



**Date: September 03, 2024**

To, The Department of Corporate Services, Bombay Stock Exchange Limited, P J Towers, Dalal Street, Mumbai- 400001 <b>Scrip Code: 511605</b>	To, Listing Department, National Stock Exchange of India Limited, Exchange Plaza 5th Floor, Plot No. C/1, G- Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051 <b>NSE Symbol- ARIHANTCAP</b>
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**Sub.: Submission of Integrated Annual Report for the year 2023-24 pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**  
**Ref.: ISIN - INE420B01036**

**Dear Sir/ Ma'am,**

This is to inform you that 32<sup>nd</sup> Annual General Meeting of the Company is scheduled to be held on Saturday, September 28, 2024 at 11:30 A.M., through Video Conferencing (VC)/Other Audio Visual Means (OAVM).

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Integrated Annual Report for the year 2023-24 along with the Notice of 32<sup>nd</sup> Annual General Meeting of the Company.

The same is also available on the website of the Company at [www.arihantcapital.com](http://www.arihantcapital.com)

This is for your information and records.

**Thanking You,  
Yours faithfully,  
For Arihant Capital Markets Limited**

**Mahesh Pancholi  
(Company Secretary)  
M. No. F7143**

**ARIHANT CAPITAL MARKETS LIMITED**

(CIN: L66120MP1992PLC007182)

**Regd. Off.: 6, Lad Colony Y N Road, Indore - 452 001 Tel.: +91-731-4217100 Fax.: +91-731-3016199**

**Corp. Off.: #1011 Solitaire Corporate Park, Bldg No. 10, 1<sup>st</sup> Floor, Andheri Ghatkopar Link Road, Chakala,  
Andheri (E) Mumbai- 400093**

Email: [contactus@arihantcapital.com](mailto:contactus@arihantcapital.com) Website: [www.arihantcapital.com](http://www.arihantcapital.com)



# INDIA INVESTS

Empowering Indians to create wealth

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## WE ARE ON A **MISSION**

To strengthen the financial well-being of every Indian by offering them the right platforms, tools & resources.

### **Our Purpose**

Our purpose is to help every Indian realise their financial goals with integrity, empowering them to take ownership of their financial future at every income level and life stage.

### **Vision**

To be India's most trusted financial partner, enabling every individual to harness the power of investing and achieve financial independence.

### **Mission**

To democratize investing by providing accessible, transparent, and reliable investment platforms, empowering individuals to make informed financial decisions and build a prosperous future.

## OUR **VALUES**



### **Client first**

Placing our clients first because they are at the heart of everything we do.



### **Integrity**

Upholding the highest ethical standards in all our interactions.



### **Innovation**

Continuously seeking new ways to enhance the investment experience.



### **Transparency**

We are open and transparent with our customers and each other.



### **Simplicity**

Making investment simple, understandable and accessible for everyone.

**30+**

Years of  
Empowering  
Investors

**2.5 lac +**  
Customers

**1,000 +**  
Investment centers

**230 +**  
Cities

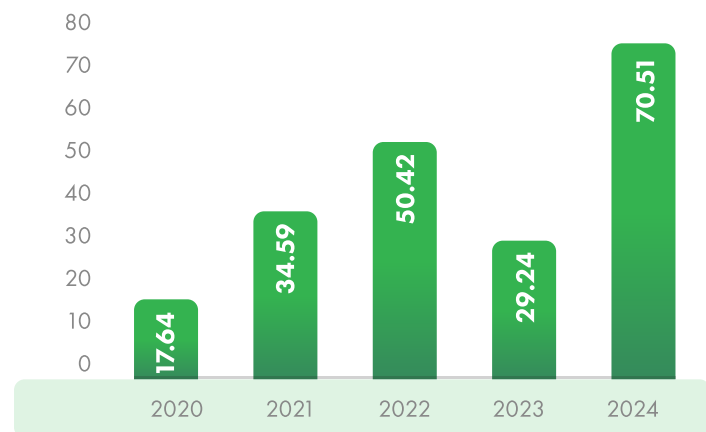
**340 +**  
Employees

**4.5** ★  
Application rating

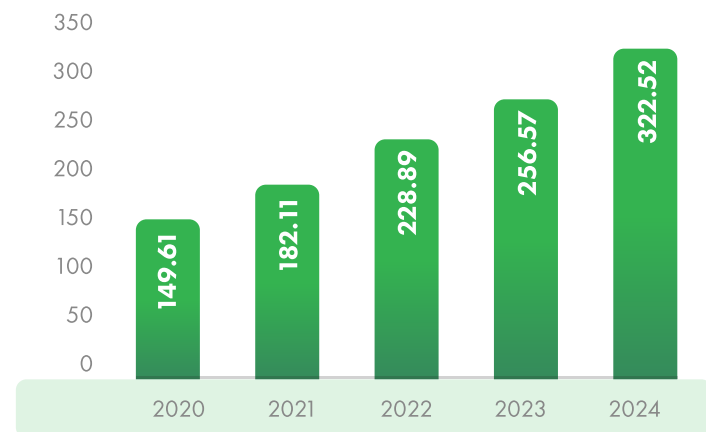


# CONSOLIDATED FINANCIAL PERFORMANCE HIGHLIGHTS FY2024

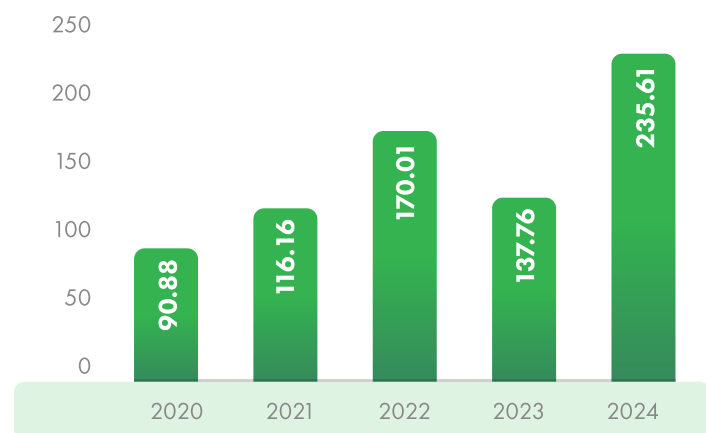
**PAT** (in ₹ crore)



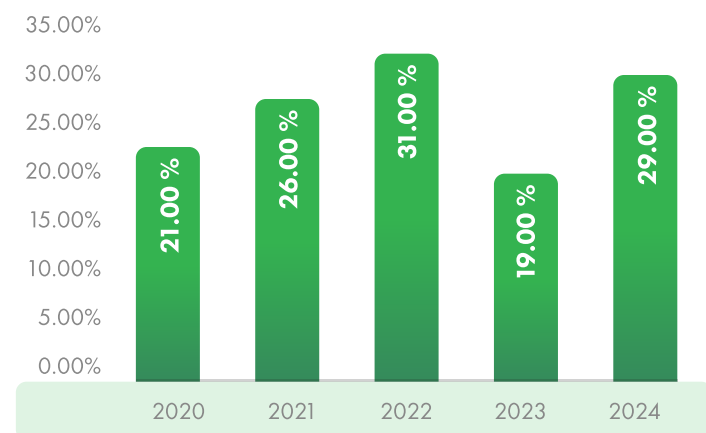
**NET WORTH** (in ₹ crore)



**TOTAL INCOME** (in ₹ crore)



**ROCE** (in percentage)



# CORPORATE SOCIAL RESPONSIBILITIES (CSR)

Our CSR efforts focus on education, financial inclusion and awareness, healthcare, women empowerment, sustainability, and rural development. Our social ambition focuses on serving the development of people by shaping a future with meaningful opportunities for all.

## Education for empowerment

We believe that education is a powerful tool for change, and we strive to make it accessible to all children, regardless of their background. Our efforts include supporting various programs that provide access to education for underprivileged kids. We also fund infrastructure projects for schools, ensuring that students have a conducive learning environment.

## Tech for good

Arihant Capital is dedicated to leveraging digital tools and learning to enhance financial access and awareness within our communities. We aim to empower our stakeholders to achieve financial independence through both partnerships and independent initiatives.

## Diversity and inclusion

We are committed to creating a culture that embraces, values, and promotes diversity and inclusion. We strongly oppose any form of discrimination based on gender, abilities, or background.

## Commitment to the planet

At Arihant Capital, we prioritize the health of our planet and are actively working to reduce our carbon footprint. Our commitment to environmental sustainability is reflected in several key initiatives. We participate in and fund various tree plantation campaigns to enhance green cover and combat climate change. Additionally, we create awareness at the workplace about eliminating single-use plastics, encouraging sustainable alternatives. Our digital initiatives not only aim to reduce paper usage but also focus on mindful use of technology and reducing digital carbon footprint.



## UN SDG mapping



CSR Spend: ₹91.47 lacs

## AWARDS & RECOGNITION



Great place to work  
Jan 24 - Jan 25



Wealth management company of the year  
2023





**MR. ASHOK KUMAR JAIN**

Chairman & Managing Director



**MR. ARPIT JAIN**

Joint Managing Director

**MR. PARAG RAMESHBHAI SHAH\***

Independent Director

**MR. ASHISH MAHESHWARI**

Independent Director

**MR. AKHILESH RATHI\***

Independent Director

**MS. SWANUBHUTI JAIN**

Independent Director

**BOARD OF DIRECTORS**

**MR. JITENDRA JAIN**

Independent Director

**MR. SUNIL KUMAR JAIN**

Non-Executive Director

\* cessation w.e.f. 31 Mar 2024

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CONSOLIDATED BALANCE SHEET

**COPRORATE INFORMATION**

www.arihantcapital.com  
compliance@arihantcapital.com

**REGISTERED OFFICE**

6, Lad Colony Y.N Road, Indore – 452001 (MP)  
T. +91-731-4217100 F. +91-731-3016199

**CORPORATE OFFICE**

1011, Solitaire Corporate Park, Building No. 10,  
1st Floor, Chakala, Andheri (East), Mumbai –  
400093 T. 022-42254800

**COMPANY SECRETARY**

**Mr. MAHESH PANCHOLI**

**CHIEF FINANCIAL OFFICER**

**Mr. Uttam Maheshwari**  
(appointed w.e.f. 01 Dec, 2023)

**Mr. Tarun Goyal**  
(cessation w.e.f. 30 Nov, 2023)

**REGISTRAR & TRANSFER AGENT**

**ANKIT CONSULTANCY PVT LTD**  
Plot No. 60, Electronic Complex Pardeshipura,  
Indore – 452 010 (M.P.) T. +91-731-2551745

**SECRETARIAL AUDITOR**

**AJIT JAIN & CO.**  
Prem Villa, 84, Kailash Park Colony,  
Indore-452001 Mobile No. 9425053710

**AUDITOR**

**M/s DINESH AJMERA & ASSOCIATES**  
Chartered Accountants 901, Scheme No. 114,  
Part-1, A.B. Road, Indore – 452001 (MP)  
Mobile No. 9826868011

**BANKERS**

Axis Bank Limited  
ICICI Bank Limited  
IDFC First Bank Limited  
Federal Bank Limited

**DEBENTURE TRUSTEE**

Axis Trusteeship Services Limited

**INDIA INVESTS**

Fintechs are transforming India's economic landscape, harnessing the synergy of rising financial literacy, digitalisation and cutting-edge technology.

ArihantPlus — our innovative trading platform, is setting new standards for trading and empowering our clients to make well-informed financial choices. Rooted in our core values, we are navigating the vibrant fintech ecosystem to emerge as India's most trusted fintech brand, aiming to empower every Indian to invest through the strategic use of data and technology.



## ASHOK KUMAR JAIN

CHAIRMAN AND MANAGING  
DIRECTOR

# CHAIRMAN'S MESSAGE

### Dear Stakeholders,

It is my pleasure to present to you our company's annual report for the financial year 2023-2024. The past year has been transformative as we echoed the mantra of 'India Invests'. This phrase encapsulates our commitment to help every Indian meet their financial goals and achieve financial independence.

The financial year 2023-2024 witnessed a complex market environment, characterized by global uncertainties, inflation, and geopolitical tensions. However, at Arihant Capital, our long-term optimism for the Indian market remained steadfast and the markets also delivered.

### Strategic Growth and Profitability

We are proud to announce that we reported the highest-ever total revenue of ₹236 Crore in FY 2023-24, a substantial growth of 71% YoY. I am overwhelmed to share that we crossed psychological mark of ₹100 crore at operating profit level, registering ₹105 crore operating profit this financial year. Further, the company's net profit rose to ₹70.51 crores, up from ₹29.11 crores in the financial year 2023-2024, recording a stupendous 142% increase in net profit YoY basis. This exceptional performance is a testament to our robust business model and strategic initiatives.

The Board of Directors has recommended a 50 per cent dividend for the year, also marking the 17th consecutive year of dividend distribution, underscoring our ongoing growth and commitment to enhancing shareholder value.

### The India Growth Story

India's economic story is shaped by a confluence of favorable demographics, rising digitalization, increasing incomes, and

strategic geopolitical shifts.

Our Prime Minister envisions that Amrit Kaal will see India become a developed nation by 2047. As per estimates, Indian economy is slated to grow to \$55 trillion by 2047, assuming an average real growth rate of 8 per cent in the coming years and average inflation remaining around 5 per cent. India is most likely to overtake Germany and Japan and will become the third largest economy after China and the US by 2030. In 25 years, at a size of US\$26 trillion, our per capita GDP would be over US\$15,000, six times its current level. In the near term, India's GDP is projected to grow ~7.5% in FY25, by the National Council of Applied Economic Research, driven by strong economic activity.

This is a crucial decade for India to shape its own future, and even beyond, to chart a path for other developing countries in a global context that has been transformed by the pandemic, conflict and the generational fight against climate change.

With nearly half the population under 35, and a strong focus on digital infrastructure, India leads in digital transactions - making up over 40% of the global volume. This digital surge has democratized access to information and financial services, bridging urban and rural divides. Additionally, the government's emphasis on capital expenditure and "Make in India" is set to attract significant private-sector investment. India's favorable demographic is another reason why the country will continue its northward trajectory.

### India's Investment Revolution: Fueling Growth and Empowering Investors

India Invests is more than a slogan; it is a catalyst for change. India continues to be at the forefront of the fintech revolution. Over the next 26 years, India will potentially add \$36 trillion to its stock market capitalization. No other nation is remotely close to such a scale of possibility. Indeed, since our stock markets journey began, I believe there has never been a better time to be an Indian.

Over the last four years, the number of demat accounts has compounded at a staggering rate of 39% to hit the 15-crore mark as of March 2024. During the same period, monthly flows into SIP

(Systematic Investment Plan) mutual funds more than doubled from ₹8,000 crore to ₹20,000 crore. Considering India's young population, which generally has a higher risk appetite, and the digital revolution I expect the equity penetration to continue its steadfast growth. This should maintain the retail revolution in the capital markets.

At Arihant, our efforts to build world-class trading platforms and tools to revolutionize investing have finally taken shape and we are ready for the next phase of growth. We are committed to igniting a nationwide investing revolution, empowering every Indian to participate in the country's economic growth story.

The Indian economy is on a robust growth trajectory, characterized by a burgeoning middle class, a dynamic entrepreneurial ecosystem, and supportive government policies. However, there remains a significant, untapped investment potential within our population. Arihant Capital is dedicated to bridging this gap and unlocking the full potential of the Indian investment landscape.

We are achieving this through:

- **Democratizing investment education:** Making financial literacy accessible to all through innovative educational initiatives.
- **Leveraging technology:** Building a robust digital platform that empowers investors with real-time market data, advanced analytics, and personalized insights. Our mobile app offers comprehensive trading and advisory experience, incorporating cutting-edge trading tools to enhance decision-making.
- **Expanding our reach:** Increasing our geographic footprint to make our services accessible to a wider audience. Our PAN India expansion and strong hold in tier-2 and tier-3 cities, supported by a dedicated digital team, is a testament to our commitment to reaching every corner of the country.
- **Providing holistic support:** Going beyond trading, we are introducing digital advisory services to offer tailored guidance and support to our clients.
- **Fostering trust:** Maintaining transparency and ethical conduct as the cornerstone of our business relationships.

Going forward, our strategic focus will be on:

- **Regulatory agility:** Staying ahead of the evolving regulatory landscape to optimize returns for our investors.
- **Financial innovation:** Exploring cutting-edge, tech-enabled solutions to deliver unparalleled value to our clients.
- **Strengthening our core business:** Building upon our strong foundation in broking, MTF, research, and algo trading to enhance our market position.
- **Expanding our offerings:** Diversifying our revenue streams through mortgage banking, portfolio management services (PMS), alternative investment fund (AIF), and institutional business.
- **Delivering exceptional client experience:** Enhancing our digital capabilities, expanding distribution channels, and providing comprehensive support through our mobile app and web trading platforms.

Our sustained focus on the right talent, processes, technology, brand and our culture has empowered the Company to achieve significant milestones. Our strategic and mutually rewarding partnerships with authorized partners and fintech firms play a



At Arihant Capital, we are committed to igniting a nationwide investing revolution, empowering every Indian to participate in the country's economic growth story.



crucial role in our growth. The result is that we are now more optimistic than ever about the potential of our business verticals.

Moving forward, our focus will be on adding new clients, particularly from tier-2 and tier-3 cities. Millennials and do-it-yourself (DIY) investors will also be the key target segments for us.

### Last note

This journey and all our achievements would not have been possible without the dedication and hard work of our talented teams. To our shareholders, investors, customers, regulators, and all stakeholders, I extend my heartfelt gratitude. Your unwavering support, guidance, and feedback are propelling us to new heights.

Together, we are building a company that will drive India's financial independence and stand as a testament to the strong relationships we've nurtured over these 30+ years.

India Invests is a movement. Let's ignite the spark together.

Yours sincerely,

**Ashok Kumar Jain**

(Chairman and Managing Director)





## ARPIT JAIN

JOINT MANAGING DIRECTOR

# JMD'S MESSAGE

### Dear valued shareholders,

As we approach the end of another successful year, I want to take a moment to express my deepest gratitude for your continued trust and support in our journey. We have achieved remarkable milestones together, and I am excited to share some significant developments that will shape our future.

India's capital market is highly dynamic and well-regulated. Its landscape is shaped by various factors, including global economic conditions, geopolitical events, and rapid technological advancements. During the year, India achieved a major milestone of crossing the market capitalization of over USD 4 trillion for the first time ever, cementing the country as the world's fourth-largest equity market after the US, China, and Japan. India is undoubtedly one of the fastest-growing economies of the world and this growth story is set to continue for at least the next two decades.

While India surpassed over 15 crore demat accounts in FY2024, this is just the beginning. There is a huge room for growth when it comes to the penetration of equities among the Indians. Additionally, there is immense room for growth in various other areas of capital markets including wealth management, asset management, and investment banking. At Arihant, we take pride in our robust platform & tools and strong network built in 30+ years. Coupled with our legacy of trust, strong relationships, and extensive research, we are well-positioned to capitalize on the opportunities presented by this growth momentum.

We have consistently focused on enhancing our core operations and empowering each business vertical to achieve new heights. Here is a brief overview of our key business verticals:

### Retail Broking: Strengthening Our Presence in B2B and B2C Markets

This year, we have made significant strides in both offline and digital realms, solidifying our presence across the B2B and B2C segments. Our commitment to excellence, focus on innovation, and customer engagement has enabled us to not only maintain strong relationships with our existing business partners but also expand our reach to new clients and markets. We have leveraged digital platforms to offer our clients an enhanced experience, backed by the trust and reliability that define our brand. Our offline efforts continue to build and sustain strong customer relationships, underpinned by personalized services and a deep understanding of market dynamics.

As we look to the future, we remain committed to advancing our capabilities both online and offline, ensuring that we deliver exceptional value to all our stakeholders.

### Institution Division: Strategic Expansion to Tap DII, FPI, and AIF Markets

During the year, we opened new institutional investor accounts across domestic institutional investors (DII), foreign portfolio investors (FPI), and alternative investment funds (AIF) categories. We are proud to have conducted our annual flagship event, The Bharat Connect Conference: Rising Stars Summit with participation from around 200 companies under our coverage this year. We also conducted investor roadshows in Dubai, which were well-received by the investors. These initiatives are bound to help us improve our bottomline and strengthen our institutional client base, which will also be reflected in the growth in our volumes.

### MBD: Outstanding Performance

Our Merchant Banking Division (MBD) has achieved remarkable success, surpassing our targets for the last year beyond expectations. We successfully completed one SME IPO (Organic Recycling Systems of ₹50 crores) and one mainboard IPO (RBZ Jewellers of ₹100 crores) with an overwhelming investor response. We also successfully executed one of the largest open offers in the

industry this financial year – IPCA Laboratories' acquisition of Unichem Laboratories. In this transaction, we also successfully managed a ₹948 crores block deal transaction, that was the largest broking deal by Arihant Capital in its history. In addition, we executed numerous valuation assignments.

We are extremely buoyant about the prospects for FY 2025. We are happy to announce that we have signed mandates for two mainboard IPOs, each over ₹100 crore in size. We already have running mandates for two SME IPOs, two rights issues and two open offers, and several others are in the pipeline. These accomplishments are a testament to our robust systems, our legacy, and the dedication of our team, which brings over 100 years of cumulative experience to the table.

### PMS: New Milestone, AUM Surpasses ₹400 Crore

Our portfolio management services (PMS) division has crossed the significant milestone of ₹400 crore in assets under management (AUM) this year, marking another year of consistent growth. We were also among the top ten PMS providers in India in the three-year performance category, a testament of our commitment to excellence and the trust our clients place in us. Going forward, we will continue to strengthen our AUM through strategic alliances and partnerships, and roadshows.

### Third-Party Distribution: Expansion of Distribution Channels to Fuel Growth

Our team is working on increasing the pie of our distribution business and we have seen good growth in the mutual fund and other products. We have multiple expansion initiatives in our pipeline aimed at strengthening and diversifying our third-party distribution channels. These strategic efforts are designed to drive significant business growth, allowing us to reach a wider customer base and enhance our market presence.

### MTF: Commitment to Growth Through Enhanced Margin

As part of our ongoing commitment to drive growth and expand our portfolio, we have focused on continuously expanding our Margin Trading Facility (MTF) book while following adequate risk management practices.

### Research: Comprehensive Research Support and Expertise

In our commitment to delivering exceptional value to our clients, we have provided comprehensive assistance across fundamental research, technical research, and portfolio management services (PMS). Our strong media presence and institutional collaborations further enhance our ability to offer informed insights and market intelligence.

Backed by a dedicated research team with years of enriched experience, we are well-equipped to meet the evolving needs of our clients and maintain our position as a trusted partner in the financial markets. During the year, we also launched the actional research module on our mobile app, making our research accessible to clients, thereby aiding them in making more informed investing decisions.

### AIF: The future growth

In our continuous effort to meet the diverse needs of our clients, we are excited to announce our plans to launch Alternative Investment

Funds (AIF). This strategic move will enable us to diversify our product offerings for HNI clients and help us in being committed to delivering comprehensive and tailored investment solutions to them.

### Digital Journey:

#### 1. Mobile App: 4.5 Ranking on Playstore, Success of Our Mobile App

ArihantPlus – our mobile trading app has been very well-received by our clients. This smart app has been designed keeping the needs of novice investors and professional traders in mind. It has a simple, user-friendly interface packed with pro tools for advanced traders and investors. Our consistent 99% uptime and 4.5-star rating are driving increased downloads.

During the year, we launched many value-added features on the app that helped increase the volumes. We're excited to announce that we will soon be integrating mutual fund transactions and curated wealth basket portfolios into the app, transforming it into a comprehensive platform. Our app will serve as a comprehensive execution cum advisory tool, empowering our customers to make well-informed decisions.

#### 2. Algo Trading: Innovative Strategies for Retail Customers

This year, we are pleased to announce the launch of our Algo Trading platform, designed to offer retail customers advanced, automated trading solutions. We are developing a range of new strategies tailored to enhance our clients' trading experience and help them navigate the markets more efficiently. This initiative reflects our commitment to leveraging technology and innovation to better serve our customers and drive growth.

#### 3. Digital Architecture

Further, we have continuously invested in building a scalable and reliable digital infrastructure. We also plan to harness open API architecture to enhance client experience and establish new revenue streams, going forward.

India Invests is indeed a movement. Let's invest in India's future and create a more prosperous nation together.

Going forward, we are committed to continuously updating our technology to deliver robust, intuitive, and secure digital and in-person experiences. This focus helps us deepen relationships with existing customers and attract new ones. We will continue to recruit and retain the right talent, as our people are the reason for our success. Our top priority remains the same: enhancing and safeguarding the financial well-being of our individual customers and corporate and institutional clients.

Thank you to all our valued customers and clients for the privilege of serving you.

Yours sincerely,

**Arpit Jain**

(Joint Managing Director)



# THE GROWTH DRIVERS: ARIHANT

At Arihant, we are continuously challenging our status quo to benefit the investors. By prioritizing a digital-first approach, expanding our product offerings and network, optimizing our systems and processes building lasting relationships with our clients, employees, and communities, we are building a sustainable company and consistently delivering sustained value to our stakeholders.



We are well-positioned to keep investing in what matters most to our customers, allowing us to continually adapt to their evolving needs.

~ Arpit Jain  
(Joint Managing Director)

## Client first

Our clients deserve efficient experiences and our unwavering commitment. From day one, we have always put our client's interests first. We respect their time by making every interaction seamless and simple, ensuring they get the best investing experience they deserve. We continuously enhance our product suite to meet the evolving needs of our customers. That's not in. At Arihant, every client is treated as a family member, and we work hard to build meaningful lasting relationships with our clients.

## Lead with tech

Although our digitisation journey kicked off post-Covid, we have made significant investments in building our tech capabilities and have created world-class trading platforms, onboarding solutions, and other tech stacks to enhance the client experience. We have always believed that in this dynamic industry, complacency can lead to annihilation. Therefore, we continuously listen to our clients, envisage their needs and upgrade our solutions.

In FY2024, we launched several new app features and products focused on delivering the top feature requests and addressing pain points from our active traders. These included IPO, stock alert, actionable research, advanced market data (FII & DII activity, PCR & rollover, bulk & block deals, etc), order slicing, basket order, and scanners.

## Strengthening our network

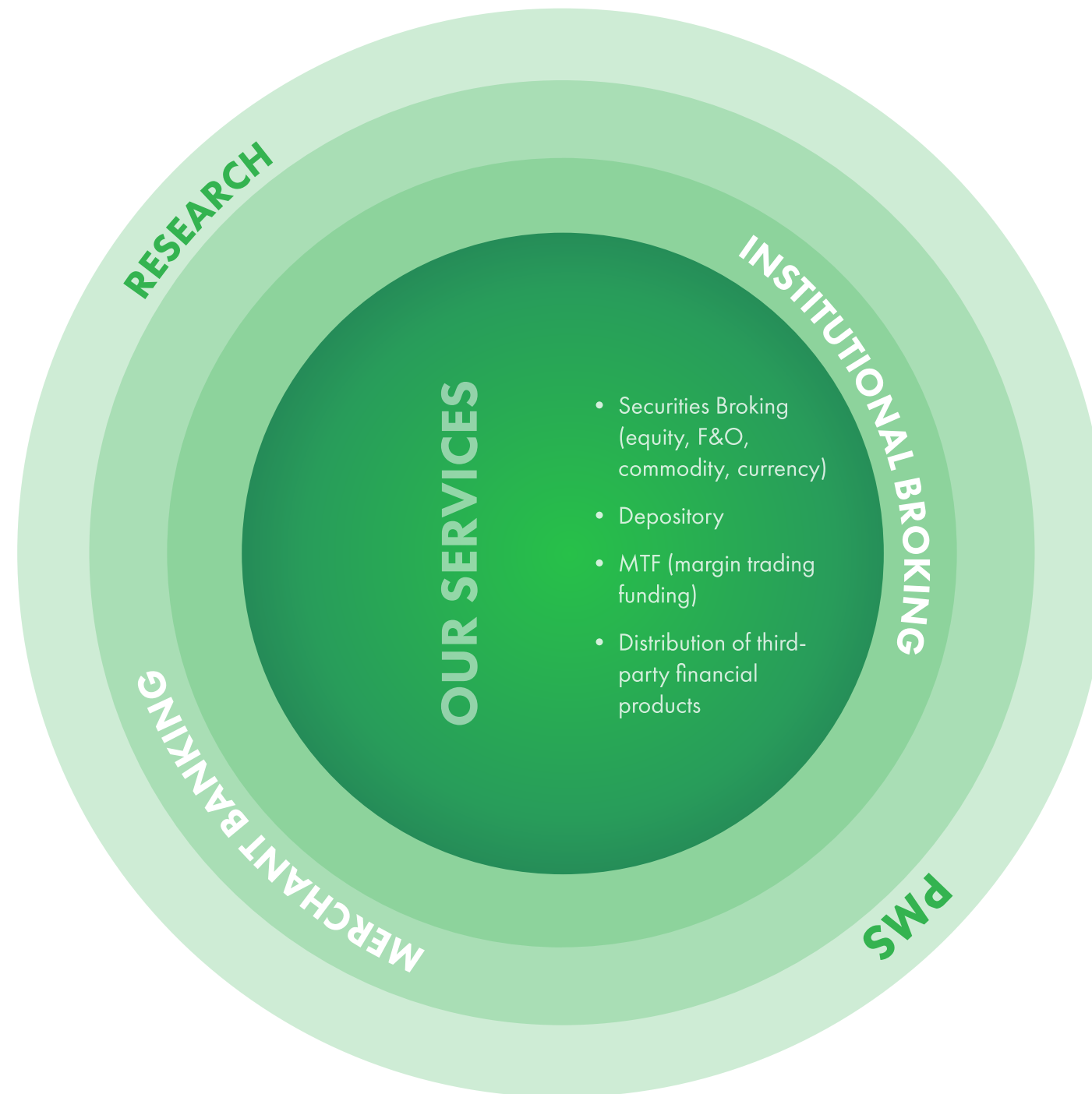
Our partners have been a cornerstone of our growth. For over 30 years, Arihant has empowered authorized partners of all sizes to envision, create, and expand their businesses. Our best-in-class technology, resources, and support are meticulously designed to help our partners not only meet but exceed client expectations.

Our comprehensive suite of products is adaptable to a wide range of financial needs, including those of high-net-worth clients, enabling our partners to better serve their clients. More importantly, our genuine commitment to our partners' growth fosters meaningful, long-term relationships.

We are proud to report that our Authorized Partner network now stands at 415, and we are dedicated to expanding it further to help India invest in every corner of the country.

## Taking the long-term view

We adopt a long-term view with a strong focus on our clients. We have known from our 30+ years of experience that we can effectively grow our revenues, profits, and company's value by long-term thinking rooted in client needs and doing what is right.



**₹235.61 cr**

**Total income**

+71.0% Y-O-Y Growth

**₹322.52 cr**

**Networth**

+26.0% Y-O-Y Growth

**29.00%**

**ROCE**

+52.46% Y-O-Y Growth

**₹70.51 cr**

**PAT**

+142.0% Y-O-Y Growth

**₹107.67 cr**

**EBITDA**

+114.0% Y-O-Y Growth

**₹6.77**

**EPS**

+142.0% Y-O-Y Growth

# LEVERAGING TECHNOLOGY

## SO INDIA INVESTS

Tech has revolutionised India's financial landscape by giving access to millions of Indians to invest with ease and promoting financial inclusion. At Arihant, we are committed to inclusive growth. By leveraging technology, we are working to helping Indians realise their dreams and aspirations by offering them solutions and products to help them be a part of the Indian growth story.

We want to make the financial system easily accessible and convenient for our customers. To make investing feel

familiar and inviting, with a straightforward design and user-friendly interface, empowering customers to achieve their financial goals.

### Our tech offerings include

- **100% paperless** digital onboarding platform
- **ArihantPlus trading app**, built on simplicity, robustness, swiftness and transparency

### The ArihantPlus experience

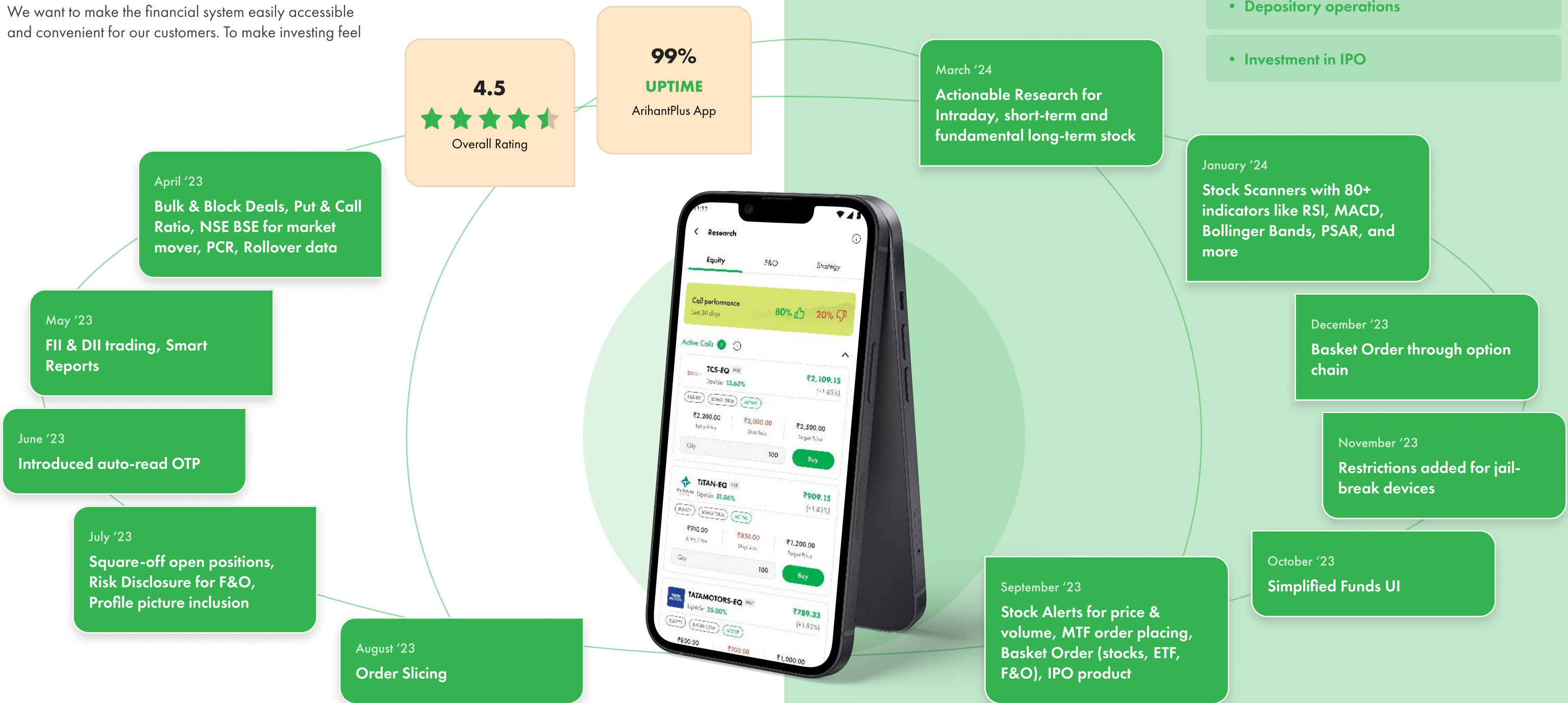
- 7-Min onboarding journey with zero account opening fees
- Access to complimentary research from in-house experts (licensed)
- User-friendly UI and one-click order, great for beginners and power-packed for pro traders
- Advanced orders: SL, cover, basket, AMO, GTD, order slicing
- Pro-level charting with TradingView
- Margin trading facility (MTF order)
- Instant fund transfer & one-click withdrawal
- Competitive brokerage plans and transparent pricing

### Broking & depository options

We have developed a brand for ourselves through our broking business with over 32 years of experience. We deliver our offerings through the iOS, Web, and Android-powered platforms.

