity and Liabilities | | 2,930,189.64 | 2,549,928.71 |
| SIGNIFICANT ACCOUNTING POLICIES | 2 | | |

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

As per our Report of even date
For **B.L.Sarda & Associates**
Chartered Accountants
Firm Registration No.109266W

(CA B.L.SARDA)
Partner
Membership No. 014568

For and on behalf of the Board of Directors of
EMKAY INVESTMENT MANAGERS LIMITED

Rajesh Sharma
Director
DIN - 01239871

Saket Agrawal
Director
DIN - 06960186

Dipti Modi
Company Secretary
Membership No. 25460

Place : Mumbai
Dated : 12th May, 2023

Place : Mumbai
Dated : 12th May, 2023

STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ In Hundreds)

| Particulars | Note No. | For the Year Ended 31st March 2023 | For the Year Ended 31st March 2022 |
|--|----------|---------------------------------------|---------------------------------------|
| Income | | | |
| Revenue From operations | 21 | 1,215,016.18 | 1,414,261.12 |
| Other Income | 22 | 166,049.60 | 142,473.92 |
| Total Income | | 1,381,065.78 | 1,556,735.04 |
| Expenses | | | |
| Employee benefits expense | 23 | 515,838.74 | 551,474.86 |
| Finance costs | 24 | 9,326.14 | 663.80 |
| Depreciation and amortization expenses | 25 | 5,528.84 | 4,285.27 |
| Other expenses | 26 | 636,546.32 | 660,875.92 |
| Total expenses | | 1,167,240.04 | 1,217,299.85 |
| Profit before tax | | 213,825.74 | 339,435.19 |
| Tax expense: | | | |
| - Current tax | | 35,905.00 | 76,574.00 |
| - Deferred tax | | (391.72) | 4,113.06 |
| - Short/(excess) provision for taxation for earlier year | | - | (1,364.16) |
| Total tax expense | | 35,513.28 | 79,322.90 |
| Profit after tax for the year | | 178,312.46 | 260,112.29 |
| Other Comprehensive Income/(Loss) | | | |
| Items that will not be reclassified to profit or loss | | | |
| Actuarial gain/(loss) on defined benefit plan | | 1,371.24 | (2,277.64) |
| Income tax relating to items that will not be reclassified to profit or loss | | (345.00) | 574.00 |
| Total Other Comprehensive Income/(Loss) for the year (net of tax) | | 1,026.24 | (1,703.64) |
| Total Comprehensive Income for the year (net of tax) | | 179,338.70 | 258,408.65 |
| Earnings per equity share of nominal value of ₹ 10 each | 27 | | |
| - Basic | | 1.98 | 2.89 |
| - Diluted | | 1.98 | 2.89 |
| SIGNIFICANT ACCOUNTING POLICIES | 2 | | |

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

As per our Report of even date
For **B.L.Sarda & Associates**
Chartered Accountants
Firm Registration No.109266W

(CA B.L.SARDA)
Partner
Membership No. 014568

For and on behalf of the Board of Directors of
EMKAY INVESTMENT MANAGERS LIMITED

Rajesh Sharma
Director
DIN - 01239871

Saket Agrawal
Director
DIN - 06960186

Dipti Modi
Company Secretary
Membership No. 25460

Place : Mumbai
Dated : 12th May, 2023

Place : Mumbai
Dated : 12th May, 2023

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2023

1. Equity Share capital

(₹ in hundreds)

| Particulars | Equity Share Capital | |
|--|----------------------|-------------------|
| | No. of Shares | Amount |
| As at 31st March, 2022 | | |
| Balance at the beginning of the previous reporting period | 9,000,000 | 900,000.00 |
| Changes in equity share capital due to prior period errors | - | - |
| Restated balance at the beginning of the previous reporting period | - | - |
| Changes in equity share capital during the previous year | - | - |
| Balance at the end of the previous reporting period | 9,000,000 | 900,000.00 |
| As at 31st March, 2023 | | |
| Balance at the beginning of the current reporting period | 9,000,000 | 900,000.00 |
| Changes in equity share capital due to prior period errors | - | - |
| Restated balance at the beginning of the current reporting period | - | - |
| Changes in equity share capital during the current year | - | - |
| Balance at the end of the current reporting period | 9,000,000 | 900,000.00 |

2. Other Equity

(₹ in hundreds)

| Particulars | Reserves and Surplus | | Other Comprehensive Income | Total |
|--|--|---------------------|--|---------------------|
| | Equity-settled Share Based Payment Reserve | Retained Earnings | Items that will not be reclassified to profit or loss - Actuarial gains/(losses) on defined benefit plan | |
| As at 31st March, 2022 | | | | |
| Balance at the beginning of the previous reporting period | 25,719.50 | 1,015,509.55 | (1,934.93) | 1,039,294.12 |
| Changes in accounting policy or prior period errors | - | - | - | - |
| Restated balance at the beginning of the previous reporting period | - | - | - | - |
| Share based payments to employees | 20,604.23 | - | - | 20,604.23 |
| Profit for the previous year | - | 260,112.29 | - | 260,112.29 |
| Other Comprehensive Income/(Loss) for the previous year | - | - | (1,703.64) | (1,703.64) |
| Total Comprehensive Income for the previous year | | | | 258,408.65 |
| Balance at the end of the previous reporting period | 46,323.73 | 1,275,621.84 | (3,638.57) | 1,318,307.00 |

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

(₹ in hundreds)

| Particulars | Reserves and Surplus | | Other Comprehensive Income | Total |
|---|--|---------------------|--|---------------------|
| | Equity-settled Share Based Payment Reserve | Retained Earnings | Items that will not be reclassified to profit or loss - Actuarial gains/(losses) on defined benefit plan | |
| As at 31st March, 2023 | | | | |
| Balance at the beginning of the current reporting period | 46,323.73 | 1,275,621.84 | (3,638.57) | 1,318,307.00 |
| Changes in accounting policy or prior period errors | - | - | - | - |
| Restated balance at the beginning of the current reporting period | - | - | - | - |
| Derecognition of Share Based Payments to Employees* | (46,323.73) | - | - | (46,323.73) |
| Profit for the current year | - | 178,312.46 | - | 178,312.46 |
| Other Comprehensive Income/(Loss) for the current year | - | - | 1,026.24 | 1,026.24 |
| Total Comprehensive Income for the current year | | | | 179,338.70 |
| Balance at the end of the current reporting period | (0.00) | 1,453,934.30 | (2,612.33) | 1,451,321.97 |

* Share based payments of non vested ESOP derecognised on resignation of employee [Refer Note - 30(c)].

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

As per our Report of even date
For **B.L.Sarda & Associates**
Chartered Accountants
Firm Registration No.109266W

(CA B.L.SARDA)
Partner
Membership No. 014568

For and on behalf of the Board of Directors of
EMKAY INVESTMENT MANAGERS LIMITED

Rajesh Sharma
Director
DIN - 01239871

Saket Agrawal
Director
DIN - 06960186

Dipti Modi
Company Secretary
Membership No. 25460

Place : Mumbai
Dated : 12th May, 2023

Place : Mumbai
Dated : 12th May, 2023

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in hundreds)

| | 31st March, 2023 | 31st March, 2022 | |
|--|---------------------|-------------------|--------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Net profit before tax, exceptional / extraordinary items | 213,825.74 | 339,435.19 | |
| Adjustment for : | | | |
| Depreciation & amortization expense | 5,528.84 | 4,285.27 | |
| Unrealised foreign exchange gain | (0.34) | (0.15) | |
| Finance cost | 9,326.14 | 663.80 | |
| Interest received | (119,552.98) | (33,605.53) | |
| Dividend received | (3,701.55) | (2,911.94) | |
| Share based payments to employees | - | 20,604.23 | |
| Derecognition of share based payments to employees | (46,323.73) | - | |
| Loss on disposal/discard of Property, Plant and Equipment | 8.85 | 8.85 | |
| Net gain on fair value changes of investments | (3,994.00) | (58,574.03) | |
| Net gain on sale of current/non current investments | (12,874.38) | (36,195.89) | (105,725.39) |
| Operating profit before working capital changes | 42,242.59 | 233,709.80 | |
| Movements in working capital : | | | |
| (Increase)/decrease in Other non-current/current financial assets | (600,595.50) | 1,253.32 | |
| (Increase)/decrease in trade receivables | 55,848.79 | (23,332.29) | |
| Increase in bank balances other than cash and cash equivalents | (482.24) | (10,000.00) | |
| (Increase)/decrease in other non-current/current assets | (560,911.76) | 181,650.85 | |
| Increase in trade payables | 212,049.03 | 44,355.55 | |
| Increase in other current financial liabilities | 5,405.17 | 20,140.97 | |
| Decrease in other non-current/current liabilities | (1,989.83) | (5,068.19) | |
| Increase in provisions | 33,544.55 | 83,202.32 | 292,202.53 |
| Cash flow generated from operating activities | (814,889.20) | 525,912.33 | |
| Income tax paid (net) | (95,444.39) | (83,503.39) | |
| Cash flow generated before extraordinary items | (910,333.59) | 442,408.94 | |
| Extraordinary items | - | - | |
| Net cash flow generated from/(used in) operating activities | (910,333.59) | 442,408.94 | |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Current investments redeemed | 6,185.03 | 23,583.96 | |
| Non current investment (purchased)/disposed off | 7,930.14 | (16,339.50) | |
| Dividend received | 3,701.55 | 2,911.94 | |
| Purchase of fixed assets | (1,549.95) | (6,602.58) | |
| Interest received | 119,552.98 | 33,605.53 | 37,159.35 |
| Net cash flow generated from/(used in) investing activities | 135,819.75 | 37,159.35 | |

STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31ST MARCH, 2023 (Contd.)

(₹ in hundreds)

| | 31st March, 2023 | | 31st March, 2022 | |
|---|------------------|---------------------|------------------|-------------------|
| C. CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Finance cost | (9,326.14) | (9,326.14) | (663.80) | (663.80) |
| Net cash flow generated from/(used in) financing activities | | (9,326.14) | | (663.80) |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | | (783,839.98) | | 478,904.49 |
| Cash and cash equivalents at the beginning of the year | | 908,550.58 | | 429,646.09 |
| Cash and cash equivalents at the close of the year | | 124,710.60 | | 908,550.58 |
| Note: | | | | |
| 1. Cash and cash equivalents comprise of : | | | | |
| Balance with a scheduled banks | | | | |
| - In current accounts | | 123,968.64 | | 908,166.73 |
| Cash on hand | | 248.08 | | 107.91 |
| Balance in prepaid card | | 503.02 | | 284.74 |
| | | 124,719.74 | | 908,559.38 |
| Add : Exchange difference on translation of foreign currency cash and cash equivalents | | (9.14) | | (8.80) |
| | | 124,710.60 | | 908,550.58 |
| 2. Cash flow statement has been prepared under the Indirect Method as set out in the Indian Accounting Standard - 7 (Ind AS-7) " Statement of Cash Flow". | | | | |
| 3. Previous year's figure are re-grouped/ recasted/ re-arranged wherever considered necessary. | | | | |

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

As per our Report of even date
For **B.L.Sarda & Associates**
Chartered Accountants
Firm Registration No.109266W

(CA B.L.SARDA)
Partner
Membership No. 014568

For and on behalf of the Board of Directors of
EMKAY INVESTMENT MANAGERS LIMITED

Rajesh Sharma
Director
DIN - 01239871

Saket Agrawal
Director
DIN - 06960186

Dipti Modi
Company Secretary
Membership No. 25460

Place : Mumbai
Dated : 12th May, 2023

Place : Mumbai
Dated : 12th May, 2023

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2023

1. Corporate Information

Emkay Investment Managers Limited ('the Company') is a public company domiciled in India and was incorporated under the Companies Act, 1956 vide Certificate of Incorporation (CIN) U67190MH2010PLC203819, Dated 8th June, 2010. The company is a Wholly Owned Subsidiary of Emkay Global Financial Services Limited (the Parent Company). The registered office of the Company is situated at The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400028. The Company is engaged in the business of Asset Management Services. The Company is registered as a Portfolio Manager with the Securities and Exchange Board of India (SEBI).

2. Significant Accounting Policies

2.1 Basis of Preparation

(i) Statement of Compliance

These financial statements comprise the Balance Sheets as at March 31, 2023 (current reporting period) and March 31, 2022 (previous reporting period), the Statements of Profit and Loss, the Statements of Cash Flows and the Statements of Changes in Equity for the year ended March 31, 2023 (current reporting period) and for the year ended March 31, 2022 (previous reporting period), and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as 'Financial Statements').

These financial statements have been prepared in all material aspects in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting standards) Rules, 2015 as amended and other relevant provisions of the Act.

These financial statements have been prepared in accordance with Division II of Schedule III to the Act on going concern basis using the significant accounting policies and measurement bases summarized as below. These accounting policies have been applied consistently over all the periods presented in these financial statements.

(ii) Historical Cost Convention

The financial statements have been prepared under historical cost convention on accrual basis of accounting, except for the following:

- certain financial instruments which are measured at fair value (refer Accounting Policy no.2.4 below);
- defined benefit plan- plan assets measured at fair value (refer Accounting Policy no.2.8(ii)(A)(b) below); and
- share-based payment obligations (refer Accounting Policy no.2.9 below).

(iii) Functional and Presentation Currency

These financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency and all values are rounded to the nearest hundred except Earnings Per Share (EPS) which are in rupees.

(iv) Current and Non-current Classification

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in Part I of Division II of Schedule III to the Act.

The Company's normal operating cycle is considered as twelve months for the purpose of current and non-current classification of assets and liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(v) Use of Estimates and Judgments

The preparation of the financial statements requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgements used in the preparation of the financial statements are continuously evaluated and are based on historical experience and various other assumptions and

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023 (Contd.)

factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future period.

Areas involving critical estimates and Judgements are:

- Estimation of useful lives and residual values of property, plant and equipment and intangible assets.
- Estimation of defined benefit obligations
- Estimation of tax expenses
- Provisions and contingent liabilities
- Measurement of fair values
- Allowance for impairment of financial and non-financial instruments

(vi) Fair Value Measurement

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:

- i. in the principal market for the asset or liability, or
- ii. 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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

2.2 Property, Plant and Equipment

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

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

Depreciation

Depreciation is calculated using the written down value (WDV) method to write down the cost of PPE to their residual values over their estimated useful lives which are in line with the estimated useful life as specified in Schedule II to the Act.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023 (Contd.)

The estimated useful lives are as follows:

| Particulars | Useful life estimated by Company |
|------------------------|----------------------------------|
| Vehicles | 8 years |
| Computers | 3 years |
| Furniture and Fixtures | 10 years |

Derecognition

An item of PPE is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the Statement of Profit and Loss in the year the asset is derecognised.

2.3 Intangible Assets

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

Intangible assets are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives.

Intangible assets comprising of software and Website are amortised on a straight-line basis over a period of 3 years from the start of the year of acquisition irrespective of the date of acquisition, unless it has a shorter useful life.

Derecognition

An item of intangible assets is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and

the carrying amount of the asset) is recognised in other income / expense in the Statement of Profit and Loss in the year the asset is derecognised.

2.4 Financial Instruments

(i) Initial Recognition and Measurement

The Company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the Statement of Profit and Loss.

(ii) Subsequent Measurement

a. Financial Assets Carried at Amortized Cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b. Financial Assets at Fair Value Through Other Comprehensive Income(FVOCI)

Investment in equity instruments are generally accounted for as at fair value through the Statement of Profit and Loss account unless an irrevocable election has been made by management to account for at fair value through other comprehensive income. Such classification is determined on an instrument-by-instrument basis.

Amounts presented in other comprehensive income for equity instruments are not subsequently transferred to Statement of Profit and Loss. Dividends on such investments are recognised in Statement of Profit and Loss.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023 (Contd.)

c. Financial Assets at Fair Value Through Profit or Loss(FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

d. Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(iii) Derecognition of Financial Instruments

The Company derecognizes a financial asset when the contractual right to receive the cash flows from the financial asset expire or it transfers the financial asset.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires.

(iv) Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the client does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the Statement of Profit and Loss.

2.5 Impairment

a. Financial Assets

The Company recognizes loss allowances using the expected credit losses (ECL) model for the financial assets which are not fair valued through Statement of Profit and Loss. For trade receivables, the Company provides for ECL by way of Provision for doubtful debts based on the probability of defaults that are possible over the life of the asset. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those

are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is done so as an impairment gain or loss in Statement of Profit and Loss.

b. Non-Financial Assets

Intangible Assets and Property, Plant and Equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

2.6 Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand and balances with banks (other than earmarked) and fixed deposits with bank (free from encumbrances) that are readily convertible to known amounts of cash with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023 (Contd.)

2.7 Revenue Recognition

Revenue is recognized to the extent it is possible that economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue is measured at fair value of the consideration received or receivable.

(i) Fees Income

a) Portfolio Management Fees is accounted on accrual basis based on completion of performance obligation as follows –

- In case of fees based on fixed percentage of assets under management, income is accrued at fixed interval or closure of portfolio account, whichever is earlier.
- In case of fees based on returns on portfolio, income is accounted at the completion of one year from the date of joining the portfolio management scheme or the closure of portfolio account, whichever is earlier.

b) Alternate Investment Fund (AIF) Management Fees is accounted on accrual basis and on the completion of performance obligations in accordance with Private Placement Memorandum and Contribution Agreements of respective schemes of AIF.

(ii) Net Gain or Loss on Fair Value Changes

Any realised gain or loss on sale of financial assets being investments measured on the trade date at FVTPL is recognised as “Net gain or loss on sale of investments” under Other Income” or ‘Other Expenses” respectively in the Statement of Profit and Loss.

Similarly, any differences between the fair values of financial assets being investments classified as FVTPL, held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised as “Net gain on fair value changes” under Other Income and if there is a net loss the same is disclosed as “Net loss on fair value changes” under “Other Expenses” in the Statement of Profit and Loss.

(iii) Interest Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate.

(iv) Dividend Income

Dividend income is recognised when the right to receive the payment is established.

2.8 Employee Benefits

(i) Short Term Benefits

All employee benefits including short term non vesting compensated absences and statutory bonus/ performance bonus/incentives payable wholly within twelve months of rendering the service are classified as short term employee benefits and are charged to the Statement of Profit and Loss of the year.

(ii) Long Term Benefits

A. Post-employment Benefits

a) Defined Contribution Plan

Retirement/ Employee benefits in the form of Provident Fund is considered as defined contribution plan and contributions to the fund administered by the Government are charged to the Statement of Profit and Loss of the year when the contribution to the said fund is due.

b) Defined Benefit Plan

Retirement benefits in the form of gratuity is considered as defined benefit obligation. The scheme is formed by the Company and fund is managed by insurers to which the Company makes periodic contributions. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023 (Contd.)

immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

B. Other Long Term Benefits

As per present policy of the Company, there are no other long term benefits to which its employees are entitled.

2.9 Share Based Payments

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments/option at the grant date.

The fair value at the grant date of the equity settled share-based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The fair value of options is determined under Black-Scholes-Merton Model by an Independent Valuer. 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 Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options outstanding reserve.

2.10 Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.11 Operating Leases

For leases with a term of twelve months or less (short-term leases) and leases of low value assets, the Company elects to exercise recognition exemption as prescribed under Ind AS 116 –Leases for the same and recognises the lease payments as an operating expense on

accrual basis in accordance with the respective Leave and License agreements.

2.12 Other Income and Expenses

(i) Upfront Commission

Upfront Commission paid to distributors for procuring subscription to Assets being managed (Managed Assets) by the Company, is for services rendered by them to the Company over the life of Managed Assets. The same is treated as Prepaid Expense and is spread over the life of Managed Assets. In case such Managed Assets are prematurely withdrawn by the subscribers, the same is debited to the Statement of Profit and Loss Account on such withdrawal.

(ii) Share Issue Expenses

Share Issue Expenses are recognized as an expense in the year in which it is incurred.

(iii) All other income and expenses are recognized in the period they occur.

2.13 Taxes

(i) Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date for the relevant year.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

(ii) Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 (Contd.)

a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

(iii) **Goods and Services Tax Paid on Acquisition of Assets or on Incurring Expenses**

Expenses and assets are recognised net of the goods and services tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.14 Earnings Per Share (EPS)

The Company reports basic and diluted EPS in accordance with Ind AS 33 on Earnings per share. Net profit or loss for the year attributable to equity shareholders is divided by the weighted average number of equity shares outstanding during the year for calculating basic EPS and by the weighted average number of shares outstanding during the year adjusted for the effects of all dilutive potential equity shares for calculating diluted EPS.