### Key offerings

- Investing and trading in equity segment
- Futures and Options, option chain
- Commodity and currency segments
- Depository operations
- Investment in IPO



**NOTICE**

Notice is hereby given that the **THIRTY-SECOND ANNUAL GENERAL MEETING (AGM)** of **ARIHANT CAPITAL MARKETS LIMITED (CIN: L67120MP1992PLC007182)** will be held on **Saturday, September 28, 2024 at 11:30 A.M.** through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") to transact the following businesses:

**ORDINARY BUSINESSES:**

1. To consider and adopt:
  - a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and Auditors thereon; and
  - b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, together with the Report of the Auditors thereon.

and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as Ordinary Resolutions:

  - a) **"RESOLVED THAT** the audited standalone financial statements of the Company for the financial year ended on March 31, 2024 together with the report of the Board of Directors and report of the Statutory Auditor thereon, as circulated to the shareholders, be and are hereby considered and adopted."
  - b) **"RESOLVED THAT** the audited consolidated financial statements of the Company for the financial year ended on March 31, 2024 and report of the Statutory Auditor thereon, as circulated to the shareholders, be and are hereby considered and adopted."
2. To declare dividend on the equity shares of the Company for the financial year ended March 31, 2024.
 

**"RESOLVED THAT** pursuant to the recommendations made by the Board of Directors of the Company, a dividend at the rate of 50% (i.e. Re. 0.50) per equity share of face value Re. 1/- each to the equity shareholders, for the financial year ended March 31, 2024, whose names appear in the Register of Members at close of business on September 21, 2024 be and is hereby declared to be paid out of the profits of the Company."
3. To appoint a director in place of Mr. Sunil Kumar Jain (DIN: 00184860), who retires by rotation and being eligible offers himself for re-appointment.
 

**"RESOLVED THAT** Mr. Sunil Kumar Jain (DIN: 00184860), Director of the Company who retires by rotation and being eligible has offered himself for re-appointment be and is hereby reappointed as Director of the Company whose period of office is liable to determination by retirement of directors by rotation."

**SPECIAL BUSINESSES:**

**4. APPOINTMENT OF STATUTORY AUDITOR TO FILL CASUAL VACANCY**

To appoint Auditors of the Company and to fix their remuneration and if thought fit, to pass with or without modification the following resolution as **Ordinary Resolution:**

**"RESOLVED THAT** subject to the provisions of Section 139, 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, M/s Arora Banthia & Tulsian, Chartered Accountants, (FRN: 007028C), be and are hereby appointed as Statutory Auditors of the Company, to fill the casual vacancy caused by the resignation of M/s. Dinesh Ajmera & Associates (Firm Regn. No. 011970C);

**RESOLVED FURTHER THAT** M/s Arora Banthia & Tulsian, Chartered Accountants be and are hereby appointed as Statutory Auditors of the Company to hold office from July 20, 2024 until the conclusion of 32<sup>nd</sup> Annual General Meeting of the Company, at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company;

**5. APPOINTMENT OF STATUTORY AUDITOR**

To appoint Auditors of the Company and to fix their remuneration and if thought fit, to pass with or without modification the following resolution as **Ordinary Resolution:**

**"RESOLVED THAT** subject to the provisions of Section 139, 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, M/s Arora Banthia & Tulsian, Chartered Accountants, (FRN: 007028C), be and are hereby appointed as the Statutory Auditor of the Company for a term of 5 (five) consecutive years from the conclusion of 32<sup>nd</sup> Annual General Meeting till the conclusion of the 37<sup>th</sup> Annual General Meeting to be held in the year 2029, at such remuneration and out of pocket expenses, as maybe determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company;

**RESOLVED FURTHER THAT** Mahesh Pancholi, Company Secretary of the Company, be and is hereby authorized to do such act, deeds and things and to file necessary e – forms with the concerned Registrar of Companies, to give effect to the aforementioned resolution."

**Place: Indore**  
**Date: July 20, 2024**

**By order of the Board of Directors**

**Sd/-**  
**Mahesh Pancholi**  
**(Company Secretary)**  
**M. No. F-7143**



**NOTES:**

A statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act") in respect of the ordinary and special business under Item No. 4 and Item No. 5 of the Notice is annexed hereto.

- Pursuant to the General Circular No.: 14/2020 dated 08 April, 2020, Circular No.: 17/2020 dated 13 April, 2020, Circular No.: 20/2020 dated 05 May, 2020, Circular No.: 02/2021 dated 13 January, 2021, Circular No.: 21/2021 dated 14 December, 2021, Circular No.: 2/2022 dated 05 May, 2022 and Circular No.: 10/2022 dated 28 December, 2022 issued by the Ministry of Corporate Affairs (collectively referred to as 'MCA Circulars') the Company is convening the 32<sup>nd</sup> Annual General Meeting (AGM) through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue.

Further, Securities and Exchange Board of India (SEBI), vide its Circulars dated 12 May, 2020, 15 January, 2021, 13 May, 2022 and 05 January, 2023 (SEBI Circulars) and other applicable circulars issued in this regard, have provided relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

In compliance with the applicable provisions of the Companies Act, 2013 (the Act), the Listing Regulations and MCA Circulars, the 32<sup>nd</sup> AGM of the Company is being held through VC / OAVM on Saturday, September 28, 2024 at 11:30 A.M. (IST). The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company situated at 6, Lad Colony, Y. N. Road, Indore - 452001, Madhya Pradesh, India, which shall be the deemed venue of the 32<sup>nd</sup> AGM.

- As per the provisions of Clause 3.A. II. of General Circular No.: 20/2020 dated 05 May 2020, the matters of Special Business as appearing at Item Nos. 4 and 5 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.
- The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first serve basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
- In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.arihantcapital.com](http://www.arihantcapital.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- AGM will be convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020, MCA Circular No. 2/2021 dated January 13, 2021, Circular No. 21/2021 dated December 14, 2021 and General Circular No. 2/2022 dated May 05, 2022.
- Institutional shareholders / corporate shareholders (i.e. other than individuals, HUFs, NRIs, etc.) are required to send a scanned copy (PDF/JPG format) of their respective Board or governing body Resolution, Authorization, etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote eVoting. The said

Resolution/Authorization shall be sent to the Scrutinizer by e-mail to [bhattvirendra1945@yahoo.co.in](mailto:bhattvirendra1945@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [maresh.pancholi@arihantcapital.com](mailto:maresh.pancholi@arihantcapital.com). Institutional shareholders (i.e. other than individuals, HUFs, NRIs, etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter, etc. by clicking on "Upload Board Resolution/Authority Letter", etc. displayed under "e-Voting" tab in their login.

- The Register of Members, Beneficial Owner and Share Transfer Books of the Company will remain closed from Sunday, September 22, 2024 to Saturday, September 28, 2024, both days inclusive for the purpose of payment of dividend, if declared at the Annual General Meeting.
- The Board of your Company has fixed Saturday, September 21, 2024 as the 'Record Date' for the purpose of determining entitlement of the Members to the Dividend for the FY 2023-24, if declared at the AGM. Subject to the provisions of the Act, the Dividend as recommended by the Board of Directors, if declared at the AGM will be paid within thirty days from the date of declaration i.e. within thirty days from Saturday, September 28, 2024 (if declared) to those Members whose names appear:
  - in the Register of Members of the Company after giving effect to valid transmission or transposition requests lodged with the Company as on close of the business hours on Saturday, September 21, 2024 and
  - as beneficial owners as at the end of business hours of Saturday, September 21, 2024 as per the list furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of Shares held in dematerialized form.
- In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Annual Report 2023-24 will also be available on the Company's website [www.arihantcapital.com](http://www.arihantcapital.com) websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and on the website of NSDL (agency for providing the Remote e-Voting facility) <https://www.evoting.nsdl.com/>
- As the Members may be aware that with effect from April 01, 2020, Dividend Distribution Tax under Section 115-O of the Income-tax Act, 1961 as may be amended from time to time ("IT Act") payable by domestic companies on declaration of dividend has been abolished. Pursuant to this amendment brought vide Finance Act, 2020, the Company would be under an obligation to deduct tax at source ("TDS") in accordance with the provisions of the IT Act, from the final dividend, if approved by the Members at the AGM. In this regard, the Members may refer the Note on TDS on dividend distribution, appended to this Notice convening 32<sup>nd</sup> AGM of the Company ("AGM Notice").

**Notes on TDS:**

For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

Members having valid Permanent Account Number (PAN)	10%* or as notified by the Government of India (GOI)
Members not having PAN / valid PAN	20% or as notified by the GOI

*\*As per the Finance Act, 2021, Section 206AB has been inserted effective July 1, 2021, wherein the higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under section 206AB of the Finance Act, 2021.*

*\*As per section 139AA of the IT Act, every person who has been allotted a PAN and who is eligible to obtain Aadhar, shall be required to link the PAN with Aadhar. In case of failure to comply with this, the PAN allotted shall be deemed to be invalid / inoperative and he shall be liable to all consequences under the IT Act and tax shall be deducted at the higher rates as prescribed under the IT Act.*

However, no tax shall be deducted on the dividend payable to resident individual shareholders if the total dividend to be received by them during financial year 2023-24 does not exceed ₹ 5,000, and also in cases where members provide Form 15G / Form 15H (Form 15H is applicable to resident individual shareholders aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding of tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20%\*\* (plus applicable surcharge and cess) or as notified by the GOI on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA), read with Multilateral Instrument (MLI) between India and the country of tax residence of the shareholders, if they are more beneficial to them.

For this purpose, i.e. to avail the benefits under the DTAA read with MLI, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian income tax authorities duly attested by the shareholders or details as prescribed under rule 37BC of the Income-tax Rules, 1962
- Copy of the Tax Residency Certificate for financial year 2023-24 obtained from the revenue or tax authorities of the country of tax residence, duly attested by shareholders
- Electronic Form 10F as per notification no. 03/2022 dated July 16, 2022 issued by the Central Board of Direct Tax [Notification can be read under notification-no-3-2022-systems.pdf (incometaxindia.gov.in)]. Form 10F can be obtained electronically through the e-filing portal of the income tax website at <https://www.incometax.gov.in/iec/foportal>
- Self-declaration by the shareholders of having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder
- Any other documents as prescribed under the IT Act for lower withholding of taxes, if applicable, duly attested by the shareholders.

In case of Foreign Institutional Investors (FII) / Foreign Portfolio Investors (FPI), tax will be deducted under Section 196D of the IT Act at the rate of 20%\*\* (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents, if applicable.

*\*\* As per the Finance Act, 2021, Section 206AB has been inserted effective July 1, 2021, wherein the higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under the provisions of the aforesaid Section. However, in case of a non-resident shareholder or a non-resident FPI / FII, the higher rate of tax as mentioned in section 206AB shall not apply if such non-resident does not have a permanent establishment in India.*

The Resident Non-Individual Members i.e. Insurance companies, Mutual Funds and Alternative Investment Fund (AIF) established in India and Non-Resident Non-Individual Members i.e. Foreign Institutional Investors and Foreign Portfolio Investors may alternatively submit the relevant forms / declarations / documents through their respective custodian who is registered on NSDL platform, on or before the aforesaid timelines.

13. Members who hold shares in dematerialized form are requested to quote Depository Account Number (Client ID No.) for recording of attendance at the meeting.
14. Members are requested to notify the Company immediately, quoting Registered Folio No., change in their address, if any, with the pin code number.
15. Non-resident members are requested to immediately notify: - (i) change in their residential status on return to India for permanent settlement; and (ii) particulars of NRE account, if not furnished earlier.
16. Members who are holding shares in identical names in more than one folios, are requested to write to the Company/Ankit Consultancy Pvt. Ltd., the Registrar and Share Transfer Agent, to consolidate their holding in one folio.
17. Shareholders who are still holding physical share certificate are advised to dematerialize their shareholding to avail benefit of dematerialization.
18. Members are requested to note that the dividend remaining unclaimed for a continuous period of seven years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund (IEPF). In addition, all equity shares in respect of which dividend has not been claimed for seven consecutive years or more shall be transferred by the Company to demat account of the IEPF authority within a period of thirty days of such equity shares/dividend becoming due to be transferred to the IEPF. Accordingly, the Company would be transferring the Equity Shares and Final Dividend for the year ended March 31, 2017. In the event of transfer of equity shares and the unclaimed dividends to IEPF, Members are entitled to claim the same from IEPF authority by submitting an online application in the prescribed Form IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF rules.

19. The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2015-16 to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Details of dividends so far transferred to the IEPF Authority are available on the website of IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in)
20. Members desirous of obtaining any information concerning to the accounts and operations of the Company are requested to send their queries to the Company Secretary at least seven days before the date of the meeting so that the required information can be made available at the meeting.
21. Details required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting is annexed herewith to the Notice as Annexure-I. The Directors have furnished the requisite declarations for their appointment/re-appointment.
22. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN and any changes in their address/bank mandate to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details and any other changes to the Registrar and Share Transfer Agents in respect of their physical shares folio also at:  
  
Ankit Consultancy Pvt. Ltd.  
Plot No. 60, Electronic Complex, Pardeshipura,  
Indore (M.P.) – 452010
23. The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013, and the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting of the Company.
24. The Board of Directors of the Company has appointed Mr. Virendra G Bhatt Practicing Company Secretary (Membership No.-1157), to act as Scrutinizer to scrutinize the process of remote e-voting and also e-voting during the meeting in a fair and transparent manner.
25. The Scrutinizer shall after the conclusion of Annual General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company. The scrutinizer shall submit the consolidated scrutinizer's report, not later than two working days of conclusion of the Meeting, to the Chairman or any other person authorized by the Board. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company.
26. Relevant documents referred to in the accompanying Notice and in the Explanatory Statement are open for inspection by the Members at the Company's Registered Office at 6, Iad Colony, YN Road, Indore – 452001 (M.P.) on all working days (except Sundays and Public Holidays) between 11.00 A.M. to 1.00 P.M. up to the date of this Annual General Meeting ("AGM") and also at the AGM.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -**

**The remote e-voting period begins on September 25, 2024 at 09:00 A.M. and ends on September 27, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 21, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 21, 2024.**

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:



**Step 1: Access to NSDL e-Voting system**

**A. Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in demat mode**



In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. By clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**B. Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company. For example, if folio number is 001*** and EVSN is 101456 then user ID is 101456001***



5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

**How to cast your vote electronically and join the General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and cast your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [bhattivirendra1945@yahoo.co.in](mailto:bhattivirendra1945@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share

- certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [mahesh.pancholi@arihantcapital.com](mailto:mahesh.pancholi@arihantcapital.com)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [mahesh.pancholi@arihantcapital.com](mailto:mahesh.pancholi@arihantcapital.com). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
4. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
5. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use the Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably.

**ANNEXURE TO NOTICE**

**EXPLANATORY STATEMENT AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013 ('THE ACT').**

As required by section 102(1) of the Companies Act, 2013 ("Act") and such other applicable rules (if any), including any statutory modification(s) thereof, the following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice and shall be taken as forming part of it.

**Item No. 4 & 5**

M/s. Dinesh Ajmera and Associates, Chartered Accountants, (FRN: 011970C) tendered their resignation w.e.f. July 20, 2024 due to pre-occupation hence they would not be able to continue as the Statutory Auditor of the Company.

In order to fill up such casual vacancy, the company has appointed M/s Arora Banthia & Tulsian, Chartered Accountants, (FRN: 007028C).

In pursuance to the provisions of Section 139(8) of the Companies Act, 2013, the company needs to approve the appointment of M/s Arora Banthia & Tulsian in the General Meeting of the Company within 3 (three) months from the date of appointment by the Board. Hence, the company has proposed their approval of the members in the item number 4 of the notice.

Further, the company has proposed their appointment in item number 5 of the notice, for the period of 5 (five) years.

The Board recommends the Ordinary Resolutions set out in Item Nos. 4 and 5 of the Notice for approval by the members. None of the directors and key managerial personnel are interested in these resolutions.

Place: Indore  
Date: July 20, 2024

By order of the Board of Directors  
For Arihant Capital Markets Limited

Sd/-  
Mahesh Pancholi  
(Company Secretary)  
M. No. F-7143

**Annexure - I**

**ADDITIONAL INFORMATION OF DIRECTOR SEEKING APPOINTMENT/REAPPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS OF GENERAL MEETINGS:**

Particulars	Mr. Sunil Kumar Jain
DIN No.	00184860
Date of Birth	03/05/1968
Date of Appointment/ Re-appointment	25/06/1992
Qualifications	M.Com
Expertise in Specific functional Area	Wide experience in field of capital markets
Directorship held in other public companies/ deemed public companies (excluding private companies, foreign companies and section 8 companies)	Nil
Memberships/ Chairmanship of Committees of other public companies (includes only Audit Committee and Stakeholders Relationship Committee)	Nil
No. of shares held in the company	53,53,280

\*For other details such as number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel, in respect of the above Director, please refer to the corporate governance report which is a part of Annual Report.

**BOARD'S REPORT**

Dear Members,

Your Directors are pleased to present the 32<sup>nd</sup> Annual Report on the business and operations of Arihant Capital Markets Limited together with the audited financial statements for the financial year ended March 31, 2024.

**State of Affairs and Financial Performance**

• **Financial Highlights:**

The Board's Report is prepared based on the Standalone and Consolidated financial statements of the Company. The Company's financial performance for the year under review along with previous year's figures are given hereunder: (₹ in Lacs)

Particulars	Standalone		Consolidated	
	2023-2024	2022-2023	2023-2024	2022-2023
Total Income	22936.74	13246.84	23560.57	13776.03
Total Expenses	14271.36	9719.65	14502.10	9903.35
Profit Before exceptional items and Tax	8665.38	3527.19	9058.47	3872.68
Exceptional Item	33.75	31.00	211.1	66.03
Profit/(loss) Before Tax	8699.13	3558.19	9269.57	3938.71
Less: Provisions for tax				
Current Tax	2148.95	971.45	2253.75	1046.83
Deferred Tax	(33.33)	(36.12)	(35.22)	(19.88)
Profit/Loss after Tax	6583.51	2622.86	7051.04	2911.76
Total Comprehensive Income	6542.62	2624.80	7012.03	2924.41
Paid up Share Capital	1041.13	1041.13	1041.13	1041.13
Earning Per share (₹1/- each) Basic & Diluted	6.32	2.52	6.77	2.80
<b>Appropriations:</b>				
Transfer to General Reserve	6000.00	2500.00	6000.00	2571.60
Dividend	416.45	156.17	416.45	156.17
Balance Carried to Balance Sheet	1709.59	1583.42	2004.01	1435.80

• **Review of Operations:**

During the year under review, the company has posted total income of ₹22,936.74 Lacs (previous year ₹13,246.84 Lacs) on a Standalone basis and a net profit after tax, for the year 2023-24 of ₹6,583.51 Lacs compared to ₹2,622.86 Lacs in the previous year. On a consolidated basis during the year under review, the company has posted total income of ₹23,560.57 Lacs (previous year ₹13,776.03 Lacs). The consolidated net profit during the same period stands at ₹7,051.04 Lacs as compared to ₹2,911.76 Lacs in the previous year.

A Brief note on the Company's operational and financial performance is given in Management Discussion and Analysis (MDA) Report which is annexed to the Director's Report. The MDA report has been prepared in compliance with the terms of Regulation 34(2) (e) of SEBI (LODR) Regulations, 2015 with the BSE Limited and the National Stock Exchange of India Limited.

● **Future Outlook:**

With a solid financial foundation, a diverse range of products and services, and a committed team, we are ready for a new phase of growth and expansion. In FY 2024-25, we aim to enhance our capabilities across the entire business value chain, introduce new products and services, and increase revenue streams for better profitability. By forming strategic partnerships, adopting new technologies, and maintaining a commitment to excellence, we plan to overcome challenges and capitalize on new growth opportunities.

Our strategy to diversify our income sources is proving effective. Recently, our Merchant Banking division successfully launched a main board IPO for RBZ Jewellers, which was successfully listed. Additionally, we have a promising pipeline of potential IPOs at various stages of development, demonstrating our ability to identify and seize market opportunities.

**Transfer to General Reserves**

The Company proposes to transfer ₹6,000.00 Lacs to the general reserves out of the amount available for appropriations.

**Share Capital**

There has been no increase / decrease in the Authorised Share Capital of your Company during the year under review.

**Issue of Non-Convertible Debentures**

During the Board meeting held on June 15, 2023, the Company approved the issuance of secured, unrated, unlisted, non-convertible, redeemable debentures ("NCDs") on a private placement basis, with a total authorization of up to ₹100 Crores (Rupees One Hundred Crores Only). These NCDs are to be issued in one or more tranches over a period of 1, 2, or 3 years. This issuance was subject to shareholder approval at the Annual General Meeting.

The shareholders approved the proposal at the AGM held on August 5, 2023. Subsequently, the Company has raised an aggregate amount of ₹43.25 Crores (Rupees Forty-Three Crores and Twenty-Five Lakhs Only) through the issuance of these NCDs, as authorized by the shareholders at the AGM.

**Dividend**

The Board of Directors have recommended a Dividend for the financial year ended on March 31, 2024 @ 50% (i.e. ₹ 0.50/-) per equity share (face value of ₹ 1/- per share) to the equity shareholders. The Dividend will be paid after the approval of shareholders at ensuing Annual General Meeting.

● **Transfer of Shares Pertaining to Unclaimed / Unpaid Dividend to Investor Education and Protection Fund**

Pursuant to Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the shares of the shareholders in respect of whom the dividend is unpaid/unclaimed for seven consecutive years are required to be transferred to Investor Education and Protection Fund ("IEPF") after giving an opportunity to shareholders to claim the said unpaid/unclaimed dividend.

Accordingly, the Company issued the reminder letters to such shareholders to claim the dividend accordingly informed them that in the event of failure to claim said dividend, the unpaid/unclaimed dividend along with shares pertaining to unpaid/unclaimed dividend would be transferred to IEPF. The concerned shareholders are requested to claim the said shares by directly approaching to IEPF Authority

● **Dividend Distribution Policy**

Pursuant to Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Your Company has adopted the Dividend Distribution Policy to determine the distribution of dividends in accordance with the provisions of applicable laws and has been uploaded on the website at <https://www.arihantcapital.com/investor-relations/governance>.

The Company has appointed Mr. Mahesh Pancholi, Company Secretary as the Nodal Officer for the purpose of coordination with Investor Education and Protection Fund Authority. Details of the Nodal Officer are available on the website of the Company at <https://www.arihantcapital.com/investor-relations/result>.

**Public Deposits**

During the Financial Year 2023-24 under review the Company has neither invited nor accepted any public deposits within the meaning of section 73 & 74 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules 2014.

● **Details of deposits which are not in compliance with the requirements of Chapter V of the act:**

The Company has not accepted any deposits, thus there is no issue of non-compliance with the requirements of Chapter V of the Act.

● **Disclosure of unsecured loan from Directors:**

Pursuant to Section 2(31) of the Companies Act, 2013 read with Rule 2(1)(c)(viii) of Companies (Acceptance of Deposits) Rules, 2014, (including any statutory modification or re-enactment thereof for the time being in force), the Company had not received any unsecured loan from directors during the financial year 2023-24.

**Subsidiaries and Associate Companies**

As on March 31, 2024, your Company has four wholly owned subsidiaries and one associate company. During the year, the Board of Directors reviewed the business operations and financial performance of the said Companies.

1. Arihant Futures and Commodities Limited
  2. Arihant Financial Services Limited
  3. Arihant Insurance Broking Services Limited
  4. Arihant Capital (IFSC) Limited.
  5. Electrum Capital Private Limited. \*
- \* Associate Company

During the Financial year 2023-24, below mentioned wholly owned subsidiary companies ceased to be subsidiary of the company i.e.

- Arihant Institute of Financial Education Private Limited (Formerly Known as- Arihant Investment Advisers Private Limited)

During the financial year, the Board of Directors conducted a thorough review of the subsidiaries activities. As per Section 129(3) of the Companies Act, 2013, the consolidated financial statements of your Company have been prepared and are integral to this Annual Report.

In accordance with the provisions of Section 136 of the Companies Act, 2013, the Audited Financial Statements, the Consolidated Financial Statements and the related information of the Company and the Audited Accounts of the Subsidiaries Companies, are available on our website i.e. <https://www.arihantcapital.com/investor-relations/annual-reports>. These documents shall also be available for inspection during business hours, i.e. between 10.00 A.M. to 6.00 P.M. on all working days (except Saturday and Sunday) at the Registered Office of the Company. In accordance with the Accounting Standard AS-21, the consolidated financial statements are furnished herewith and form part of this Annual Report. **(Annexure D)**

Pursuant to the requirements of Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, the details of Loans/Advances made to, and investments made in the subsidiaries have been furnished in Notes forming part of the Accounts.

**Directors and Key Managerial Personnel**

The composition of the Board of Directors of the Company is in accordance with the provisions of Section 149 of the Act and Regulation 17 of the Listing Regulations, with an appropriate combination of Executive, Non-Executive and Independent Directors.

The Board of the Company has 8 (Eight) Directors comprising of 1 (One) Managing Director, 1 (One) Joint Managing Director, 1 (One) Non-Executive Director and 5 (Five) Independent Directors. The complete list of Directors of the Company has been provided in the Report on Corporate Governance forming part of this Annual Report.

● **Cessation of Directors:**

During the year under review, specifically on March 31, 2024, the tenure of two Non-Executive Independent Directors, Mr. Akhilesh Rathi (DIN: 02002322) and Mr. Parag Rameshbhai Shah (DIN: 00512469), concluded pursuant to subsection 11 of section 149 of the Companies Act, 2013. Both directors have completed their two consecutive terms of five years each, ending



on March 31, 2024, and therefore, have stepped down from the Board.

The Company extends its deepest gratitude to Mr. Rathi and Mr. Shah for their invaluable contributions over the past decade. Their unwavering commitment, insightful perspectives, and profound wisdom have been instrumental in guiding Arihant Capital through numerous challenges and opportunities. Their dedication and leadership have had a lasting impact on the company.

Additionally, Mrs. Anita Surendra Gandhi (DIN: 02864338) who was appointed as Director at the board meeting held on January 30, 2010, being one of the longest-serving Executive Director on the Board, retires by rotation at the previous annual general meeting held on August 05, 2023. She expressed her desire not to seek re-appointment as a director and retired at the conclusion of the previous annual general meeting.

● **Directors liable to retire by rotation seeking re-appointment**

Mr. Sunil Kumar Jain (DIN: 00184860) retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking Shareholders' approval for his re-appointment along with other required details forms part of the Notice.

Particulars of the directors seeking appointment/re-appointment as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are required to be provided in the notes forming part of the notice for the ensuing Annual General Meeting.

The Company has received disclosures from all the directors and none of the directors has been disqualified as stipulated under Section 164 of the Companies Act, 2013 and rules made thereunder. During the year under review, the independent directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, reimbursement of expenses, if any.

● **Key Managerial Personnel**

The following were designated as whole-time key managerial personnel as required under section 203 of the Companies Act, 2013 by the Board of Directors during the year under review:

- (a) Mr. Ashok Kumar Jain, Managing Director.
- (b) Mr. Arpit Jain, Joint Managing Director.
- (c) Mr. Tarun Goyal, Chief Financial Officer (till November 30, 2023)
- (d) Mr. Uttam Maheshwari, Chief Financial Officer (w.e.f December 01, 2023) and
- (e) Mr. Mahesh Pancholi, Company Secretary.

During the year under review, Mr. Tarun Goyal, the Chief Financial Officer of the Company, resigned from his position effective November 30, 2023. The Board acknowledges Mr. Goyal's significant contributions and dedication during his tenure and extends its gratitude for his service.

To ensure a smooth transition and maintain the Company's financial leadership and on recommendation of Nomination and Remuneration Committee Mr. Uttam Maheshwari was appointed as the new Chief Financial Officer, effective December 1, 2023. Mr. Maheshwari brings with him extensive experience and a proven track record in financial management. The Board is confident that his expertise will be instrumental in driving the Company's financial strategy and growth forward.

● **Disqualifications of directors**

During the year under review, declarations were received from the Directors of the Company pursuant to Section 164 of the Companies Act, 2013. The Board appraised the same and found that none of the director is disqualified for holding office as director.

**Independent Director's Declaration**

Definition of 'Independence' of Directors is derived from Regulation 16 of the SEBI Listing Regulations and Section 149(6) of the Companies Act, 2013. The Company has received necessary declarations under Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the SEBI Listing Regulations, from the Independent Directors stating that they meet the prescribed criteria for independence. All Independent Directors have affirmed compliance with the code of conduct for Independent Directors as prescribed in Schedule IV to the Companies Act, 2013. A list of key skills, expertise and core competencies of the Board forms part of this Annual Report.

Based on the declarations received from the Independent Directors, your Board of Directors confirm the independence, integrity, expertise and experience (including the proficiency) of the Independent Directors of the Company.

As per regulatory requirements, all the Independent Directors have registered their names in the Independent Director's Databank, pursuant to provisions of the Companies Act, 2013 and rules made thereunder.

● **Meeting of Independent Directors**

The Independent Directors met once during the year as on February 03, 2024. The Meeting was conducted in an informal manner without the presence of the Chairman, the Whole Time Director, the Non-Executive Non-Independent Directors and the Chief Financial Officer.

**Familiarization Programme for independent directors**

All independent directors inducted into the Board attend an orientation program. The details of the training and familiarization program are provided in the corporate governance report. Further, at the time of the appointment of an independent director, the Company issues a formal letter of appointment outlining his / her role, function, duties and responsibilities.

The Familiarization Programme for Independent Directors is uploaded on the website of your Company, and is accessible at: <https://www.arihantcapital.com/investor-relations/governance>.

**Director's Responsibility Statement**

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of your Company, to the best of their knowledge, belief and ability and explanations obtained by them, confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed; and there are no material departures.
- b) your Company has selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of your Company, at the end of the financial year, and of the profit and loss of your Company, for that period.
- c) the directors have taken proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities.
- d) the annual financial statements have been prepared on a going concern basis.
- e) the directors, have laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and were operating effectively.
- f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework and testing of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external agencies, including audit of internal financial controls over financial reporting by the Statutory Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2023-24.

**Remuneration and Nomination Policy**

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board members. The details of this policy are explained in the Corporate Governance Report. There has been no change in the policy during the year.

### **Board and Committee Meetings**

The Board met 5 times during the FY23, the details of which are given in the Corporate Governance Report forming part of the Annual Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Information on the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee and meetings of those Committees held during the year is given in the Corporate Governance Report.

### **Business Responsibility and Sustainability Reporting:**

As per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Business Responsibility and Sustainability Reporting forms a part of this Annual Report.

### **Particulars of Loans, Guarantees or Investments by Company**

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are as set out in the notes to the accompanying financial statements of your Company.

### **Whistle Blower Policy/ Vigil Mechanism**

Pursuant to the provisions of Section 177 (9) & (10) of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (LODR) Regulations, 2015, the Company has in place a Whistle Blower Policy, which provides for a vigil mechanism that encourages and supports its Directors and employees to report instances of illegal activities, unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. It also provides for adequate safeguards against victimization of persons who use this mechanism and direct access to the Chairman of the Audit Committee in exceptional cases.

During the year under review, no protected disclosure concerning any reportable matter in accordance with the Vigil mechanism and Whistle Blower policy of the Company was received by the Company.

The Whistle Blower Policy has been posted on the website of the company <https://www.arihantcapital.com/investor-relations/governance>.

### **Material Changes and Commitments Affecting the Financial Position of your Company**

There have been no material changes or commitments that would affect the financial position of the Company between the end of FY2023-24 and the date of this report. Therefore, there are no foreseeable impacts on the Company's operations or its status as a "Going Concern."

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

In view of the nature of activities which are being carried on by the Company, Rules 8(3)(A) and (B) of the Companies (Accounts) Rules, 2014 concerning conservation of energy and technology absorption respectively are not applicable to the Company. The company has been continuously using technology in its operations; however, efforts are made to further reduce energy consumption.

#### **A. Conservation of Energy**

The steps taken or impact on conservation of energy:

- I. The operations of your Company are not energy intensive. However, adequate measures have been initiated to reduce energy consumption.
- II. The capital investment on energy conservation equipments: Nil

#### **B. Technology Absorption:**

- I. The efforts made towards technology absorption: Not Applicable.
- II. The benefits derived like product Improvement, cost reduction, product development or import substitution: Not Applicable
- III. In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year): Not Applicable

IV. The company has not incurred any expenditure on Research and Development during the year under review.

**C. Foreign Exchange earning & outgo :** Foreign exchange earned in terms of actual inflow ₹15.27 lacs (previous year ₹ 66.97 lacs) and outflow ₹26.46 lacs (previous year ₹4.24 lacs)

### **Secretarial Auditor and Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI Listing Regulations, M/s Ajit Jain & Co., Practicing Company Secretaries were appointed as Secretarial Auditor, to undertake the secretarial audit of your Company for FY 23-24. The report of the Secretarial Auditor, in the prescribed Form MR-3 is annexed to this report as "Annexure A".

The Secretarial Audit Report for the Financial Year ended March 31, 2024, do not contain any qualification or reservation or adverse remarks or disclaimer.

### **Annual Secretarial Compliance Report**

The Company has undertaken an audit for the financial year 2023-24 for all applicable compliances as per SEBI Regulations and Circulars/Guidelines issued there under. Pursuant to provision of Regulation 24A, the Annual Secretarial Compliance Report for the financial year 2023-24 has been submitted to the stock exchange within prescribed time.

### **Corporate Social Responsibility**

Your Company is committed to improving the quality of life of the communities in its focus areas through long term value creation for all its Stakeholders through its various Corporate Social Responsibility (CSR) initiatives.

Brief details on various focus areas of interventions are part of the Annual Report on CSR activities annexed to this report as "Annexure- B" in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy adopted by the Company can be viewed at website of the Company <https://www.arihantcapital.com/investor-relations/governance>.

### **Information as Per Rule 5(2) Of the Chapter XIII of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Details Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Board Report and are Annexed herewith as "Annexure-C".

### **Risk Management & Internal Financial Control and Its Adequacy**

The Company has an Internal risk management policy providing an effective risk management framework for identifying, prioritizing and mitigating risks, which may impact attainment of short- and long-term business goals of our company. The main objective of the policy is to assess & evaluate significant risk exposures & assess management's actions to mitigate the exposures in a timely manner. The process aims to analyze internal and external environment and manage economic, financial, market, operational, compliance and sustainability risks and capitalize opportunities of business success. The risk management framework, which is based on our holding Company's risk management process, is aligned with strategic planning, deployment and capital project evaluation process of the Company.

The Internal Financial control framework has been designed to provide reasonable assurance with respect to recording and providing reliable financial and operational information, complying with applicable laws, safeguarding assets from unauthorized use, executing transaction with proper authorization and ensuring compliances with corporate policies.

### **Performance Evaluation**

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant the provision of the act and the corporate governance requirement as prescribed by the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation 2015 (SEBI Listing Regulation).

The performance of the board was evaluated by the board after seeking inputs from all the Directors on the basis of criteria such as board composition and structure, effectiveness of board processes, information and functioning, etc. as provided by the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.

The performance of the committee was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of the committee, effectiveness of committee meetings, etc. The Board and the Nomination and Remuneration Committee reviewed the performance of individual director on the basis of criteria such as the contribution of the individual directors to the board and committee meeting like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meeting, etc.

The Directors were satisfied with the evaluation results, which reflected the overall engagement and effectiveness of the Board and its Committees with the Company.

#### **Listing of Shares**

Shares of the company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) which provides a wider participation to the investors nationwide.

#### **Auditors and Auditor's Report**

##### ● **Statutory Auditors**

The Members at the 30<sup>th</sup> Annual General Meeting of the Company held on July 23, 2022, had appointed M/s Dinesh Ajmera & Associates, Chartered Accountants (Firm Registration no. 011970C) as the Statutory Auditor of the Company to hold office for a term of five years i.e., from the conclusion of the said Annual General Meeting until the conclusion of 35<sup>th</sup> Annual General Meeting.

The Ministry of Corporate Affairs vide its Notification dated 7<sup>th</sup> May 2018, has dispensed with the requirement of ratification of Auditor's appointment by the shareholders, every year. Hence, the resolution relating to ratification of Auditor's appointment is not included in the Notice of the ensuing Annual General Meeting.

The Statutory Auditors have confirmed that they satisfy the criteria of independence, as required under the provisions of the Companies Act, 2013.

The Statutory Auditors of the Company have not reported any fraud to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013 read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014.

The Auditor's observation, if any, read with Notes to Accounts are self-explanatory and therefore do not call for any comment.

##### ● **Internal Auditor**

M/s Shah Kapadia & Associates, Practicing Chartered Accountant, is appointed as Internal Auditor of the Company to conduct the internal audit of the Company for the Financial Year 2023-24, as required under Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014.

To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board. Based on the report of internal audit function, Company undertakes corrective action in their respective areas and thereby strengthens the controls. Recommendations along with corrective actions thereon are presented to the Audit Committee of the Board and accordingly implementation has been carried out by the Company.