2.15 Foreign Currency Transactions

Initial recognition:

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Conversion:

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the reporting date, are translated at the reporting date at the closing exchange rate and the resultant exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

2.16 Events After Reporting Date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

2.17 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised if as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of time value of money is material, provisions are discounted using a current pre-

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2023 (Contd.)

tax rate that reflects, when appropriate, the risk specific to the liability.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

2.18 New Accounting Pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standard 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 1st April, 2023. The Company has evaluated the amendment and there is no impact on its 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 1st April, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 – Income Taxes – This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2023

3 PROPERTY, PLANT AND EQUIPMENT

(₹ In Hundreds)

| | Vehicle | Computers | Furniture & Fixtures | Total |
|---------------------------------|-----------------|-----------------|----------------------|------------------|
| Gross carrying amount | | | | |
| As at 1st April 2021 | 7,066.83 | 3,459.65 | 283.90 | 10,810.38 |
| Additions | - | 4,510.00 | - | 4,510.00 |
| Disposals | - | 8.85 | - | 8.85 |
| As at 31st March 2022 | 7,066.83 | 7,960.80 | 283.90 | 15,311.53 |
| Additions | - | 1,549.95 | - | 1,549.95 |
| Disposals | - | 8.85 | - | 8.85 |
| As at 31st March 2023 | 7,066.83 | 9,501.90 | 283.90 | 16,852.63 |
| Accumulated depreciation | | | | |
| As at 1st April 2021 | 4,768.45 | 2,442.94 | 147.37 | 7,358.76 |
| Charge for the year | 717.78 | 1,653.84 | 35.34 | 2,406.96 |
| Disposals | - | - | - | - |
| As at 31st March 2022 | 5,486.23 | 4,096.78 | 182.71 | 9,765.72 |
| Charge for the year | 493.62 | 3,069.95 | 86.99 | 3,650.56 |
| Disposals | - | - | - | - |
| As at 31st March 2023 | 5,979.85 | 7,166.73 | 269.70 | 13,416.28 |
| Net carrying amount | | | | |
| As at 31st March 2022 | 1,580.60 | 3,864.02 | 101.19 | 5,545.81 |
| As at 31st March 2023 | 1,086.98 | 2,335.17 | 14.20 | 3,436.35 |

Notes:

There is no (i) acquisition through business combinations , (ii) revaluation of Property, Plant and Equipment and (iii) impairment losses and its reversal during the year/previous year.

4 OTHER INTANGIBLE ASSETS

(₹ In Hundreds)

| | Computer software | Website | Total |
|---------------------------------|-------------------|-----------------|------------------|
| Gross carrying amount | | | |
| As at 1st April 2021 | 8,982.75 | 2,634.90 | 11,617.65 |
| Additions | 3,000.00 | - | 3,000.00 |
| Disposals | - | - | - |
| As at 31st March 2022 | 11,982.75 | 2,634.90 | 14,617.65 |
| Additions | - | - | - |
| Disposals | - | - | - |
| As at 31st March 2023 | 11,982.75 | 2,634.90 | 14,617.65 |
| Accumulated amortization | | | |
| As at 1st April 2021 | 8,982.75 | 878.31 | 9,861.06 |
| Charge for the year | 1,000.00 | 878.31 | 1,878.31 |
| Disposals | - | - | - |
| As at 31st March 2022 | 9,982.75 | 1,756.62 | 11,739.37 |
| Charge for the year | 1,000.00 | 878.28 | 1,878.28 |
| Disposals | - | - | - |
| As at 31st March 2023 | 10,982.75 | 2,634.90 | 13,617.65 |
| Net carrying amount | | | |
| As at 31st March 2022 | 2,000.00 | 878.28 | 2,878.28 |
| As at 31st March 2023 | 1,000.00 | - | 1,000.00 |

Notes:

There is no (i) acquisition through business combinations , (ii) revaluation of other intangible assets and (iii) impairment losses and its reversal during the year/previous year.

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2023

5 NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

(₹ In Hundreds)

| Particulars | Face Value Per Share | No. of Shares | | Amount | |
|--|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | | As At 31st March 2023 | As At 31st March 2022 | As At 31st March 2023 | As At 31st March 2022 |
| At fair value through profit and loss | | | | | |
| Investments in Equity Instruments | | | | | |
| Quoted, fully paid-up | | | | | |
| - Abbott India Ltd | 10 | - | 8 | - | 1,415.96 |
| - ABB India Ltd. | 2 | 71 | 60 | 2,389.51 | 1,292.58 |
| - Ajanta Pharma Limited | 2 | 172 | - | 2,079.39 | - |
| - Apar Industries Ltd. | 10 | 947 | 1,263 | 23,706.72 | 8,214.55 |
| - AU Small Finance Bank Ltd* | 10 | 324 | 108 | 1,875.47 | 1,345.52 |
| - Axis Bank Ltd | 10 | 1036 | 1,036 | 8,893.54 | 7,880.33 |
| - Bata India Ltd. | 5 | 123 | 77 | 1,745.37 | 1,510.70 |
| - Bharti Airtel Ltd. | 5 | 1,002 | 1,002 | 7,504.98 | 7,569.11 |
| - Blue Dart Express Ltd. | 10 | 175 | 174 | 10,856.91 | 11,906.99 |
| - Borosil Ltd. | 1 | 2,380 | 2,380 | 7,792.12 | 7,886.13 |
| - CCL Products (India) Ltd | 2 | 1,502 | 1,502 | 8,528.36 | 6,062.07 |
| - CEAT Ltd. | 10 | 413 | 413 | 5,989.12 | 3,848.33 |
| - Cipla Ltd. | 2 | 613 | 613 | 5,520.98 | 6,243.41 |
| - Credit Access Grameen Ltd | 10 | 200 | 304 | 1,830.20 | 2,581.11 |
| - Devyani International Ltd. | 1 | 5,120 | 5,120 | 7,400.96 | 8,975.36 |
| - Divi's Laboratories Ltd. | 2 | 1,220 | 1,220 | 34,474.15 | 53,726.97 |
| - Dr. Lal Pathlabs Ltd. | 10 | - | 76 | - | 1,981.47 |
| - Eicher Motors Ltd. | 1 | 440 | 440 | 12,980.66 | 10,825.98 |
| - Endurance Technologies Ltd. | 10 | 142 | 129 | 1,762.93 | 1,414.55 |
| - Federal Bank Ltd. | 2 | 13,784 | 13,556 | 18,229.34 | 13,196.77 |
| - Gujarat Pipavav Port Ltd. | 10 | 7,595 | 7,595 | 8,840.58 | 5,813.97 |
| - HCL Tech Ltd. | 2 | 1,277 | 1,277 | 13,870.77 | 14,855.98 |
| - HDFC Bank Ltd. | 1 | 1,928 | 1,928 | 31,035.98 | 28,340.64 |
| - Housing Development Finance Corporation Ltd. | 2 | 130 | 130 | 3,415.56 | 3,105.24 |
| - ICICI Bank Ltd. | 2 | 3,514 | 3,514 | 30,824.81 | 25,660.99 |
| - Infosys Ltd. | 5 | 265 | 265 | 3,783.41 | 5,054.08 |
| - ICICI Securities Ltd. | 5 | 396 | 284 | 1,693.10 | 1,765.49 |
| - Intellect Design Arena Ltd. | 5 | 462 | - | 1,898.59 | - |
| - Jubilant Foodworks Ltd.** | 2 | 379 | 75 | 1,668.74 | 1,976.59 |
| - Kajaria Ceramics Ltd. | 1 | 193 | 100 | 2,034.32 | 1,017.90 |
| - L&T Technology Services Ltd. | 2 | 60 | 69 | 2,025.90 | 3,520.41 |

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2023

(₹ In Hundreds)

| Particulars | Face Value Per Share | No. of Shares | | Amount | |
|--|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | | As At 31st March 2023 | As At 31st March 2022 | As At 31st March 2023 | As At 31st March 2022 |
| - Laurus Labs Ltd. | 2 | 2,979 | 2,979 | 8,728.47 | 17,577.59 |
| - Mahindra Holidays & Resorts India Ltd. | 10 | 5,342 | 5,342 | 14,407.37 | 12,281.26 |
| - Narayana Hrudayalaya Ltd | 10 | 1,154 | 1,154 | 8,933.11 | 8,615.19 |
| - NESCO Ltd. | 2 | 2,626 | 2,626 | 13,580.36 | 14,517.84 |
| - Persistent Systems Ltd | 10 | 54 | 43 | 2,488.97 | 2,051.38 |
| - PI Industries Ltd | 1 | 66 | 82 | 1,997.89 | 2,313.26 |
| - Schaeffler India Ltd | 2 | 78 | 140 | 2,241.64 | 2,730.84 |
| - Shilpa Medicare Ltd | 1 | 640 | 640 | 1,467.84 | 2,541.76 |
| - SRF Ltd. | 10 | 88 | 160 | 2,117.46 | 4,285.52 |
| - Sundram Fasteners Ltd. | 1 | 3,270 | 3,165 | 32,003.49 | 28,413.79 |
| - Sun Pharmaceutical Industries Ltd. | 1 | 2,429 | 2,429 | 23,879.50 | 22,220.49 |
| - Supreme Industries Ltd. | 2 | 97 | 92 | 2,436.30 | 1,879.79 |
| - Suven Pharmaceuticals Ltd. | 1 | 1,060 | 1,060 | 5,010.62 | 6,550.27 |
| - TCNS Clothing Co Ltd. | 2 | 830 | 830 | 3,493.05 | 6,337.05 |
| - Teamlease Services Ltd. | 10 | 125 | 125 | 2,794.31 | 5,417.00 |
| - Varun Beverages Ltd*** | 10 | 191 | 329 | 2,649.65 | 3,096.05 |
| - Zomato Ltd. | 10 | 4,864 | 3,396 | 2,478.69 | 2,794.91 |
| Total | | | | 395,361.19 | 392,613.17 |
| Note : | | | | | |
| - Aggregate value of quoted investments and market value thereof | | | | 395,361.19 | 392,613.17 |
| - Aggregate amount of impairment in value of investments | | | | - | - |