There are no qualifications, reservations or adverse remarks made by Internal Auditors in their Report during the Financial Year 2023-24.

##### ● **Cost Auditor**

The provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014 are not applicable to the Company. Hence, the maintenance of the cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 is not required and accordingly, such accounts and records are not made and maintained.

#### **Management Discussion and Analysis Report**

In terms of the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's discussion and analysis is set out in this Annual Report.

#### **Corporate Governance**

Your Company's corporate governance practices are a reflection of our value system encompassing our culture, policies, and relationships with our stakeholders. Your Company is committed towards maintaining high standards of Governance, Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times. Corporate governance is about maximizing shareholder value legally, ethically and sustainably.

The Report on Corporate Governance as stipulated under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A Certificate from Practicing Company Secretary confirming compliance with the corporate governance requirements by the Company is attached to this report.

#### **Related Party Transactions**

All related party transactions that were entered into during the financial year under review were on arm's length basis and in the ordinary course of the business and that the provisions of Section 188 of the Companies Act, 2013 and the Rules made there under are not attracted. Thus, disclosures in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 are not required. There were no materially significant Related Party Transactions made by the Company during the year that required shareholder's approval under Regulation 23 of the Listing Regulations.

All Related Party Transactions are placed before the Audit Committee for prior approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature or when the need for them cannot be foreseen in advance.

The Company has also formed Related Party Transactions Policy and has been uploaded on Company's Website at <https://www.arihantcapital.com/investor-relations/regulatory-filings>.

#### **Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

Your Company has zero tolerance towards sexual harassment at workplace. It has a well-defined policy in compliance with the requirements of the Sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under. An Internal Committee is in place to redress complaints received regarding sexual harassment. The Company has not received any complaint of sexual harassment during financial year 2023-24.

#### **Compliance with Secretarial Standards**

Your Company is in compliance with the applicable Secretarial Standards, issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

#### **CEO and CFO Certification**

As required under Regulation 17(8) of the Listing Regulations, the CEO and CFO of your Company have certified the accuracy of the Financial Statements, the Cash Flow Statement and adequacy of Internal Control Systems for financial reporting for the financial year ended March 31, 2024. Their Certificate is annexed to this Report.

#### **General**

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

- Neither the Managing Director nor Whole Time Director of the company received any remuneration or commission from any of its subsidiaries.
- No significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status of company's operation in future.
- There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013 either to the Audit Committee, the Board of Directors or to the Central Government.
- There was no change in the nature of the business of your Company during the financial year.



**Acknowledgement**

Your directors take this opportunity to thank the customers, shareholders, financial institutions, stock exchanges, SEBI, Reserve Bank of India, National Securities Depository Limited, Central Depository Services Limited and other government and regulatory agencies for their consistent support and encouragement to the Company.

We also place on record our sincere appreciation to all the members of the Arihant family including our employees and authorized persons for their hard work, support and commitment. Their dedication and competence have made these results achievable.

Your Board recognizes and appreciates the contributions made by all employees at all levels that ensure sustained performance in a challenging environment.

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

**Place: Indore**  
**Dated: May 21, 2024**

**Ashok Kumar Jain**  
**Chairman and Managing Director**

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON March 31, 2024**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**ARIHANT CAPITAL MARKETS LIMITED**  
**(CIN: L67120MP1992PLC007182)**  
**6, Lad Colony Y N Road,**  
**Indore (M.P.) 452001**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Arihant Capital Markets Limited** having **(CIN: L67120MP1992PLC007182)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2024 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 Statutory Register, books, papers, minute books, forms and returns filed and other records maintained by **Arihant Capital Markets Limited (CIN: L67120MP1992PLC007182)** for the financial year ended on March 31, 2024 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under and the Companies Act, 1956 to the extent applicable;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- 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;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the company during the audit period)
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (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 regarding the Companies Act and dealing with client.
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (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) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015

VI. Other applicable Acts;

- a) Prevention of Money Laundering Act, 2002;
- b) The Employees Provident Fund & Miscellaneous Provisions Act, 1952;
- c) Employees State Insurance Act, 1948;
- d) Payment of Gratuity Act, 1972;
- e) The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013;

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

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

During the year under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc. mentioned above subject wherever applicable.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Mrs. Anita Surendra Gandhi's designation has been changed from Whole Time Director to Director during the review period and ceased to position of Director on 05/08/2023 due to not appointed as a Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Mr. Akhilesh Rathi & Mr. Parag Rameshbhai Shah ceased to position of Independent Director due to completion of II term of Independent Director w.e.f. 01/04/2024.

Adequate notice is given to all directors to schedule Board Meetings including Committees thereof, along with the agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting by the directors.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and dissenting member's views have been recorded.

We further report that based on the information provided and the representation made by the Company and also review of the compliance Certificates /reports taken on records by the Board of Directors of the Company, in our opinion there are adequate system 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 referred to herein above.

**For Ajit Jain & Co.  
Company Secretaries**

**Date: 21/05/2024  
Place: Indore**

**AJIT JAIN  
Proprietor  
M. No. 3933  
CP No. 2876  
UDIN: F003933F000404245  
Peer Review No. – 767/2020  
PCS Unique ID No.: S1998MP023400**

**Annexure A to Secretarial Audit Report**

To,  
The Members,  
**ARIHANT CAPITAL MARKETS LIMITED**  
**(CIN: L67120MP1992PLC007182)**  
**6, Lad Colony Y N road**  
**Indore (M.P.) – 452001**

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever 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 procedures 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.

**Date: 21/05/2024  
Place: Indore**

**For Ajit Jain & Co.  
Company Secretaries**

**AJIT JAIN  
Proprietor  
M.No. 3933  
CP No. 2876  
UDIN: F003933F000404245  
Peer Review No. – 767/2020  
PCS Unique ID No.: S1998MP023400**

**Annual Report on CSR Activities**

**1. A brief Outline of the Company's CSR policy, including overview of projects or programs to be undertaken to the CSR policy and projects or programs.**

Corporate Social Responsibility forms an important part of Arihant Capital Markets Limited overall philosophy of giving back to society. The Company is committed to bring out positive changes in the society it operates and strives to integrate its business values and operations in an ethical and transparent manner to demonstrate its commitment towards social and environmental amenities and to meet the interest of its stakeholders. The projects undertaken will be within the broad framework of Schedule VII of the Companies Act, 2013.

A responsible business is expected to not only take care of its stakeholders but also to engage and contribute meaningfully towards improving the quality of life of the communities and environment in which it operates. Arihant Capital follows the Board approved CSR Policy which is in line with requirements of Companies Act, 2013.

During the year Arihant Capital Markets Limited spent ₹ 91.22 Lakhs in the implementation of various CSR initiatives in the education, healthcare including preventive healthcare, gender equality etc.

CSR Policy of Arihant Capital Markets Limited is available on our website [www.arihantcapital.com](http://www.arihantcapital.com).

**2. Composition of CSR Committee:**

S.No.	Name of Director	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Ashok Kumar Jain	Chairman	2	2
2.	Mr. Akhilesh Rathi*	Member	2	2
3.	Mr. Ashish Maheshwari	Member	2	2
4.	Mr. Sunil Kumar Jain	Member	2	2

\* Cessation w.e.f. 31-03-2024

**3. Provide the web-link where Composition of CSR: committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.** [www.arihantcapital.com](http://www.arihantcapital.com)

**4. Provide the details of Impact assessment of CSR: projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.** Not Applicable

**5. Details of the amount available for set off in pursuance: of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any** Not Applicable

**6. Average net profit of the company as per section 135(5)**  
The average Net Profit for the last three years is ₹4561.20 Lacs

**7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 91.22 Lakhs**

**(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.: NA**

**(c) Amount required to be set off for the financial year, if any: NA**

**(d) Total CSR obligation for the financial year (7a+7b-7c): ₹91.22 Lakhs**

**8. (a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (In Lacs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund. specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 91.47 Lakhs	-	-	-	-	-

**(b) Details of CSR amount spent against ongoing projects for the financial year:**

S. No.	Name of the project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Project Duration	Amounts allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation – Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

**(c) Details of CSR amount spent against other than ongoing projects for the financial year:**

S. No	CSR Project or Activity Identified	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (Rs. in Lacs)	Mode of implementation- Direct (Yes/No)	Mode of implementation- Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Contribution to Indian Red Cross Society	Eradicating hunger, Poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	Yes	Madhya Pradesh	Indore	5.05	No	Indian Red Cross Society	-
2.	Saraswati Shishu Mandir, Shri Bal Vinay Mandir, Keshav Vidyapeeth & Others	Promoting education including special education	Yes	Madhya Pradesh	Indore	1.39	Direct	-	-



3.	Shree Shakkar Bai Manik Chand Digamber Jain Parmarthik Nyas	Promoting education including special education	No	Madhya Pradesh	Indore	7.00	No	Trust	CSR00029444
4.	Shri Maheshwari Shaik Shanik and Parmarthik Trust	Providing facilities to socially and economically backward groups	Yes	Madhya Pradesh	Indore	17.5	No	Shri Maheshwari Shaik Shanik and Parmarthik Trust	CSR00023880
5.	Dayodaya Maha Sangh	Protection of flora & fauna	No	Madhya Pradesh	Bhopal	0.21	No	Trust	CSR00017707
6.	Shri Kund Kund Kahaan Digamber Jain Shasan Prabhavana Trust	Promoting education including special education	Yes	Madhya Pradesh	Indore	41.00	No	Shri Kund Kund Kahaan Digamber Jain Shasan Prabhavana Trust	CSR00040733
7.	Nature Nursery	Ensuring environmental sustainability, ecological balance, protection of flora and fauna	Yes	Madhya Pradesh	Indore	2.81	Direct	-	-
8.	P and H Engineering	Promoting education including special education	Yes	Madhya Pradesh	Indore	0.17	Direct	-	-
9.	Shri Sewa Bharti Samithi	Promoting education including special education	Yes	Madhya Pradesh	Indore	1.00	No	Shri Sewa Bharti Samithi	CSR00005939
10.	Manav Seva Trust	Promoting health care including preventive health care	Yes	Madhya Pradesh	Indore	2.00	No	Trust	CSR00009969

11.	Distribution of Medical Equipments & Medicines	Promoting health care including preventive health care	Yes	Madhya Pradesh	Indore	0.84	Direct	-	-
12.	Kumar Gandharva Pratishthan	Promoting education, including special education and employment enhancing vocation skills	Yes	Madhya Pradesh	Indore	0.50	No	Trust	CSR00048429
13.	Yeshwant Club	Rural development projects	Yes	Madhya Pradesh	Indore	5.00	No	Trust	CSR00044142
14.	Dinesh And Raj Mittal Foundation Trust	Providing facilities to socially and economically backward groups	Yes	Madhya Pradesh	Indore	2.50	No	Trust	CSR00010240
15.	Infinitive Foundation	Promoting education including special education	No	New Delhi	New Delhi	3.50	No	Trust	CSR00063060
16.	Shri Mahaveer Kund Kund Kahan Nandiswer Digam	Promoting education including special education	Yes	Madhya Pradesh	Indore	1.00	No	Trust	CSR00023193

(d) Amount spent in Administrative Overheads: ₹ 4.00 Lacs

(e) Amount spent on Impact Assessment, if applicable: N.A.

(f) Total amount spent for the Financial Year: ₹ 91.47 Lacs  
(8b+8c+8d+8e)

(g) Excess amount for set off, if any

S. No	Particular	Amount (₹ in Lacs)
(i)	Two percent of average net profit of the company as per section 135(5)	91.22
(ii)	Total amount spent for the Financial Year	91.47
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.25
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.25

9. (a) Details of Unspent CSR amount for the preceding three financial years:

S.No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (In Rs.)	Amount spent in the reporting Financial Year (In Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.	Amount remaining to be spent in Succeeding Financial years. (In Rs.)
NA	NA	NA	NA	NA	NA
	<b>TOTAL</b>				

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

S. No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (In Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed /Ongoing
NA	NA	NA	NA	NA	NA	NA	NA	NA

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year – Not Applicable

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s) if the company has failed to spend two per cent of the average net profit as per section 135(5): N.A.

Date: May 21, 2024  
Place: Indore

Ashok Kumar Jain  
Chairman & Managing Director  
DIN: 00184729

ANNEXURE-C

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(2) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

I. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2023-24, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24 and the comparison of remuneration of each Key Managerial Personnel(KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	% increase in Remuneration in the FY 2023-24	Ratio of Remuneration of each Director to Median remuneration of employees
1.	Mr. Ashok Kumar Jain*	(14.00) %	16.83
2.	Mr. Arpit Jain*	(12.00) %	5.04
3.	Mr. Sunil Kumar Jain	-	-
4.	Mr. Akhilesh Rathi <sup>#</sup>	-	-
5.	Mr. Parag Rameshbhai Shah <sup>#</sup>	-	-
6.	Mr. Ashish Maheshwari	-	-
7.	Mr. Jitendra Jain	-	-
8.	Ms. Swanubhuti Jain	-	-
9.	Mr. Mahesh Pancholi*	(6.00) %	3.95
10.	Mr. Tarun Goyal**	(42.00) %	3.74
11.	Mr. Uttam Maheshwari**	-	1.97

\*KMP of the company

- <sup>#</sup>Mr. Akhilesh Rathi and Mr. Parag Rameshbhai Shah vacated their office from the post of non-executive Independent Director of the company due to completion of their tenure as on March 31, 2024.
- Mr. Tarun Goyal resigned from the post of Chief Financial Officer of the Company w.e.f. November 30, 2023 and Mr. Uttam Maheshwari was appointed as the Chief Financial Officer of the Company w.e.f. December 01, 2023.

NOTE: For this purpose, sitting fees paid to the Directors have not been considered as remuneration.

- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.
- In the financial year, there was an increase of average 8.12% in the median remuneration of employees.
- There were 341 permanent employees on the rolls of Company as on March 31, 2024.

It is hereby affirmed that the remuneration paid is as per Remuneration Policy for Directors, Key Managerial Personnel and other Employees adopted by Company.



Annexure – D

**FORM NO. AOC-1**

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**  
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts)

₹ in lacs

S.No.	Particulars	1	2	3	4
1	<b>Name of the subsidiary</b>	<b>Arihant Financial Services Limited</b>	<b>Arihant Futures &amp; Commodities Limited</b>	<b>Arihant Insurance Broking Services Limited</b>	<b>Arihant Capital (IFSC) Limited</b>
2	Paid Up Share capital	25.00	35.50	75.00	140.00
3	Reserves & surplus	1,068.32	1,643.73	27.04	2.22
4	Total assets	2,530.15	1,726.64	106.27	143.45
5	Total Liabilities	1,436.83	47.41	4.42	1.23
6	Investments	0	0	0	0
7	Turnover/Total Income	426.76	492.71	38.18	3.66
8	Profit before taxation	170.12	227.09	3.51	0.81
9	Provision for taxation	43.17	59.30	0.87	0.32
10	Profit after taxation	126.96	167.79	2.64	0.49
11	Proposed Dividend	0	0	0	0
12	% of shareholding	100	100	100	100

**\*NOTE:**

During the Financial year 2023-24 Wholly Owned Subsidiary (WOS) company ceased to be the WOS of the Company i.e.

1. Arihant Institute of Financial Education Private Limited (w.e.f. July 31, 2024).

**Part "B": Associates and Joint Ventures**

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

S. No.	Name of Associates and Joint Ventures	Electrum Capital Private Limited (Formerly Known as Electrum Investment Managers Limited)
1.	Latest audited Balance Sheet Date	31.03.2024
2.	Date on which the associate is associated	07.10.2020
3.	Shares of Associate held by the company on the year end	
i.	No. of shares	1375000
ii.	Investment in associates (₹)	13750000
iii.	Extend of Holding (in percentage)	27.23%
4.	Description of how there is significant Influence	By virtue of Holding being 20% or more
5.	Reason why the associates not Consolidated	N.A.
6.	Net worth attributable to shareholding as per latest audited Balance Sheet (₹ in lacs)	359.75
7.	Profit or Loss for the year (₹ in lacs)	322.73
i.	Considered in Consolidation (₹ in lacs)	210.28
ii.	Not Considered in Consolidation (₹ in lacs)	112.45

## Management Discussion and Analysis Report

### Financial Year 24: A Glance

FY24 was the year when India became the world's most populous country. Additionally, the Indian economy showed its strength and became one amongst the top five economies in the world despite all the global headwinds. While the global economy faced a slowdown due to inflationary pressures and high-interest rate environment, India's economy was relatively resilient.

#### Here is a recap of the major events of FY 24:

- **Hamis attack on Israel:** Palestinian militant group Hamas executed a significant attack on Israel in the early hours of October 7, 2023, and this attack is considered as the third-deadliest terrorist attack since data collection began in 1970, based on the number of fatalities. The conflict between Israel and Hamas has the potential to disrupt the world economy — and even tip it into recession if more countries are drawn in.
- **G-20 Summit:** India organized its inaugural G20 Leaders' Summit in September 2023. The summit saw the participation of 43 heads of various governments. India not only successfully hosted this global summit, but also managed leaders with varied views on a single platform to issue a statement. This also boosted the Indian economy with respect to strengthening economic ties, job creation, policy initiatives, enhanced tourism, etc.
- **India becomes the world's most populous country:** According to the United Nations Department of Economic and Social Affairs, in April 2023, India overtook China to become the world's most populous country, boasting an estimated population of 1.43 billion people.
- **Monetary Policy Committee Meeting:** The forty seventh meeting of the Monetary Policy Committee (MPC), was held from February 6 to 8, 2024. The Monetary Policy Committee (MPC) at its meeting decided to keep the policy repo rate under the liquidity adjustment facility (LAF) unchanged at 6.50 per cent. Consequently, the standing deposit facility (SDF) rate remained unchanged at 6.25 percent and the marginal standing facility (MSF) rate and the Bank Rate at 6.75 percent.
- **CPI Inflation:** From its October 2023 trough of 4.9%, CPI inflation increased successively in the next two months to 5.7% by December. Food inflation, primarily y-o-y vegetable price increases, drove the pick-up in headline inflation, even as deflation in fuel deepened. Core inflation (CPI inflation excluding food and fuel) softened to a four-year low of 3.8% in December.

### Indian capital markets

In FY2023-24, India's stock market has achieved a significant milestone, exceeding a \$4 trillion market value for the first time and securing its rank as the one amongst the top five economies in the world.

India's key benchmark indices reached record highs this year, with Nifty50 delivering a 28.6% return and Sensex achieving 24.8% gains, outperforming major global markets. The Nifty50 index, which comprises of the top 50 companies in India, hit multiple highs in FY24. To start with, Nifty50 crossed the 19,000 mark in June, 23. The next milestone of 20,000 and 21,000 were busted in September and December 23, respectively. Within a month, in January 2024, the Nifty50 index breached the 22,000 mark and hit a high of 22,525 on 7 March. The top-performing sectors in FY24 were infrastructure, Central Public Sector Enterprises (CPSE), and Public Sector Banks (PSU Banks).

As of now, India is number one globally in the number of IPOs during the year. This highlights the increasing investor confidence in India's growth potential.

In FY24, monthly systemic investment plans (SIP) flows also remained strong flushing the markets with liquidity. During the year, there was an inflow of ₹ 2 lakh crore into mutual funds through the SIP route, a rise of 28% year-on-year and 4.28 crore SIPs were registered, 71% higher than in FY23. Overall, the mutual fund industry added nearly ₹ 14 lakh crore to its AUM in FY24 on account of a sharp rally in equities, coupled with strong inflows.

A strong Indian economy with a positive GDP growth rate boosted investor confidence. India is projected to be the fastest-growing economy among G20 nations. Also, the forecast for GDP growth for FY24 and FY25 is highest among major economies. Secondly, an increase in foreign investments provided additional liquidity and drove up stock prices. According to Central Depository Services (India) Limited (CDSL), Indian equities garnered ₹ 2.08 lakh crore from FPIs in FY23-24. Capital goods received the largest share at ₹ 46,935 crore. It was followed by consumer services, auto, and financial services with

inflows of ₹ 32,186 crore, ₹ 29,862 crore, and ₹ 28,793 crore, respectively. Lastly, India reported strong corporate earnings growth during FY24, which signaled their profitability and potential for future growth, attracting investors to the stock market.

Globally, the growth is likely to remain steady in 2024 after a surprisingly resilient performance in a turbulent year. Inflation is edging down from multi-decade highs, with intermittent upticks. Financial market sentiments have been fluctuating with changing views about an early pivot by central banks in advanced economies (AEs). The likelihood of reduction in interest rates has spurred rallies in equity markets, although uncertainty about the timing of interest rate reduction is reflected in bidirectional movements in the US dollar and sovereign bond yields. Emerging market economies (EMEs) are facing currency fluctuations amidst volatile capital flows.

### Indian Economy Outlook FY 25

According to the Reserve Bank of India (RBI), in FY25, the real GDP of the Indian economy is projected at 7.2%. India will likely see improved capital flows boosting private investment and a rebound in exports. According to the International Monetary Fund (IMF), the Inflation rate, average consumer prices is expected to drop down to 4.2%. IMF also predicts that by 2025, India will likely become the fourth-largest economy in the world. India's GDP is expected to reach \$4.34 trillion, surpassing Japan's \$4.31 trillion.

According to the experts, the optimistic trend in the Indian financial markets will continue into the current financial year. However, there would be some volatility, mostly triggered by events happening around the world. It is believed that the market will be supported by strong participation from domestic investors, including retail investors, DIIs, and HNIs. Some also believe that the outlook for Indian equities in FY25 appears promising, supported by various factors such as economic recovery, stable coalition government, increasing focus on reforms, and increasing foreign investments. Several domestic factors, including the budget and the election, could make the upcoming financial year volatile. Many other countries are also having elections this year, including the US and the UK, which will probably add to the already high level of volatility.

### Global Outlook Calander year: 2024

According to the International Monetary Fund (IMF), the global economy is forecasted to continue growing at 3.2% during 2024. Moreover, as mentioned in the Indian Economic Output, April 2024 report published by Deloitte, the global economy is expected to witness a synchronous rebound in the Calendar year 2025 as major election uncertainties are out of the way and central banks in the West likely announce a couple of rate cuts later in 2024.

IMF's analysis suggests that global inflation is anticipated to decline steadily, from 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025, with advanced economies returning to their inflation targets sooner than emerging markets and developing economies. However, core inflation may take additional time to reach desired levels.

### Indian Broking Industry 2024

The Indian equity market has experienced a paradigm shift, with retail investors significantly increasing their participation. Their share in both cash and equity derivatives has grown over time. In FY2024, the Indian capital markets saw a strong surge in retail investors. By March 2024, total Demat accounts surpassed 15.1 crores, with a record-breaking 3.69 crore new accounts added during the year, marking the best annual performance ever. This together with digitization has boosted the growth of the Indian brokerage industry.

With rising demat accounts and growing volumes, the size of the India securities brokerage market is estimated at \$3.94 billion in 2024 and is expected to reach \$5.75 billion by 2029, growing at a CAGR of 7.89% during the forecast period (2024-2029). The Indian broking industry exhibits a remarkable diversity, encompassing numerous intermediaries that contribute to the market infrastructure.

In the past few years, many new digital and discount broking companies have entered the market resulting in severe competition and low brokerage rates. India's regulatory environment has also been evolving to protect the interests of even the smallest retail investors. This has made the investing landscape much more secure, significantly boosting retail investor confidence.

### Who We Are and What We Do?

Since last three decades, Arihant Capital has been helping Indians meet their financial goals through investment in Indian securities. Our client first approach and integrity has established us as one of the nation's premier financial services companies, earning a reputation for trust and respect.

We offer both full brokerage services and digital only brokerage services to retail, institutional, and corporate clients. Our main objective is to assist our customers in growing their wealth by providing them with the right tools, platforms, and services so they can effectively manage their risk and maximize returns. The company offers a flat fee broking plan for its digital customers and a turnover-based fee model to full-service brokerage clients.

Through our network of 700 investment centers spread across 161 cities in India and our digital solutions, we provide clients with securities broking, margin funding, portfolio management, financial product distribution, research, insurance, depository and merchant banking services. We cater to a diverse client base exceeding two lac clients, which includes retail investors, high net-worth individuals, and domestic and foreign financial institutions.

We aim to continuously enhance client experience by upgrading our tech stack and ArihantPlus trading platform, evolving as a key fintech player. Well-positioned to cater to India's tech-savvy youth, we are consistently gaining client acceptance through our digital products and engagement tools, and continuously upgrading the products based on client feedback. Here is a list of products and services offered by Arihant Capital:

**Products and Services We Offer:**

<b>Broking and Depository</b>	Retail broking (equity, derivatives, commodity and currency), depository services (NSDL and CDSL)
<b>Institutional Broking</b>	Serving banks, insurance companies, mutual funds and other institutions
<b>Trading Platforms</b>	Mobile, web and desktop trading platforms for equities, ETFs, derivatives, mutual funds, IPOs, NCDs, commodities and currencies
<b>Merchant Banking</b>	Capital markets services, corporate finance, strategic advisory services, valuation and specialised services
<b>Mutual Funds</b>	Mutual funds/IPOs, NPS distribution services
<b>Insurance</b>	General insurance and life insurance
<b>NBFC &amp; MTF</b>	Loan against shares and margin trading funding services
<b>Portfolio Management Services</b>	Investment portfolio in stocks, fixed income
<b>NRI</b>	Depository services, investment across asset classes and platforms

\*Arihant Capital Markets along with its subsidiaries together are hereinafter referred to as Arihant or the Company.

**Our Digital Platform- Arihant Plus Mobile App**

The ArihantPlus Mobile App, available on iOS, web, and Android, has gained considerable popularity among clients. Investing can be complex, but ArihantPlus simplifies trading and investing for everyone. By analyzing user data, we designed a user-friendly interface that caters to both beginners and experienced traders, providing the right tools and resources to create wealth.

With a 4.5-star rating on the Play Store, ArihantPlus is well-received. We will continue to expand features and products, ensuring a seamless and smart trading and investment experience for all users.

**Review of Operations**

The company's financial performance and key financial ratios for the period under review are mentioned as follows:

(₹ in lacs)

Year ended	March 31, 2024	March 31, 2023
Income from operations	₹ 23,514.36	₹ 13,754.77
Other Income	₹ 46.21	₹ 21.26
Total Income	₹ 23,560.57	₹ 13,776.03
Total Expenditure	₹ 14,502.10	₹ 9,903.35
Profit before Tax	₹ 9,269.57	₹ 3,938.71
Tax on Profit	₹ 2,218.53	₹ 1,026.95
Net Profit for the period	₹ 7,051.04	₹ 2,911.76
Earnings Per Share (₹)	₹ 6.77	₹ 2.80

**Key Financial Ratios:**

S. no.	Ratios	March 31, 2024	March 31, 2023
1.	Earning Per share (EPS)	6.77	2.80
2.	Debt Equity Ratio	0.30	0.23
4.	Total Debt to Total Assets	0.13	0.11
5.	Return on Networth(%)	0.21	0.11

The company's profit rose to ₹ 70.51crores, up from ₹ 29.11 crores in the financial year 2023-2024, boosted by an increase in trading activity, especially among retail investors, as the country's stock market touched record highs. The company's revenue soared 71% to ₹ 236 crores over the same period. Increased demand for margin funding and uptick from other businesses of the company also contributed to the rise in profit during the financial year including merchant banking, interest income and depository fees.

The EPS is ₹6.77 for FY2024, up 142% from ₹2.8 in FY2023.

The company's flagship product – The Arihant Plus mobile and web trading platform's launch in late 2022, also contributed to growth in profit and revenue and helped the company in new client additions and increase in the number of active users.

**Risk factors relating to our business operations**

The company prioritizes risk management to mitigate potential business impacts. It has established clear policies to address changing market conditions and evolving regulations, regularly reviewing its risk management framework. Dedicated resources, including people, processes, and technology, are in place to manage risks effectively. Proactive measures are taken to identify and address risks and opportunities, safeguarding and adding value for stakeholders. Key risks include economic, geopolitical, technology, operational, market, regulatory, governance, resource, and reputation risks.



Type of Risk	Impact of risk	Our Risk Mitigation Measures
<b>Economic &amp; Geopolitical</b>	Affected by domestic and global economic conditions, global economic slowdown, and geopolitical events.	Diversifying our revenue streams, monitoring economic indicators, & developing contingency plans.
<b>Technological</b>	Rapidly changing technology, risk of obsolescence, data security, cybercrime, high technology costs.	Investing in research and development, implementing strong cybersecurity measures {like strong firewalls, data leak prevention (DLP) software, end-point detection and response (EDR)}, conducting regular system audits.
<b>Operational</b>	Security breaches, system failures, unauthorized access, data theft, fraud.	Implementing robust access controls, conducting regular security assessments, & developing disaster recovery plans.
<b>Market</b>	Market volatility, economic downturns, reduced investor confidence.	Diversifying investment portfolio, offering various financial products, implementing risk management strategies.
<b>Reputation</b>	Negative publicity, data breaches, non-compliance.	Building strong customer relationships, maintaining open communication, implementing crisis management plans.
<b>Credit</b>	Client defaults, market value fluctuations of securities.	Conducting thorough credit checks, setting credit limits
<b>Competition</b>	Intense competition, aggressive pricing, customer churn.	Focusing on customer satisfaction, develop unique value propositions, invest in marketing and sales.
<b>Compliance</b>	Complex regulations, potential for non-compliance, fines, penalties. While we welcome SEBI's new regulations aimed at protecting investors, these changes may impact our operations, increase capital requirements, and impose restrictions on our activities and client services.	Staying updated on regulations, assigning compliance officers, conducting regular compliance audits.
<b>Litigation</b>	Legal disputes with clients, partners, regulators.	Purchasing liability insurance, drafting clear contracts, maintaining strong documentation.

### Risk Management

Risk management holds a pivotal role in our business strategy and planning discussions. At Arihant, we have implemented a robust risk management framework that allows us to identify, understand, and effectively manage risks associated with our operations.

Integrating risk management seamlessly across all aspects of our business, we aim to strike the right balance between risk and return while ensuring prudent financial management. Compliance with applicable laws, rules, and regulations is of utmost importance to us. Risk management is deeply ingrained in our overall strategy, fostering a strong risk culture that encourages a holistic approach to risk management throughout our organization.

Regular review of our risk management policies and processes is conducted by the Audit Committee, which also stays informed about risk assessments, the impact of risks on our business, and our mitigation plans. We are committed to maintaining a vigilant and proactive approach to risk management, ensuring the security and stability of our operations in the best interest of our stakeholders.

### Human Resources

One of the fundamental principles of our Code of Conduct and Ethics is fostering a workplace where everyone is respected. This includes creating equal opportunities, ensuring equal pay for equal work, and maintaining an environment free from discrimination and harassment

Arihant boasts a talented and experienced workforce that enhances business efficiency, devises strategies, and adapts to evolving business environments. The company has launched several HR initiatives to boost productivity and is dedicated to providing a safe, conducive, and productive work environment free from discrimination and harassment.

Our success hinges on our management team, key personnel, and our ability to attract and retain top talent. We are committed to equipping our employees with the skills needed to adapt to technological advancements seamlessly. Arihant prioritizes career enhancement for its employees, focusing on promotions, role enhancement, and job enrichment to ensure continuous growth and advancement within the organization.

Arihant conducts training programs to enhance technical and behavioral skills, business excellence, management, and leadership capabilities. We also promote awareness of company values and the code of conduct. Emphasizing a safety culture, we implement policies and programs to safeguard the health and well-being of our employees. We strive to create a diverse and inclusive workplace that respects personal preferences, cultural backgrounds, and sexual orientations.

### Corporate Social Responsibility (CSR)

#### Outline of our CSR Policy

At our core, we are deeply committed to social responsibility, recognizing its pivotal role in fostering positive societal change. Our comprehensive CSR program reflects our dedication to striking a harmonious balance that encompasses human welfare, environmental stewardship, and community empowerment. By seamlessly integrating CSR principles into our business operations and actively participating in CSR initiatives, we are steadfast in our pursuit of continuous contributions to global sustainable development. This policy serves as our guiding framework, outlining the principles and processes that underpin the execution, implementation, and monitoring of our CSR activities. With unwavering commitment, we strive to create a lasting impact and uplift the communities we serve.

#### Arihant's Commitment to Corporate Social Responsibility

In FY24, our company demonstrated its unwavering commitment to Corporate Social Responsibility (CSR) and works in several areas including education, upliftment of the underprivileged, healthcare, and sustainability.

For India to grow, we strongly believe we need to uplift and empower young underprivileged children and give them access to quality education in small villages. To support this, your company engaged in several activities through its CSR initiatives including providing financial assistance to underprivileged students, and providing financial aids to schools for better infrastructure. The company also believes in empowering women through financial education and in lieu of this, we organized Investor Education Seminars for women.

The comprehensive details of our Corporate Social Responsibility (CSR) activities are included in the Board Report, highlighting our commitment to social impact. To access our company's CSR policy, please click here. We invite stakeholders and interested parties to visit our website and familiarize themselves with our CSR initiatives and the strategic framework we have established to drive positive change in the communities we serve.

### Internal Control System

The internal control systems are designed to safeguard the Company's assets and ensure efficient productivity at all levels. The systems are adequate for the size of the business and the industry in which it operates. Well-defined processes, guidelines, and procedures and adequate internal information systems enable the Company to enhance internal controls. Decision-making is made easier due to proper information flow. Periodic and frequent audits ensure strict adherence to the set procedures and processes. The audit committee reviews reports presented by the internal auditors on a routine basis. The committee makes note of the audit observations and takes corrective actions, if necessary. It maintains a constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively.

### The Environment

At Arihant, we prioritize eco-friendly and environmentally conscious practices. We encourage clients to go paperless by opting for electronic trade confirmations, account statements, and bills. This not only helps preserve the environment but also provides clients with convenient access to vital information electronically. To help achieve the scale and speed of change required to transition to net zero, we support our customers with the services, insights and tools to help them to transition. For

example, we actively promote ESG funds so the clients can invest in a better future.

We are engaged in plantation drives and are actively working to reduce single-use plastics in our offices. For instance, we provide reusable bottles and access to filtered water to minimize our carbon footprint.

Our philosophy is to achieve outstanding performance while upholding ethical behavior and minimizing our environmental impact. We believe that sustainable practices and responsible actions are integral to delivering successful outcomes. By embracing eco-friendly initiatives, we aim to create a positive impact on the environment and foster a greener, more sustainable future for all.

#### Commitment to doing what is right

At Arihant Capital Markets, our top management team and board of directors are dedicated to doing what is right. We prioritize the best interests of our associates, clients, and shareholders, ensuring ethical leadership and value creation that fosters trust and long-term success.

#### Strengths, Opportunities & Challenges

##### Strengths

- **Tech first:** Technology is central to Arihant Capital's operations, driving innovation and efficiency across its financial services. ArihantPlus, our flagship trading product, offers clients superior trading experience with a comprehensive suite of smart features and investment products to build wealth.
- **Established Brand:** Arihant Capital is a trusted brokerage company in India, with over 30 years of integrity and service. Arihant Capital is a well-known and respected brand in the brokerage industry in India, instilling trust and credibility among clients and stakeholders.
- **Experienced Management Team:** The company is backed by a highly experienced top management team with a proven track record, ensuring effective leadership and strategic decision-making.
- **Strong Franchisee Network:** ACML has established leadership in the franchisee business, fostering strong relationships with its franchisees and promoting growth and profitability for both parties.
- **Focus on Research and Differentiation:** The company's understanding of equity as an asset class and its commitment to quality research set it apart from competitors, providing valuable insights to clients and enhancing its competitive edge.

##### Opportunities

- **Low equity penetration:** Despite the steep growth in the number of new demat accounts in India over the last five years, the penetration of equity as an asset class is still very low in the country. Currently, only about 10.8% of Indians have demat accounts. However, with many young people entering the workforce, decreasing unemployment, and increasing financial inclusion, there is significant potential for further expansion. With the digital facilities and support that Arihant Capital offers to all investor and trader segments, the scope for growth is immense.
- **Digitisation:** The Indian market is witnessing a significant shift towards digital platforms for trading and investing. The improved availability of smartphones and internet connectivity is enabling brokerages to reach last-mile investors and attract more first-time investors. By prioritizing customer convenience, we are utilizing specialized software and machine learning to streamline the onboarding process for new customers and efficiently serve existing ones.
- **Advisory and merchant banking growth:** There is significant growth potential in the merchant and investment banking sectors. Many small and medium enterprises (SMEs) in this space are exploring opportunities for consolidation, acquisitions, restructuring, and capital infusion. We are enhancing our network and actively working to capture market share in the merchant banking and corporate advisory domains.