* Includes 143 bonus shares received during the year

** Per share face value split from ₹ 10/- to ₹ 2/- during the year

*** Includes 92 bonus shares received during the year

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2023

6 NON-CURRENT FINANCIAL ASSETS - OTHERS

(₹ In Hundreds)

| Particulars | As at | |
|-----------------------------------|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Unsecured, considered good | | |
| Deposits | 550.00 | - |
| Total | 550.00 | - |

7 NON-CURRENT TAX ASSETS (NET)

(₹ In Hundreds)

| Particulars | As at | |
|-------------------------------------|------------------|------------------|
| | 31st March 2023 | 31st March 2022 |
| Income tax paid (net of provisions) | 70,219.07 | 11,024.68 |
| Total | 70,219.07 | 11,024.68 |

8 OTHER NON-CURRENT ASSETS

(₹ In Hundreds)

| Particulars | As at | |
|-----------------------------------|-------------------|-------------------|
| | 31st March 2023 | 31st March 2022 |
| Unsecured, considered good | | |
| Prepaid expenses | 622,586.38 | 131,642.47 |
| Total | 622,586.38 | 131,642.47 |

9 CURRENT FINANCIAL ASSETS - INVESTMENTS

(₹ In Hundreds)

| Particulars | Face Value Per Unit | No. of Units | | Amount | |
|--|------------------------|--|-----------------------------|-----------------------------|-----------------------------|
| | | As At 31st March 2023 | As At 31st March 2022 | As At 31st March 2023 | As At 31st March 2022 |
| | | At fair value through profit and loss | | | |
| Investments in Mutual Funds | | | | | |
| Quoted, fully paid-up | | | | | |
| - Nippon India ETF Liquid Bees | 1000 | 11.665 | 11.146 | 116.65 | 111.46 |
| Total | | | | 116.65 | 111.46 |
| Notes: | | | | | |
| - Aggregate value of quoted investments and market value thereof | | | | 116.65 | 111.46 |
| - Aggregate amount of impairment in value of investments | | | | - | - |

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2023

10 CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ In Hundreds)

| Particulars | As at | |
|-------------------------------------|-------------------|-------------------|
| | 31st March 2023 | 31st March 2022 |
| Unsecured | | |
| - Trade receivables considered good | 225,373.60 | 281,222.39 |
| Total | 225,373.60 | 281,222.39 |

Note:-

1. No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables ageing schedule as at 31st March, 2023

| Particulars | Outstanding for following periods from the date of transaction | | | | | Total |
|--|--|-------------------|-------------|-------------|-------------------|-------------------|
| | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Undisputed trade receivables - considered good | 224,551.56 | 822.04 | - | - | - | 225,373.60 |

Trade receivables ageing schedule as at 31st March, 2022

| Particulars | Outstanding for following periods from the date of transaction | | | | | Total |
|--|--|-------------------|-------------|-------------|-------------------|-------------------|
| | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Undisputed trade receivables - considered good | 281,222.39 | - | - | - | - | 281,222.39 |

11 CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

(₹ In Hundreds)

| Particulars | As at | |
|----------------------------------|-------------------|-------------------|
| | 31st March 2023 | 31st March 2022 |
| Cash and cash equivalents | | |
| Balances with banks: | | |
| - In current account | 123,968.64 | 908,166.73 |
| Cash on hand | 248.08 | 107.91 |
| Others | | |
| - Balance in prepaid cards | 503.02 | 284.74 |
| Total | 124,719.74 | 908,559.38 |

12 CURRENT FINANCIAL ASSETS - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ In Hundreds)

| Particulars | As at | |
|---|-------------------|-------------------|
| | 31st March 2023 | 31st March 2022 |
| Bank balances other than cash and cash equivalents | | |
| Balances with banks: | | |
| - In deposit accounts* | 570,482.24 | 570,000.00 |
| | 570,482.24 | 570,000.00 |

* Lien marked as security against bank overdraft facility/corporate credit card

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2023

13 CURRENT FINANCIAL ASSETS - OTHERS

(₹ In Hundreds)

| Particulars | As at | |
|--|-------------------|------------------|
| | 31st March 2023 | 31st March 2022 |
| Loan to fellow subsidiary company | 600,000.00 | - |
| Unsecured, considered good | | |
| Advances - other | 1,254.13 | 2,696.17 |
| Interest accrued on deposit accounts with bank | 400.39 | 371.02 |
| Dividend receivable | 1.91 | 6.90 |
| Recoverable towards expenses | 959.90 | 667.81 |
| Other receivables | 12,826.52 | 11,655.45 |
| Total | 615,442.85 | 15,397.35 |

14 OTHER CURRENT ASSETS

(₹ In Hundreds)

| Particulars | As at | |
|--|-------------------|-------------------|
| | 31st March 2023 | 31st March 2022 |
| Prepaid expenses | 217,917.39 | 213,675.74 |
| Goods and services tax input credit available/receivable | 82,984.18 | 17,257.98 |
| Total | 300,901.57 | 230,933.72 |

15 EQUITY SHARE CAPITAL

(₹ In Hundreds)

| Particulars | As at | |
|---|-------------------|-------------------|
| | 31st March 2023 | 31st March 2022 |
| Authorised | | |
| 10,000,000 (P.Y. 10,000,000) Equity Shares of ₹ 10/- each | 1,000,000.00 | 1,000,000.00 |
| Issued, subscribed and paid up | | |
| 9,000,000 (P.Y. 9,000,000) Equity Shares of ₹ 10/- each fully paid up | 900,000.00 | 900,000.00 |
| Total | 900,000.00 | 900,000.00 |

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

(₹ In Hundreds)

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|--|----------------------|------------|----------------------|------------|
| | No of Shares | Amount | No of Shares | Amount |
| Outstanding at the beginning of the reporting period | 9,000,000 | 900,000.00 | 9,000,000 | 900,000.00 |
| Add: Shares issued during the reporting period | - | - | - | - |
| Outstanding at the end of the reporting period | 9,000,000 | 900,000.00 | 9,000,000 | 900,000.00 |

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pay dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except interim dividend.

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.

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2023

c. Shares held by holding company

The entire 9,000,000 (P.Y. 9,000,000) equity shares of ₹ 10/- each fully paid up are held by Holding Company Emkay Global Financial Services Limited.

d. Details of shareholders holding more than 5% shares in the company:

| Name of the shareholder | As at March 31, 2023 | | As at March 31, 2022 | |
|---|----------------------|--------|----------------------|--------|
| | No of Shares | % held | No of Shares | % held |
| Equity Shares of ₹ 10/- each fully paid | | | | |
| Emkay Global Financial Services Limited (Holding Company) and its nominees. | 9,000,000 | 100% | 9,000,000 | 100% |

e. Details of shares held by promoters as at 31st March, 2023

| Name of promoter | No of Shares | % of total shares | % Change during the year |
|---|------------------|-------------------|--------------------------|
| Emkay Global Financial Services Limited (Holding Company) and its nominees. | 9,000,000 | 100% | 0% |
| Total | 9,000,000 | 100% | 0% |

Details of shares held by promoters as at 31st March, 2022

| Name of promoter | No of Shares | % of total shares | % Change during the year |
|---|------------------|-------------------|--------------------------|
| Emkay Global Financial Services Limited (Holding Company) and its nominees. | 9,000,000 | 100% | 0% |
| Total | 9,000,000 | 100% | 0% |

16 OTHER EQUITY

(₹ In Hundreds)

| Particulars | As at | |
|---|---------------------|---------------------|
| | 31st March 2023 | 31st March 2022 |
| Reserve and Surplus | | |
| a) Retained Earnings | | |
| Balance at the beginning of the reporting period | 1,275,621.84 | 1,015,509.55 |
| Add: Profit for the year | 178,312.46 | 260,112.29 |
| Amount available for appropriation | 1,453,934.30 | 1,275,621.84 |
| Less: Appropriations | - | - |
| Balance at the end of the reporting period | 1,453,934.30 | 1,275,621.84 |
| b) Other Comprehensive Income | | |
| Balance at the beginning of the reporting period | (3,638.57) | (1,934.93) |
| Add: Movement in Other Comprehensive Income (Net) during the year | 1,026.24 | (1,703.64) |
| Balance at the end of the reporting period | (2,612.33) | (3,638.57) |
| c) Equity-settled Share Based Payment Reserve | | |
| Balance at the beginning of the reporting period | 46,323.73 | 25,719.50 |
| Add: Share Based Payments to Employees during the year | - | 20,604.23 |
| Less: Derecognition of Share Based Payments to Employees during the year [Refer Note - 30(c)] | (46,323.73) | - |
| Balance at the end of the reporting period | - | 46,323.73 |
| Total | 1,451,321.97 | 1,318,307.00 |

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2023

Nature and Purpose of Reserve

a) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

b) Other Comprehensive Income

Other comprehensive income consist of remeasurement gains/losses on employees defined benefit plan.

c) Equity-settled Share Based Payment Reserve

This reserve is created by debiting the statement of profit and loss with value of share options granted to the employees of the Company by the Parent Company.

17 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

(₹ In Hundreds)

| Particulars | As at | |
|--|-------------------|------------------|
| | 31st March 2023 | 31st March 2022 |
| Total outstanding dues of micro enterprises and small enterprises | - | - |
| | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 310,051.01 | 98,001.98 |
| Total | 310,051.01 | 98,001.98 |

The details of amount outstanding to Micro, Small and Medium Enterprises defined under "Micro, Small and Medium Enterprises Development Act, 2006" (as identified based on information available with the company and relied upon by the Auditors) is as under -

| | | |
|--|---|---|
| - Principal amount due and remaining unpaid | - | - |
| - Interest due on above and the unpaid interest | - | - |
| - Interest paid | - | - |
| - Payment made beyond the appointed day during the year | - | - |
| - Interest due and payable for the period of delay | - | - |
| - Interest accrued and remaining unpaid | - | - |
| - Amount of further interest remaining due and payable in succeeding years | - | - |

Trade Payables due for payment - ageing schedule as at 31st March, 2023

| Particulars | Outstanding for following periods from the date of transaction | | | | Total |
|----------------------------|--|------------------|-------------|-------------------|-------------------|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| - MSME | - | - | - | - | - |
| - Others - undisputed dues | 298,978.96 | 11,072.05 | - | - | 310,051.01 |
| Total | 298,978.96 | 11,072.05 | - | - | 310,051.01 |

Trade Payables due for payment - ageing schedule as at 31st March, 2022

| Particulars | Outstanding for following periods from the date of transaction | | | | Total |
|----------------------------|--|---------------|-------------|-------------------|------------------|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| - MSME | - | - | - | - | - |
| - Others - undisputed dues | 97,606.92 | 395.06 | - | - | 98,001.98 |
| Total | 97,606.92 | 395.06 | - | - | 98,001.98 |

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2023

18 CURRENT FINANCIAL LIABILITIES - OTHERS

(₹ In Hundreds)

| Particulars | As at | |
|---------------------------------------|------------------|------------------|
| | 31st March 2023 | 31st March 2022 |
| Payable for expenses | | |
| - to holding company, a related party | 25,736.32 | 29,234.20 |
| - to others | 39,000.81 | 30,021.44 |
| Other payables | - | 76.32 |
| Total | 64,737.13 | 59,331.96 |

19 OTHER CURRENT LIABILITIES

(₹ In Hundreds)

| Particulars | As at | |
|-------------------------------|------------------|------------------|
| | 31st March 2023 | 31st March 2022 |
| Advance received from clients | 65.82 | 64.31 |
| Statutory liabilities | 42,347.54 | 44,338.88 |
| Total | 42,413.36 | 44,403.19 |

20 CURRENT PROVISIONS

(₹ In Hundreds)

| Particulars | As at | |
|---------------------------------|-------------------|-------------------|
| | 31st March 2023 | 31st March 2022 |
| Provision for employee benefits | | |
| - Gratuity | 4,343.54 | 8,494.10 |
| - Compensated absences | 3,616.98 | 5,114.32 |
| - Bonus/incentive payable | 143,000.00 | 105,178.79 |
| Total | 150,960.52 | 118,787.21 |

21 REVENUE FROM OPERATIONS

(₹ In Hundreds)

| Particulars | For the year ended | For the year ended |
|---|---------------------|---------------------|
| | 31st March 2023 | 31st March 2022 |
| Sale of services | | |
| - Portfolio management fees | 596,753.82 | 688,989.63 |
| - Alternate Investment Fund management fees | 618,262.36 | 725,271.49 |
| Revenue from operations | 1,215,016.18 | 1,414,261.12 |

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2023

22 OTHER INCOME

(₹ In Hundreds)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---------------------------------------|---------------------------------------|
| Interest from | | |
| - Unsecured loan to related parties | 86,657.54 | 2,246.58 |
| - Banks | 32,895.44 | 30,227.24 |
| - Others | - | 0.11 |
| - Income tax refund | - | 1,131.60 |
| Interest income | 119,552.98 | 33,605.53 |
| Dividend on | | |
| - Current investments | 5.19 | 2.59 |
| - Non-current investments | 3,696.36 | 2,909.35 |
| Dividend on investments | 3,701.55 | 2,911.94 |
| Other non-operating income | | |
| - Net gain on sale of investments | 12,874.38 | 36,195.89 |
| - Net gain on fair value changes of investments | 3,994.00 | 58,574.03 |
| - Foreign exchange rate fluctuations gain (Net) | 0.34 | 0.15 |
| - Liability no longer payable | 25,909.12 | 10,000.00 |
| - Miscellaneous income | 17.23 | 1,186.38 |
| Total | 166,049.60 | 142,473.92 |

23 EMPLOYEE BENEFITS EXPENSE

(₹ In Hundreds)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---------------------------------------|---------------------------------------|
| Salaries and other benefits | 540,977.03 | 511,874.99 |
| Share based payments to employees | (46,323.73) | 20,604.23 |
| Contribution to provident and other funds | 13,987.21 | 12,490.05 |
| Gratuity | 5,714.78 | 6,216.46 |
| Staff welfare expenses | 1,483.45 | 289.13 |
| Total | 515,838.74 | 551,474.86 |

24 FINANCE COSTS

(₹ In Hundreds)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|----------------------------------|---------------------------------------|---------------------------------------|
| Interest on borrowings from bank | 9,326.14 | 663.80 |
| Total | 9,326.14 | 663.80 |

25 DEPRECIATION AND AMORTIZATION EXPENSE

(₹ In Hundreds)

| Particulars | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
|---|---------------------------------------|---------------------------------------|
| Depreciation on Property, Plant and Equipment | 3,650.56 | 2,406.96 |
| Amortization on Other Intangible assets | 1,878.28 | 1,878.31 |
| Total | 5,528.84 | 4,285.27 |

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2023

26 OTHER EXPENSES

(₹ In Hundreds)

| Particulars | For the year ended 31st March, 2023 | For the year ended 31st March, 2022 |
|---|--|--|
| Commission | 424,330.11 | 527,189.53 |
| Communication, postage and courier charges | 1,059.76 | 922.61 |
| Fees and stamps | 7,262.02 | 2,724.44 |
| Registration fees | 1,668.05 | 2,168.05 |
| Membership and subscription | 8,098.02 | 5,187.94 |
| Custodial charges | 44.81 | 10.53 |
| Depository charges | 170.73 | 450.32 |
| Electricity charges | 4,153.20 | 3,525.79 |
| Insurance | 173.41 | 198.85 |
| Repairs & maintenance - others | 11,815.71 | 10,784.77 |
| Advertisement and business promotion expenses | 83,582.38 | 23,732.80 |
| Printing and stationery | 1,881.64 | 1,578.75 |
| Travelling, conveyance and vehicle expenses | 42,935.39 | 25,497.02 |
| Legal and professional fees | 12,429.83 | 21,627.10 |
| Payment to auditors | | |
| - As auditors | | |
| Audit fee | 5,500.00 | 5,500.00 |
| Tax audit fee | 500.00 | 500.00 |
| - In other Capacity | | |
| Taxation matters | 845.00 | 595.00 |
| Limited review and certification | 635.00 | 670.00 |
| Rent | 23,273.40 | 22,213.08 |
| Software expenses | 80.00 | 500.00 |
| Miscellaneous expenses | 6,107.86 | 5,299.34 |
| Total | 636,546.32 | 660,875.92 |

27 EARNINGS PER SHARE:

| Sl. No. | Particulars | Year Ended March, 2023 | Year Ended March, 2022 |
|---------|---|---------------------------|---------------------------|
| a) | Net Profit after tax available for Equity Shareholders (₹ In Hundreds) | 178,312.46 | 260,112.29 |
| b) | Weighted average number of Equity Shares of ₹ 10/- each outstanding during the period (No. of Shares) | | |
| | - For Basic Earnings | 9,000,000 | 9,000,000 |
| | - For Diluted Earnings | 9,000,000 | 9,000,000 |
| c) | Basic Earnings per Equity Share (₹) | 1.98 | 2.89 |
| d) | Diluted Earnings per Equity Share (₹) | 1.98 | 2.89 |

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2023

28 DISCLOSURES AS PER IND AS 19 - EMPLOYEE BENEFITS ARE AS FOLLOWS:

a. Defined Contribution Plan

Expenses recognized in Statement of Profit and Loss towards the Defined Contribution Plans are as under:

(₹ In Hundreds)

| Particulars | Year Ended 31 st March 2023 | Year Ended 31 st March 2022 |
|--------------------------------|---|---|
| Contribution to Provident Fund | 13,909.39 | 12,424.82 |
| Contribution to ESIC | 77.82 | 65.23 |
| Total | 13,987.21 | 12,490.05 |

b. Defined Benefit Plan

The company has a defined benefit gratuity plan governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to gratuity on departure at 15 days last drawn salary for each completed year of service or part thereof in excess of six months.

The plan is funded with insurance company in the form of a qualifying insurance policy. The following tables summarize the components of net benefit expense recognized in the Statement of Profit and Loss, other comprehensive income and amount recognized in balance sheet which has been determined by an Actuary appointed for the purpose and relied upon by the Auditors:

(₹ In Hundreds)

| Sr. No. | Particulars | As at 31 st March, 2023 | As at 31 st March, 2022 |
|------------|--|---------------------------------------|---------------------------------------|
| I | Changes in present value of obligations | | |
| | Present Value of Obligations at beginning of the period | 28,898.26 | 22,352.48 |
| | Current Service Cost | 5,180.03 | 5,950.65 |
| | Interest Expense or Cost | 1,819.30 | 1,228.52 |
| | Re-measurement (or Actuarial) (Gain)/Loss arising from:- | | |
| | - change in demographic assumptions | - | - |
| | - change in financial assumptions | 193.64 | 671.43 |
| | - experience variance (i.e. Actual experience vs assumptions) | (1,862.66) | 1,579.82 |
| | Benefits Paid | - | (2,884.64) |
| | Acquisition Adjustment | - | - |
| | Present Value of Obligations at end of the period | 34,228.57 | 28,898.26 |
| II | Changes in fair value of plan assets | | |
| | Fair Value of Plan Assets at beginning of the period | 20,404.16 | 17,516.28 |
| | Investment Income | 1,284.55 | 962.71 |
| | Employer's Contribution | 8,494.10 | 4,836.20 |
| | Acquisition Adjustment | - | - |
| | Benefits Paid | - | (2,884.64) |
| | Return on plan assets, excluding amount recognized in net interest expense | (297.78) | (26.39) |
| | Fair Value of Plan Assets at end of the period | 29,885.03 | 20,404.16 |
| III | Reconciliation of net liability/asset | | |
| | Net defined benefit liability/(asset) as at the beginning | 8,494.10 | 4,836.20 |
| | Expenses charged to Statement of Profit and Loss | 5,714.78 | 6,216.46 |
| | Amount recognized in other comprehensive income | (1,371.24) | 2,277.64 |
| | Employer contribution | (8,494.10) | (4,836.20) |
| | Net defined benefit liability/(asset) as at the end | 4,343.54 | 8,494.10 |