##### Challenges

- **Intensifying Competition:** The brokerage industry in India is highly competitive, with several established players and new entrants vying for market share. We may face tough competition from larger brokerage firms with more extensive resources and established brands.
- **Regulatory Changes:** Arihant Capital operates in a robust regulatory environment. We firmly believe that regulatory interventions provide a solid foundation for retail client participation in the capital markets, further aiding in navigating regulatory complexities. However, frequent regulatory changes affect the company's growth, and any non-compliance can seriously impact the business. To adeptly navigate the ever-changing regulations, manage growth, and meet the unique needs of our diverse clientele, the Company has fostered a culture of agility, foresight, and strong governance. This proactive approach has enabled us to anticipate and overcome challenges, positioning Arihant for future success.
- **Volatile stock markets:** The stock markets can be volatile, influenced by various factors such as economic conditions, political developments, and global events. We need to have robust risk management systems in place to mitigate potential losses and protect our clients' investments.

#### ● Strategy

As we embark on our next phase of growth, we will focus on three key strategic areas.

1. Expand our tech capabilities and infrastructure
2. Make ArihantPlus the best trading platform in the country
3. Focus on quality acquisition

Our strategic vision at Arihant Capital Markets is to seize the immense growth potential in the broking industry by offering clients superior trading platforms and creating seamless client journeys. We aim to expand our market share and enhance profitability by leveraging our 30+ years of experience in the securities market coupled with robust infrastructure. Our client-centric approach will enable us to deeply understand their investment requirements and deliver tailored solutions that meet their unique needs. Staying at the forefront of industry dynamics, we will embrace technological advancements and continue to innovate to ensure our offerings are aligned with evolving client expectations.

#### Statutory Compliance

At Arihant Capital Markets, we place great emphasis on statutory compliance, ensuring that we adhere to all relevant regulations and laws. Our company has established a robust and transparent compliance framework that is well-documented and easily demonstrable. This framework enables our management to effectively monitor and report on compliance risks and exposures to the Board. To ensure comprehensive compliance, our Chief Compliance Officer provides a declaration at each Board Meeting, confirming adherence to the provisions of various statutes. This declaration is obtained after obtaining confirmation from all operating departments across our subsidiary companies in India. By maintaining a strong focus on statutory compliance, we prioritize operating ethically and responsibly, thereby earning the trust and confidence of our stakeholders.

#### Cautionary Statement

The Management Discussion and Analysis (MDA) report provides a comprehensive overview of the company's objectives, projections, estimates, and expectations. It is important to note that these statements may be forward-looking, as defined by applicable laws and regulations. However, it is crucial to understand that the actual outcomes and results may vary significantly from what is expressed or implied in the report. Numerous factors can influence the company's operations, including changes in governmental regulations, tax regimes, forex markets, economic developments and other incidental factors. Therefore, it is essential to consider these dynamic elements when interpreting the information presented in the MDA report.

**Report on Corporate Governance**

Pursuant to Regulation 34(3) read with Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the Listing Regulations") the report containing the details of Corporate Governance systems and processes at Arihant Capital Markets Limited is set out below:

**1) Company's philosophy on corporate governance**

Your Company is dedicated to upholding the highest standards of corporate governance. Its philosophy is rooted in transparency, accountability, and ethical conduct. Your Company believe in conducting its business with integrity, ensuring fair and responsible practices across all aspects of its operations. This commitment extends to diverse and independent Board of Directors, who provide unbiased guidance and oversight. It prioritizes the rights of its shareholders, providing them with timely and accurate information to make informed decisions. Its robust risk management processes, compliance with legal obligations, and commitment to transparency and disclosure further reinforce our dedication to governance excellence.

In addition to accountability and performance evaluation, your Company places a strong emphasis on employee engagement and development. The Company value its employees as most valuable asset and foster a culture of empowerment and continuous learning. Its responsibility extends beyond the confines of its organization and actively contribute to the betterment of society through corporate social responsibility initiatives and sustainable practices. By continuously improving the corporate governance practices and adhering to these principles, your Company aim to create long-term value for its stakeholders, building trust and maintaining its position as a trusted stock broking company in the market.

Your Company has also adopted the Code of Conduct for its Directors and senior management personnel. The Company has in place a Code for Fair Disclosure and Conduct as required under the SEBI (Prohibition of Insider Trading) Regulations, 2015 which has been amended from time to time.

Your Company is committed to the highest standards of Corporate Governance and disclosure practices to ensure that its affairs are managed in the best interest of all stakeholders.

Your Company's commitment to these principles is reinforced through the adherence of all Corporate Governance practices which forms part of the Regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ["Listing Regulations"].

Your Company confirms the compliance of Corporate Governance as contained in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) regulations, 2015 ("SEBI LODR Regulation") as amended, the details of which are given below.

**2) Board of Directors**

**a) Composition and Category of the Board**

The Board, comprising of eminent professionals with expertise provides leadership and guidance to the company's management and supervises the company's performance across a wide spectrum of domains, ensures business decisions which enhance long term interest of all stakeholders.

The Company has the policy of having an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board.

As on March 31, 2024, the Board of Directors of your Company comprised of Eight (8) Directors. The Board has an optimum combination of executive and non-executive directors. Out of total eight (8), two (2) are Executive Directors, one (1) is Non-Executive Non-Independent Director and five (5) are Independent Directors. As the Chairman of the Board is not a regular non-executive director, the requirement of at least half of the Board of Directors comprising of independent directors is also met. The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations.

The composition of the Board of Directors, the number of other committees of which a director is a Member/Chairperson and the attendance of each director at the Board Meetings and the last Annual General Meeting (AGM) of the Company were as follows:

Name of the Director and Category	Number of Directorships and Committee Membership/ Chairpersonship (including in the Company)			No. of Board meetings attended during the Financial Year 2023-24	Attendance at last AGM held on August 5, 2023
	Directorship*	Member**	Chairperson**		
Mr. Ashok Kumar Jain (Chairman and Managing Director) (DIN: 00184729)	5	1	0	5	Yes
Mr. Arpit Jain (Joint Managing Director) (DIN: 06544441)	5	0	0	5	Yes
Mrs. Anita Surendra Gandhi (Director) (Upto August 05, 2023) (DIN: 02864338)	1	0	0	3	Yes
Mr. Sunil Kumar Jain (Non-Executive Non-Independent) (DIN: 00184860)	1	2	0	5	Yes
Mr. Akhilesh Rathi <sup>(9)</sup> (Independent Director) (DIN: 02002322) (Upto March 31,2024)	9	2	2	4	Yes
Mr. Parag Rameshbhai Shah <sup>(9)</sup> (Independent Director) (DIN: 00512469) (Upto March 31,2024)	4	2	0	4	No
Mr. Ashish Maheshwari (Independent Director) (DIN: 00185949)	3	1	0	4	No
Mr. Jitendra Jain (Independent Director) (DIN: 08377285)	2	0	0	5	Yes
Ms. Swanubhuti Jain (Independent Director) (DIN: 09006117)	5	0	0	5	Yes



\*Excludes Directorships of Foreign Companies, Section 8 companies (having charitable objects etc.) and alternate directorships.

\*\*In accordance with Regulation 26 of the Listing Regulations, Chairmanships / Memberships of only Audit Committee and Stakeholders Relationship Committee of all Public Limited Companies, whether listed or not, has been considered.

1. Mr. Ashok Kumar Jain & Mr. Sunil Kumar Jain are relatives (brother) and Mr. Arpit Jain being the son of Mr. Ashok Kumar Jain. No other Director is related to any other Director on the Board of the Company.
2. Mrs. Anita Surendra Gandhi has retired from the Board pursuant to Section 152 of the Companies Act, 2013. At the Annual General Meeting of the company held on August 05, 2023, she expressed her desire not to be reappointed on the Board.
3. Mr. Akhilesh Rathi & Mr. Parag Rameshbhai Shah completed their second and final term as Independent Director on the Board of the company from the close of business hours on March 31, 2024. As a result with effect from April 01, 2024 they are no longer a part of the Board of Directors as well as the committees' of the Company
4. None of the Directors hold office in more than ten Public Companies. None of the Independent Directors of the company serve as an Independent Director in more than seven listed companies. All Directors are also in compliance with the limit on Independent Directorships of listed companies as prescribed under SEBI (LODR) Regulations, 2015.
5. None of the Directors on the Board is a member of more than ten committees or Chairman of Five Committees. Chairmanship/Membership of board committees includes chairmanship/membership of audit committee, stakeholders' relationship committee and Risk Management Committee only. The membership/chairmanship of board committee of private limited companies, foreign companies and companies registered under section 8 of the Companies Act, 2013 are excluded for the aforesaid purpose.
6. Board of Directors of the company is much more aware on Company's business, Risk, Opportunities, Policies, Business Strategy, Sales and Marketing, Corporate Governance etc.

**b) Other directorship positions held in listed entities by Directors and the category:**

S. No.	Name of Director	Names of listed entities in which Directorship held	Category of Directorship
1.	Mr. Ashok Kumar Jain	None	N.A.
2.	Mr. Arpit Jain	None	N.A.
3.	Mrs. Anita Surendra Gandhi*	None	N.A.
4.	Mr. Sunil Kumar Jain	None	N.A.
5.	Mr. Akhilesh Rathi**	None	N.A.
6.	Mr. Parag Rameshbhai Shah**	None	N.A.
7.	Mr. Ashish Maheshwari	None	N.A.
8.	Mr. Jitendra Jain	None	N.A.
9.	Ms. Swanubhuti Jain	1. Allied Digital Services Limited 2. Motilal Oswal Financial Services Limited	1. Independent Director 2. Independent Director

\* Mrs. Anita Surendra Gandhi retired from the Board pursuant to Section 152 of the Companies Act, 2013 w.e.f. close of business hours as on August 05, 2023

\*\* Mr. Akhilesh Rathi & Mr. Parag Rameshbhai Shah ceased/retired from the Directorship of the Company w.e.f. close of business hours as on March 31, 2024 on account of completion of tenure.

**c) Board meetings held during the year**

The Board of Directors of the Company met 5 (Five) times during the financial year 2023-24. At least one meeting of the Board was held every quarter and the time gap between any two consecutive board meetings did not exceed 120 days during the financial year 2023-24.

The details of director's attendance at board meetings held during financial year 2023-24 are as under:

S. No.	Date of Board Meetings	Board Strength (No. of Directors)	No. of Directors present	No. of Independent Directors Present
1.	May 20, 2023	9	9	5
2.	June 15, 2023	9	6	2
3.	July 22, 2023	9	9	5
4.	November 09, 2023	8	8	5
5.	February 03, 2024	8	8	5

The Company provides the information as set out in Regulation 17 (7) [Part A of Schedule II] of "SEBI (LODR) Regulations, 2015" to the Board and the Board committees to the extent it is applicable and relevant, such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting.

The Important decisions taken at the Board or Committee meetings are communicated to the concerned departments.

**d) Familiarization Programme for Independent Directors**

The Company formulated a policy on Familiarization Programme for Independent Directors to provide them an opportunity to familiarize with the Company, its management and its operations so as to gain a clear understanding of their roles and responsibilities. They have full opportunity to interact with senior management personnel and are provided all documents required and sought by them for enabling them to have a good understanding of the Company, its various operations and the industry on which it is a part. The weblink for the familiarization programmes for Independent Directors is: <https://www.arihantcapital.com/investor-relations/esg>.

The Company has an orientation process/familiarization programme for its Independent Directors that includes:

- a) Briefing on their role, responsibilities, duties, and obligations as a member of the Board.
- b) Nature of business and business model of the Company, Company's strategic and operating plans.
- c) Matters relating to Corporate Governance, Code of Business Conduct, Risk Management, Compliance Programs, Internal Audit, etc.

**e) Independent Directors Meeting**

The SEBI LODR and Schedule IV to the Act mandate the Independent Directors of the Company to hold at least one meeting in every financial year, without the attendance of non-independent directors and members of the management. During the financial year ended March 31, 2024, the Independent Directors met on February 03, 2024, inter alia, to review the performance of Non-Independent Directors & the Board as a whole, to review the performance of the Chairman of the Company and to assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board.

**f) Matrix setting out the Skills / expertise / competence of the Board of Directors:**

S. No	Skills/ Expertise/ Competencies	Names of Directors who have such skills / expertise / competencies
1.	Understanding of Business - Sufficient understanding and knowledge of the Company and the business/sector in which it operates.	All Directors
2.	Service Industry Experience - Experience of Capital Market	All Directors
3.	Strategy and Planning - Contribution to new ideas/insights on business issues raised by Management. - Providing thoughtful and constructive feedback to Management. - Anticipating new issues that Management and the Board should consider. - Demonstration of highest level of integrity (including conflict of interest disclosures, maintenance of confidentiality, etc.)	All Directors
4.	Law - Knowledge of legal / regulatory framework / affairs relating our service sector	Mr. Ashok Kumar Jain Mr. Arpit Jain
5.	Financial Knowledge - Proficiency in review of financial statements	All Directors
6.	Technical Knowledge - Technical knowledge of the business of the Company.	Mr. Ashok Kumar Jain Mr. Arpit Jain
7.	Commitment and Integrity - Adequate commitment to the Board and the Company	All Directors

**g) Confirmation of Independent Directors:**

None of the Independent Directors have any other material pecuniary relationship or transaction with the Company, its Promoters, or Directors, or Senior Management which, in their judgement, would affect their independence. The Board confirms that based on the written affirmations from each Independent Director, all Independent Directors fulfill the conditions specified for independence as stipulated in the Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment), Regulations, 2018 ("Listing Regulations") w.e.f. 01<sup>st</sup> October, 2018 and are independent of the Management. Further, the Independent Directors have also registered their names in the Data bank maintained by the Indian Institute of Corporate Affairs as mandated in the Companies (Appointment and Qualification of Directors), Rules, 2014 as amended.

**h) Detailed reasons for resignation of an Independent Director who resigns before the expiry of his tenure along with the confirmation by such director that there are no other material reasons other than those provided:**

During the year under review, none of the Independent Director of the Company had resigned before the expiry of his/her respective tenure(s). However, during the year, Mr. Akhilesh Rathi (DIN: 02002322) & Mr. Parag Rameshbhai Shah (DIN: 00512469) ceased from the directorship of the company w.e.f. close of business hours as on March 31, 2024 on account of completion of their second and final term.

**3) Committees of the Board**

To enable better and more focused attention on the affairs of the Company, the board delegates particular matters to committees of the directors set up for the purpose. Each committee of the Board is guided by its charter, which defines the scope, powers and composition of the Committee. During the financial year, the board is assisted by various committees:

- i) Audit Committee
- ii) Stakeholders Relationship Committee
- iii) Nomination and Remuneration Committee
- iv) Corporate Social Responsibility Committee
- v) Risk Management Committee

**3.1 Audit Committee**

Pursuant to the Act and the SEBI Listing Regulations, the Company has constituted an Audit Committee. The Board reviews the working of the Committee from time to time to bring about greater effectiveness in order to comply with the various requirements under the Act and the SEBI Listing Regulations. In compliance with the provisions of the Act and the SEBI Listing Regulations, all the members are independent, non-executive directors and are financially literate and have accounting or related financial management expertise.

The Audit Committee of Arihant consists of four members, viz., Mr. Akhilesh Rathi, Mr. Sunil Kumar Jain, Mr. Parag Rameshbhai Shah and Mr. Ashish Maheshwari. The chairman of the Committee is Mr. Akhilesh Rathi and Mr. Mahesh Pancholi acts as the Secretary to the Committee.

The Committee held Four (4) meetings during the financial year 2023-24 and the gap between any two meetings did not exceed 120 days. The Dates on which the Audit Committee Meetings were held are May 20, 2023, July 22, 2023, November 09, 2023 and February 03, 2024. The requisite quorum was present at the above meetings. The table below provides the attendance of the Audit Committee members:

S. No.	Name of the Director	Position	No. of Meetings	
			Held	Attended
1.	Mr. Akhilesh Rathi	Chairman	4	4
2.	Mr. Sunil Kumar Jain	Member	4	4
3.	Mr. Parag Rameshbhai Shah	Member	4	4
4.	Mr. Ashish Maheshwari	Member	4	4

The composition, quorum, powers, role and scope of Audit Committee and information being reviewed by the Audit Committee are in accordance with Regulation 18 read with Part C of Schedule II of the Listing Regulations as well as Section 177 of the Companies Act, 2013.

**Reconstitution of Audit Committee**

Mr. Akhilesh Rathi and Mr. Parag Rameshbhai Shah ceased to hold the directorship of the Company as of the close of business hours on March 31, 2024, upon completing their second and final term. Consequently, they also ceased to be the chairman and member of the audit committee as of the aforementioned date respectively.

In their meeting held on February 03, 2024, the Board of Directors re-constituted the Audit Committee of the Board, effective from April 01, 2024, with the following members, all of whom are Non-Executive Directors and possess financial literacy, accounting, and related financial management expertise:

S. No.	Name of the Director	Category	Designation
1.	Mr. Ashish Maheshwari	Independent Director	Chairman
2.	Mr. Sunil Kumar Jain	Non-Executive Non-Independent	Member
3.	Mr. Jitendra Jain	Independent Director	Member
4.	Ms. Swanubhuti Jain	Independent Director	Member

The Company Secretary & Compliance Officer of the Company is the Secretary of the Committee. The re-constitution is in accordance with Regulation 18 of the Listing Regulations as well as Section 177 of the Companies Act, 2013.

The Terms of Reference of Audit Committee include the following:

- i. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a) matters required to be included in the Directors' Responsibility Statement to be included in the Boards' Report in terms of clause (c) of sub-section (3) of section 134 of the Companies Act, 2013;
  - b) changes, if any, in accounting policies and practices and reasons for the same;
  - c) major accounting entries involving estimates based on the exercise of judgment by management;
  - d) significant adjustments made in the financial statements arising out of audit findings; (e) compliance with listing and other legal requirements relating to financial statements; (f) disclosure of any related party transactions;
  - e) modified opinion(s) in the draft audit report.
- v. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- vi. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- vii. Approval or any subsequent modification of transactions of the company with related parties;
- viii. Scrutiny of inter-corporate loans and investments;
- ix. Evaluation of internal financial controls and risk management systems;
- x. Reviewing with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- xi. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xii. Discussion with internal auditors of any significant findings and follow up there on;
- xiii. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- xiv. To review the functioning of the Whistle Blower mechanism;
- xv. Carrying out such other function as may be delegated by the Board from time to time or specified in the circular, notification issued by SEBI, from time to time or provided under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other law for the time being in force.

### 3.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee determines and recommends to the Board the compensation payable to the directors. The Committee's composition meets with requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015. The committee consists of four non-executive directors as members, viz., Mr. Akhilesh Rathi, Mr. Sunil Kumar Jain, Mr. Parag Rameshbhai Shah and Mr. Ashish Maheshwari. Mr. Mahesh Pancholi acts as the secretary and Mr. Akhilesh Rathi is the chairman of the committee. During the year, three (3) meetings of the Nomination and Remuneration Committee were held on May 20, 2023; November 09, 2023 and February 03, 2024.

The attendance of each member at the Committee Meeting is as given below:

S. No.	Name of the Director	Position	No. of Meetings	
			Held	Attended
1.	Mr. Akhilesh Rathi	Chairman	3	3
2.	Mr. Sunil Kumar Jain	Member	3	3
3.	Mr. Parag Rameshbhai Shah	Member	3	3
4.	Mr. Ashish Maheshwari	Member	3	3

### Reconstitution of Nomination and Remuneration Committee

Mr. Akhilesh Rathi and Mr. Parag Rameshbhai Shah ceased to hold the directorship of the Company as of the close of business hours on March 31, 2024, upon completing their second and final term. Consequently, they also ceased to be the chairman and members of the Nomination and Remuneration Committee as of the aforementioned date respectively.

In their Board Meeting held on February 03, 2024, the Board of Directors re-constituted the Nomination and Remuneration Committee of the Board, effective from April 01, 2024, with the following members, all of whom are Non-Executive Directors:

S. No.	Name of the Director	Category	Designation
1.	Mr. Ashish Maheshwari	Independent Director	Chairman
2.	Mr. Sunil Kumar Jain	Non-Executive Non-Independent	Member
3.	Mr. Jitendra Jain	Independent Director	Member
4.	Ms. Swanubhuti Jain	Independent Director	Member

Mr. Mahesh Pancholi, the Compliance Officer & Company Secretary of the Company, acts as the secretary to the committee. The above re-constitution meets with requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015.

The Terms of Reference of Nomination & Remuneration Committee include the following:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- ii. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- iii. Devising a policy on diversity of Board of Directors;
- iv. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
- v. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- vi. Recommend to the Board, all remuneration, in whatever form, payable to senior management; and
- vii. Carrying out such other function as may be delegated by the Board from time to time or as provided in the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other law for the time being in force.

### Performance Evaluation of Independent Directors, Board of Directors, Committees of Board and Senior Management

Evaluation of all Board members is performed on an annual basis. The evaluation is performed by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

The Directors were given various forms for evaluation of the following:

- Evaluation of Chairperson
- Evaluation of Board
- Evaluation of Independent Director
- Evaluation of Committees of the Board



### Remuneration of Directors

There was no pecuniary relationship or transaction between the Non-Executive Directors and the Company during the financial year 2023-24. All the non-executive directors receive remuneration only by way of sitting fees for attending meeting of the board/committee. The said policy of the company is available on the website on <http://www.arihantcapital.com/investor-relations/esg>. The details of the remuneration paid to Chairman and managing director and whole-time director during the year is as under: (₹ in lacs)

S. No.	Name of the Director	Salary	Perquisite	Commission	Total
1.	Mr. Ashok Kumar Jain	60.00	1.00	175.00	236.00
2.	Mr. Arpit Jain	18.00	0.27	325.00	343.27
3.	Mrs. Anita S. Gandhi (Upto August 05, 2023)	11.8	0	0	11.8

### Sitting fees and shares held by Non-Executive & Independent Directors

S. No.	Name of the Director	No. of Equity Shares held as on March 31, 2024	Sitting fees (₹ in Lacs)	Convertible Instruments
1.	Mr. Sunil Kumar Jain	5353280	2.50	0
2.	Mr. Akhilesh Rathi	199235	2.00	0
3.	Mr. Parag Rameshbhai Shah	0	2.00	0
4.	Mr. Ashish Maheshwari	0	2.00	0
5.	Mr. Jitendra Jain	0	2.50	0
6.	Ms. Swanubhuti Jain	0	2.50	0

### 3.3 Stakeholders Relationship Committee

The Stakeholders Relationship committee has been constituted by the Board in compliance with the requirement of Section 178(5) of the Act and Regulation 20 of the Listing Regulations. During the financial year 2023-24, the Committee met 4 times i.e., on May 20, 2023, July 22, 2023, November 09, 2023, and February 03, 2024. Mr. Akhilesh Rathi is the chairman of the committee while Mr. Mahesh Pancholi, the Compliance Officer & Company Secretary of the Company, acts as the secretary to the committee.

The attendance of each member at the Committee Meeting is as given below:

S. No.	Name of the Director	Position	No. of Meetings	
			Held	Attended
1.	Mr. Akhilesh Rathi	Chairman	4	4
2.	Mr. Ashok Kumar Jain	Member	4	4
3.	Mr. Sunil Kumar Jain	Member	4	4
4.	Mr. Parag Rameshbhai Shah	Member	4	4

### Reconstitution of Stakeholders Relationship Committee

Mr. Akhilesh Rathi and Mr. Parag Rameshbhai Shah ceased to hold the directorship of the Company as of the close of business hours on March 31, 2024, upon completing their second and final term. Consequently, they also ceased to be the chairman and members of the Stakeholders Relationship Committee as of the aforementioned date respectively.

In their meeting held on February 03, 2024, the Board of Directors re-constituted the Stakeholders Relationship Committee of the Board, effective from April 01, 2024, with the following members:

S. No.	Name of the Director	Category	Designation
1.	Mr. Ashish Maheshwari	Independent Director	Chairman
2.	Mr. Ashok Kumar Jain	Chairman and Managing Director	Member
3.	Mr. Jitendra Jain	Independent Director	Member
4.	Mr. Sunil Kumar Jain	Non-Executive Non-Independent Director	Member

Mr. Mahesh Pancholi, the Compliance Officer & Company Secretary of the Company, acts as the secretary to the committee. The re-constitution is in compliance with the requirement of Section 178(5) of the Act and Regulation 20 of the Listing Regulations.

The Terms of Reference of the Committee is as follows:

- To review the reports submitted by the Registrars and Share Transfer Agents of the Company at Quarterly Intervals.
- To periodically interact with the Registrars and Share Transfer Agent to ascertain and look into the quality of the Company Shareholder / investor grievance redressal system and to review the report on the functioning of the Investor grievances redressal system.
- To follow up on the implementation of suggestion for improvement, if any.
- To periodically report to the Board about serious concern if any.
- To consider and resolve the grievances of the security holders of the Company.

During the meetings all queries like non-receipt of annual reports, dividend, transfer of shares, Demat of Shares, change of address, to update PAN, Aadhaar, Bank details Mobile No, Email Id etc., were resolved to the satisfaction of the shareholders. Stakeholders are requested to furnish their telephone no. and e-mail addresses to facilitate prompt action.

Status Report of investor queries and complaints for the period from April 01, 2023 to March 31, 2024 is given below:

S. No.	Particulars	No. of Complaints
1.	Investor complaints pending at the beginning of the year	Nil
2.	Investor complaints received during the year	7
3.	Investor complaints disposed off during the year	7
4.	Investor complaints remaining unresolved at the end of the year	Nil

### Name and Designation of Compliance Officer

Mr. Mahesh Pancholi, Company Secretary & Compliance officer  
Arihant Capital Markets Limited  
6, Lad Colony Y.N. Road  
Indore (M.P.) 452001  
Email: [mahesh.pancholi@arihantcapital.com](mailto:mahesh.pancholi@arihantcapital.com)  
Tel No. 0731-4217261

### 3.4 Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of the Board is constituted in compliance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Annual Report on CSR activities, as per the prescribed format, forms part of the Board report.

### Composition and Meetings

The Corporate Social Responsibility (CSR) Committee comprises of four Directors, viz. Mr. Ashok Kumar Jain, Mr. Akhilesh Rathi, Mr. Sunil Kumar Jain, and Mr. Ashish Maheshwari. Mr. Ashok Kumar Jain is the Chairman of the committee while Mr. Mahesh Pancholi, the Compliance Officer of the Company, acts as the secretary to the committee. The Committee held One (One) meetings during the financial year 2023-24, on February 03, 2024. The necessary quorum was present for the meeting.

The attendance of member at the Committee Meeting is as given below:

S. No.	Name of the Director	Position	No. of Meetings	
			Held	Attended
1.	Mr. Ashok Kumar Jain	Chairman	1	1
2.	Mr. Akhilesh Rathi	Member	1	1
3.	Mr. Sunil Kumar Jain	Member	1	1
4.	Mr. Ashish Maheshwari	Member	1	1

### Reconstitution of Corporate Social Responsibility Committee

Mr. Akhilesh Rathi ceased to hold the directorship of the Company as of the close of business hours on March 31, 2024, upon completing his second and final term. Consequently, he also ceased to be a member of the Corporate Social Responsibility Committee as of the aforementioned date.

In their Board Meeting held on February 03, 2024, the Board of Directors re-constituted the Corporate Social Responsibility Committee of the Board, effective from April 01, 2024, with the following members:

S. No.	Name of the Director	Category	Designation
1.	Mr. Ashok Kumar Jain	Chairman and Managing Director	Chairman
2.	Mr. Sunil Kumar Jain	Non-Executive Non-Independent Director	Member
3.	Mr. Ashish Maheshwari	Independent Director	Member

The broad functions of the committee are as under:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy;
- Recommend the amount of expenditure to be incurred on CSR activities;
- Review performance of the Company in the areas of CSR
- Monitor CSR policy from time to time and
- Perform any other duties as may be required under the Companies Act, 2013

### 3.5 Risk Management Committee

Pursuant to Regulation 21 (5) of the SEBI (Listing Obligation and Disclosures Requirement) Regulation, 2015 the Board has constituted the Risk Management committee on April 25, 2022 comprising of Mr. Ashish Maheshwari, Chairman of the Committee, Mr. Jitendra Jain Member, and Mr. Arpit Jain assist members, to frame, implement and monitor risk management plan of the Company.

The Company has in place Risk Management Policy as per requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 134(3)(n) of the Companies Act, 2013, which requires the Company to lay down procedure for risk assessment and risk minimization. The Board of Directors, Audit committee and the Senior Management of the Company should periodically review the policy and monitor its implementation to ensure the optimization of business performance, to promote confidence amongst stake holders in the business processes, plan and meet strategic objectives and evaluate, tackle and resolve various risks associated with the Company. The business of the Company is exposed to various risks, arising out of internal and external factors i.e. Industry, Competition, Input, Geography, Financial, Regulatory, Other Operational, Information Technology related other risks. The details of Risk Management Policy as per requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 134(3)(n) of the Companies Act, 2013 has been uploaded on Company's Website at [www.arihantcapital.com](http://www.arihantcapital.com)

The attendance of member at the Committee Meeting is as given below:

S. No.	Name of the Director	Position	No. of Meetings	
			Held	Attended
1.	Mr. Ashish Maheshwari	Chairman	3	3
2.	Mr. Jitendra Jain	Member	3	3
3.	Mr. Arpit Jain	Member	3	3

The terms of reference of the Committee are as follows:

1. Monitoring and reviewing the risk management plan of the Company;
2. Review the company's capability to identify and manage new risk types;
3. Monitor continuously the scope and quality of risk management and internal control systems;
4. Monitor compliance with Risk Management Policy adopted by the Board;
5. Review the changes in the nature and extent of significant risks, and the Company's ability to respond to changes in its business and external environment;
6. Ensure adequacy of risk management practices in the Company; and
7. Such other activities as the Board may determine from time to time.

### 4) Particular of Senior Management including the changes therein since the close of the previous financial year:

S. No.	Name of the Personnel	Designation
1.	Ms. Shruti Jain	Chief Strategy Officer
2.	Mr. Praneet Maheshwari	Chief Operating Officer
3.	Mr. Sundar Rangan	Head, Merchant Banking Division
4.	Mr. Mahesh Pancholi	Company Secretary & Compliance Officer
5.	Mr. Uttam Maheshwari*	Chief Financial Officer
6.	Mrs. Anita Surendra Gandhi**	Head, Institution
7.	Ms. Priti Kumath	Head, Banking Division
8.	Mr. Saurabh Jain	Business Development Manager

\*During the period under review, Mr. Tarun Goyal tendered his resignation from the post of Chief Financial Officer with effect from November 30, 2023 and Mr. Uttam Maheshwari was appointed as Chief Financial Officer of the company with effect from December 01, 2023. No other changes occurred since the close of the previous financial year.

\*\*During the year under review, Mrs. Anita Surendra Gandhi ceased to be the director of the company w.e.f. August 05, 2023. However, she continues to be a part of the senior management of the company.

### 5) General body meetings

Details of the Annual General Meetings held in the last three years are as under:

Financial Year	Venue	Date	Time
2020- 2021	Meeting held through Video Conferencing ("VC")/ other Audio- Visual Means("OAVM")	25/09/2021	12:30 P.M.
2021-2022	Meeting held through Video Conferencing ("VC")/ other Audio- Visual Means("OAVM")	22/07/2022	12:30 P.M.
2022-2023	Meeting held through Video Conferencing ("VC")/ other Audio- Visual Means("OAVM")	05/08/2023	12:30 P.M.

**Special Resolution/ Postal ballot**

**a) The details of the last three Annual General Meeting(s) of the Company and the Special resolution passed thereat are given below:**

**2021**

1. To re-appoint Mr. Ashok Kumar Jain (DIN: 00184729) as a Managing Director.
2. To appoint Mr. Arpit Jain (DIN: 06544441) as a Joint Managing Director.
3. To re-appoint Mrs. Anita Surendra Gandhi (DIN: 02864338) as a Whole Time Director of the Company.
4. Appointment of Mr. Jitendra Jain as an Independent Director of the company.
5. To Sale or Transfer the whole of Undertaking of Arihant Futures and Commodities Limited (Material Subsidiary / wholly owned Subsidiary) as specified under sub- clause (A) of sub-section (1) of Section 180 of the Companies Act, 2013.
6. To Sale or Transfer the whole of Undertaking of Arihant Lifespace Infra Developers Limited (Material Subsidiary / wholly owned Subsidiary) as specified under sub- clause (A) of sub-section (1) of Section 180 of the Companies Act, 2013.
7. To Sale or Transfer the whole of Undertaking of Arihant Institute of Financial Education Private Limited (Formerly Known as Arihant Investment Advisers Private Limited) wholly owned Subsidiary of the Company as specified under sub- clause (A) of sub-section (1) of Section 180 of the Companies Act, 2013.

**2022**

1. Appointment of Ms. Swanubhuti Jain as an Independent Director of the Company
2. Re-appointment of Mr. Ashish Maheshwari as an Independent Director of the Company.

**2023**

1. Authority to borrow money up to a sum of Rs. 500 crores over and above the paid-up capital, free reserves and securities premium of the company under section 180(1)© of the Companies Act, 2013
2. Create charge over the assets of the company in favor of banks and/or financial institutions for loans borrowed by the company pursuant to section 180(1)(a) of the Companies Act, 2013, up to Rs. 500 crores.
3. To give loans or to give guarantee(ies) or to provide security(ies) or to make investment(s) upto Rs. 100 crores under section 186 of the Companies Act, 2013
4. To consider and approve the issuance of debentures on a private placement basis.
5. To sale or transfer or demerger of the whole of undertaking of Arihant Financial Services Limited (wholly owned subsidiary) as specified under sub-clause (a) of subsection (1) of section 180 of the Companies Act, 2013.
6. To sale or transfer or demerger of the whole of undertaking of Arihant Insurance Broking Services Limited (wholly owned subsidiary) as specified under sub- clause (a) of sub-section (1) of section 180 of the Companies Act, 2013.

**b) Person who conducted the postal ballot exercise**

The Board appointed Mr. Virendra G. Bhatt, Practicing Company Secretary as Scrutinizer to conduct the postal ballot voting process in a fair and transparent manner.

**c) Procedure for Postal Ballot**

The Company followed the procedure for postal ballot as per Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014. The scrutinizer submitted his report to the Chairman stating that the resolution has been duly passed by the Members with the requisite majority.

**6) General shareholder information:**

Details required to be provided in this segment is presented by us as a Separate Section "General Shareholder Information" on page number 59 in the Annual Report.

**7) Means of Communication**

The quarterly, half-yearly and annual results of the Company are put up on the Company's website <https://www.arihantcapital.com/investor-relations> and are being published in English (Free Press) and Hindi language (Choutha Sansar). The auditors' observations/suggestions/qualifications, if any, have been adequately explained wherever in the appropriate notes to accounts and are self-explanatory.

**8) Other Disclosures**

- i. There are no materially significant transactions with its promoters, the directors or the senior management personnel, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company.

The disclosure with respect to related party transactions is provided in the notes on accounts. All contracts with the related parties entered into during the year are in the normal course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length basis at fair market value. The policy on dealing with related party transactions is available on the website of the Company <https://www.arihantcapital.com/investor-relations> as well as disclosed half yearly/yearly on Consolidated Basis on BSE and NSE.

- ii. The Company has complied with the requirements of Stock Exchanges, Securities and Exchange Board of India and other statutory authorities/regulatory on matter relating to capital markets during the last three years however, No penalty has been imposed or show cause notices has been received by the company.
- iii. The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Towards this end, the Company has framed a Whistleblower Policy. No personnel have been denied access to the Audit Committee. The detail Whistleblower policy has been uploaded on the Company's website: <https://www.arihantcapital.com/investor-relations/governance>.
- iv. The Company has formulated a policy on materiality of Related Party Transactions and on dealing with Related Party Transactions. The said Policy is available on the website of the Company <https://www.arihantcapital.com/investor-relations/governance>.
- v. The Company has implemented the mandatory requirements of corporate governance as set out in the listing agreement with stock exchanges.
- vi. The Company has not raised any fund through preferential allotment or qualified institutions placement, hence the disclosure of details of utilization of the fund as specified under Regulation 32(7A) of the Listing Regulations is not applicable.
- vii. The Company has obtained a Certificate from Mr. Virendra G. Bhatt Company Secretaries in practice certifying that none of the Directors on the Board of the Company for the year ended on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/Ministry of Corporate Affairs or any such Statutory Authority
- viii. During the year ended March 31, 2024, the Board accepted all the recommendations of the Committees, which are mandatorily required.
- ix. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to M/s. Dinesh Ajmera & Associates, the Statutory Auditor of the Company for the year ended March 31, 2024, is as follows:

(₹ in lacs)	
• Fees for audit and related services paid to M/s. Dinesh Ajmera & Associates	12.42
• Other fees paid to M/s. Dinesh Ajmera & Associates	1.84

- x. Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
  - No. of Complaints on Sexual Harassment received during year : NIL
  - No. of Complaints disposed off during the Year : Not Applicable
  - No. of cases pending as on end of the Financial Year : Not Applicable
- xi. The details of 'Loans and Advances in the nature of loan to firms/companies in which directors are interested by name and amount' as provided in note no. 9 in the Standalone Balance Sheet.
- xii. **Shareholders' Rights:** As the quarterly and half yearly, financial results are published in the newspapers and are also posted on the Company's website, the same are not being sent separately to the shareholders.
- xiii. The Company's financial statements for the financial year 2023-24 do not contain any audit qualification.
- xiv. The Internal Auditors of the Company make presentations to the Audit Committee on their reports as per the approved audit programmes by the Audit Committee at the beginning of the year on a quarterly basis.
- xv. The Annual tentative calendar of the Board meetings is circulated to the members of the Board, well in advance. The Agenda and other related information on the items in the agenda also provided on time, to enable Board members to take informed decision. The Agenda and related information are circulated in electronic form.
- xvi. The Board also reviewed the declarations made by the Chairman & Managing Director, CFO and the Company Secretary regarding compliance with all applicable laws and reviews the related compliance reports, on quarterly basis.
- xvii. Disclosure of the Compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations are given below:



Regulation	Particulars of regulation	Compliance Status
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders relationship committee	Yes
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes
25	Obligation with respect to Independent Directors	Yes
26	Obligations with respect to employee including Senior Management, key managerial persons, directors and promoters	Yes
27	Other Corporate Governance Requirements	Yes

**9) Code for prevention of insider-trading practices.**

This policy includes policy and procedures for inquiry in case of leak of Unpublished Price Sensitive Information (UPSI) or suspected leak of UPSI.

The Company has instituted a comprehensive code for prevention of Insider Trading, for its directors and designated employees, in compliance with SEBI (Prohibition of insider Trading) Regulations, 2015, as amended from time to time.

**10) Code of conduct for Directors and Senior Management**

Regulation 17(5) of the SEBI Listing Regulations requires listed companies to lay down a code of conduct for its directors and senior management, incorporating duties of directors as laid down in the Act. The Code requires the Directors and employees to act honestly, ethically and with integrity and in a professional and respectful manner. The code of conduct is available on the website of the Company <https://www.arihantcapital.com/investor-relations/governance>.

All Directors and Senior Management Personnel have affirmed compliance with the Code for 2023-24. A declaration to this effect signed by the Chairman & Managing Director is given in this Annual Report.

**11) CEO / CFO certification**

This Certificate Certifies that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs.

As required under Regulation 17 (8) and Regulation 33 (2) (a) of the SEBI (LODR) Regulations, 2015 with the BSE/NSE, the CEO/CFO certificate for the financial year 2023-24 signed by Mr. Ashok Kumar Jain, Chairman and Managing Director and Mr. Uttam Maheshwari, CFO was placed before the Board of Directors at their meeting held on May 21, 2024.

**12) Subsidiary and Material Subsidiary Companies**

● **Subsidiary Companies**

All the subsidiary companies of the Company are managed by their Boards having the rights and obligations to manage these companies in the best interest of respective stakeholders.

The Company ceased the nomination of its representative on the Board of the material subsidiary companies as the subsidiary companies does not fall under the criteria of Materiality.

However, the board monitors the performance of such companies, interalia, by reviewing:

- Financial statements, the investment made by the unlisted subsidiary companies, statement containing all significant transactions and arrangements entered by the unlisted subsidiary companies forming part of the financials being reviewed by the Audit, Risk and Compliance Committee of the Company on a quarterly basis.
- Minutes of the meetings of the unlisted subsidiary companies, if any, are placed before the Company's Board regularly.
- Providing necessary guarantees, letter of comfort and other support for their day-to-day operations from time-to-time.

● **Material Subsidiary Companies**

As required under Regulations 16(1) (c) and 46 of the Listing Regulations, the Board of Directors has approved the Policy on

Determination of Material Subsidiaries ("Policy"). The said policy is available on the website of the Company at <https://www.arihantcapital.com/investor-relations/governance>.

**13) Whistle Blower/Vigil Mechanism**

The Whistle Blower Policy/Vigil mechanism provides a mechanism for the director/employee to report without fear of victimization, any unethical behavior, suspected or actual fraud, violation of the Code of Conduct and instances of leak of Unpublished Price Sensitive Information, which are detrimental to the organization's interest. The mechanism protects whistle blowers from any kind of discrimination, harassment, victimization or any other unfair employment practice. The Company affirms that no employee has been denied access to the Audit Committee.

**14) Compliance certificate**

Certificate from the practicing company secretary confirming the compliance with all the conditions of corporate governance as stipulated in Schedule V (E) of the SEBI (LODR) Regulation, 2015 is enclosed along with this report.

**15) Adoption of Non-Mandatory Requirements**

The Company has adopted discretionary requirements as specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**16) Declaration Affirming Compliance of Code of Conduct**

As provided under Regulation 26(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and senior management personnel have confirmed compliance with the code of conduct for the year ended March 31, 2024.

**For Arihant Capital Markets Limited**

**Date: May 21, 2024**  
**Place: Indore**

**Ashok Kumar Jain**  
**(Chairman & Managing Director)**

**CERTIFICATE ON COMPLIANCE WITH CORPORATE GOVERNANCE**

To  
The Members  
Arihant Capital Markets Limited

We have examined the relevant records of Arihant Capital Markets Limited, for the purpose of certifying compliance with the conditions of Corporate Governance for the year ended 31st March 2024, as stipulated in the SEBI (LODR) Regulation, 2015. ("Listing Regulation"). We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination has been limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said Listing Regulations. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance to the further viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**Place: Indore**  
**Date: 21<sup>st</sup> May, 2024**

**For Ajit Jain & Co.**  
**Company Secretary**

**Ajit Jain**  
**(Proprietor)**  
**FCS No.: 3933; C P No.: 2876**  
**UDIN : F003933F000406027**  
**Peer Review Certificate No.: 767/2020**  
**PCS Unique ID No.: S1998MP023400**

**CEO/CFO CERTIFICATE**

To  
**The Board of Directors,  
Arihant Capital Markets Limited  
Indore (M.P.)**

We the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Arihant Capital Markets Limited ("the Company") to the best of our knowledge and belief certify that:

- a. We have reviewed financial statements for the quarter and year ended March 31, 2024 and that to the best of our knowledge and belief, we state that:
  - I. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
  - II. these statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, no transactions are entered into by the Company during the period, which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We are responsible for establishing and maintaining internal controls over financial reporting and that we have evaluated the effectiveness of internal control systems pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit committee:
  - I. significant changes, if any, in internal control over financial reporting during the quarters and year;
  - II. significant changes, if any, in accounting policies during the quarter and year ended March 31, 2024 the same have been disclosed in the notes to the financial statements; and
  - III. Instance of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Indore  
Date: May 21, 2024

**Uttam Maheshwari**  
CFO

**Ashok Kumar Jain**  
Chairman and MD

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
**Arihant Capital Markets Limited**  
6, Lad Colony Y.N. Road, Indore,  
Madhya Pradesh, India, 452001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Arihant Capital Markets Limited** (hereinafter referred to as "the Company"), having CIN: L67120MP1992PLC007182 and having registered office at 6, Lad Colony Y.N. Road, Indore, Madhya Pradesh, India, 452001, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2024 have been disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs:

Sr. No.	Name of the Directors	DIN	Date of Appointment at current Designation	Original Date of Appointment
1	Ashok Kumar Jain	00184729	25/06/1992	25/06/1992
2	Sunil Kumar Jain	00184860	25/06/1992	25/06/1992
3	Arpit Jain	06544441	25/09/2021	25/01/2021
4	Jitendra Jain	08377285	25/09/2021	14/06/2021
5	Swanubhuti Jain	09006117	23/07/2022	25/04/2022
6	Ashish Maheshwari	00185949	09/09/2017	27/05/2017

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 06/05/2024  
Place: Mumbai

**Virendra G. Bhatt**  
Practicing Company Secretary  
ACS No.: 1157 / COP No.: 124  
Peer Review Cert. No.: 1439/ 2021  
UDIN: A001157F000312237

### GENERAL SHAREHOLDER'S INFORMATION

1. **Date and Time of 32<sup>nd</sup> AGM** September 28, 2024, 11:30 A.M.
2. **Venue of Annual General Meeting (AGM)** The 32<sup>nd</sup> Annual General Meeting (AGM) of the Company will be held on Saturday, the 28<sup>th</sup> day of September, 2024 at 11:30 A.M. The Company is conducting AGM through VC/OAVM in compliance with the applicable provisions of the Companies Act, 2013 and MCA General Circular No. 14/2020, dated 08th April, 2020, MCA General Circular No. 17/2020, dated 13th April, 2020, MCA General Circular No. 20/2020, dated 5th May, 2020, MCA General Circular No. 02/2021 and as such there is no requirement to have a venue for the AGM.
3. **Date(s) of Book Closure** 22.09.2024 to 28.09.2024 (both days inclusive)
4. **Financial Calendar**  
**Financial Results for\* -**  
Quarter ending June 30, 2024 Second week of August, 2024  
Quarter ending September 30, 2024 Second week of November, 2024  
Quarter ending December 31, 2024 Second week of February, 2025  
Year ending March 31, 2025 Last week of May, 2025  
\*tentative dates
5. **Financial Year** April 01, 2024 to March 31, 2025
6. **Dividend Payment Date** On or after October 03, 2024
7. **Listing of Equity Shares on the Stock Exchange at** The BSE Limited  
P.J. Towers, Dalal Street,  
Mumbai -400001  
National Stock Exchange of India Ltd.  
Exchange Plaza, Plot no. C/1, G Block,  
Bandra-Kurla Complex Bandra (E)  
Mumbai - 400 051.
8. **CIN of the Company** L66120MP1992PLC007182
9. **Security Code** 511605 (BSE) ARIHANTCAP (NSE)
10. **ISIN** INE420B01036
11. **Stock Market Data:** Monthly high and low stock price along with volumes of equity shares traded on BSE and NSE for the FY 2023-24 is given below:

### BSE LIMITED

Month	High (Rs)	Low (Rs)	Volume (In Lacs)
April 2023	44.41	38.17	2.01
May 2023	41.00	34.74	1.25
June 2023	42.30	34.10	3.49
July 2023	52.40	35.75	4.54
August 2023	60.44	48.34	7.89
September 2023	73.40	54.10	7.91
October 2023	81.50	63.30	7.81
November 2023	75.05	65.70	2.08
December 2023	79.00	67.05	4.97
January 2024	76.89	66.30	8.97
February 2024	84.30	64.79	11.36
March 2024	67.82	48.90	7.19

### NSE LIMITED

Month	High (Rs)	Low (Rs)	Volume (In Lacs)
April 2023	44.95	38.15	15.69
May 2023	41.00	34.80	10.35
June 2023	42.35	34.25	23.12
July 2023	52.00	37.60	75.03
August 2023	60.00	48.40	93.91
September 2023	73.40	54.20	169.39
October 2023	81.00	63.10	101.75
November 2023	74.95	65.60	44.71
December 2023	79.00	67.20	98.62
January 2024	76.80	67.25	112.58
February 2024	84.35	64.60	163.09
March 2024	67.90	49.20	85.94



**12. Distribution schedule as on March 31, 2024**

Shareholding of Nominal value of Rs.	No. of Shareholders	% of Total Holders	Share Amount in Rs.	% of Total Equity
UPTO 1000	15175	83.84	3113345	2.99
1001 2000	1073	5.93	1655538	1.59
2001 3000	459	2.54	177326	1.13
3001 4000	423	2.34	1423845	1.37
4001 5000	245	1.35	1161420	1.12
5001 10000	370	2.04	2766217	2.66
10001 20000	172	0.95	2504642	2.41
20001 30000	62	0.34	1535799	1.48
30001 40000	30	0.17	1014754	0.98
40001 50000	19	0.11	875797	0.84
50001 100000	40	0.22	2982962	2.87
100001 ABOVE	31	0.17	83901155	80.59
<b>Total</b>	<b>18099</b>	<b>100</b>	<b>104112800</b>	<b>100</b>

**13. Dematerialization of Shares**

About 98.92 per cent of Company's paid-up equity share capital has been dematerialized up to March 31, 2024

**14. Foreign Exchange Risk and Hedging Activities**

Not Applicable

**15. Dematerialized at NSDL & CDSL**

Physical

102996600
1116200

**16. Shareholding Pattern as on March 31, 2024**

Category	No. of Shares Held	% of Shareholding
Promoters & Promoters Group	7,26,80,160	69.81
Foreign Portfolio Investors	1,91,967	0.18
Corporate Bodies	12,72,566	1.22
Indian Public	2,66,26,533	25.57
NRI / OCB	2,90,818	0.28
Others – Clearing Members	2,44,254	0.23
HUF	12,41,962	1.19
IEPF	15,64,540	1.50
<b>TOTAL</b>	<b>10,41,12,800</b>	<b>100.00</b>

**11. Share Transfer System & Dematerialization**

Shares received for transfer in physical form are processed and the share certificates are returned within 7 days from the date of receipt, subject to documents being valid and complete in all respects. In case no response is received within 15 days of lodging the transfer request, the lodger should write to the Company or the registrar with the full details, so that necessary action can be taken to safeguard the interest of the investor. The Company also obtains a certificate of compliance with the share transfer and other related formalities within the stipulated time period, from a Practicing Company Secretary, as required under Regulation 40(9) of the SEBI Listing Regulations and files a copy of the same on half yearly basis with the Bombay Stock Exchange and National Stock Exchange of India Limited.

A summary of all the transfers, transmissions, issue of duplicate share certificate requests, deletion requests, etc. are placed at every board meeting/ stakeholders Relationship Committee from time to time for their review.

Shareholders who wish to get their physical shares dematerialized should approach to their Depository Participant (DP) where they have a demat account. On receipt of demat request form (DRF) and share certificates by the Company/registrar, the dematerialization request is processed and the shares are, thereafter, credited in demat account of the shareholder.

**18. Investor Correspondence/Query**

**A Investor Correspondence**

For transfer / dematerialization of shares, payment of dividend, for shares held in physical form and any other query relating to the shares of the Company please contact:

Registrar and Share Transfer Agent:  
Ankit Consultancy Private Limited,  
Plot No. 60, Electronic Complex,  
Pardeshipura, Indore (M.P.)  
T. +91-731-2551745-46  
F. +91-731-4065798

**For shares held in demat form**

To the depository participant

**B Any other matters and unsolved complaints**

Company Secretary  
Arihant Capital Markets Limited  
6, Lad Colony Y.N. Road, Indore - 452001, (M.P.)  
Telephone No. : 731- 4217261  
Fax No. : 731-4217199  
Email: mahesh.pancholi@arihantcapital.com

**Notes:**

- I. Annual listing fee for the Year 2024-25 has been paid to the BSE Limited and NSE Limited, Mumbai.
- II. Annual Custody Fee for the Year 2024-25 has been paid to NSDL and CDSL.
- III. Distribution schedule and Shareholding Pattern as on March 31, 2024.
- IV. During the Financial Year 2022-23, the Company has credited Rs. 3,88,579/- lying unpaid /unclaimed in the dividend account (2015-16) to the Investor Education & Protection Fund pursuant to Section 125(1) of the Companies Act, 2013. The Company shall be transferring the unclaimed/unpaid dividend amount for the financial year 2016-17, to the Investor Education and Protection Fund in term of the provisions of the Companies Act, 2013. The details of unclaimed/unpaid dividend are also available on the MCA and also on website of the Company.
- V. The Company has also uploaded the details of unpaid/unclaimed amounts lying with the company as on August 05, 2024 (date of last Annual General Meeting) on the MCA website under the provision of IEPF (uploading of information regarding unpaid and unclaimed amount lying with the companies) Rules, 2012.
- VI. Securities & Exchange Board of India (SEBI) vide its circular SEBI/HO/MIRSDMIRSD\_RTAMB/P/CIR/2021/655 dated November 03, 2021 and circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated December 14, 2021 as made it mandatory to furnish PAN, email address, mobile number, bank account details and nomination by holders of Physical Securities. In this regard individual letters are sent to all the physical Shareholders. You are requested to furnish Valid PAN, KYC and nomination immediately to the RTA. You are requested to kindly check the website for more details.

- VII. Nomination: Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.
- VIII. Electronic Clearing Service: The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividends. Dividend will be credited to the Member's bank account through NECS wherever complete core banking details are available with the company. In cases where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors. The Company complies with the SEBI requirement. NECS form is attached to the Notice, if not provided.
- IX. The Company's financial results and official press releases are displayed on the Company's website [www.arihantcapital.com](http://www.arihantcapital.com).
- X. The financial statements, shareholding pattern, quarterly compliances and other relevant corporate communication are filed with Bombay Stock Exchange Limited and National Stock exchange of India Limited electronically through BSE Listing Centre and NEAPS.
- XI. In case of loss /misplacement of share certificates, investors should immediately lodge a FIR/Complaint with the police and inform the Company /Registrar and Share Transfer Agent along with a copy of FIR /acknowledge copy of complaint.
- XII. We solicit suggestion for improving our investor services.

## Business Responsibility and Sustainability Report (BRSR)

### SECTION A - GENERAL DISCLOSURES

#### I. Details of the listed entity

- |  |  |
|--|--|
| <b>1 Corporate Identity Number (CIN) of the Listed Entity</b>  | - L67120MP1992PLC007182  |
| <b>2 Name of the Listed Entity</b>   | - ARIHANT CAPITAL MARKETS LIMITED  |
| <b>3 Year of incorporation</b>   | - 25/06/1992   |
| <b>4 Registered office address</b>   | - 6, Lad Colony Y.N Road, Indore – 452001 (MP)   |
| <b>5 Corporate address</b>   | - 1011, Solitaire Corporate Park, Building No. 10, 1 <sup>st</sup> Floor, Chakala, Andheri (East), Mumbai – 400093   |
| <b>6 E-mail</b>  | - <a href="mailto:contactus@arihantcapital.com">contactus@arihantcapital.com</a>   |
| <b>7 Telephone</b>   | - 07314217100  |
| <b>8 Website</b>   | - <a href="http://www.arihantcapital.com">www.arihantcapital.com</a>   |
| <b>9 Financial year for which reporting is being done</b>  | - 2023-2024  |
| <b>10 Name of the Stock Exchange(s) where shares are listed</b>  | - The Bombay Stock Exchange India Limited and National Stock Exchange of India Ltd.  |
| <b>11 Paid-up Capital</b>  | - Rs. 104112800  |
| <b>12 Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report</b> | - Mr Mahesh Pancholi (Company Secretary),<br>Email: <a href="mailto:mahesh.pancholi@arihantcapital.com">mahesh.pancholi@arihantcapital.com</a> ,<br>Ph: 0731-4217261 |
| <b>13 Reporting boundary</b>   | - Disclosures made in this report are on a standalone basis  |
| <b>14 Name of assurance provider</b>   | - Ekobon Technologies LLP  |
| <b>15 Type of assurance obtained</b>   | - Not Applicable   |

#### II. Products/services

##### 16 Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Broking and Financial Service	Financial Advisory, Brokerage and Consultancy Services	75%

##### 17 Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Broking	66120	75%
2	Merchant Banking and Distribution of Financial Products	66120	25%

#### III. Operations

##### 18 Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	Not Applicable	25	25
International	Not Applicable	0	0

##### 19 Markets served by the entity:

###### a. Number of locations

Location	Number
National (No. of States)	The Company has offices in 10 states
International (No. of Countries)	Nil

- b. What is the contribution of exports as a percentage of the total turnover of the entity? - Nil
- c. A brief on types of customers - Arihant Capital is a comprehensive, technology-driven securities firm offering a diverse portfolio of financial services. Our offerings encompass retail and institutional broking, financial product distribution, private wealth management, and issuer and advisory services. We proudly serve a wide array of clients, including resident and non-resident individuals, Hindu Undivided Families (HUFs), and corporate entities.

#### IV. Employees

##### 20 Details as at the end of Financial Year:

##### a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	277	213	76.90	64	23.10
2.	Other than Permanent (E)	64	43	67.19	21	32.81
3.	<b>Total employees (D + E)</b>	<b>341</b>	<b>256</b>	<b>75.07</b>	<b>85</b>	<b>24.93</b>

##### b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	0	0	0	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	<b>Total differently abled employees (D + E)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Note: The Company does not have any workers as defined in the guidance note on BRSR issued by the SEBI.

##### 21 Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	1	12.50%
Key Management Personnel	2	0	0.00%

**Note** : Only Chief Financial Officer & Company Secretary are considered under the category of Key Management Personnel, as Managing Director, Whole-time Directors and Chief Executive Officer are covered under the category of the Board of Directors.

##### 22 Turnover rate for permanent employees (Disclose trends for the past 3 years)

Particulars	FY (Turnover rate in current FY)			FY (Turnover rate in previous FY)			FY (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Permanent Employees</b>	19.41%	25.06%	20.82%	17.20%	16.00%	16.70%	20.20%	18.50%	19.23%

\* includes all employees except those on probation

##### V. Holding, Subsidiary and Associate Companies (including joint ventures)

##### 23 Names of holding / subsidiary / associate companies / joint ventures

S. no	Name of the holding/subsidiary/ associate companies/joint ventures (A)	Indicate whether Holding/Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Arihant Futures & Commodities Limited	Subsidiary	100%	No
2	Arihant Financial Services Limited	Subsidiary	100%	No
3	Arihant Insurance Broking Services Limited	Subsidiary	100%	No
4	Arihant Capital (IFSC) Limited	Subsidiary	100%	No
5	Electrum Capital Private Limited (Formerly Known as Electrum Investment Managers Limited)	Associate	27.23%	No

**Note:** The company sold its entire shareholding in wholly owned subsidiary Arihant Institute of Financial Education Private Limited (Formerly Known as Arihant Investment Advisers Private Limited) during the year.

##### VI. CSR Details

##### 24 CSR Details:

- (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
- (ii) Turnover (Rs. In Lakhs.)- 22936.74
- (iii) Net worth (Rs. In Lakhs.)- 29354.14



**VII. Transparency and Disclosures Compliances**

**25 Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2023-2024 Current Financial Year			FY 2022-2023 Previous Financial Year			
		(If Yes, then provide web-link for grievance redress policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	If the stakeholders have any grievances, they can contact Mr. Mahesh Pancholi (Company Secretary) at <a href="mailto:maresh.pancholi@arihantcapital.com">maresh.pancholi@arihantcapital.com</a>		0	0	NA	0	0	NA
Investors (other than shareholders)			0	0	NA	0	0	NA
Shareholders			7	0	Resolved	9	0	Resolved
Employees and workers			0	0	NA	0	0	NA
Customers			54	0	Resolved	3	0	Resolved
Value Chain Partners			0	0	NA	3	0	Resolved
Other (please specify)			0	0	NA	0	0	NA

**Note:** The Company has constituted a Stakeholders Relationship Committee for redressal of grievances of its security holders. In addition, the Company has framed Vigil Mechanism/Whistle Blower Policy to enable directors and employees to report genuine concerns or grievances, significant deviations from key management policies and reports of any non-compliance and wrong practices, e.g., unethical behavior, fraud, violation of law, inappropriate behavior/conduct etc.

**26 Overview of the entity's material responsible business conduct issues**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Privacy and Data Security	Opportunity & Risk	As the financial sector increasingly embraces digitization, new risks and opportunities in data security and privacy emerge. Arihant Capital understands the critical importance of protecting customer data and managing cybersecurity risks effectively. Similarly, Arihant Capital implements rigorous security protocols, which include engaging ethical hackers and maintaining a proactive incident response strategy, to ensure the integrity and safety of customer information.	Regarding information technology/cybersecurity risk, the company has developed rules that outline thresholds, mitigation tactics, and internal controls. To defend the organization's cyberspace from cyber-attacks, risks, and vulnerabilities, policies for information security management and cyber security and cyber resilience are in place. The organisation has a Personal Data Protection Standard that seeks to instill a culture of data protection responsibility within Arihant Capital and raise employee understanding of data protection, acceptable data handling procedures, and relevant regulations pertaining to personal data.	<b>Positives</b> include easier business process automation, higher stakeholder credibility and confidence, better data management, and brand reputation protection. <b>Negative:</b> Privacy and data security breaches.
2	Community and Social Impact	Opportunity	<b>Opportunity:</b> Arihant Capital has a long history of dedication to corporate social responsibility (CSR). The goal of our organisation is to assist significant socioeconomic sustainable development and make it possible for more individuals to take part in and profit from the nation's economic growth. According to the company's stated CSR philosophy, it supports the causes of skill-development training for sustainable livelihood, healthcare, including preventive healthcare, women's empowerment, senior citizen welfare, and contribution to incubators for fostering an entrepreneurial culture through the incubation of new ventures/start-ups that may create livelihood opportunities, new products/services, and foster financial inclusion.	NA	<b>Positive Outcome:</b> Through increased community engagement, Arihant Capital enhances its reputation and supports sustainable development, solidifying its position as a responsible corporate leader.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Human Capital	Opportunity & Risk	<p><b>Opportunity:</b> We continually invest in the growth and development of our personnel and their alignment with the company's growth strategy since human capital is one of our most important strategic imperatives.</p> <p><b>Risk:</b> Because there is a great demand for qualified personnel, it is essential to continually spend in training newer employees so they are prepared for the workplace while also automating and streamlining operations.</p>	<p>The Company fosters a meritocratic, transparent, and equal opportunity culture. We provide growth and development opportunities to high-performing employees, investing in key talent to advance digital initiatives and deliver equitable products and processes to our customers. We are committed to promoting learning and development, supporting performance, encouraging career growth, and enhancing engagement, diversity, and inclusion in the workplace.</p> <p>Additionally, the Company has a grievance redressal mechanism to address employee concerns and has developed a comprehensive wellness program that enhances physical, emotional, social, and financial well-being while promoting work-life balance.</p>	<p><b>Positive Outcome:</b> By attracting and retaining top talent, Arihant Capital fosters expansion and growth, establishing itself as an employer of choice and a leader in innovation.</p> <p><b>Negative:</b> High attrition risks cause pay inflation and continuity losses.</p>
4	Systemic Risk Management	Opportunity & Risk	<p>Arihant Capital recognizes effective risk management as crucial for achieving business goals and delivering long-term value. The Company is poised to enhance its ESG integration and risk management frameworks to adapt to emerging risks efficiently</p>	<p>Arihant Capital maintains robust risk management practices and a proactive Risk Management Committee, ensuring the company's preparedness and resilience against emerging risks and compliance with its Risk Management Policy</p>	<p><b>Positive Outcome:</b> Strengthened risk management boosts the company's resilience and reliability, enhancing stakeholder confidence and safeguarding stakeholder value.</p>

Section B: Management and Process Disclosures										
The National Guidelines for Responsible Business Conduct (NGRBCs) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:										
Disclosure Questions										
Policy and management processes										
		P	P	P	P	P	P	P	P	P
		1	2	3	4	5	6	7	8	9
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Yes, Policies wherever stated have been approved by the Board/Committee of the Board/Senior Management of the Company								
	c. Web Link of the Policies, if available	The Corporate policies of the Company can be viewed at weblink <a href="https://www.arihantcapital.com/investor-relations/esg">https://www.arihantcapital.com/investor-relations/esg</a>								
2	Whether the entity has translated the policy into procedures. (Yes/No)	Yes, The policies have been approved and adopted by the Board and relevant Internal Committees. They are implemented and periodically reviewed, with appropriate measures in place to oversee their execution.								
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	No, While other business partners of the Company do not directly participate in the Company's Business Responsibility (BR) initiatives, the Company actively encourages its external wealth managers, suppliers, and distributors to engage in these initiatives wherever possible. The Company also promotes the adoption of fair business practices among these partners to ensure responsible and ethical operations.								
4	Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The policies adopted by the Company are in conformity with the applicable statutes/guidelines/policies/rules and regulations etc. issued by the Government of India. These policies were formulated, keeping in view industry practices and standards. The company has obtained ISO 9001:2015 certification								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	While certain policies do not prescribe mandatory targets, pledges, or formal review procedures, we have established robust systems to monitor key factors. These include tracking shareholder complaints, conducting staff satisfaction surveys, and monitoring resource consumption such as water, paper, and electricity.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	We systematically track key parameters outlined in our policies and record the outcomes for continuous learning and development. This process enables us to refine and enhance our policies. In cases where specific commitments, goals, or targets are not met, the insights gained are utilized to drive improvements.								



<b>Governance, leadership and oversight (listed entity has flexibility regarding the placement of this disclosure)</b>										
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements: At the forefront of our priorities is the commitment to conducting business in an ethical and sustainable manner. We actively engage with all our stakeholders in ongoing discussions about key Environmental, Social, and Governance (ESG) issues. Among the most critical areas we focus on are our environmental footprint, efficient and transparent customer service, corporate governance, risk management, human capital development, and community engagement.  Our ESG Executive Forum, along with our highly qualified and diverse Board of Directors, provides vigilant oversight of the company's ESG strategy and performance. We have instituted several key initiatives, including the implementation of a Comprehensive Code of Conduct and Business Ethics, the cultivation of a robust risk culture, and the digitization of our business operations. Additionally, we have launched innovative products, made strategic investments in cybersecurity and information security, and introduced policies focused on employee welfare. We are also committed to resource monitoring and have set specific goals aimed at reducing electricity consumption.									
8	Mrs. Shruti Jain, the Chief Sustainability Officer (CSO), is the highest authority responsible for the implementation and oversight of the Business Responsibility policies. In her role, Mrs. Jain, supported by the ESG Executive Forum, ensures that all Business Responsibility initiatives are seamlessly integrated into the company's strategic framework. She is responsible for the regular monitoring, evaluation, and reporting on the progress of these policies, ensuring they align with our sustainability goals and regulatory requirements.									
9	No, The entity does not have a specified committee of the Board responsible for decision-making on sustainability-related issues. However, sustainability-related decisions are overseen by the Chief Sustainability Officer (CSO), Mrs. Shruti Jain, who leads the efforts in this area. Mrs. Jain is responsible for integrating sustainability considerations into the company's operations and ensuring that our sustainability strategies align with the company's long-term goals and regulatory requirements.									
10	<b>Details of Review of NGRBCs by the Company:</b>									
	<table border="1"> <thead> <tr> <th>Subject for Review</th> <th>Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee</th> <th>Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)</th> </tr> </thead> <tbody> <tr> <td>Performance against above policies and follow up action</td> <td>Company policies have been formally adopted by the Board, its committees, and senior management. These policies are periodically reviewed in accordance with the frequency specified within each policy or as needed, whichever occurs first. During these reviews, all aspects of the policies, including compliance with legislative requirements, are carefully examined, and necessary revisions are made to ensure they remain current and effective.</td> <td></td> </tr> <tr> <td>Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances</td> <td>The Company has necessary procedures in place to ensure the compliance with all relevant regulations.</td> <td></td> </tr> </tbody> </table>	Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)	Performance against above policies and follow up action	Company policies have been formally adopted by the Board, its committees, and senior management. These policies are periodically reviewed in accordance with the frequency specified within each policy or as needed, whichever occurs first. During these reviews, all aspects of the policies, including compliance with legislative requirements, are carefully examined, and necessary revisions are made to ensure they remain current and effective.		Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company has necessary procedures in place to ensure the compliance with all relevant regulations.	
Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
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Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company has necessary procedures in place to ensure the compliance with all relevant regulations.									
11	<p>The processes and compliances are subject to audits and inspections as applicable. Policies are reviewed periodically by the respective departments, committees, and the Board, and are updated accordingly. Updated policies, with changes recommended by the management, are placed before the Committee/Board for approval as applicable. An internal assessment of the working of the policies is conducted periodically by the respective departments.</p> <p>Additionally, the Company's Internal Auditors and Statutory Auditors regularly review the management processes and policies as part of their audit process. They present their observations to the Board, Committees, Management, and other approving authorities and track the implementation of suggested changes as part of their review.</p> <p>Furthermore, Ekobon Technologies LLP is currently in the process of conducting an independent evaluation of the company's policies.</p>									

12	If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9																								
	<table border="1"> <thead> <tr> <th>Questions</th> <th>P 1</th> <th>P 2</th> <th>P 3</th> <th>P 4</th> <th>P 5</th> <th>P 6</th> <th>P 7</th> <th>P 8</th> <th>P 9</th> </tr> </thead> <tbody> <tr> <td>The entity does not consider the Principles material to its business (Yes/No)</td> <td colspan="9" rowspan="5">Not Applicable</td> </tr> <tr> <td>The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)</td> </tr> <tr> <td>The entity does not have the financial or/human and technical resources available for the task (Yes/No)</td> </tr> <tr> <td>It is planned to be done in the next financial year (Yes/No)</td> </tr> <tr> <td>Any other reason (please specify)</td> </tr> </tbody> </table>	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	The entity does not consider the Principles material to its business (Yes/No)	Not Applicable									The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	The entity does not have the financial or/human and technical resources available for the task (Yes/No)	It is planned to be done in the next financial year (Yes/No)	Any other reason (please specify)									
Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9																									
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable																																	
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)																																		
The entity does not have the financial or/human and technical resources available for the task (Yes/No)																																		
It is planned to be done in the next financial year (Yes/No)																																		
Any other reason (please specify)																																		

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

**ESSENTIAL INDICATORS**

**1 Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	2	Orientation session on roles and responsibilities to explore further growth opportunities Corporate governance and business orientation sessions provide essential guidance for understanding organizational practices and strategic direction.	100
Key Managerial Personnel	4	Programmes involve function of product development, marketing and distribution Talent and Leadership competency orientation session	100
Employees other than BoD and KMPs	13	<p><b>Theme 1: Customer Service and Sales Training:</b></p> <ul style="list-style-type: none"> <li>Client Interaction: Techniques for effective client communication, understanding client needs, and providing tailored investment advice.</li> <li>Sales Skills: Strategies for upselling and cross-selling brokerage products and services.</li> <li>Client Relationship Management: Building and maintaining strong relationships with clients through regular updates and personalized service.</li> </ul> <p><b>Theme 2: Regulatory and Compliance Training</b></p> <p>POSH (Prevention of Sexual Harassment): Comprehensive training provided to employees on the prevention of sexual harassment, ensuring a safe and respectful workplace environment. Fire Safety: Training on fire safety protocols and emergency procedures to enhance workplace safety and preparedness.</p>	100
Workers			Not Applicable



**2 Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):-**

Not Applicable

**3 Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

**4 Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, the Company has an anti-corruption and anti-bribery policy, which you can review at [www.arihantcapital.com/investor-relation/governance](http://www.arihantcapital.com/investor-relation/governance).

**5 Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

Particulars	FY 2023-24	FY 2022-23
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	NA	NA

**6 Details of complaints with regard to conflict of interest:**

Particulars	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

**7 Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest**

Not Applicable

**8 Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:**

Particulars	FY 2023-24	FY 2022-23
Number of days of accounts payables	10.84	9.28

**Note:** Due to the nature of business, the days of accounts payable is estimated by dividing the total trade payable (excluding towards client payables) by the total other expenses.

**9 Open-ness of business**

**Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the following format:**

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	Purchases from trading houses as % of total purchases	NA	NA
	Number of trading houses where purchases are made from	NA	NA
	Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	Sales to dealers / distributors as % of total sales	NA	NA
	Number of dealers / distributors to whom sales are made	NA	NA
	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	NA	NA
Share of RPTs in	Purchases (Purchases with related parties / Total Purchases)	NA	NA
	Sales (Sales to related parties / Total Sales)	NA	NA
	Loans & advances (Loans & advances given to related parties / Total loans & advances)	-	-
	Investments ( Investments in related parties / Total Investments made)	40.34%	29.44%

**LEADERSHIP INDICATORS**

**1 "Awareness programmes conducted for value chain partners on any of the Principles during the financial year:"**

During the year under review, the Company has conducted various awareness programmes to its value chain partners including franchise, investors, distributors, dealers, clients, etc. The Company also conducts regular product training for its distributors.