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2023

(₹ In Hundreds)

| Sr. No. | Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---------|---|---------------------------|---------------------------|
| IV | Expenses recognized in Statement of Profit and Loss | | |
| | Current Service Cost | 5,180.03 | 5,950.65 |
| | Net Interest Cost / (Income) on the net defined benefit liability/(Asset) | 534.75 | 265.81 |
| | Expenses recognized in the Income Statement | 5,714.78 | 6,216.46 |
| V | Change in the Effect of Asset Ceiling | | |
| | Effect of Asset Ceiling at the beginning | - | - |
| | Interest Expense or Cost (to the extent not recognized in net interest expense) | - | - |
| | Re-measurements (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling | - | - |
| | Effect of Asset Ceiling as at the end | - | - |
| VI | Other Comprehensive Income | | |
| | Actuarial (gains)/losses | | |
| | - change in demographic assumptions | - | - |
| | - change in financial assumptions | 193.64 | 671.43 |
| | - experience variance (i.e. actual experience vs assumptions) | (1,862.66) | 1,579.82 |
| | Return on plan assets, excluding amount recognized in net interest expense | 297.78 | 26.39 |
| | Components of defined benefit costs recognized in other comprehensive income | (1,371.24) | 2,277.64 |
| VII | Amount recognized in Balance Sheet | | |
| | Present value of obligation | 34,228.57 | 28,898.26 |
| | Fair value of plan assets | 29,885.03 | 20,404.16 |
| | Surplus/(Deficit) | (4,343.54) | (8,494.10) |
| | Effects of asset ceiling, if any | - | - |
| | Net Asset / (Liability) | (4,343.54) | (8,494.10) |
| VIII | Key actuarial assumptions | | |
| | Discount rate (p.a.) | 7.25% | 6.30% |
| | Salary growth rate (p.a.) | 14.00% | 12.00% |
| | Attrition/Withdrawal rates, based on age | | |
| | - Upto 45 years | 25% | 25% |
| | - Above 45 years | 15% | 15% |
| | Mortality rate | 100% of IALM 2012-14 | 100% of IALM 2012-14 |
| IX | Categories of plan assets | | |
| | Insurer managed funds | 99.93% | 99.90% |
| | Bank Balance | 0.07% | 0.10% |
| X | Sensitivity analysis for significant assumptions is as shown below | | |
| | Discount Rate (- 1%) : % Change compared to base due to sensitivity | 5.10% | 5.40% |
| | Discount Rate (+ 1%) : % Change compared to base due to sensitivity | -4.60% | -4.90% |
| | Salary Growth (- 1%) : % Change compared to base due to sensitivity | -2.50% | -3.10% |

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2023

(₹ In Hundreds)

| Sr. No. | Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|------------|---|---------------------------|---------------------------|
| | Salary Growth (+ 1%) : % Change compared to base due to sensitivity | 2.60% | 3.20% |
| | Attrition Rate (- 50%) : % Change compared to base due to sensitivity | 7.70% | 12.10% |
| | Attrition Rate (+ 50%) : % Change compared to base due to sensitivity | -3.30% | -6.40% |
| | Mortality Rate (- 10%) : % Change compared to base due to sensitivity | 0.00% | 0.00% |
| | Mortality Rate (+ 10%) : % Change compared to base due to sensitivity | 0.00% | 0.00% |
| XI | Expected Contribution during the next annual reporting period | | |
| | The Company's best estimate of Contribution during the next year | 8,786.45 | 15,118.15 |
| XII | Maturity Profile of Defined Benefit Obligation | | |
| | Weighted average duration (based on discounted cash flows) | 5 years | 5 years |
| | Expected cash flows over the next (valued on undiscounted basis): | | |
| | 1 year | 6,811.36 | 4,151.59 |
| | 2 to 5 years | 19,816.51 | 16,157.69 |
| | 6 to 10 years | 13,287.00 | 13,437.10 |
| | more than 10 years | 11,930.77 | 8,034.12 |

29 RELATED PARTY DISCLOSURES

A. List of related parties

| Sr. No. | Name of Related Party | Nature of Relationship |
|---------|---|--|
| (i) | Directors a) G C Vasudeo b) Rajesh Sharma c) Saket Agrawal | Directors |
| (ii) | Individuals having control or significant influence a) Krishna Kumar Karwa b) Prakash Kacholia c) Priti Kacholia | Individual having significant influence. |
| (iii) | Emkay Global Financial Services Limited | Holding Company |
| (iv) | Emkay Fincap Limited | Fellow Subsidiary Company |
| (v) | 1. Emkay Corporate Services Private Limited 2. Seven Hills Capital 3. Synthetic Fibres Trading Co. 4. Kitaab Designs | Enterprises owned/controlled by Individuals having control or significant influence or their relatives |
| (vi) | Key Management Personnel a) Vikas Sachdeva b) Dipti Modi | Chief Executive Officer (CEO) (Upto 30.09.2022) Company Secretary |
| (vii) | Emkay Investment Managers Ltd. Employees Group Gratuity Assurance Fund | Others |

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2023

B. Related Party Transactions For The Year Ended 31.03.2023

| Sr No | Particulars | Individual having control or significant influence | | Holding Company | | Fellow Subsidiary Company | | Enterprises owned/ controlled by individuals having control or significant influence or their relatives | | Key Management Personnel | | Others | |
|------------|--|--|----------|-----------------|--------------|---------------------------|---------|---|-------------|--------------------------|-------------|---------|----------|
| | | 2022-23 | 2021-22 | 2022-23 | 2021-22 | 2022-23 | 2021-22 | 2022-23 | 2021-22 | 2022-23 | 2021-22 | 2022-23 | 2021-22 |
| I | Expenditure | | | | | | | | | | | | |
| | Depository Charges | | | | | | | | | | | | |
| | - Emkay Global Financial Services Ltd. | | | 170.73 | 450.32 | | | | | | | | |
| | Rent | | | | | | | | | | | | |
| | - Emkay Global Financial Services Ltd. | | | 20,622.72 | 20,622.72 | | | | | | | | |
| | Commission on PMS Fees | | | | | | | | | | | | |
| | - Emkay Global Financial Services Ltd. | | | 96,257.20 | 93,192.03 | | | | | | | | |
| | Salaries and Other Benefits | | | | | | | | | | | | |
| | - Vikass Sachdeva | | | | | | | | | 83,493.20 | 1,09,523.20 | | |
| | - Dipiti Modi | | | | | | | | | 12,844.11 | 10,786.24 | | |
| | Share Based Payments to Employees | | | | | | | | | | | | |
| | - Emkay Global Financial Services Ltd. | | | | 20,604.23 | | | | | | | | |
| | Derecognition of Share Based Payments to Employees | | | | | | | | | | | | |
| | - Emkay Global Financial Services Ltd. | | | 46,323.73 | | | | | | | | | |
| | Gratuity Contribution | | | | | | | | | | | | |
| | - Emkay Investment Managers Ltd. Employees Group Gratuity Assurance Fund | | | | | | | | | | | | 5,714.78 |
| | Business Promotion | | | | | | | | | | | | |
| | - Kitaab Designs | | | | | | | | | 4,230.10 | | | |
| II | Income | | | | | | | | | | | | |
| | Portfolio Management Fees | | | | | | | | | | | | |
| | - Prakash Kacholia | 1,371.93 | 1,113.37 | | | | | | | | | | |
| | - Priti Kacholia | 160.48 | 303.17 | | | | | | | | | | |
| | - Emkay Corporate Services Pvt. Ltd. | | | | | | | 2,010.02 | 1,879.84 | | | | |
| | Interest Received on Unsecured Loan | | | | | | | | | | | | |
| | - Emkay Global Financial Services Ltd. | | | 39,684.94 | 1,767.13 | | | | | | | | |
| | - Emkay Fincap Ltd. | | | | | 46,972.60 | 479.45 | | | | | | |
| III | Others | | | | | | | | | | | | |
| | (a) Expenses Reimbursed | | | | | | | | | | | | |
| | - Emkay Global Financial Services Ltd. | | | 9,399.58 | 7,741.92 | | | | | | | | |
| | (b) Brokerage on Investments | | | | | | | | | | | | |
| | - Emkay Global Financial Services Ltd. | | | 13.93 | 212.87 | | | | | | | | |
| | (c) Loan Given | | | | | | | | | | | | |
| | - Emkay Global Financial Services Ltd. | | | 19,50,000.00 | 13,50,000.00 | | | | | | | | |
| | - Emkay Fincap Ltd. | | | | | | | 39,00,000.00 | 8,50,000.00 | | | | |
| | (d) Loan Received Back | | | | | | | | | | | | |
| | - Emkay Global Financial Services Ltd. | | | 19,50,000.00 | 13,50,000.00 | | | | | | | | |
| | - Emkay Fincap Ltd. | | | | | | | 33,00,000.00 | 8,50,000.00 | | | | |
| IV | Outstandings | | | | | | | | | | | | |
| | (a) Payable for Expenses | | | | | | | | | | | | |
| | - Emkay Global Financial Services Ltd. | | | 25,736.32 | 29,234.20 | | | | | | | | |
| | (b) Provision for Employee Benefits - Gratuity | | | | | | | | | | | | |
| | - Emkay Investment Managers Ltd. Employees Group Gratuity Assurance Fund | | | | | | | | | | | | 4,343.54 |
| | (c) Loan Given | | | | | | | | | | | | |
| | - Emkay Fincap Ltd. | | | | | | | 6,00,000.00 | | | | | |
| | (d) Trade receivables | | | | | | | | | | | | |
| | - Prakash Kacholia | 477.20 | 300.85 | | | | | | | | | | |
| | - Priti Kacholia | 47.15 | 93.38 | | | | | | | | | | |
| | - Emkay Corporate Services Pvt. Ltd. | | | | | | | | | 631.73 | 586.99 | | |
| | (e) Equity-settled Share Based Payment Reserve | | | | | | | | | | | | |
| | - Emkay Global Financial Services Ltd. | | | | 46,323.73 | | | | | | | | |
| | (f) Equity Share Capital | | | | | | | | | | | | |
| | - Emkay Global Financial Services Ltd. | | | 9,00,000.00 | 9,00,000.00 | | | | | | | | |

NOTES TO THE FINANCIAL STATEMENTS
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- C. Related Parties are identified by Management and relied upon by the auditor.
- D. No balance in respect of related parties has been written off.
- E. Name of the related party and nature of the related party relationship where control exists have been disclosed irrespective of whether or not there have been transactions and in case of other related parties, the said disclosure has been made wherever transactions have taken place.