**2 Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

"Yes, the Company has established a Code of Conduct for its Directors and Senior Management to ensure that personal interests do not conflict with the Company's interests or impair their ability to fulfill their duties. This Code is available on the Company's website and can be accessed at [www.arihantcapital.com](http://www.arihantcapital.com). Additionally, the Company has formulated a Policy on Materiality and Dealing with Related Party Transactions to provide guidelines on identifying related party transactions. This policy is also available on the Company's website at [www.arihantcapital.com](http://www.arihantcapital.com). Furthermore, in accordance with Regulation 26 of the Listing Regulations, Senior Management Personnel have confirmed to the Board of Directors that there are no material financial or commercial transactions where they have a personal interest that could potentially conflict with the interests of the Company.

**PRINCIPLE 2 : Businesses should provide goods and services in a manner that is sustainable and safe**

**ESSENTIAL INDICATORS**

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

The majority of Capex investments were made in information technology due to the nature of the company's industry. In order to support the Company's digital objectives, investments were made as an addition to capital assets in the form of IT infrastructure, including hardware and software. The proportion of the Company's total addition to fixed assets that was spent on R&D and capital expenditures related to information technology was 56.6% in FY 2024 (compared to 44.3% in FY 2023).

Particulars	FY 2023-24 ( ₹ in lacs)	FY 2022-23 ( ₹ in lacs)
R&D	27.30	Nil
Capex	112.20	180.16

2. **a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**  
As a service-oriented entity in the stock broking industry, we have established procedures to ensure that our sourcing of services and partnerships aligns with sustainable practices. Under the leadership of Mrs. Shruti Jain, the Chief Sustainability Officer (CSO), we prioritize ESG considerations in our vendor selection and partnership processes. Mrs. Jain oversees these practices, ensuring that our operations and collaborations contribute to long-term sustainability and responsible business conduct in the financial services sector.

**b. If yes, what percentage of inputs were sourced sustainably?**

While the Company is not involved in any manufacturing activity, and therefore, sustainable sourcing in the traditional sense is not applicable, we do take various initiatives to ensure responsible sourcing practices. The Company's primary material requirements pertain to office infrastructure, administration, and Information Technology-related equipment and services. Despite the limited procurement needs, under the leadership of Mrs. Shruti Jain, the Chief Strategy Officer (CSO), we emphasize ESG considerations in our sourcing decisions. This approach ensures that even our minimal procurement activities align with our commitment to sustainability and responsible business practices.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

The Company primarily generates municipal waste, which is collected daily by the municipal corporation. In line with our eco-friendly policies, we discourage the use of plastic packaging and actively promote sustainable, eco-friendly packaging alternatives. For the disposal of e-waste, the Company engages with certified e-waste handlers to ensure that electronic waste is responsibly managed and recycled. As a service-oriented business, the Company does not generate hazardous waste or any other significant types of waste. Our commitment to environmental responsibility is evident in our efforts to minimize waste generation and uphold sustainable practices across our operations.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Not Applicable

**LEADERSHIP INDICATORS**

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

The Company is engaged in the business of broking (institutional and retail) including allied services, distribution of financial products and advisory services and is not involved in manufacturing or selling of tangible products. Life Cycle Perspective/Assessments (LCA) of products is not applicable.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same -**

Not Applicable

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Nil

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	The company condemns the use of plastic bags. Instead the company promotes the use of eco-friendly modes of packaging. Hence, the company does not generate any plastic waste.					
E-waste	e-Wastes are outsourced to vendor which disposes off the wastes as per proper waste disposal mechanism. This process ensures that electronic waste is handled in an environmentally friendly and safe manner, reducing the risk of pollution and health hazards.					
Hazardous waste	Our services do not involve producing or disposing hazardous waste of any kind. Hence this is not applicable to the Company.					
Other waste	The Company generates municipal waste, which is collected daily by the municipal corporation. In alignment with our environmental policies, we ensure that waste management is handled responsibly, minimizing our environmental impact through proper disposal practices.					

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**  
Not Applicable

**PRINCIPLE 3 : Businesses should respect and promote the well-being of all employees, including those in their value chains**

**ESSENTIAL INDICATORS**

1

**a. Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent employees</b>											
Male	256	213	83%	213	83%	0	0%	0	0	0	0
Female	85	64	75%	64	75%	85	100%	0	0	0	0
Total	341	277	81%	277	81%	85	25%	0	0	0	0
<b>Other than Permanent employees</b>											
Male	43	43	100%	43	100%	0	0	0	0	0	0
Female	21	21	100%	21	100%	21	100%	0	0	0	0
Total	64	64	100%	64	100%	21	33%	0	0	0	0

**b. Details of measures for the well-being of workers:**

Category	% of Workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent Workers</b>											
Male	Not Applicable										
Female											
Total											
<b>Other than Permanent Workers</b>											
Male	Not applicable										
Female											
Total											

**c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –**

Parameter	FY 2023-24	FY 2022-23
Cost incurred on well- being measures as a % of total revenue of the company	0.16%	0.28%

**2 Details of retirement benefits, for Current Financial Year and Previous Financial Year.**

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. Of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	48.39%	NA	Y	52%	NA	Y
Gratuity	98		Y	98%		Y
ESIC	23.46%		Y	31%		Y
Others – please	0		NA	0%		NA

**3 Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes

**4 Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy**

The company believes in equal opportunities for specially abled people. But the company does not have any policy in its place.

**5 Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	0	0	NA	
Female	0.01	100%		
Total	0.01	100%		

**6 Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

Particulars	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	NA
Other than Permanent Workers	NA
Permanent Employees Other than Permanent Employees	At Arihant Capital, we are committed to fostering a workplace that upholds dignity, respect, and ethical conduct, ensuring a safe and inclusive environment for all employees. Our grievance redressal process includes a comprehensive Vigil Mechanism and Whistle Blower Policy, fully compliant with the 'Listing Regulations,' which offers robust protection against retaliation for employees, directors, or any individuals who report inappropriate behavior under this policy.  Arihant Capital's employee grievance redressal mechanism is specifically designed to address complaints efficiently, particularly those related to discrimination, harassment, workplace bullying, and retaliation. Employees are encouraged to report actual or suspected violations via email to the HR department.  Moreover, the Company has implemented a Prevention, Prohibition, and Redressal of Sexual Harassment at the Workplace (POSH) policy, in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Our grievance policies and the vigil mechanism details can be accessed at <a href="http://www.arihantcapital.com">www.arihantcapital.com</a>

**7 Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY 2023-24			FY 2022-23		
	Total employee s/workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. Of employees/workers in respective category, who are part of association(s) or Union (D)	% (D / C)
<b>Total Permanent Employees</b>	There is no employee association. However, mechanisms are in place for employees to represent their issues, if any, and the same are resolved amicably.					
Male						
Female						
<b>Total Permanent Workers</b>						
Male						
Female						

**8 Details of training given to employees and workers:**

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (A)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (B)	% (B / A)	No. (C)	% (C / A)
<b>Employees</b>										
Male	256	256	100%	256	100%	205	205	100%	205	100%
Female	85	85	100%	85	100%	87	87	100%	87	100%
Total	341	341	100%	341	100%	292	292	100%	292	100%
<b>Workers</b>										
Male	NA									
Female										
Total										

**9 Details of performance and career development reviews of employees and worker:**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B / A)	Total (A)	No. (B)	% (B / A)
<b>Employees</b>						
Male	256	256	100%	205	205	100%
Female	85	85	100%	87	87	100%
Total	341	341	100%	292	292	100%
<b>Workers</b>						
Male	NA					
Female						
Total						



**10 Health and safety management system:**

**a Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

The Company has implemented stringent guidelines to ensure the safety of employees and visitors. We regularly monitor air quality at our corporate offices and take proactive measures to enhance it.

To ensure operational safety, frequent checks are conducted on equipment such as air conditioners, chillers, UPS systems, stabilizers, and diesel generators (DG). These checks help mitigate wear and tear from ongoing operations. Fire extinguishers are kept fully stocked and ready for use in emergencies. Additionally, all branches and corporate offices are equipped with smoke detectors and fire alarm systems.

Employees are well-informed about the designated assembly points within corporate offices, and floor plans are strategically displayed throughout the premises to aid in emergency preparedness.

**b What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Due to the nature of the business, the Company faces relatively fewer work-related hazards and risks on both routine and non-routine bases. Nevertheless, the Company has implemented an effective security mechanism designed to deter misconduct and ensure the safety and protection of all employees.

**c Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

"Owing to the nature of the business of the Company, this question is also not applicable to us. Also, the Company does not have workers."

**d Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?**

Yes, our employees have access to non-occupational medical and healthcare services. First aid kits are maintained and are available at all times on the premises.

**11 Details of safety related incidents, in the following format:**

Particulars	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per onemillion-person hours worked)	Employees	Nil	Nil
	Workers	NA	
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	NA	
No. of fatalities	Employees	Nil	Nil
	Workers	NA	
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	NA	

**12 Describe the measures taken by the entity to ensure a safe and healthy work place.**

The Company is committed to maintaining a safe and healthy workplace to ensure the comfort and well-being of all its employees. Our Head Office, the hub of our business operations and the primary location for our back-office workforce, has been recognized as a "Great Workplace".

To promote employee health, the Company organizes preventive wellness programs, campaigns, seminars, and webinars in collaboration with hospitals and other organizations. We also provide reimbursement for annual health check-ups for employees.

In addition to these initiatives, the Company has implemented several measures to ensure a safe and healthy work environment:

**Equipment Maintenance:** Regular checks are conducted on equipment such as air conditioners, VRF systems, UPS units, stabilizers, and generators to address any wear and tear from continuous use.

**Fire Safety:** We conduct fire drill training at the Head Offices to prepare employees for potential fire emergencies. Employees are informed about assembly points for larger premises, and premise floor plans are displayed at key locations.

**Safety Systems:** Fire alarm systems and smoke detectors are installed, and fire extinguishers are regularly checked and maintained to ensure their effectiveness during emergencies.

**13 Number of Complaints on the following made by employees and workers:**

Particulars	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	Nil	0	0	Nil
Health & Safety	0	0	Nil	0	0	Nil

**14 Assessments for the year**

Working Conditions	We conduct regular electrical safety inspections and maintenance of all our premises through professional third-party agencies. Based on these inspections, any necessary corrective actions, including rectification works, are promptly carried out. Additionally, we perform periodic inspections of elevators, escalators, and moving walks at our Head Office and Corporate Offices. Following these inspections, any required corrective actions, including necessary rectifications, are implemented to ensure the safety and reliability of these facilities.
Health and safety practices	The Company has been awarded the prestigious 'Great Workplace' certification by Great Place to Work – India® for the year 2023-2024. This recognition is based on key parameters such as 'Credibility, Respect, Fairness, Pride, and Camaraderie.' These parameters assess how employees perceive management practices in terms of trustworthiness and respect, the fairness of decision-making processes, and the presence of a positive organizational culture. This culture values meaningful contributions, aligns with personal values, and fosters a spirit of friendship, collaboration, and mutual support among colleagues. The Company achieved a high Survey Score in these areas, reflecting our strong commitment to creating an exemplary workplace environment.

**15 Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

There were no work and safety-related incidents reported during the fiscal. The Company has ensured a safe working atmosphere for all its employees and safety of the employee is paramount to the Company.

**LEADERSHIP INDICATORS**

**1 Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

No

**2 Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The Company fully complies with legal requirements concerning the withholding of employees' statutory contributions, including income tax, provident fund, professional tax, ESIC, and other obligations as they become due. Vendors within our value chain are equally obligated to adhere to the terms of their agreements with the Company. To ensure compliance with these obligations, the Company has established robust internal and statutory audit policies and procedures.

**3 Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been / are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Particulars	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	Nil	Nil	Nil	Nil
Workers	NA	NA	NA	NA

**4 Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

The Company during the course of employment provides opportunities for all employees to upskill themselves through domain, skills and leadership trainings.

**5 Details on assessment of value chain partners:**

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	The Company expects all its value chain partners to follow existing regulations with regard to health, safety and working conditions.
Working Conditions	

**6 Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

The same health and safety resources are available to all value chain participants who work in our offices, and any significant danger to their health and safety is handled correctly within a certain time frame.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**ESSENTIAL INDICATORS**

**1 Describe the processes for identifying key stakeholder groups of the entity.**

Key stakeholders are identified based on the significance of their impact on the business and the business's impact on them. Any individual or entity that contributes value to the Company's business chain is recognized as a key stakeholder. This includes, but is not limited to, customers, employees, shareholders, academic institutions, head-hunters, staffing firms, suppliers, partners and collaborators, industry bodies, governments, NGOs, local communities, regulators, and society at large.

Additionally, the Company maintains close engagement with other stakeholders such as industry analysts, including equity analysts, the media, customers, shareholders, and society at large.

**2 List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/others –please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders and Investors	No	Quarterly results, Investor presentations, Annual Report, Annual General Meeting, Investor/analysts calls and meet, Media releases, Website.	Ongoing engagement with at least one engagement on a quarterly basis	Responding to investor queries regarding financial performance. Presenting business performance highlights to investors. Demonstrating adherence to regulatory compliances, emphasizing transparency and governance. Engaging in discussions with shareholders and investors on publicly available information about the Company.
Government and Regulators	No	Meetings with key regulatory bodies, Written communications, Presentations, Industry associations.	Ongoing and need basis	Seeking clarifications and requesting relaxations from regulatory bodies. Communicating challenges and providing recommendations to relevant authorities. Engaging in knowledge sharing and collaboration with stakeholders. Addressing regulatory inspections and responding to queries.
Business Partners and Vendors	No	Channel partner meets, workshops, conferences and forums, One-to-on meetings, Telephonic and email communication, Channel partner management portal and app.	Ongoing and need basis	All infrastructure and service-related activities are managed by our vendor partners through regular engagements. These engagements include: Assignment and closure of tasks. Discussions on the scope of work and other relevant details. Obtaining No Due confirmations from vendors at specified intervals. Encouraging the adoption of E-Invoicing

Employees	No	Direct contact, Email, senior leadership connect programs, team engagements, survey, SMS, Calls, Website.	Ongoing and need basis	To establish an effective communication channel that keeps employees informed about key developments within the Company, aligns them with the Company's shared purposes and business strategy, and motivates them to deliver on the employee value proposition, PLEDGE.
Customers	No	Multi-modal distribution network and engagement (email, SMS, app, calls, chatbot, postal communication, call center, digital platform, website) channels, Customer satisfaction measurement and relationship management, Media campaigns, advertising, road / reverse road shows	Ongoing and need basis	Regular updates on the launch of new product features are communicated to customers. Feedback and information related to customer experience on the website, applications, and other platforms are actively shared.

**LEADERSHIP INDICATORS**

**1 Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

The key to strengthening our ties to our social obligations has been to foster an atmosphere where the Board regularly engages with different stakeholders and community members on social issues. When the Board has delegated the consultation, the Board will receive the opinions and feedback of the stakeholders in written or video format.

**2 Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

The company and its stakeholders believe in financial inclusion of every strata of the society. The company and its stakeholders are committed to this goal. The company interacts with its various investors and analysts to incorporate the same in its day to day functioning and modus operandi.

**3 Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.**

We offered financial literacy trainings to marginalised beneficiaries.

**PRINCIPLE 5 : Businesses should respect and promote human rights**

**ESSENTIAL INDICATORS**

**1 Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. Of employees/workers covered (B)	% (B / A)	Total (A)	No. Of employees/workers covered (B)	% (B / A)
<b>Employees</b>						
Permanent	277	277	100%	292	292	100%
Other than permanent	64	64	100%	0	0	0
<b>Total Employees</b>	<b>341</b>	<b>341</b>	<b>100%</b>	<b>292</b>	<b>292</b>	<b>100%</b>
<b>Workers</b>						
Permanent	NA					
Other than permanent						
<b>Total Workers</b>						

All employees at the time of joining as well as on a yearly basis declare that they have read and understood the Code of conduct and business ethics principles

**2 Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2023-24				FY 2022-23					
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal Minimum Wage		More than Minimum Wage	
		No.(B)	% (B / A)	No.(C)	% (C/A)		No.(E)	% (E/D)	No.(F)	%(F/D)
<b>Employees</b>										
<b>Permanent</b>										
Male	213	0	0	213	100%	205	0	0	205	100%
Female	64	0	0	64	100%	87	0	0		100%
<b>Other than Permanent</b>										
Male	43	0	0	43	100%	0	0	0	0	0
Female	21	0	0	21	100%	0	0	0	0	0
<b>Workers</b>										
<b>Permanent</b>	Not Applicable									
Male										
Female										
<b>Other than Permanent</b>										
Male										
Female										

**3 Details of remuneration/salary/wages, in the following format:**

**a. Median remuneration / wages:**

Particulars	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)#	7	₹ 236.00 lacs	NIL	NIL
Key Managerial Personnel\$	4	₹ 343.29 lacs	NIL	NIL
Employees other than BoD and KMP	256	₹ 396000	85	₹ 304392
Workers	NA	NA	NA	NA

#includes Managing Director, Whole-time Directors & Chief Executive Officer.

\$includes Chief Financial Officer and Company Secretary.

**b. Gross wages paid to females as % of total wages paid by the entity, in the following format:**

Particulars	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	2.14%	1.14%

**4 Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes

**5 Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The Company has implemented employee-oriented policies, including the Human Rights Policy, Diversity, Equity, and Inclusion Policy, Code of Conduct and Business Ethics, Whistle Blower Policy, and the Prevention of Sexual Harassment at Workplace Policy. These policies are designed to create an environment that fosters care, nurturance, and opportunities for employees to achieve their professional aspirations while also providing a safe and effective redressal mechanism for employee grievances.



**6 Number of Complaints on the following made by employees and workers:**

Particulars	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	NA	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights related issues	0	0	NA	0	0	NA

**7 Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

Particulars	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

**8 Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

a) The Company provides protection against discrimination to employees who makes disclosure or raises a concern under the whistle blower policy/Grievance Redressal Policy where the employee discloses his/her identity, discloses the information in good faith, believes it to be substantially true, does not act maliciously nor makes false allegations and does not seek any personal or financial gain.

b) The Company strictly prohibits any attempt of retaliation by anyone against any employee who raises a concern under the policy in good faith.

c) Cases related to prevention of sexual harassment at work place are treated with utmost sensitivity and confidentially in line with the guidelines of the Sexual Harassment of Women at Work Place (prevention, prohibition and redressal) Act 2013.

**9 Do human rights requirements form part of your business agreements and contracts?(Yes/No)**

Human rights requirements form a part of the Company's business agreements and contracts as and where relevant.

**10 Assessments for the year:**

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	The Company conducts internal monitoring to ensure compliance with all relevant laws and policies related to these matters. In FY 2023-24, there were no observations or issues reported by local statutory authorities or third parties.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

**11 Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**  
Not Applicable

**LEADERSHIP INDICATORS**

**1 Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

Not Applicable

**2 Details of the scope and coverage of any Human rights due-diligence conducted.**

The Company upholds the fundamental principles of human rights in all its dealings and has been awarded the prestigious 'Great Workplace' certification by Great Place to Work – India® for the year 2023-2024. The key parameters for this certification include 'Credibility, Respect, Fairness, Pride, and Camaraderie.' These parameters assess how employees perceive management practices as trustworthy and respectful, ensure fairness through consistent and impartial decision-making, and gauge the presence of a positive organizational culture. This culture values meaningful contributions, aligns with personal values, and fosters a spirit of friendship, collaboration, and mutual support among colleagues. The Company achieved a high Survey Score on these parameters.

Moreover, the Company has fostered a culture where employees and directors are encouraged to raise concerns about any wrongful conduct through the Whistle Blower Policy. This policy provides a Vigilance Mechanism that enables the reporting of such instances through a dedicated email address. The Audit Committee oversees this Vigil Mechanism, and employees have direct access to the Chairperson of the Audit Committee if necessary. Additionally, the Company has established a separate dedicated email address for employees to report concerns regarding Sexual Harassment at the Workplace, ensuring a safe and supportive environment for all.

**3 Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, the premises/offices of the Company are accessible to differently-abled visitors, in compliance with the requirements of the Rights of Persons with Disabilities Act, 2016. The Company is committed to ensuring that all visitors, including those with disabilities, have equal access to our facilities and services.

**4 Details on assessment of value chain partners:**

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Child labour	The Company expects all value chain partners to adhere to the same values, beliefs, and ethical standards that we uphold in all our business dealings. However, no formal evaluation of these partners has been conducted to date.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

**5 Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

No corrective action was necessitated

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**

**ESSENTIAL INDICATORS**

**1 Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2023-24 [in Giga Joules (GJ)]	FY 2022-23 [in Giga Joules (GJ)]
<b>From renewable sources</b>		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
<b>Total energy consumed from renewable sources (A+B+C)</b>	0	0
<b>From non-renewable sources</b>		
Total electricity consumption (D)	2,491.31	2,078.14
Total fuel consumption (E)	1.74	1.45
Energy consumption through other sources (F)	NA	NA
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	2,491.31	2,078.14
<b>Total energy consumed (A+B+C+D+E+F)</b>	2,491.31	2,078.14
<b>Energy intensity per rupee of turnover</b> (Total energy consumed / Revenue from operations)	0.00000000890	0.00000001574
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP)	NA	NA
<b>Energy intensity in terms of physical output</b>	NA	NA
Energy intensity (optional) – the relevant metric may be selected by the entity		

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?**

Yes, Ekobon Technologies LLP

**2 Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**  
Not Applicable

**3 Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2023-24	FY 2022-23
<b>Water withdrawal by source (in kilolitres)#</b>		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	4687.62	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	4687.62	0
<b>Total volume of water consumption (in kilolitres)</b>	4687.62	0
<b>Water intensity per rupee of turnover</b> (Total water consumption / Revenue from operations)	0.000002056	0
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP)	0	0
<b>Water intensity in terms of physical output</b>	Not Applicable	0
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>	Not Applicable	0

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?**

Yes, Ekobon Technologies LLP

#Water withdrawal/consumption computations have been undertaken using primary data based on Head Office. For other facilities, proxy-based approach has been used.

The Company's usage of water is restricted to human consumption purposes only. Further, efforts have been made to ensure that water is consumed judiciously. In the Corporate office, sensor/press taps are used in washrooms to economize water consumption.

**4 Provide the following details related to water discharged:**

Parameter	FY2023-24	FY 2022-23
<b>Water discharge by destination and level of treatment (in kilolitres)@</b>		
(i) To Surface water		
- No treatment	4,298.45	0
- With treatment – please specify level of Treatment	174.47	0
(ii) To Groundwater		
- No treatment	NA	0
- With treatment – please specify level of Treatment		0
(iii) To Seawater		
- No treatment	NA	0
- With treatment – please specify level of Treatment		0
(iv) Sent to third-parties		
- No treatment	NA	0
- With treatment – please specify level of treatment		0
(v) Others		
- No treatment	NA	0
- With treatment – please specify level of treatment		0
<b>Total water discharged (in kilolitres)</b>	4,474.92	

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?**

Yes, Ekobon Technologies LLP

@Water discharge computations have been undertaken using primary data based on Head Office. For other facilities, proxy-based approach has been used.

**5 Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

The Company's water usage is limited exclusively to human consumption, and as such, a Zero Liquid Discharge (ZLD) mechanism has not been implemented. Despite this, the Company is committed to sustainable water management and has undertaken several initiatives to ensure judicious water use.

Key initiatives include the installation of a rainwater harvesting system, which captures and utilizes rainwater effectively. The Company also recycles wastewater, repurposing it for non-potable uses such as flushing and irrigation of plants. Additionally, sensor-based water taps have been installed to minimize water wastage, reflecting our commitment to reducing our environmental footprint.

These efforts underscore the Company's proactive approach to water conservation, even in the absence of industrial-scale water usage."

**6 Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	The company is a service provider and not a manufacturing concern and hence this point is not applicable.		
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others—please specify			

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?**  
Not Applicable

**7 Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	0.13	0.11
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	495.92	413.80
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b>	tCO <sub>2</sub> e/	0.000000217	0.000000314
(Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)			
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b>	tCO <sub>2</sub> e/ adjusted for PPP	NA	NA
(Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)			
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>		NA	NA
<b>Total Scope 1 and Scope 2 emission intensity</b> (optional) – the relevant metric may be selected by the entity		NA	NA

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes,**  
Ekobon Technologies LLP, Emission computations have been undertaken using proxy-based approach.

**8 Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

The Company is actively striving to minimize its greenhouse gas (GHG) emissions wherever feasible. As part of its Corporate Social Responsibility (CSR) initiatives, the Company has undertaken several projects focused on environmental sustainability, including reforestation efforts.

During the year, the Company organized tree plantation drives, with significant participation from employees through volunteering programs. Additionally, the Company supported large-scale fruit tree plantation initiatives, further contributing to environmental conservation.

In its pursuit of greener business practices, the Company is transitioning to more sustainable methods of operation. Key initiatives include the development of a robust digital infrastructure to facilitate electronic transactions, thereby reducing reliance on paper. The Company is committed to eliminating paper reports and forms wherever possible and is dedicated to recycling and waste reduction across all premises through collaboration with certified vendors.

These initiatives underscore the Company's commitment to environmental sustainability and its proactive approach to reducing its carbon footprint.

**9 Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2023-24	FY 2022-23
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	The plastic waste generated from our office premises is minimal, as the majority of plastics used, including plastic bags, are biodegradable. The negligible amount of plastic waste produced is not significant enough to be relevant to our operations.	
E-waste (B)	0.13	0.11
Bio-medical waste (C)	Not Applicable	
Construction and demolition waste (D)		
Battery waste (E)		
Radioactive waste (F)		
Other Hazardous waste (G)		
Other non-hazardous waste generated (H)	0.91	0.76
<b>Total (A+B + C + D + E + F + G + H)</b>	1.05	0.88
<b>Parameter</b>	<b>FY 2023-24</b>	<b>FY 2022-23</b>
<b>Waste intensity per rupee of turnover</b> (Total waste generated /Revenue from operations)	0.00000004610	0.00000006670
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP)	NA	NA
<b>Waste intensity in terms of physical output</b>	NA	NA
<b>Waste intensity</b> (optional) - the relevant metric may be selected by the entity	NA	NA
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>	<b>Dry and Wet</b>	<b>Dry and Wet</b>
(I) Recycled	0.32 and 0.34	0.27 and 0.28
(ii) Re-used		
(iii) Other recovery operations	NA	NA
<b>Total</b>		
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>	Our waste generation is minimal and consequently there is no requirement of incineration or landfilling activities.	
(I) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
<b>Total</b>		

Waste generated computations have currently been undertaken for the Head Office only.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes,**  
Ekobon Technologies LLP, Emission computations have been undertaken using proxy-based approach.



**10 Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

**Waste Management Practices:**

Our company has implemented comprehensive waste management practices focused on minimizing environmental impact and promoting sustainability. We emphasize the segregation of waste at the source, with distinct processes for managing dry, wet, and e-waste. Dry waste, including paper and packaging materials, is primarily recycled through certified vendors, while wet waste is composted or treated for safe disposal. E-waste is handled by authorized recyclers to ensure proper disposal and recovery of valuable materials.

We have also taken significant steps to reduce our reliance on single-use plastics by transitioning to biodegradable alternatives across all our facilities. Furthermore, through employee awareness programs, we promote waste reduction and encourage sustainable practices within the workplace.

**Strategy to Reduce Hazardous and Toxic Chemicals:**

As a service-oriented business, our operations involve minimal use of hazardous or toxic chemicals. However, in instances where such substances are necessary—such as in cleaning and maintenance—we prioritize the use of eco-friendly, non-toxic alternatives. Our procurement policies favor suppliers who offer environmentally safe products, and we regularly review and update our practices to align with the latest industry standards for safety and sustainability.

To manage any hazardous waste that may arise, we have established strict protocols for safe handling, storage, and disposal, in compliance with regulatory requirements. We engage certified waste management partners to ensure that hazardous materials are disposed of in a manner that mitigates environmental risks.

These practices underscore our commitment to sustainability and the health and safety of our employees, customers, and the broader community.

**11 If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**  
Not Applicable

**12 Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**  
Not Applicable

**13 Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**  
Based on the nature of its business, the Company complies with applicable environmental norms.

**LEADERSHIP INDICATORS**

**1 Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area - NA
- (ii) Nature of operations - NA
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-24	FY 2022-23
<b>Water withdrawal by source (in kilolitres)</b>		
(I) Surface water	NA	NA
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		

<b>Total volume of water withdrawal (in kilolitres)</b>	NA	NA
<b>Total volume of water consumption (in kilolitres)</b>		
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>		
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>		
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(I) Into Surface water	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
<b>Total water discharged (in kilolitres)</b>		

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes, Ekobon Technologies LLP, Emission computations have been undertaken using proxy-based approach.**

**2 Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	As a service-oriented business primarily involved in the flow of information and financial transactions, the Company believes that its operations do not result in direct emissions that adversely impact the environment. Given the nature of our services, the Company currently does not measure Scope 3 emissions.	
<b>Total Scope 3 emissions per rupee of turnover</b>			
<b>Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity</b>			

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? Yes, Ekobon Technologies LLP, Emission computations have been undertaken using proxy-based approach.**

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

As a provider of financial services, the Company recognizes that its direct impact on biodiversity is minimal. However, in line with our commitment to environmental stewardship, we ensure that all necessary permissions and no-objection certificates are obtained from relevant local statutory authorities—such as the Environmental Assessment Authority, Forest Department, and other relevant bodies—prior to the construction or acquisition of new office buildings. This proactive approach helps mitigate any potential adverse impact on biodiversity.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Please refer CSR Annexure - B which is part of the Annual Report			

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The Company has established a comprehensive Business Continuity and Disaster Recovery Policy & Plan. The purpose of this policy is to formalize the Company's business continuity program and provide clear guidelines for developing, implementing, testing, and maintaining business continuity plans across the organization.

These plans are designed to mitigate potential threats, such as natural disasters or cyber-attacks, ensuring the protection of personnel and assets. The goal is to enable the Company to resume operations quickly and effectively in the event of a disruption. Regular tests and drills are conducted to identify and address any weaknesses in the system, ensuring the robustness and reliability of our business continuity strategies.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Given the nature of the Company's business, there has been no adverse impact on the environment. Additionally, the Company expects all its value chain partners to adhere to existing environmental regulations and best practices, ensuring that they also avoid any negative impact on the environment.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Not Applicable

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**ESSENTIAL INDICATORS**

- 1  
a **Number of affiliations with trade and industry chambers/ associations.**  
The Company was a member of 2 (Two) trade and industry chambers/associations during the FY 2023-24.
- b **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/
1	Association of National Exchange Members of India (ANMI)	National
2	Indore Management Association	State

- 2 **Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.**  
Not applicable as No material instances reported

**LEADERSHIP INDICATORS**

- 1 **Details of public policy positions advocated by the entity:**  
No

**PRINCIPLE 8 : Businesses should promote inclusive growth and equitable development**

**ESSENTIAL INDICATORS**

- 1 **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**  
Please refer CSR annexure which is part of the Annual Report

- 2 **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Not Applicable

- 3 **Describe the mechanisms to receive and redress grievances of the community**

The company has established a complaint with register in the HR department to address issues raised by various stakeholder groups. Complaints are reviewed regularly, and appropriate actions are taken to resolve them promptly and effectively.

- 4 **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

Particulars	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers		
Sourced directly from within the district and neighbouring districts		

As a Financial Services entity, our primary inputs consist of technological infrastructure, platforms, and services. Consequently, the options for local procurement are limited for an organization like ours. However, with branches spread across the country, we do prioritize procuring consumables, such as stationery items, from local suppliers in the surrounding areas.

- 5 **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY	FY
	2023-24	2022-23
Rural	0%	0%
Semi-urban	0%	0%
Urban	0%	0%
Metropolitan	100%	100%

**LEADERSHIP INDICATORS**

- 1 **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

The Company has not engaged an Independent Social Impact Assessment Agency to evaluate its Social Responsibility initiatives. Therefore, no formal report on the social impact of these initiatives has been produced.

- 2 **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Please refer CSR Annexure- B which is part of the Annual Report

- 3  
a **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

No

- b **From which marginalized /vulnerable groups do you procure?**

Not Applicable

- c **What percentage of total procurement (by value) does it constitute?**

Not Applicable

- 4 Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**  
Not Applicable
- 5 Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**  
Not Applicable
- 6 Details of beneficiaries of CSR Projects:**  
Please refer CSR Annexure- B which is part of the Annual Report

**PRINCIPLE 9 : Businesses should engage with and provide value to their consumers in a responsible manner**

**ESSENTIAL INDICATORS**

- 1 Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**  
We receive client complaints/queries via phone, fax, email, personal visits, and physical letters from clients as well as through their affiliated authorised individuals and branches. We also receive complaints from clients through Regulatory Authority, Exchanges, Advocates, Consumer Forums, SCORES Login for Research Analyst, Smart ODR Portal, Consumer forums etc.
- We segregate all the client's queries and complaints separated. The client is then given a thorough response based on the examination of the facts.
- 2 Turnover of products and/or services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	Not Applicable
Recycling and/or safe disposal	Not Applicable

- 3 Number of consumer complaints in respect of the following:**

	2023-24		Remarks	2022-23		Remarks
	(Current Financial Year)			(Previous Financial Year)		
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA
Other	0	0	NA	0	0	NA

- 4 Details of instances of product recalls on account of safety issues:**  
Not Applicable
- 5 Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**  
Not Applicable
- 6 Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products/services.**

**Advertising and Delivery of Essential Services:** The Company adheres strictly to the guidelines set forth by regulatory authorities such as SEBI (Securities and Exchange Board of India) to ensure that all advertising and promotional activities are accurate, transparent, and do not mislead investors. No corrective actions have been required in this regard, as the Company maintains a strong commitment to ethical advertising practices.

**Cyber Security and Data Privacy:** As a stock broking company, the security of customer data and the integrity of online trading platforms are paramount. The Company has implemented robust cyber security measures, including regular vulnerability assessments, penetration testing, and the adoption of advanced encryption technologies to safeguard customer data. In the event of any identified vulnerabilities, immediate corrective actions are taken to address potential threats. The Company also provides ongoing training to employees on data privacy and cyber security best practices to prevent breaches and ensure compliance with regulatory standards.

**Product Recalls:** The nature of the Company's business does not involve physical products; therefore, there have been no instances of product recalls. However, in the case of any service disruptions or errors in trading platforms, the Company has a rapid response mechanism to rectify issues and communicate transparently with affected customers.

**Regulatory Actions:** The Company has a strong compliance framework in place to ensure adherence to all relevant regulations. There have been no penalties or actions taken by regulatory authorities concerning the safety of the Company's services. In instances where regulatory updates or new guidelines are issued, the Company proactively updates its policies and procedures to remain compliant.

- 7 Provide the following information relating to data breaches:**

a	Number of instances of data breaches	1
b	Percentage of data breaches involving personally identifiable information of customers	0%
c	Impact, if any, of the data breaches	The data breach affected the company's back office operations, but the front office systems remained unaffected. Importantly, no data breaches involving customers' personally identifiable information occurred that were critical in nature.

**LEADERSHIP INDICATORS**

- 1 Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**  
Information on products and services of the Company can be accessed on <https://www.arihantcapital.com/>
- 2 Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**  
The company conducts customer awareness programme on pan India basis for all its customers where it disseminates information regarding safe and responsible usage of company's products and services
- 3 Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**  
The company sends SMS messages, e-mails & showcases the information on its website to inform the consumers of any risk or discontinuation of essential services.
- 4 Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**  
Yes, we provide product information on our website over and above what is mandated under local laws.
- 5 Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**  
Yes. Survey is carried out to understand customer advocacy of Companies' products and services. This is carried out telephonically across all segments of our customer base.



## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**ARIHANT CAPITAL MARKETS LIMITED**

### Report on the Audit of the Standalone Ind AS Financial Statements

#### Opinion

We have audited the accompanying standalone Ind AS financial statements of **ARIHANT CAPITAL MARKETS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, (including the statement of Other Comprehensive Income), Statement of Changes in Equity and statement of Cash Flows for the year then ended, and notes to the standalone Ind AS financial statements, including, a summary of material accounting policies and other explanatory information. (Hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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 Standard prescribed under section 133 of the act read with the companies (Indian Accounting Standards) rules, 2015 as amended, ("Ind AS") and other principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, and its Profit, and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Ind AS financial statement's 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 standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules 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 opinion on the standalone Ind AS financial statements.

#### Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Information Other than the standalone Ind AS financial statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 standalone Ind AS financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Based on the work we have performed, we conclude that there is no material misstatement of this other information;

#### Management's Responsibility for the Standalone Ind AS financial statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, Profit/Loss (and other comprehensive income, changes in equity and cash flows of the Company in

accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133. 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management and Board of Directors are 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 Management and Board of Directors are responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibility for the standalone Ind AS financial statements

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

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

1. Identify and assess the risks of material misstatement of the standalone Ind AS 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.
2. 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 Companies Act, 2013, 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.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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 standalone Ind AS 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.
5. Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may

reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

3. Further, as required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Statement of Changes in Equity and the statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Companies Act, 2013.
  - f) With respect to the adequacy of the internal financial control over financial reporting of the company with reference to these Standalone Ind AS financial statements and the operating effectiveness of such control, 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 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, as detailed in note 39 to the Standalone Ind AS financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024.
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or

entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

(c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the act, as applicable.

(b) No interim dividend was declared and paid by the company during the year.

(c) The Board of directors of the company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the act, as applicable.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of accounts for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is Applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

**For Dinesh Ajmera & Associates**  
**Chartered Accountants**  
**Firm Reg. No:011970C**

**CA Dinesh Ajmera Partner**  
**Membership No. :402629**  
**UDIN : 24402629BKDHHA4400**  
**Indore, May 21, 2024**

**ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of **ARIHANT CAPITAL MARKETS LIMITED** on the accounts for the year ended 31st March, 2024)

- i. In respect of the Company’s Property Plant & Equipments:
  - (a) (A) The Company has maintained proper records to show full particulars, including quantitative details and situation of Property Plant & Equipment.  
(B) The Company has maintained proper records to show full particulars of Intangible assets.
  - (b) The Property Plant & Equipment of the Company are physically verified by the management at regular intervals. During the year, as informed to us, no discrepancies have been noticed on such verification.
  - (c) According to the information and explanations given to us and the records examined by us, we report that the title deeds, comprising all the immovable properties are held in the Company’s name as at the balance sheet date.
  - (d) The company has not revalued any of its property, plant and equipment and intangible assets during the year.
  - (e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. In respect of the Company’s Inventory:
  - (a) The securities held as stock in trade have been verified by the Management with the statement of holdings provided by depository participants and brokers at reasonable intervals. In our opinion, the frequency of verification is reasonable and no material discrepancies between the book records and the statement of holdings provided by NSDL, other depository participants and brokers have been noticed.
  - (b) During the year the Company has been sanctioned working capital limits in excess of Rs. 5 crore from bank on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks are in agreement with the books of account of the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses 3(iii) (a), (b), (c), (d), (e) & (f) of the order are not applicable to the Company.
- iv. The company has complied with the provisions of section 185 and 186 of Companies Act, 2013 in respect of loans, investments, guarantees and securities, as applicable.
- v. According to the information and explanation given to us, the company has not accepted deposits from the public within the meaning of the directives issued by the Reserve Bank of India, under provisions of section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
- vi. According to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 in respect of the activities carried by the company.
- vii. a) As per the records of the Company, the company is generally regular in depositing the statutory dues including GST, provident fund, employee’s state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amount in respect of GST, income tax, sales tax, service tax, custom duty, excise duty, cess, applicable to it, is outstanding as at the last day of the financial year concerned for a period of more than six months from the date they became payable.  
  
b) According to the information and explanations given to us and on the basis of examination of records of the Company there is no provident fund, sales tax, income tax, wealth tax, cess which have not been deposited on account of dispute except for the following instances:

(₹ in Lacs)

Statute In which pending	Nature of Dues	Financial Year	Forum at which pending	Amount involved
Income Tax Act, 1961	Tax and Interest thereon	2012-13	Commissioner of Income Tax (Appeals)	18.47
Income Tax Act, 1961	Tax and Interest thereon	2017-18	Commissioner of Income Tax (Appeals)	13.20
Income Tax Act, 1961	Penalty	2011-12	Commissioner of Income Tax (Appeals)	1.60
Income Tax Act, 1961	Penalty	2013-14	Commissioner of Income Tax (Appeals)	1.60
Income Tax Act, 1961	Penalty	2014-15	Commissioner of Income Tax (Appeals)	1.20
Income Tax Act, 1961	Tax and Interest thereon	2019-20	Commissioner of Income Tax (Appeals)	30.90

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any banks, financial institutions, government or other lender.  
(b) The company is not declared willful defaulter by any bank or financial institution or other lender.  
(c) The company has not taken any term loan during the year hence this clause is not applicable.  
(d) The funds raised on short term basis have not been utilized for long term purposes.  
(e) The company has not taken any such type of funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.  
(f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) According to the information and explanation given to us and the record examined by us, the Company has not raised any money by way of initial public offer or further public offer during the year. Hence, clause 3(ix) of the order is not applicable.  
(b) Based on our audit procedures and according to the information given by the management, the company has not made any preferential allotment or private placement of shares or convertible debentures.
- xi. (a) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.  
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors 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 year.  
(c) According to the information and explanations given to us, there is no whistle-blower complaints received during the year by the company hence this clause is not applicable.
- xii. Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3(xii) of the



Order is not applicable to the Company.

- xiii. In our opinion, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable Indian Accounting Standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
  
(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 hence this clause is not applicable.  
  
(b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934 hence this clause is not applicable.  
  
(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India hence this clause is not applicable.  
  
(d) The group has no CIC as part of the group hence this clause is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, in our opinion no material uncertainty exists as on the date of the audit report that company is 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.
- xx. (a) The company has spent full amount as required to be spent as per the Companies Act 2013. No amount remained unspent which were required to be transferred in respect of other than ongoing projects in Funds specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.  
  
(b) The company has spent full amount as required to be spent as per the Companies Act 2013. No amount remained unspent which were required to be transferred in respect of ongoing projects in Funds specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.

**For Dinesh Ajmera & Associates**  
**Chartered Accountants**  
**Firm Reg. No:011970C**

**CA Dinesh Ajmera**  
**Partner**  
**Membership No. :402629**  
**UDIN : 24402629BKDHHA4400**  
**Indore, May 21, 2024**

## ANNEXURE "B"

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report even date to the Members of **ARIHANT CAPITAL MARKETS LIMITED** on the accounts for the year ended 31<sup>st</sup> March, 2024)

### Report on the Internal Financial Controls with reference to the aforesaid standalone Ind AS financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls with reference to Standalone Ind AS financial statements of **Arihant Capital Markets Limited** ("the Company") as of 31<sup>st</sup> March 2024 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

#### Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Standalone Ind AS financial statements and such internal financial controls were operating effectively as at 31<sup>st</sup> March 2024, based on the internal financial controls with reference to standalone Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

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

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 with reference to these standalone Ind AS financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to Standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS 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;

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

**For Dinesh Ajmera & Associates**  
Chartered Accountants  
Firm Reg. No:011970C

**CA Dinesh Ajmera** Partner  
Membership No. :402629  
UDIN : 24402629BKDHHA4400  
Indore, May 21, 2024

#### Standalone Balance Sheet as at March 31, 2024

(₹ in Lacs)

Particulars	Note No.	March 31, 2024	March 31, 2023
<b>ASSETS</b>			
<b>1 Financial assets</b>			
a. Cash and cash equivalents	4	1,678.24	1,390.60
b. Bank balance other than Cash and cash equivalent	5	37,868.41	18,465.93
c. Derivative financial instruments	6	4.47	15.76
d. Securities for trade	7	2,905.39	471.90
e. Trade receivables	8	9,630.48	17,269.46
f. Loans	9	17,446.95	6,658.65
g. Investments	10	1,582.39	2,252.32
h. Other financial assets	11	1,738.98	371.87
		<b>72,855.31</b>	<b>46,896.49</b>
<b>2 Non financial assets</b>			
a. Property, plant and equipment	12	1,209.36	1,147.19
b. Other intangible assets	13	243.62	238.37
c. Other non financial assets	14	815.81	540.98
		<b>2,268.79</b>	<b>1,926.54</b>
<b>Total Assets</b>		<b>75,124.10</b>	<b>48,823.03</b>
<b>LIABILITIES &amp; EQUITY</b>			
<b>LIABILITIES</b>			
<b>1 Financial Liabilities</b>			
a. Trade Payables	15		
i) Total outstanding dues of micro & small enterprises		164.89	29.12
ii) Total outstanding dues of creditors other than micro & small enterprises		30,973.59	18,244.57
b. Debt securities	16	4,325.00	-
c. Borrowings	17	4,921.19	5,058.65
d. Other financial Liabilities	18	4,195.29	1,754.43
		<b>44,579.96</b>	<b>25,086.77</b>
<b>2 Non Financial Liabilities</b>			
a. Current Tax Liabilities (net)	19	179.73	39.89
b. Provisions	20	261.61	193.44
c. Deferred Tax Liabilities (net)	21	67.56	114.65
d. Other non financial liabilities	22	681.10	160.30
		<b>1,190.00</b>	<b>508.28</b>
<b>3 Equity</b>			
a. Equity share capital	23	1,041.13	1,041.13
b. Other equity	24	28,313.01	22,186.85
		<b>29,354.14</b>	<b>23,227.98</b>
<b>Total Liabilities &amp; Equity</b>		<b>75,124.10</b>	<b>48,823.03</b>

Significant Accounting Policies and Notes on Financial statements 1 to 59

As per our report of even date  
**For Dinesh Ajmera & Associates**  
Chartered Accountants  
Firm Reg No:011970C  
**CA. Dinesh Ajmera**  
Partner  
Membership No. : 402629  
UDIN : 24402629BKDHHA4400  
Indore, May 21, 2024

**Ashok Kumar Jain**  
Managing Director  
DIN-00184729

**Arpit Jain**  
Joint Managing Director  
DIN-06544441

**Mahesh Pancholi**  
Company Secretary  
M.No. F7143

**Uttam Maheshwari**  
Chief Financial Officer  
M.No. 419134

**For and on behalf of the Board**

**Statement of Profit & Loss for the year ended March 31, 2024**

(₹ in Lacs)

Particulars	Note No.	March 31, 2024	March 31, 2023
<b>Income</b>			
<b>I Revenue from Operations</b>			
Interest Income	25	6,361.16	4,802.80
Dividend Income	26	55.62	55.54
Fees & Commission Income	27	12,078.66	7,842.94
Net Gain on fair value changes	28	4,398.09	526.77
<b>II Other Income</b>	29	43.21	18.79
<b>III Total Income</b>		<b>22,936.74</b>	<b>13,246.84</b>
<b>IV Expenses</b>			
Finance costs	30	1,228.65	885.58
Fees and commission expense	31	6,847.34	4,662.92
Impairment on financial instruments	32	11.40	(7.77)
Employee Benefits Expenses	33	3,075.15	2,023.23
Depreciation and Amortization Expenses	34	237.50	187.01
Other Expenses	35	2,871.32	1,968.68
<b>Total</b>		<b>14,271.36</b>	<b>9,719.65</b>
<b>V Profit Before Exceptional Items and Tax</b>		<b>8,665.38</b>	<b>3,527.19</b>
<b>VI Exceptional items</b>	36	33.75	31.00
<b>VII Profit Before Tax</b>		<b>8,699.13</b>	<b>3,558.19</b>
<b>VIII Tax Expenses</b>	37		
Current Tax		2,148.95	971.45
Deferred Tax		(33.33)	(36.12)
<b>Total Tax Expenses</b>		<b>2,115.62</b>	<b>935.33</b>
<b>IX Profit/(loss) for the year</b>		<b>6,583.51</b>	<b>2,622.86</b>
<b>X Other Comprehensive Income</b>			
<b>(A) Items that will not be reclassified to profit &amp; loss</b>			
Remeasurements of the defined benefit plans		(54.65)	2.59
Tax effect relating to above item		13.75	(0.65)
<b>Total (A)</b>		<b>(40.90)</b>	<b>1.94</b>
<b>(B) Items that will be reclassified to profit &amp; loss</b>			
Tax effect relating to above item		-	-
<b>Total (B)</b>		<b>-</b>	<b>-</b>
<b>Total Other Comprehensive Income (A+B)</b>		<b>(40.90)</b>	<b>1.94</b>
<b>XI Total Comprehensive Income for the period</b>		<b>6,542.62</b>	<b>2,624.80</b>
<b>XII Earnings per Share</b>	38		
Equity Shares of ₹1 each			
Basic (Amount in ₹)		6.32	2.52
Diluted (Amount in ₹)		6.32	2.52

Significant Accounting Policies and Notes on Financial statements 1 to 59

As per our report of even date  
**For Dinesh Ajmera & Associates**  
Chartered Accountants  
Firm Reg No:011970C

**Ashok Kumar Jain**  
Managing Director  
DIN-00184729

**Arpit Jain**  
Joint Managing Director  
DIN-06544441

**For and on behalf of the Board**  
**Mahesh Pancholi**  
Company Secretary  
M.No. F7143

**Uttam Maheshwari**  
Chief Financial Officer  
M.No. 419134

**CA. Dinesh Ajmera**  
Partner  
Membership No. : 402629  
**UDIN : 24402629BKDHHA4400**  
Indore, May 21, 2024

**Cash Flow Statement for the year ended March 31, 2024**

(₹ in Lacs)

Particulars	Note No.	March 31, 2024	March 31, 2023
<b>A Cash flow (used in) / generated from operating activities</b>			
Profit before tax		8,699.13	3,558.19
<b>Add / (less) : Adjustments</b>			
Unrealised (gain)/loss on Fair value changes of Securities for trade		(21.73)	15.94
(Profit) / Loss on sale of Investments		(467.58)	316.47
Depreciation / amortisation		237.50	187.01
Interest paid on borrowings		780.33	735.68
Dividend income		(55.62)	(55.54)
<b>Operating profit before working capital changes</b>		<b>9,172.03</b>	<b>4,757.75</b>
Adjustments for changes in working capital:			
-(Increase)/Decrease in Other bank balance		(19,402.48)	1,973.81
-(Increase)/Decrease in Derivative financial instruments		11.29	(53.27)
-(Increase)/Decrease in Securities for Trade		(2,411.75)	1,184.95
-(Increase)/Decrease in Trade receivables		7,638.98	2,345.56
-(Increase)/Decrease in Loans		(10,788.30)	(2,402.70)
-(Increase)/Decrease in Other financial assets		(1,367.11)	951.38
-(Increase)/Decrease in Other non financial assets		(310.73)	(51.14)
-Increase/(Decrease) in Trade payables		12,864.79	(5,326.40)
-Increase/(Decrease) in Other financial liabilities		2,440.86	(375.07)
-Increase/(Decrease) in Other non financial liabilities		520.80	(219.29)
-Increase/(Decrease) in Provisions		13.52	9.72
<b>Cash generated from operations</b>		<b>(1,618.10)</b>	<b>2,795.30</b>
Income tax paid (net)		(1,973.21)	(1,202.04)
<b>Net cash (used in) / generated from operating activities (A)</b>		<b>(3,591.31)</b>	<b>1,593.26</b>
<b>B Cash flow (used in) / generated from Investing activities</b>			
- (Purchase) / Proceeds from sale of property, plant and equipment		(304.92)	(609.31)
- (Purchase) / Proceeds from sale of investments		1,137.50	564.89
- Dividend income received		55.62	55.54
<b>Net cash (used in)/ generated from investing activities (B)</b>		<b>888.20</b>	<b>11.12</b>
<b>C Cash flow (used in) / generated from Financing activities</b>			
- Dividend paid		(416.45)	(156.17)
- Interest paid		(780.33)	(735.68)
- Increase/ (Decrease) in Borrowings		(137.47)	(2,729.15)
- (Repayment) / Proceeds from issuance of debt securities		4,325	-
<b>Net cash (used in) / generated from financing activities (C)</b>		<b>2,990.75</b>	<b>(3,621.00)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>		<b>287.64</b>	<b>(2,016.62)</b>
Cash and cash equivalents at the beginning of the period		1,390.60	3,407.22
<b>Cash and cash equivalents at the end of the period</b>		<b>1,678.24</b>	<b>1,390.60</b>
<b>Cash and cash equivalents comprise of</b>			
Cash and cheques in hand		9.83	12.57
Balances with scheduled banks		1,668.41	1,378.03
<b>Total</b>		<b>1,678.24</b>	<b>1,390.60</b>
<b>Notes:</b>			
i) The above cash flow statement has been prepared under the "Indirect method" as set out on the Indian Accounting Standard (Ind AS-7) Statement of Cash Flow.			
ii) Figures in Negative indicate cash outflows.			

Significant Accounting Policies and Notes on Financial statements 1 to 59

As per our report of even date  
**For Dinesh Ajmera & Associates**  
Chartered Accountants  
Firm Reg No:011970C

**Ashok Kumar Jain**  
Managing Director  
DIN-00184729

**Arpit Jain**  
Joint Managing Director  
DIN-06544441

**For and on behalf of the Board**  
**Mahesh Pancholi**  
Company Secretary  
M.No. F7143

**Uttam Maheshwari**  
Chief Financial Officer  
M.No. 419134

**CA. Dinesh Ajmera**  
Partner  
Membership No. : 402629  
**UDIN : 24402629BKDHHA4400**  
Indore, May 21, 2024



**Statement of Changes in Equity For the year ended March 31, 2024**

**A. Equity Share Capital**

(₹ in Lacs)

Particular	Amount
Balance as at April 1, 2022	1,041.13
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2023</b>	<b>1,041.13</b>
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2024</b>	<b>1,041.13</b>

**B. OTHER EQUITY**

(₹ in Lacs)

Particulars	Reserve & Surplus		Total Equity
	Retained Earnings	General Reserve	
<b>Balance as at April 1, 2022</b>	<b>1,614.80</b>	<b>18,103.42</b>	<b>19,718.22</b>
Profit for the period	2,622.86	-	2,622.86
Other comprehensive income	1.93	-	1.93
Transfer to General Reserve	(2,500.00)	2,500.00	-
Final Dividend	(156.17)	-	(156.17)
<b>Balance as at March 31, 2023</b>	<b>1,583.42</b>	<b>20,603.42</b>	<b>22,186.84</b>
Profit for the period	6,583.51	-	6,583.51
Other comprehensive income	(40.90)	-	(40.90)
Transfer to General Reserve	(6,000.00)	6,000.00	-
Final Dividend	(416.45)	-	(416.45)
<b>Balance as at March 31, 2024</b>	<b>1,709.59</b>	<b>26,603.42</b>	<b>28,313.01</b>

**For and on behalf of the Board**

**For Dinesh Ajmera & Associates**  
Chartered Accountants  
Firm Reg No:011970C  
**CA. Dinesh Ajmera**  
Partner  
Membership No. : 402629  
**UDIN : 24402629BKDHHA4400**  
Indore, May 21, 2024

**Ashok Kumar Jain**  
Managing Director  
DIN-00184729

**Arpit Jain**  
Joint Managing  
Director  
DIN-06544441

**Mahesh Pancholi**  
Company Secretary  
M.No. F7143

**Uttam Maheshwari**  
Chief Financial Officer  
M.No. 419134

**SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION**

**NOTE 1: CORPORATE INFORMATION**

**Arihant Capital Markets Limited** (referred to as “ACML” or ‘the Company’) is a public limited company and incorporated on 25<sup>th</sup> June, 1992 having CIN: L67120MP1992PLC007182 under the provisions of Companies Act. The Company is domiciled in India having its registered office at 6, Lad Colony, YN Road Indore, Madhya Pradesh.

The Company is registered with Securities and Exchange Board of India (“SEBI”) under the Stock brokers and sub-brokers Regulations, 1992 and is a member of Bombay Stock Exchange Limited, National Stock Exchange of India Limited, Multi Commodity Exchange of India Ltd. and National Commodity and Derivatives Exchange Limited. The Company acts as a stock broker and commodities broker to execute proprietary trades and also trades on behalf of its clients which include retail customers (including high net worth individuals), mutual funds, financial institutions and corporate clients. It is registered with Central Depository Services (India) Limited and National Securities Depository Limited in the capacity of Depository Participant and also registered with SEBI in capacity of Research Analyst and Merchant Banker. Company is also AMFI registered Mutual Fund distributor.

The Board of Directors approved the standalone financial statements for the year ended March 31, 2024 and authorized for issue on May 21, 2024.

**NOTE 2: SUMMARY OF MATERIAL ACCOUNTING POLICIES INFORMATION**

This note provides a list of the material accounting policies information adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

**Basis of preparation**

The financial statement for the year ended 31<sup>st</sup> March, 2024 has been prepared in accordance with Indian Accounting Standard (‘Ind AS’). The Company is covered under the definition of NBFC. These Financial Statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). These Financial Statements of the Company are presented in Indian Rupees (“INR”), which is also the Company’s functional currency and all values are rounded to nearest lacs.

The financial statements are prepared on a going concern basis, as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

This note provides a list of the material accounting policies information adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated

**2.1 Income Recognition**

The Company recognizes revenue from contracts with customers based on a five-step model asset out in Ind AS 115, Revenue from Contracts with Customers, to determine when to recognize revenue and at what amount. Revenue is measured based on the consideration specified in the contract with a customer. Revenue from contracts with customers is recognized when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring a promised service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

When (or as) a performance obligation is satisfied, the Company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Company applies the five-step approach for recognition of revenue:

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

**(i) Brokerage income**

It is recognized on settlement date basis and is exclusive of goods and service tax and securities transaction tax (STT) wherever applicable.

**(ii) Fee & Commission income**

Fees based income on services is recognized as earned on a pro-rata basis over the term of the contract. Commissions from distribution of financial products are recognized upon allotment of the securities to the applicant or as the case may be.

**(iii) Depository income**

Income from services rendered on behalf of depository is recognized upon rendering of the services, in accordance with the terms of contract.

**(iv) Interest income**

Interest income is recognized on accrual basis in Statement of profit and loss for all financial instruments measured at amortized cost.

**(v) Dividend income**

Dividend income is recognized in the statement of profit or loss on the date that the Company's right to receive payment is established.

**2.2 Income Tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

**Current Tax**

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

**Deferred Tax**

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

**2.3 Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments 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.

**2.4 Asset held for sale**

Assets are classified as held for sale if their carrying amount will have recovered principally through sale transaction rather than through continuing use and sale is considered highly probable. They are measured at lower of their carrying amount or fair value less cost to sell, except for assets such as deferred tax, assets arising from employee benefit, financials assets and contractual rights under insurance contracts, which are specifically exempted from this requirement. Where the Company is committed to a sale plan involving loss of control of an entity, it classifies investment in the entity and assets & liabilities associated with that entity as held for sale.

**2.5 Financial Instruments**

**(A) Initial recognition and measurement:**

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset.

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

**(B) Fair value of financial instruments:**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purpose. 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 regardless of whether that price is directly observable or estimated using another valuation technique.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed.

**(a) Financial assets**

**(i) Classification and subsequent measurement**

All recognized financial assets are subsequently measured at either amortized cost or fair value depending on their respective classification.

On initial recognition, a financial asset is classified as - measured at:

- Fair value through profit or loss (FVTPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortized cost.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortized cost or FVOCI are measured at FVTPL.

Financial assets at amortized cost are subsequently measured at amortized cost using effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain and loss on de-recognition are recognized in profit or loss.

Financial assets at FVOCI are subsequently measured at fair value. Interest income is recognized using the effective interest (EIR) method. The impairment losses, if any, are recognized through Statement of Profit and Loss. The loss allowance is recognized in OCI and does not reduce the carrying value of the financial asset. On de-recognition, gains and losses accumulated in OCI are reclassified to the Statement of Profit and Loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

**(ii) Impairment**

The Company recognizes impairment allowances using Expected Credit Losses (“ECL”) method on all the financial assets that are not measured at FVTPL:

ECL are probability-weighted estimate of credit losses. For trade Receivables Company follows simplified approach which requires expected lifetime losses to be recognized. For other assets, the company uses 12-month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is a significant increase in credit risk full lifetime ECL is used. For ECL all financial assets are classified as follows

Stage 1: Financials assets that are not credit impaired

Stage 2: Financials assets with significant increase in credit risk but that is non-credit impaired.

Stage 3: Financials assets that are credit impaired.

Financial assets are written off / fully provided for when there is no reasonable of recovering a financial asset in its entirety or a portion thereof.

However, financial assets that are written off could still be subject to enforcement activities under the Company’s recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in the Statement of Profit and Loss.

**(iii) Derecognition**

A financial asset is derecognized only when:

The Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

**(b) Financial liabilities**

**(i) Initial recognition and measurement**

Financial liabilities are classified at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in

profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in Statement of Profit or loss.

**(ii) Subsequent measurement**

Financial liabilities are subsequently measured at amortized cost using the EIR method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

**(iii) Derecognition**

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

**2.6 Property, plant and equipment**

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition and installation of the assets.

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 profit or loss during the reporting period in which they are incurred.

**Depreciation methods, estimated useful lives and residual value:**

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful life prescribed under Schedule II to the Companies Act, 2013. The Company provides pro-rata depreciation from the date of installation till date the assets are sold or disposed.

Assets	Useful Life
Building	60 years
Furniture and Fixtures	10 years
Office Equipments	5 years
Computers	3 years
Electrical Installations	10 years
Vehicles	8 years

**Derecognition:**

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit and loss when the asset is derecognized.

**2.7 Intangible assets**

**Measurement at recognition:**

Intangible assets are recognized where it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment, if any.

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 entity and the cost can be measured reliably.

**Amortization**

The Company amortizes intangible assets on a straight-line basis over their estimated useful life. The Company provides pro-rata amortization from the day the asset is put to use.

Assets	Useful Life
Computer Software	6 years



#### Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit and loss when the asset is derecognized.

#### 2.8 Leases

The company lease asset primarily consists of office premises which are of short-term lease with lease term of twelve months or less and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an expense in the Statement of Profit and Loss on a straight-line basis over the term of lease.

#### 2.9 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

#### 2.10 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal /external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount of asset is the higher of its fair value or value in use. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects the current market assessment of time value of money and the risks specific to it. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist. An Impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the assets carrying amount would have been determined, net of depreciation or amortization, had no impairment loss been recognized.

#### 2.11 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

#### 2.12 Provisions and contingencies

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date.

Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

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

#### 2.13 Employee benefits

##### (i) Short-term obligations

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered. The Company recognizes the costs of bonus payments when it has a present obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made.

##### (ii) Post-employment obligations

###### Defined contribution plan:

Contribution paid / payable to the recognized provident fund, which is a defined contribution scheme, is charged to the Statement of Profit and Loss in the period in which they occur.

###### Defined benefits plan:

Gratuity is post-employment benefit and is in the nature of defined benefit plan. The liability recognized in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the Balance Sheet date together with the adjustments for unrecognized actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the Balance Sheet date by an independent actuary using the projected unit credit method. Actuarial gains and losses comprise experience adjustment and the effects of changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

#### 2.14 Dividend Distribution

Dividends paid is recognized in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

#### 2.15 Earnings per share

##### a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the period (excluding other comprehensive income) attributable to equity share holders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year.

##### b) Diluted earnings per share

Diluted earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

#### 2.16 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements.

#### 2.17 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.

#### 2.18 Derivative financial instruments

Derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. The resulting gain or loss is recognized in standalone statement of profit and loss immediately.

#### 2.19 Foreign currency transaction

##### Initial recognition

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

**Exchange differences**

All exchange differences are accounted in the Statement of Profit and Loss.

**2.20 Investment in subsidiaries and associates**

Investment in subsidiaries are recognized at cost and is not adjusted to fair value at the end of each reporting period as allowed by Ind AS 27 'Separate financial statement'. Cost of investment represents amount paid for acquisition of the said investment and a proportionate recognition of the fair value of shares granted to employees of subsidiary under a group share based payment arrangement.

The Company assesses at the end of each reporting period, if there are any indications that the said investment may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

**NOTE 3: KEY ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on ongoing basis. Any changes to accounting estimates are recognized prospectively. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

- (a) Provision and contingent liability: On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. For Contingencies losses that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.
- (b) Allowance for impairment of financial asset: Judgements are required in assessing the recoverability of overdue and determining whether a provision against those is required. Factors considered include the aging of past dues, value of collateral and any possible actions that can be taken to mitigate the risk of non-payment.
- (c) Recognition of deferred tax assets: Deferred tax assets are recognised for unused tax-loss carry forwards, deductible temporary differences and unused tax credit to the extent that realisation of the related tax benefit is probable. The assessment of the probability with regard to the realisation of the tax benefit involves assumptions based on the history of the entity and budgeted data for the future.
- (d) Defined benefit plans: The cost of defined benefit plans and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions.
- (e) Property, plant and equipment and Intangible Assets: Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation and amortization to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

**Notes Forming Part Of Standalone Financial Statement**

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
<b>4. Cash and Cash Equivalents</b>		
Cash in hand	9.83	12.57
<b>Balances with banks</b>		
In current accounts	1,668.41	1,378.03
<b>Total</b>	<b>1,678.24</b>	<b>1,390.60</b>
<b>5. Bank Balances other than Cash and Cash Equivalent</b>		
Earmarked balances with bank towards Unclaimed dividend	24.52	24.37
Fixed deposit with maturity for less than 12 months *	34,283.00	10,865.00
Fixed deposit with maturity for more than 12 months *	2,770.00	7,504.00
Interest accrued on fixed deposits	790.89	72.56
<b>Total</b>	<b>37,868.41</b>	<b>18,465.93</b>
<b>* Fixed Deposit with bank includes Deposits under the lien of :</b>		
BSE Limited (ICCL)	26,762.00	3,719.00
National Commodity Exchange Limited & NCCL	732.50	282.50
Multi Commodity Exchange of India Limited & MCX-CCL	2,179.50	1,227.50
Over Draft facility	20.00	20.00
Bank for guarantees issued	7,339.00	13,100.00
Pension Fund Regulatory and Development Authority	20.00	20.00
<b>Total</b>	<b>37,053.00</b>	<b>18,369.00</b>
*Fixed deposits are pledged with exchange and banks for meeting margin requirements and for obtaining bank guarantee respectively.		
<b>6. Derivative Financial Instruments</b>		
(i) Equity linked derivatives	4.47	15.76
<b>Total</b>	<b>4.47</b>	<b>15.76</b>
Notional amounts Note : - The derivatives are used for the purpose of trading.		
<b>7. Securities for trade</b>		
<b>Quoted Equity Shares</b>		
Aditya Birla Sun Life Amc Ltd. (6,000 (Nil) shares, face value of ₹ 10 each)	27.30	-
Adani Energy Solutions Limited (1,000 (Nil) shares, face value of ₹ 10 each)	10.27	-
Adani Green Energy Limited (1,000 (Nil) shares, face value of ₹ 10 each)	18.35	-
Adani Ports And Special Economic Zone Limited (300 (Nil) shares, face value of ₹ 2 each)	4.03	-
Adani Total Gas Limited (1,000 (Nil) shares, face value of ₹ 1 each)	9.27	-
Adani Wilmar Limited (1000 (Nil) shares, face value of ₹ 1 each)	3.21	-
Angel One Limited (498 (Nil) shares, face value of ₹ 10 each)	15.16	-
Asian Energy Services Limited (1,000 (Nil) shares, face value of ₹ 10 each)	2.71	-
Aster DM Healthcare Limited (2,500 (Nil) shares, face value of ₹ 10 each)	10.23	-
BEML Land Assets Limited (5,000 (Nil) shares, face value of ₹ 1 each)	11.83	-
Bharat Dynamics Limited (20,000 (Nil) shares, face value of ₹ 5 each)	350.38	-
BCL Industries Limited (Nil (40,900) shares, face value of ₹ 1 each)	-	161.02

**Notes Forming Part Of Standalone Financial Statement**

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
Bharat Heavy Electricals Limited (2,500 (Nil) shares, face value of ₹ 2 each)	6.18	-
Borosil Renewables Limited (500 (Nil) shares, face value of ₹ 1 each)	2.49	-
Central Depository Services (India) Ltd (2,500 (Nil) shares, face value of ₹ 1 each)	42.80	-
Century Textiles & Industries Limited (3,319 (Nil) shares, face value of ₹ 10 each)	54.10	-
Cupid Limited (700 (Nil) shares, face value of ₹ 10 each)	16.96	-
Valor Estate Ltd. (1,500 (Nil) shares, face value of ₹ 10 each)	2.95	-
Deep Industries Limited (1,000 (Nil) shares, face value of ₹ 5 each)	3.09	-
Doms Industries Limited (200 (Nil) shares, face value of ₹ 2 each)	3.13	-
Ems Limited (5,000 (Nil) shares, face value of ₹ 2 each)	20.12	-
Engineers India Limited (1,200 (Nil) shares, face value of ₹ 2 each)	24.23	-
Exicom Tele-Systems Limited (1,000 (Nil) shares, face value of ₹ 2 each)	1.97	-
Fineotex Chemical Limited (343 (Nil) shares, face value of ₹ 10 each)	1.26	-
Fortune Financial Services (India) Limited (1 (Nil) shares, face value of ₹ 10 each)	0.00	-
Genus Power Infrastructures Limited (3,772 (Nil) shares, face value of ₹ 10 each)	23.03	-
GMR Power and Urban Infra Limited (1,000 (Nil) shares, face value of ₹ 2 each)	119.98	-
Gujarat State Fertilizers & Chemicals Limited (50 (50,000) shares, face value of ₹ 2 each)	0.10	59.50
Gujarat Narmada valley Fertilizers & Chemicals Limited (2,50,000 (Nil) shares, face value of ₹ 1 each)	12.70	-
Hemisphere Properties India Limited (4,010 (Nil) shares, face value of ₹ 10 each)	1.80	-
Hindustan Construction Company Limited (3,855 (Nil) shares, face value of ₹ 10 each)	0.36	-
HPL Electric & Power Limited (1,135 (Nil) shares, face value of ₹ 5 each)	3.59	-
HFCL Limited (10,000 (Nil) shares, face value of ₹ 1 each)	9.18	-
IFCI Limited (27,776 (Nil) shares, face value of ₹ 10 each)	11.01	-
IIFL Finance Limited (5,000 (Nil) shares, face value of ₹ 10 each)	17.01	-
India Tourism Development Corporation Limited (3,000 (Nil) shares, face value of ₹ 10 each)	9.56	-
Indo Count Industries Limited (1,000 (Nil) shares, face value of ₹ 2 each)	3.54	-
IndiaMART InterMESH Limited (200 (Nil) shares, face value of ₹ 10 each)	5.29	-

**Notes Forming Part Of Standalone Financial Statement**

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
Infibeam Avenues Limited (10,000 (Nil) shares, face value of ₹ 10 each)	3.41	-
Inox Wind Limited (15,000 (Nil) shares, face value of ₹ 10 each)	78.24	-
International Travel House Limited (2,000 (Nil) shares, face value of ₹ 2 each)	11.97	-
IRB Infrastructure Developers Limited (55,000 (Nil) shares, face value of ₹ 10 each)	14.64	-
ITI Limited (800 (Nil) shares, face value of ₹ 10 each)	2.02	-
Jai Corporation Limited (5,000 (Nil) shares, face value of ₹ 10 each)	14.14	-
Jindal Poly Films Limited (1,314 (Nil) shares, face value of ₹ 10 each)	5.96	-
Jio Financial Services Limited (5,000 (Nil) shares, face value of ₹ 10 Each)	17.69	-
JSW Infrastructure Limited (1500 (Nil) shares, face value of ₹ 10 Each)	3.68	-
Jyoti CNC Automation Limited (5,000 (Nil) shares, face value of ₹ 10 Each)	41.07	-
Life Insurance Corporation of India (42,500 (Nil) shares, face value of ₹ 10 each)	389.36	-
Lux Industries Limited (500 (Nil) shares, face value of ₹ 2 each)	5.37	-
MMTC Limited (10,951 (Nil) shares, face value of ₹ 10 each)	7.28	-
Mangalam Cement Limited (15,000 (Nil) shares, face value of ₹ 2 each)	109.65	-
Mohini Health & Hygiene Limited (22,500 (Nil) shares, face value of ₹ 1 each)	11.88	-
NLC India Limited (4957 (Nil) shares, face value of ₹ 10 each)	11.31	-
Mirza International Limited (Nil (3,000) shares, face value of ₹ 2 each)	-	1.05
Organic Recycling Systems Limited (141,000 (Nil) shares, face value of ₹ 10 each)	296.45	-
Orient Cement Limited (10,000 (Nil) shares, face value of ₹ 10 each)	19.58	-
Oberoi Realty Limited (Nil (14,000) shares, face value of ₹ 10 each)	-	117.96
Patel Engineering Limited (25,000 (Nil) shares, face value of ₹ 10 each)	14.23	-
Protean eGOV Technologies Limited (500 (Nil) shares, face value of ₹ 10 each)	5.03	-
Poonawalla Fincorp Limited (30,000 (25,000) shares, face value of ₹ 2 each)	139.68	73.13
Ramkrishna Forgings Limited (250 (Nil) shares, face value of ₹ 10 each)	1.73	-
Rico Auto Industries Limited (5000 (Nil) shares, face value of ₹ 10 each)	7.26	-