30 SHARE BASED PAYMENTS

- a. Share based payments are provided to certain employees of the Company in the form of equity-settled scheme managed by the Parent Company. The Employees Stock Options Plan (ESOP), 2018 has been established by the Parent Company. The Scheme provides that certain employees of the Company are granted an option to subscribe to equity share of the Parent Company that vests on the satisfaction of vesting conditions.
- b. The charge for the year in respect of such plan is shown as 'Share based payments to employees' under 'Employee benefits expense' amounting to ₹ Nil (P.Y. ₹ 20,604.23 hundreds) with a corresponding credit to 'Equity-settled Share Based Payment Reserve' in 'Other Equity' based on fair value of options determined by an Independent valuer appointed by the Parent Company for the purpose and relied upon by the Auditors.
- c. During the year, outstanding unvested options granted to one of the employee lapsed due to non fulfillment of vesting conditions on account of his failure to complete the specified service period. Accordingly, accumulated fair value of ₹ 46,323.73 hundreds of said options is derecognised by debiting to 'Equity-settled Share Based Payment Reserve' in 'Other Equity' with corresponding credit to 'Share based payments to employees' under 'Employee benefits expense'.

31 CONTINGENT LIABILITIES

(₹ In Hundreds)

| Particulars | As at 31.03.2023 | As at 31.03.2022 |
|--|------------------|------------------|
| Income tax matter in appeal – net of amount of deposited | 66,907.60 | - |
| | 66,907.60 | - |

32 SEGMENT REPORTING

a. Business Segment

The Chief Operating Decision Maker (CODM) monitors the operating results of the business segment separately for the purpose of making decision about resource allocation and performance assessment. The operating segment has been identified considering the nature of services, the differing risks and returns, the organization structure and internal financial reporting system. Business segment has been considered as the primary segment for disclosure. The primary business of the Company related to one business segment namely "Advisory & Transactional Services" comprising of Asset Management Services, therefore primary business segment reporting as required by Ind AS 108 "Segment Reporting" is not applicable.

b. Geographical Segment

The Company operated in India and hence there is no reportable geographical segment.

33 OPERATING LEASE

The company is occupying part of a premise owned by its parent company for which rent of ₹ 20,622.72 hundreds (P.Y. ₹ 20,622.72 hundreds) has been paid to them and is also occupying part of another premise taken on operating lease by its parent company to whom rent aggregating to ₹ 2,650.68 hundreds (P.Y. ₹ 1,590.36 hundreds) has been reimbursed.

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2023

34 FINANCIAL INSTRUMENTS

I. Financial instruments by categories and their carrying value as of March 31, 2023 is as follows:

(₹ In Hundreds)

| Particulars | Measured at | | | Total Carrying Value |
|--|---------------------|------------------------|------------------------|----------------------|
| | Amortised Cost | Fair Value Through P&L | Fair Value Through OCI | |
| Financial Assets | | | | |
| Investments (Quoted) | | | | |
| - Equity Instruments | - | 395,361.19 | - | 395,361.19 |
| - Mutual Funds | - | 116.65 | - | 116.65 |
| Trade Receivables | 225,373.60 | - | - | 225,373.60 |
| Cash and Cash Equivalents | 124,719.74 | - | - | 124,719.74 |
| Bank Balances Other Than Cash and Cash Equivalents | 570,482.24 | - | - | 570,482.24 |
| Other Financial Assets | 615,992.85 | - | - | 615,992.85 |
| Total | 1,536,568.43 | 395,477.84 | - | 1,932,046.27 |
| Financial Liabilities | | | | |
| Trade Payable | 310,051.01 | - | - | 310,051.01 |
| Other Financial Liabilities | 64,737.13 | - | - | 64,737.13 |
| Total | 374,788.14 | - | - | 374,788.14 |

II. Financial instruments by categories and their carrying value as of March 31, 2022 is as follows:

(₹ in hundreds)

| Particulars | Measured at | | | Total Carrying Value |
|--|---------------------|------------------------|------------------------|----------------------|
| | Amortised Cost | Fair Value Through P&L | Fair Value Through OCI | |
| Financial Assets | | | | |
| Investments (Quoted) | | | | |
| - Equity Instruments | - | 392,613.17 | - | 392,613.17 |
| - Mutual Funds | - | 111.46 | - | 111.46 |
| Trade Receivables | 281,222.39 | - | - | 281,222.39 |
| Cash and Cash Equivalents | 908,559.38 | - | - | 908,559.38 |
| Bank Balances Other Than Cash and Cash Equivalents | 570,000.00 | - | - | 570,000.00 |
| Other Financial Assets | 15,397.35 | - | - | 15,397.35 |
| Total | 1,775,179.12 | 392,724.63 | - | 2,167,903.75 |
| Financial Liabilities | | | | |
| Trade Payable | 98,001.98 | - | - | 98,001.98 |
| Other Financial Liabilities | 59,331.96 | - | - | 59,331.96 |
| Total | 157,333.94 | - | - | 157,333.94 |

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2023

Fair Value Hierarchy:

Financial Assets Measured at Fair Value-

(₹ In Hundreds)

| Particulars | Note No | Level 1 | |
|-------------------------------|---------|---------------------------|---------------------------|
| | | As at 31st March, 2023 | As at 31st March, 2022 |
| Non-current Investments in | | | |
| - Equity Instruments | 5 | 395,361.19 | 392,613.17 |
| Current Investments in | | | |
| - Mutual Funds | 9 | 116.65 | 111.46 |
| Total Financial Assets | | 395,477.84 | 392,724.63 |

III. Valuation techniques used to determine fair value

- Quoted Equity Investments – Quoted closing price on stock exchange.
- Quoted Mutual Fund Investments – Quoted closing NAV of respective schemes.

IV. Financial instruments not measured at fair value

Financial assets not measured at fair value include cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables and other financial assets. These are financial assets whose carrying amounts approximate fair value, due to their short term nature.

Additionally, financial liabilities such as trade payables and other financial liabilities are not measured at FVTPL, whose carrying amounts approximate fair value, because of their short-term nature.

At 31 March 2023 and 31 March 2022, the Company did not held any financial assets or financial liabilities which could have been categorized as level 3.

35 DISCLOSURE AS PER IND AS 107 OF NATURE AND EXTENT OF RISKS FROM FINANCIAL INSTRUMENTS AND ITS MANAGEMENT:

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

a) Credit risk

It is risk that the Company will incur a loss because its customers or counterparties to financial instruments fail to meet its contractual obligation.

The Company's financial assets comprises of investments, trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets which comprise mainly of loan to fellow subsidiary company, security deposits, advances and other receivables.

Investments comprise of Quoted Equity Instruments and Mutual Funds which are market tradeable. In case of bank balances, the Company is banking with top rated banks. Credit risk on trade receivables is very low as the Company manages Clients Portfolio hence chances of credit loss are negligible. In case of other financial assets, the amount involved is not material.

Movement in Expected Credit Losses

There is no movement in Expected Credit Losses.

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2023

b) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, invests its surplus funds in quoted liquid schemes of mutual funds and bank balances.

The table below summarises the maturity profile of the company's financial liabilities based on contractual payments-
(₹ In Hundreds)

| Particulars | Below 12 Months | Above 12 Months | Total |
|-------------------------------|-----------------|-----------------|------------|
| As on 31st March, 2023 | | | |
| Trade Payables | 310,051.01 | - | 310,051.01 |
| Other Financial Liabilities | 64,737.13 | - | 64,737.13 |
| As on 31st March, 2022 | | | |
| Trade Payables | 98,001.98 | - | 98,001.98 |
| Other Financial Liabilities | 59,331.96 | - | 59,331.96 |

c) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's exposure to market risk is primarily on account of equity prices and interest rates risk. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximize returns.

(i) Equity Price

The Company's exposure to equity price risk arises primarily on account of its investments in equity instruments.

The Company's equity price risk is managed by Board by investment in equity instruments of well managed Companies and having diversified portfolio.

(ii) Interest rate risk

The Company is exposed to Interest rate risk if the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates.

The Company's interest rate risk arises from investments in various liquid/debt fund schemes of Mutual Funds. Such instrument exposes the Company to fair value interest rate risk. Management believes that the interest rate risk attached to these financial assets is not significant due to the nature of these financial assets

36 DISCLOSURE AS PER IND-AS 1 ON CAPITAL MANAGEMENT

The Company's objective for capital management is to maximize shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on its business needs and believes in conservative leverage policy. The funding requirements are met through equity, operating cash flows generated and need based borrowings for short term.

In addition to above the Company is required to maintain a minimum networth as prescribed from time to time by SEBI under SEBI (Portfolio Managers) Regulations, 1993 as substituted by .SEBI (Portfolio Managers) Regulations, 2020. The management ensures that this is complied at all times.

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2023

37 TAX RECONCILIATION DISCLOSURES:

a. Income tax expense consists of the followings:

(₹ In Hundreds)

| Particulars | Year ended 31st March, 2023 | Year ended 31st March, 2022 |
|--|--------------------------------|--------------------------------|
| Current Income Tax | 35,905.00 | 76,574.00 |
| Deferred Tax | (391.72) | 4,113.06 |
| Total tax for the current year | 35,513.28 | 80,687.06 |
| Short/(Excess) Provision for Taxation for Earlier Year | - | (1,364.16) |
| Tax expense for the year | 35,513.28 | 79,322.90 |

b. Amounts recognised in other comprehensive income/(loss)

(₹ In Hundreds)

| Particulars | Year ended 31st March, 2023 | Year ended 31st March, 2022 |
|--|--------------------------------|--------------------------------|
| Items that will not be reclassified to profit or loss | | |
| Actuarial gain/(loss) on defined benefit plans | 1,371.24 | (2,277.64) |
| Income tax relating to items that will not be reclassified to profit or loss | (345.00) | 574.00 |
| Total | 1,026.24 | (1,703.64) |

c. (i) The reconciliation of estimated current income tax expenses at statutory income tax rate to current income tax expense reported in Statement of Profit and Loss is as follows

(₹ In Hundreds)

| Particulars | Year ended 31st March, 2023 | Year ended 31st March, 2022 |
|---|--------------------------------|--------------------------------|
| Profit Before Tax | 213,825.74 | 339,435.19 |
| Enacted Tax Rate in India (%) | 25.168% | 25.168% |
| Expected Income Tax Expenses | 53,815.66 | 85,429.05 |
| Tax Effect of Adjustments to Reconcile Expected Income Tax Expenses to Reported Income Tax Expenses | | |
| - Deductible Expenses for Tax Purpose | (7,425.44) | (1,217.49) |
| - Non Deductible Expenses for Tax Purpose | 2,311.60 | 2,377.99 |
| - Fair Value Changes of Investments | (1,359.63) | (15,487.48) |
| - Ind AS Adjustments | (11,658.76) | 5,185.67 |
| - Others (Net) | 221.57 | 286.26 |
| - Deferred Tax Impact | (391.72) | 4,113.06 |
| Total | (18,302.38) | (4,741.99) |
| Total Tax Expense | 35,513.28 | 80,687.06 |
| - Current Tax Expense | 35,905.00 | 76,574.00 |
| - Deferred Tax Expense/(Benefit) | (391.72) | 4,113.06 |
| Effective Tax Rate | 16.61% | 23.77% |

(ii) The Company had elected to exercise the option of lower tax rate permitted under section 115BAA of the Income Tax Act, 1961. Accordingly, the Company has recognised Provision for Current Tax and Deferred Tax Assets basis the rate prescribed in the said section.

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2023

d. **Deferred Tax Disclosure**

Movement in deferred tax assets/(liabilities) balances

(₹ In Hundreds)

| Particulars | Provisions | Difference between Tax and Book Depreciation | Carried Forward Tax Losses | Financial Assets at Fair Value through Profit & Loss | Total |
|--|-----------------|--|----------------------------|--|--------------------|
| As at 31st March, 2021 | - | 1,796.00 | 1,457.00 | (10,237.31) | (6,984.31) |
| (Charge)/benefit to Statement of Profit and Loss | 1,287.00 | (129.00) | (1,457.00) | (3,814.06) | (4,113.06) |
| As at 31st March, 2022 | 1,287.00 | 1,667.00 | - | (14,051.37) | (11,097.37) |
| Charge)/benefit to Statement of Profit and Loss | (377.00) | 133.00 | - | 635.72 | 391.72 |
| As at 31st March, 2023 | 910.00 | 1,800.00 | - | (13,415.65) | (10,705.65) |

38 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

39 Disclosure pursuant to section 186(4) of the Companies Act, 2013:

Loans given – Refer Note No. 13

Investments made – Refer Note No. 5 and 9

Guarantee given – Nil

Security provided - Nil

40 The company has utilized the borrowings obtained from bank for the specific purpose for which it was obtained as at the balance sheet date.

41 Additional regulatory information required pursuant to Part I and II of Division II of Schedule III to the Act:

- The Company does not own any immovable property as at 31st March, 2023 as well as 31st March, 2022.
- The Company does not have any investment property as at 31st March, 2023 as well as 31st March, 2022.
- The Company has not revalued its Property, Plant and Equipment or intangible assets or both during the current or previous year.
- The Company has not granted any loans or advances in the nature of loans to its promoter, directors, KMPs and the related parties, either severally or jointly with any other person, during the current or previous year which are repayable on demand or without specifying any terms or period of repayment.
- There are no capital work- in- progress as at 31st March, 2023 as well as 31st March, 2022.
- There are no Intangible assets under development as at 31st March, 2023 as well as 31st March, 2022.
- No proceeding has been initiated during the year or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- The Company has been sanctioned working capital limits by a bank on the basis of security of deposits held by the company with the said bank disclosed as "Bank balances other than cash and cash equivalents" in the financial statements. Due to nature of security, the company is not required to file quarterly returns or statements with the said bank. Therefore, question of quarterly returns or statements being in agreement with the books of account of the Company does not arise.
- The Company is not declared willful defaulter by any bank or financial institution or other lender.

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2023

- j) There are no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- k) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- l) The Company does not have any subsidiary and hence provision of clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules 2017 are not applicable to the Company.

m) (i) **Analytical Ratios**

| Particulars | Numerator | Denominator | As At 31 st March, 2023 | As At 31 st March, 2022 | Variance |
|-----------------------------------|-------------------------------------|-----------------------------------|---------------------------------------|---------------------------------------|----------|
| Current Ratio | Current Assets | Current Liabilities | 3.23 | 6.26 | (48.34)% |
| Debt - Equity Ratio | Total Debt | Total Equity | NA | NA | NA |
| Debt Service Coverage Ratio | Earnings Available for Debt Service | Debt Service | 20.71 | 399.32 | (94.81)% |
| Return on Equity (ROE) | Net Profit After Taxes | Average Total Equity | 7.80% | 12.51% | (37.63)% |
| Inventory Turnover Ratio | Cost of Goods Sold | Average Inventory | NA | NA | NA |
| Trade Receivables Turnover Ratio | Revenue from Operations | Average Trade Receivables | 4.80 | 5.25 | (8.57)% |
| Trade Payables Turnover Ratio | Purchases of Services | Average Trade Payables | 2.08 | 6.95 | (70.09)% |
| Net Capital Turnover Ratio | Revenue from Operations | Working Capital | 0.96 | 0.84 | 14.13% |
| Net Profit Ratio | Net Profit After Tax | Revenue from Operations | 0.15 | 0.18 | (20.21)% |
| Return on Capital Employed (ROCE) | Profit Before Interest and Taxes | Total Equity | 9.49% | 15.33% | (38.10)% |
| Return on Investment (ROI) | Income Generated from Investments | Time Weighted Average Investments | 7.07% | 9.65% | (26.76)% |

(ii) **Explanation for any change in the ratio by more than 25% as compared to the preceding year:**

- **Current Ratio** – Current ratio deteriorated during the year due to substantial increase in trade payables from ₹ 98,001.98 hundreds to ₹ 310,051.01 hundreds as compared to previous year due to upfront commission payable on AIF scheme.
 - **Debt Service Coverage Ratio** – The said ratio declined due to increase in finance costs during the year from ₹ 663.80 hundreds to ₹ 9,326.14 hundreds as compared to previous year.
 - **Return on Equity (ROE) and Return on Capital Employed (ROCE)** – The said ratios have deteriorated on account of lower revenue from operations during the year as compared to previous year on account of capital market's condition.
 - **Trade Payables Turnover Ratio** – Trade payables turnover ratio deteriorated due to substantial increase in outstanding trade payables during the year as compared to previous year due to upfront commission payable on AIF scheme.
 - **Return on Investments** – ROI decreased due to low returns in weighted average investments in equity shares and mutual funds during the year as compared to previous year on account of capital market's condition.
- n) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- o) Company has not advanced or loaned or invested funds to any other person or entity, including foreign entity (Intermediaries) with the understanding that the intermediary shall-

NOTES TO THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2023

- 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.
- p) The Company has not received any fund from any person or entity, including foreign entity (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.
- q) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- r) The provisions of section 135 of the Companies Act, 2013 pertaining to expenditure on Corporate Social Responsibility are not applicable to the Company.
- s) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

42 Other additional and regulatory information required pursuant to Part I and II of Division II of Schedule III to the Act are not applicable to the Company.

43 Figures of the previous year have been regrouped, re-classified, recasted and rearranged wherever necessary to make them comparable with the figures of the current year.

44 Figures in brackets represents for previous year.

45 EVENTS AFTER REPORTING DATE

There have been no events after the reporting date that requires disclosure in these financial statements.

46 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved for issue by the Board of Directors at their meeting held on May 12, 2023.

As per our Report of even date
For **B.L.Sarda & Associates**
Chartered Accountants
Firm Registration No.109266W

(CA B.L.SARDA)
Partner
Membership No. 014568

Place : Mumbai
Dated : 12th May, 2023

**For and on behalf of the Board of Directors of
EMKAY INVESTMENT MANAGERS LIMITED**

Rajesh Sharma
Director
DIN - 01239871

Dipti Modi
Company Secretary
Membership No. 25460

Place : Mumbai
Dated : 12th May, 2023

Saket Agrawal
Director
DIN - 06960186



Your success is our success

EMKAY INVESTMENT MANAGERS LIMITED

CIN-U67190MH2010PLC203819

Registered office: The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028

Website: www.emkayim.com T: 022-66299299 Email: secretarial@emkayglobal.com

ATTENDANCE SLIP

I hereby the record my presence at the 13th Annual General Meeting of the Company held on 9th August, 2023 at 10.30 a.m. at Registered Office of the Company situated at The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai - 400028.

Folio No. DP ID No..... Client ID No.....

Name of Member

Name of Proxy holder

No. of Share(s) Held:.....

Signature of Member/Proxy

Notes:

- (1) Members / Proxy holders are requested to produce the attendance slip duly signed for admission to the Meeting hall.
- (2) Members are requested to bring their copy of Annual Report for reference at the Meeting

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EMKAY INVESTMENT MANAGERS LIMITED

CIN-U67190MH2010PLC203819

Registered office: The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028

Website: www.emkayglobal.com T: 022-66121212

Email: secretarial@emkayglobal.com

PROXY FORM

[Pursuant to section 105 (6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014].

Name of the Member (s): _____

Registered Address: _____

E-mail ID: _____

Folio No./ Client ID: _____

DP ID: _____

I/We, being the member (s) of Emkay Investment Managers Limited holding equity share of the above named company, hereby appoint.

Name:

Address:

E-mail ID:

Signature: or failing him

Name:

Address:

E-mail ID:

Signature: or failing him

Name:

Address:

E-mail ID:

Signature: or failing him

as my/our proxy to attend and vote (on a poll) for space me/us and on my/our behalf at the 13th Annual General Meeting of the Company, to be held on 9th August, 2023 at 10.30 a.m. at the Registered office of the Company i.e. The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Sr. No. | Resolutions |
|---------|---|
| 1 | To receive, consider and adopt the audited Financial Statement of the Company for the financial year ended 31st March, 2023 together with the report of the Board of Directors and Auditors thereon |
| 2 | To appoint a Director in place of Mr. Rajesh Sharma (DIN: 01239871) who retires by rotation and being eligible offers himself for re-appointment. |

Signed this _____ day of _____ 2023

Signature of the Shareholder: _____

Signature of the Proxy Holder(s): _____

Affix Revenue Stamp of Re.1/-

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

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Emkay®

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Emkay Investment Managers Limited

CIN: U67190MH2010PLC203819

Registered Office: The Ruby, 7th Floor,

Senapati Bapat Marg,

Dadar West, Mumbai 400 028.

Tel: +91 22 66121212