**Notes Forming Part Of Standalone Financial Statement**

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
Royal Orchid Hotels Limited (1000 (13,210) shares, face value of ₹ 10 each)	3.61	36.01
Reliance Power Limited (3,40,000 (Nil) shares, face value of ₹ 10 each)	96.05	-
Sabar Flex India Limited (10000 (Nil) shares, face value of ₹ 10 each)	1.98	-
Shipping Corporation of India (10766 (Nil) shares, face value of ₹ 10 each)	22.48	-
Shriram Pistons & Rings Limited (3000 (Nil) shares, face value of ₹ 10 each)	58.82	-
Shriram Finance Limited (1806 (Nil) shares, face value of ₹ 10 each)	42.62	-
SMC Global Securities Limited (20,000 (Nil) shares, face value of ₹ 10 each)	24.97	-
Steel Authority of India Limited (9,500 (Nil) shares, face value of ₹ 10 each)	33.56	-
Sterling and Wilson Renewable Energy Ltd (25,000 (Nil) shares, face value of ₹ 2 each)	78.49	-
Suzlon Energy Limited (55,000 (Nil) shares, face value of ₹ 2 each)	22.22	-
Sylph Technologies Limited (Nil (73,878) shares, face value of ₹ 1 each)	-	23.23
Tata Motors-Dvr Limited (18,000 (Nil) shares, face value of ₹ 10 each)	118.30	-
Tata Technologies Limited (1000 (Nil) shares, face value of ₹ 10 each)	10.21	-
Tata Teleservices (Maharashtra) Limited (17,394 (Nil) shares, face value of ₹ 10 each)	12.87	-
Titan Company Limited (175 (Nil) shares, face value of ₹ 2 each)	6.65	-
Tv18 Broadcast Limited (1,77,507 (Nil) shares, face value of ₹ 10 each)	82.36	-
V-Guard Industries Limited (399 (Nil) shares, face value of ₹ 10 each)	1.32	-
Vodafone Idea Limited (2,00,000 (Nil) shares, face value of ₹ 10 each)	26.50	-
Wockhardt Limited (10,000 (Nil) shares, face value of ₹ 10 each)	58.57	-
Welspun Specialty Solutions Limited (65,000(Nil) shares, face value of ₹ 6 each)	20.42	-
Xpro India Limited (4,010 (Nil) shares, face value of ₹ 10 each)	44.81	-
Yes Bank Limited (90,020 (Nil) shares, face value of ₹ 2 each)	20.88	-
Zen Technologies Limited (3,000 (Nil) shares, face value of ₹ 1 each)	28.70	-
Zomato Limited (10,000 (Nil) shares, face value of ₹ 1 each)	18.21	-
<b>Total</b>	<b>2,905.39</b>	<b>471.90</b>

**Notes Forming Part Of Standalone Financial Statement**

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
<b>8. Trade Receivables*</b>		
Considered good- Secured	9,131.44	17,084.99
Considered good - Unsecured	499.04	184.47
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit impaired	-	-
<b>Total (Gross)</b>	<b>9,630.48</b>	<b>17,269.46</b>
Less: Impairment loss allowance	-	-
<b>Total (Net)</b>	<b>9,630.48</b>	<b>17,269.46</b>
<b>Out of which:</b>		
Due from Directors	Nil	Nil
Due from a firm including LLP's and Private Limited Company in which a Director of the Company is a Partner or a Director respectively	Nil	Nil
<b>*For Ageing of Trade Receivable refer note no. 46.</b>		
<b>9. Loans</b>		
<b>[A] Loans measured at Amortised Cost</b>		
Margin trading facility	17,446.95	6,658.65
<b>Total (Gross)</b>	<b>17,446.95</b>	<b>6,658.65</b>
Less: Impairment loss allowance	-	-
<b>Total (Net)</b>	<b>17,446.95</b>	<b>6,658.65</b>
[B]		
i) Secured by tangible assets	17,446.95	6,658.65
ii) Unsecured	-	-
<b>Total (Gross)</b>	<b>17,446.95</b>	<b>6,658.65</b>
Less: Impairment loss allowance	-	-
<b>Total (Net)</b>	<b>17,446.95</b>	<b>6,658.65</b>
[C] Loans in India		
i) Public Sector	-	-
ii) Others	17,446.95	6,658.65
<b>Total (Gross)</b>	<b>17,446.95</b>	<b>6,658.65</b>
Less: Impairment loss allowance	-	-
<b>Total (Net)</b>	<b>17,446.95</b>	<b>6,658.65</b>
<b>Stage wise break up of loans -</b>		
Low credit risk (Stage 1)	17,446.95	6,658.65
Significant increase in credit risk (Stage 2)	-	-
Credit impaired (Stage 3)	-	-
<b>Total</b>	<b>17,446.95</b>	<b>6,658.65</b>
<b>10. Investments</b>		
<b>Equity Instruments</b>		
<b>(A) At Fair Value though Profit or Loss</b>		
<b>1. Investment in Quoted shares</b>		
Artemis Medicare Services Limited (Nil (40,000) shares, face value of ₹ 1 each)	-	27.16
Century Textiles And Industries Limited (6,681 (Nil) shares, face value of ₹ 10 each)	108.89	-

**Notes Forming Part Of Standalone Financial Statement**

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
D. P. Abhushan Limited (Nil (1,91,353) shares, face value of ₹ 10 each)	-	592.91
Gufic Biosciences Limited (Nil (15,000) shares, face value of ₹ 1 each)	-	27.96
Hariom Pipe Industries Limited (Nil (15,000) shares, face value of ₹ 10 each)	-	71.80
Ion Exchange (India) Limited (Nil (530) shares, face value of ₹ 1 each)	-	18.09
Jainam Ferro Alloys Limited (17000 (Nil) shares, face value of ₹ 10 each)	21.39	-
Jash Engineering Limited (2297 (Nil) shares, face value of ₹ 2 each)	38.92	-
Nitiraj Engineers Limited (Nil (1,48,307) shares, face value of ₹ 10 each)	-	105.08
Poonawalla Fincorp Limited (21,189 (31,000) shares, face value of ₹ 2 each)	98.66	90.68
Rane Holdings Limited (Nil (5,500) shares, face value of ₹ 10 each)	-	47.63
Revathi Equipment Limited (Nil (1,700) shares, face value of ₹ 10 each)	-	21.81
Sepc Limited (22,223 (Nil) shares, face value of ₹ 1 each)	3.70	-
Ttk Healthcare Limited (Nil (3,902) shares, face value of ₹ 10 each)	-	40.50
Xpro India Limited (9778 (Nil) shares, face value of ₹ 2 each)	109.25	-
<b>Sub-Total (1)</b>	<b>380.81</b>	<b>1,043.61</b>
<b>2. Investment in Unquoted shares</b>		
Das Offshore Limited (2,054 (2,054) shares, face value of ₹ 10 each)	250.00	250.00
Hdb Financial Services Limited (5,320 (5,320) shares, face value of ₹ 10 each)	50.27	34.58
National Stock Exchange Limited (NSE) (8,000 (8,000) shares, face value of ₹1 each)	257.94	255.92
Saurashtra Kutch Enterprise Limited (1 (1) shares, face value of ₹ 5000 each)	5.05	5.05
The Saraswat Co-Operative Bank Limited (500 (500) shares, face value of ₹ 10 each)	0.05	0.05
<b>Sub-Total (2)</b>	<b>563.31</b>	<b>545.60</b>

**Notes Forming Part Of Standalone Financial Statement**

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
<b>(B) At cost</b>		
<b>1. Investment in subsidiaries</b>		
Arihant Capital (IFSC) Limited (14,00,000 (14,00,000) shares, face value of ₹ 10 each)	140.00	140.00
Arihant Financial Services Limited (2,50,000 (2,50,000) shares, face value of ₹ 10 each)	206.24	206.24
Arihant Future & Commodities Limited (3,55,000 (3,55,000) shares, face value of ₹ 10 each)	79.52	79.52
Arihant Institute of Financial Education Private Limited* (Nil (2,50,000) shares, face value of ₹ 10 each)	-	25.00
Arihant Insurance Broking Services Limited (7,50,000 (7,50,000) shares, face value of ₹ 10 each)	75.00	75.00
Less : Accumulated Impairment	(0.16)	(9.16)
Add : Reversal of Impairment Loss**	0.16	9.00
<b>Sub-Total (1)</b>	<b>500.77</b>	<b>525.60</b>
<b>2. Investment in Associate</b>		
Electrum Capital Private Limited (13,75,000 (13,75,000) shares, face value of ₹ 10 each)	137.50	137.50
<b>Sub-Total (2)</b>	<b>137.50</b>	<b>137.50</b>
<b>Total (A+B)</b>	<b>1,582.39</b>	<b>2,252.32</b>
i) Investments in India	1,582.39	2,252.32
ii) Investments outside India	-	-
<b>Total</b>	<b>1,582.39</b>	<b>2,252.32</b>
*The company has sold its entire shareholding in subsidiary Arihant Institute of Financial Education Private Limited on 31.07.2023 for a total consideration of ₹ 58.75 Lacs.		
**The Company has accounted for its investments in Subsidiaries at cost less impairment loss. Based on the assessment of the internal sources of information, management has identified indicators of reversal of impairment in respect of its investments in subsidiaries in the current year ₹ 0.16 lacs (reversal of impairment loss of ₹ 9 lacs in previous year).		
<b>11. Other Financial Assets</b>		
Deposits with Exchanges / Depositories	1,349.70	276.95
Deposit with Related parties (Refer Note No.44)	34.50	34.50
Other Deposits	23.47	24.27
Other Advances	331.31	36.15
<b>Total</b>	<b>1,738.98</b>	<b>371.87</b>

**Notes Forming Part Of Standalone Financial Statement**

**12. Property, Plant & Equipment**

(₹ in Lacs)

Particulars	Building	Furniture & Fixtures	Office Equipments	Computers	Electrical Installations	Motor Vehicles	Total
<b>Gross carrying Amount</b>							
As at April 1, 2022	577.89	84.21	74.24	272.83	20.15	221.97	1,251.30
Additions	-	124.71	50.84	180.16	11.42	39.02	406.15
Disposals	-	-	-	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>577.89</b>	<b>208.92</b>	<b>125.08</b>	<b>452.99</b>	<b>31.57</b>	<b>260.99</b>	<b>1,657.45</b>
Additions	0.00	18.05	9.67	112.02	-	106.83	246.58
Disposals	-	-	-	-	-	-	-
<b>Balance as at March 31, 2024</b>	<b>577.89</b>	<b>226.98</b>	<b>134.76</b>	<b>565.01</b>	<b>31.57</b>	<b>367.82</b>	<b>1,904.04</b>
<b>Accumulated Depreciation</b>							
As at April 1, 2022	41.30	37.80	39.61	164.18	5.84	68.67	357.42
Additions	10.33	14.72	16.16	77.74	2.67	31.23	152.84
Disposals	-	-	-	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>51.63</b>	<b>52.52</b>	<b>55.77</b>	<b>241.92</b>	<b>8.51</b>	<b>99.91</b>	<b>510.26</b>
Additions	10.33	22.15	19.05	95.86	3.33	33.70	184.41
Disposals	-	-	-	-	-	-	-
<b>Balance as at March 31, 2024</b>	<b>61.95</b>	<b>74.67</b>	<b>74.82</b>	<b>337.78</b>	<b>11.83</b>	<b>133.61</b>	<b>694.67</b>
<b>Net Carrying Amount</b>							
<b>Balance as at March 31, 2023</b>	<b>526.26</b>	<b>156.41</b>	<b>69.32</b>	<b>211.07</b>	<b>23.06</b>	<b>161.09</b>	<b>1,147.19</b>
<b>Balance as at March 31, 2024</b>	<b>515.94</b>	<b>152.30</b>	<b>59.94</b>	<b>227.23</b>	<b>19.74</b>	<b>234.22</b>	<b>1,209.37</b>
<b>13. Other Intangible Assets</b>							
Particulars	Software		Total				
<b>Gross carrying Amount</b>							
As at April 1, 2022	128.15		128.15				
Additions	203.17		203.17				
Disposals	-		-				
<b>Balance as at March 31, 2023</b>	<b>331.32</b>		<b>331.32</b>				
Additions	58.34		58.34				
Disposals	-		-				
<b>Balance as at March 31, 2024</b>	<b>389.66</b>		<b>389.66</b>				
<b>Accumulated Depreciation</b>							
As at April 1, 2022	58.78		58.78				
Additions	34.17		34.17				
Disposals	-		-				
<b>Balance as at March 31, 2023</b>	<b>92.95</b>		<b>92.95</b>				
Additions	53.09		53.09				
Disposals	-		-				
<b>Balance as at March 31, 2024</b>	<b>146.04</b>		<b>146.04</b>				
<b>Net Carrying Amount</b>							
<b>Balance as at March 31, 2023</b>	<b>238.37</b>		<b>238.37</b>				
<b>Balance as at March 31, 2024</b>	<b>243.62</b>		<b>243.62</b>				

**Notes Forming Part Of Standalone Financial Statement**

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
<b>14. Other Non Financial Assets</b>		
Employee Advance	4.76	3.14
Prepaid expenses	247.49	281.80
Tax Receivables (IT Department)	115.85	151.75
GST Receivables	373.18	31.72
Other Advances*	74.52	72.57
<b>Total</b>	<b>815.81</b>	<b>540.98</b>
*The Company has established a contributory trust named Arihant Alternate Capital Trust under the provision of Indian Trusts Act, 1882 for the purpose of carrying out the activities of a Category III Alternative Investment Fund ("AIF") under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012. Arihant Capital Markets Limited acting as the "Settlor" of the trust through its Authorized Signatory		
<b>15. Trade Payables*</b>		
Micro, Small and Medium Enterprises (Refer Note No. 41)	164.89	29.12
Other than Micro, Small and Medium Enterprises	30,973.59	18,244.57
<b>Total</b>	<b>31,138.48</b>	<b>18,273.69</b>
*For Ageing of Trade Payable refer note no. 47.		
<b>16. Debt securities</b>		
Amortised Cost		
Redeemable non-convertible debenture 1 year @ 9.5%	1,932.00	-
Redeemable non-convertible debenture 3 year @10%	2,393.00	-
<b>Total</b>	<b>4,325.00</b>	<b>-</b>
i.) Debt securities in India	4,325	-
ii.) Debt securities outside India	-	-
<b>Total</b>	<b>4,325</b>	<b>-</b>
<b>Terms of repayment:</b>		
The aforesaid Redeemable non-convertible debenture are repayable on maturity and the tenure is 12 to 36 months.		
<b>Details of Assets pledged as security</b>		
The Unlisted Redeemable non-convertible debentures are secured by way of pari passu charge on the secured debtors of the company, with a security coverage of 1.2 times the value of the secured debtors.		
<b>17. Borrowings</b>		
<b>[A] Loans repayable on demand - Amortised Cost</b>		
i.) from banks	3,921.19	4,408.65
ii.) from Related Party	1,000.00	-
iii.) from Director	-	650.00
<b>Total</b>	<b>4,921.19</b>	<b>5,058.65</b>
<b>[B]</b>		
i.) Borrowings in India	4,921.19	5,058.65
ii.) Borrowings outside India	-	-
<b>Total</b>	<b>4,921.19</b>	<b>5,058.65</b>
<b>[C]</b>		
i.) Secured *	4,921.19	4,408.65
ii.) Unsecured	-	650.00
<b>Total</b>	<b>4,921.19</b>	<b>5,058.65</b>
*Secured against pledge of securities, trade receivables and immovable property.		
<b>*Details of Assets pledged as security</b>		
1. The Company availed overdraft facility from ICICI Bank amounting to ₹ 2,000 Lacs. Outstanding book balance of overdraft is ₹11.20 Lacs (March 31, 2023: ₹1,651.71 Lacs)		
The aforesaid overdraft is secured by way of first charge on trade receivables of the company.		



**Notes Forming Part Of Standalone Financial Statement**

2. The Company availed overdraft facility from Axis Bank amounting to ₹ 6,000 Lacs. Outstanding book balance of overdraft is ₹ 2100.08 Lacs (March 31, 2023: ₹ 2,261.61 Lacs).  
The aforesaid overdraft is secured by way of first charge on trade receivables of the company.

3. The Company availed loan against property from ICICI Bank amounting to ₹ 500 Lacs. Outstanding book balance of loan is ₹ 299.81 Lacs (March 31, 2023: ₹ 495.33 Lacs).  
The aforesaid loan is secured by way of first charge by way of equitable mortgage of building situated at 1011, Solitaire Corporate Park, Building No.10, 1st Floor, Andheri Ghatkopar Link Road Chakala Andheri (EAST) Mumbai in the name of the company.

4. The Company availed overdraft facility from IDFC FIRST Bank amounting to ₹ 2,500 Lacs. Outstanding book balance of overdraft is ₹ 1510.09 Lacs (March 31, 2023: NIL)  
The aforesaid overdraft is secured by way of first charge on trade receivables of the company.

5. The Company availed loan against shares from Tata Capital Financial Services Limited amounting to ₹ 500 Lacs. Outstanding book balance of overdraft is Nil (March 31, 2023: Nil).  
The aforesaid loan is secured against securities of the company.

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
<b>18. Other Financial Liabilities</b>		
Employee Benefits Payable	624.16	240.72
Franchise Deposit	1,825.48	637.27
Other Deposit	184.33	209.49
Expenses Payable	123.15	99.84
Other Payable(includes payable to vendors)	1,413.65	542.74
Unclaimed Dividend*	24.52	24.37
<b>Total</b>	<b>4,195.29</b>	<b>1,754.43</b>
*Out of the above amount, the company is required to credit a sum of ₹ 4.09 lying in the unclaimed dividend account, on or before 15th October, 2024 to the Investor Education & Protection Fund pursuant to Sub-section (1) of Section 125 of the Companies Act, 2013.		
<b>19. Current Tax Liabilities (net)</b>		
Income tax payable (Net)	179.73	39.89
<b>Total</b>	<b>179.73</b>	<b>39.89</b>
<b>20. Provisions</b>		
Provision for Gratuity (Refer Note No. 43)	261.61	193.44
<b>Total</b>	<b>261.61</b>	<b>193.44</b>
<b>21. Deferred Tax Liabilities (net)</b>		
Deferred Tax Liabilities (net) (Refer Note No. 37)	67.56	114.65
<b>Total</b>	<b>67.56</b>	<b>114.65</b>
<b>22. Other Non Financial Liabilities</b>		
Statutory Dues Payable	681.10	160.30
<b>Total</b>	<b>681.10</b>	<b>160.30</b>
<b>23. Share Capital</b>		
<b>Authorised</b>		
12,50,00,000 equity share of ₹ 1/- each (12,50,00,000 of ₹ 1/- each)	1,250.00	1,250.00
<b>Issued, Subscribed &amp; Paid up</b>		
10,41,12,800 equity share of ₹ 1/- each (10,41,12,800 of ₹ 1/- each)	1,041.13	1,041.13
<b>Total</b>	<b>1,041.13</b>	<b>1,041.13</b>

The Company has sub-divided its 2,08,22,560 equity shares of face value of ₹ 5 each fully paid up into 10,41,12,800 equity shares of face value of ₹ 1 each fully paid up w.e.f. April 15, 2022 as recommended by board of directors and approved by the shareholders of the company in the Extra Ordinary General Meeting held on March 26, 2022.

**Notes Forming Part Of Standalone Financial Statement**

Particulars	March 31, 2024	March 31, 2023		
<b>a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period</b>				
<u>Equity Shares of face value ₹1/- (face value ₹1/- March 23)</u>				
Share outstanding at the beginning of the period	10,41,12,800	2,08,22,560		
Share outstanding at the end of period	10,41,12,800	10,41,12,800		
<b>b. Terms/rights attached to equity shares</b>				
The company has one class of equity shares having a par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.				
<b>c. List of the Shareholders holding more than 5% of the total number of shares issued by the company</b>				
<b>Name of the shareholders</b>				
Ashok Kumar Jain	33,531,680 (32.21%)	33,531,680 (32.21%)		
Kiran Jain	23,641,600 (22.71%)	23,641,600 (22.71%)		
Sunil Kumar Jain	5,353,280 (5.14%)	5,353,280 (5.14%)		
Arpit Jain	5,739,200 (5.51%)	5,739,200 (5.51%)		
<b>d. Shareholding of Promoter</b>				
<b>For the year ended March 31, 2024</b>				
<b>S. No.</b>	<b>Promoter's Name</b>	<b>No. of Shares</b>	<b>% of total shares</b>	<b>% Change during the Year</b>
1	Ashok Kumar Jain	3,35,31,680	32.21	-
2	Kiran Jain	2,36,41,600	22.71	-
3	Sunil Kumar Jain	53,53,280	5.14	-
4	Arpit Jain	57,39,200	5.51	-
5	Swati Jain	-	-	(3.95)
6	Shruti Jain	31,10,400	2.99	-
7	Ratik Jain	9,60,000	0.92	-
8	Kamal Kumar Jain (HUF)	-	-	(0.25)
9	Anvita Jain	1,92,000	0.18	-
10	Meena Jain	1,52,000	0.15	-
11	Kamal Kumar Jain	-	-	(0.12)
<b>Total</b>		<b>7,26,80,160</b>	<b>69.81</b>	<b>(4.31)</b>
<b>For the year ended March 31, 2023</b>				
<b>S. No.</b>	<b>Promoter's Name</b>	<b>No. of Shares</b>	<b>% of total shares</b>	<b>% Change during the Year</b>
1	Ashok Kumar Jain	3,35,31,680	32.21	-
2	Kiran Jain	2,36,41,600	22.71	-
3	Sunil Kumar Jain	53,53,280	5.14	-
4	Arpit Jain	57,39,200	5.51	-
5	Swati Jain	41,07,580	3.95	(0.45)
6	Shruti Jain	31,10,400	2.99	-
7	Ratik Jain	9,60,000	0.92	-
8	Kamal Kumar Jain (HUF)	2,56,000	0.25	-
9	Anvita Jain	1,92,000	0.18	-
10	Meena Jain	1,52,000	0.15	-
11	Kamal Kumar Jain	1,28,000	0.12	-
<b>Total</b>		<b>7,71,71,740</b>	<b>74.12</b>	<b>(0.45)</b>

**Notes Forming Part Of Standalone Financial Statement**

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
<b>24. Other Equity</b>		
<b>General Reserve</b>		
Balance at the beginning of the year	20,603.42	18,103.42
Transfer from Retained Earnings	6,000.00	2,500.00
<b>Balance as at end of the year</b>	<b>26,603.42</b>	<b>20,603.42</b>
<b>Retained Earnings</b>		
Balance at the beginning of the year	1,583.41	1,614.80
Transfer from Statement of Profit and Loss	6,583.52	2,622.86
Remeasurement of Defined Benefit Plan (Net of Taxes)	(40.90)	1.94
Final Dividend	(416.45)	(156.17)
Transfer to General Reserve	(6,000.00)	(2,500.00)
<b>Balance as at end of the year</b>	<b>1,709.59</b>	<b>1,583.43</b>
<b>Total</b>	<b>28,313.01</b>	<b>22,186.85</b>
<b>General Reserve</b>		
General reserve represents appropriation of surplus in the profit and loss account and is available for distribution to shareholders as dividend.		
<b>Particulars</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>25. Interest Income</b>		
On financial assets measured at amortised cost-		
Interest on deposits with banks	1,839.80	962.19
Interest on Margin deposit with exchange	58.97	27.25
Interest on Margin funding and delayed payment	4,462.39	3,813.36
<b>Total</b>	<b>6,361.16</b>	<b>4,802.80</b>
<b>26. Dividend Income</b>		
From Securities	55.62	55.54
<b>Total</b>	<b>55.62</b>	<b>55.54</b>
<b>27. Fees and commission income</b>		
Commission Received (Net)	396.77	345.05
Brokerage Income	10,765.70	7,148.87
Depository Receipts	420.74	240.84
Fees From Merchant Banking	495.45	108.18
<b>Total</b>	<b>12,078.66</b>	<b>7,842.94</b>
<b>28. Net Gain on fair value changes</b>		
<b>(A) Net gain / (loss) on financial instruments at fair value through profit or loss</b>		
(i) Profit/(loss) on sale of derivatives held for trade (net)	1,279.52	246.73
(ii) Profit/(loss) on securities held for trade	2,684.74	627.51
<b>(B) Others</b>		
- Profit/(loss) on sale of investments (net) at fair value through profit or loss*	433.83	(347.47)
<b>Total</b>	<b>4,398.09</b>	<b>526.77</b>
<b>*Profit on sale of subsidiaries shown in Exceptional items (Refer Note No. 36)</b>		

**Notes Forming Part Of Standalone Financial Statement**

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
<b>Fair value changes</b>		
Realised gain	4,272.62	654.87
Unrealised gain	125.46	(128.10)
<b>Total</b>	<b>4,398.08</b>	<b>526.77</b>
<b>29. Other Income</b>		
Income from Rent	6.30	9.38
Bad debts recovered	12.40	2.25
Miscellaneous income	24.51	7.16
<b>Total</b>	<b>43.21</b>	<b>18.79</b>
<b>30. Finance Costs</b>		
On financial liabilities measured at amortised cost-		
Interest on Borrowings	605.92	735.68
Interest on NCD	174.41	
Interest paid on Deposit	441.06	149.08
Other Interest expenses	7.26	0.82
<b>Total</b>	<b>1,228.65</b>	<b>885.58</b>
<b>31. Fees and Commission Expense</b>		
Sub Brokerage/Referral Fees	5,651.53	3,864.93
Depository charges	141.07	83.58
Exchange Transaction Charges	963.05	702.38
Merchant Banking Expenses	91.69	12.03
<b>Total</b>	<b>6,847.34</b>	<b>4,662.92</b>
<b>32. Impairment on financial instruments</b>		
On financial assets measured at amortised cost-		
Investments in subsidiaries (Refer Note No. 10)	(0.16)	(9.00)
Bad Debts written off	11.56	1.23
<b>Total</b>	<b>11.40</b>	<b>(7.77)</b>
<b>33. Employee Benefits Expenses (Includes Managerial Remuneration)</b>		
Salaries, wages and bonus	2,968.93	1,925.98
Contribution to provident and other fund (Refer Note No. 43)	39.99	38.02
Gratuity expense (Refer Note No. 43.)	28.72	22.79
Staff welfare expenses	37.51	36.44
<b>Total</b>	<b>3,075.15</b>	<b>2,023.23</b>
<b>34. Depreciation and amortisation expense</b>		
Depreciation on Property, plant & equipment	184.41	152.84
Amortisation on other intangible assets	53.09	34.17
<b>Total</b>	<b>237.50</b>	<b>187.01</b>

**Notes Forming Part Of Standalone Financial Statement**

Particulars	March 31, 2024	March 31, 2023
<b>35. Other Expenses</b>		
Advertisement	11.20	25.32
Auditors' Remuneration *	12.74	9.12
Bank Charges	164.87	178.30
Business Development	286.41	84.42
Corporate Social Responsibility (Refer Note No. 56)	91.47	82.85
Communication Costs	190.15	161.86
Electricity	59.59	59.47
Insurance	12.14	10.24
Legal and Professional	742.22	295.52
Loss on currency fluctuation	0.00	-
Membership Fee & Subscription	24.38	22.78
Miscellaneous	112.15	131.64
Office Expenses	47.55	40.34
Rent	164.06	134.47
Repairs & Maintenance	116.48	55.17
Software Maintenance	676.20	547.83
Stationery & Printing	31.80	19.32
Travel & Conveyance	127.91	110.03
<b>Total</b>	<b>2,871.32</b>	<b>1,968.68</b>
<b>*Remuneration To Auditors (Exclusive of Taxes)</b>		
<b>As Auditors:</b>		
Statutory audit	9.00	7.00
Tax audit	1.00	1.00
Limited review	0.90	0.90
Other services	1.84	0.22
<b>Total</b>	<b>12.74</b>	<b>9.12</b>
<b>36. Exceptional items</b>		
Profit on sale of subsidiaries (Refer Note No. 10)	33.75	31.00
<b>Total</b>	<b>33.75</b>	<b>31.00</b>
<b>37. Tax Expense</b>		
<b>I. The major components of income tax expense for the year are as under</b>		
<b>(A) Current tax expense</b>		
Current tax for the year	2,186.85	980.42
Tax adjustment in respect of earlier years	(37.90)	(8.97)
<b>Total current tax expense (A)</b>	<b>2,148.95</b>	<b>971.45</b>
<b>(B) Deferred tax expense</b>		
Change in deferred tax liabilities	(33.33)	(36.12)
<b>Net deferred tax expense (B)</b>	<b>(33.33)</b>	<b>(36.12)</b>
<b>Total (A+B)</b>	<b>2,115.62</b>	<b>935.33</b>

**Notes Forming Part Of Standalone Financial Statement**

Particulars	March 31, 2024	March 31, 2023		
<b>B. Reconciliation of tax expenses and the accounting profit for the year is as under</b>				
Profit / (loss) before income tax expense	8,699.15	3,558.18		
Tax at the rate of 25.17%	2,189.40	895.52		
<b>Difference due to :</b>				
Tax effect of expense allowed on payment basis	15.01	0.66		
Tax on expense not tax deductible	23.02	20.85		
Tax adjustment relating to fair valuation of equity instrument	(123.15)	84.08		
Tax adjustment of previous years	(37.90)	(8.97)		
Tax effect of different depreciation	(6.81)	(19.90)		
Tax effect on chapter VI	(14.00)	(13.97)		
Tax on income taxable at different rate	103.37	13.18		
<b>Current tax expense (A)</b>	<b>2,148.94</b>	<b>971.45</b>		
Deferred tax liability on PPE & Intangible Assets	6.81	19.90		
Deferred tax asset on expense allowed on payment basis	(1.26)	(0.66)		
Deferred tax asset on fair valuation	(38.88)	(55.36)		
<b>Deferred tax expense (B)</b>	<b>(33.33)</b>	<b>(36.12)</b>		
<b>Total Tax Expense (A+B)</b>	<b>2,115.61</b>	<b>935.33</b>		
<b>Effective Tax Rate</b>	<b>24.32%</b>	<b>26.29%</b>		
<b>Particulars</b>	<b>Year Ended March 31, 2024</b>			
	As at April 1, 2023	Credit / (Charge) in Profit of Loss	Credit / (Charge) in OCI	As at March 31, 2024
<b>Deferred tax liability on account of :</b>				
Timing difference on PPE & Intangible Assets as per books and Income Tax Act, 1961	101.62	(6.81)	-	108.43
Fair valuation of Securities for Trade as per Ind AS	-	-	-	-
<b>Total deferred tax liabilities (A)</b>	<b>101.62</b>	<b>(6.81)</b>	<b>-</b>	<b>108.43</b>
<b>Deferred tax assets on account of:</b>				
Expenses allowable u/s. 43B on payment basis				
-Gratuity	48.69	3.40	13.76	65.84
-Bonus	2.14	(2.14)	-	-
Fair valuation of Equity Instruments as per Ind AS	(63.85)	38.88	-	(24.97)
<b>Total deferred tax assets (B)</b>	<b>(13.02)</b>	<b>40.14</b>	<b>13.76</b>	<b>40.87</b>
<b>Net deferred tax Liability / (Assets) (A-B)</b>	<b>114.64</b>	<b>33.33</b>	<b>13.76</b>	<b>67.56</b>
<b>Particulars</b>	<b>Year Ended March 31, 2023</b>			
	As at April 1, 2022	Credit / (Charge) in Profit of Loss	Credit / (Charge) in OCI	As at March 31, 2023
<b>Deferred tax liability on account of :</b>				
Timing difference on PPE & Intangible Assets as per books and Income Tax Act, 1961	81.72	(19.90)	-	101.62
Fair valuation of Securities for Trade as per Ind AS	(2.92)	(2.92)	-	-
<b>Total deferred tax liabilities (A)</b>	<b>78.80</b>	<b>(22.82)</b>	<b>-</b>	<b>101.62</b>
<b>Deferred tax assets on account of:</b>				
Expenses allowable u/s. 43B on payment basis				
-Gratuity	46.89	2.45	(0.65)	48.69
-Bonus	3.93	(1.78)	-	2.14
Fair valuation of Equity Instruments as per Ind AS	(122.14)	58.28	-	(63.85)
<b>Total deferred tax assets (B)</b>	<b>(71.32)</b>	<b>58.95</b>	<b>(0.65)</b>	<b>(13.02)</b>
<b>Net deferred tax Liability / (Assets) (A-B)</b>	<b>150.12</b>	<b>36.13</b>	<b>(0.65)</b>	<b>114.64</b>
<b>38. Earnings Per Equity Share</b>				
<b>A) Profit attributable to Equity holders of Company</b>				
Profit attributable to equity holders		6,583.53		2,622.85



**Notes Forming Part Of Standalone Financial Statement**

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
<b>B) Weighted average number of ordinary shares</b>		
Number of shares at the beginning of the year	10,41,12,800	10,41,12,800
<b>Weighted average number of shares at the end of the year</b>	<b>10,41,12,800</b>	<b>10,41,12,800</b>
<b>C) Face value per share</b>	<b>1.00</b>	<b>1.00</b>
<b>D) Basic and Diluted earnings per share</b>	<b>6.32</b>	<b>2.52</b>
<b>39. Contingent Liability and Commitment (to the extent not provided for)</b>		
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Contingent liabilities:</b>		
Bank Guarantees given*	14,673.75	26,200.00
Demand in respect of income tax matters for which appeal is pending	66.98	66.98
<b>Capital commitments:</b>		
There are no Capital commitment as at the year end.		
<b>* Bank Guarantees details</b>		
1.ICCL Bombay Stock Exchange Ltd (under mandatory rules for membership)	148.75	148.75
2.ICCL Bombay Stock Exchange Ltd (towards additional margin)	14,450.00	25,976.25
3.National Securities Clearing Corporation Ltd (under mandatory rules for membership)	75.00	75.00
<b>40. Segment Reporting</b>		
The Company publishes these standalone financial statements along with the consolidated financial statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the consolidated financial statements.		
<b>41. Due to Micro, Small, &amp; Medium Enterprises</b>		
The Company has sent letters to vendors to confirm whether they are covered under Micro, Small and Medium Enterprise Development Act 2006 as well as they have filed required memorandum with prescribed authority. Based on and to the extent of the information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) the relevant particulars as at the year end are furnished below:		
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
The Principal amount remaining unpaid at the year end	164.89	29.12
The Interest amount remaining unpaid at the year end	-	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the year (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
The amount of interest accrued and remaining unpaid at the year end	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-
<b>The balance of MSMED parties as at the year end</b>	<b>164.89</b>	<b>29.12</b>
<b>42. Revenue from Contract with customers</b>		
The Company derives revenue primarily from the broking business. Its other major revenue sources is Interest earned from margin funding and delayed payments from clients.		
<b>A. Disaggregate revenue information</b>		
The table below presents disaggregate revenues from contracts with customers for the year ended March 31, 2024 and March 31, 2023. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by market and other economic factors.		

**Notes Forming Part Of Standalone Financial Statement**

(₹ in Lacs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Brokerage Income	10,765.70	7,148.87
Fees & Commission Income	396.77	345.05
Interest Income	6,361.16	4,802.80
Depository Income	420.74	240.84
Fees From Merchant Banking	495.45	108.18
<b>Total</b>	<b>18,439.82</b>	<b>12,645.74</b>
<b>B. Nature and timing of satisfaction of the performance obligation</b>		
<b>1. Broking Income</b> - The Company provides trade execution and settlement services to the customers. There is only one performance obligation of execution of the trade and settlement of the transaction which is satisfied at a point in time. The brokerage charged is the transaction price and is recognised as revenue on settlement date basis.		
<b>2. Fees &amp; Commission Income</b> - Fees for subscription based services are received periodically but are recognised as earned on a pro-rata basis over the term of the contract. Commissions from distribution of financial products are recognised upon allotment of the securities to the applicant or as the case may be. Commissions and fees recognised as aforesaid are exclusive of goods and service tax, securities transaction tax, stamp duties and other levies by SEBI and stock exchanges.		
<b>3. Interest Income</b> - Interest is earned on delayed payments from clients and amounts funded to them as well as on loans and term deposit with bank. Interest income is recognised on a time proportion basis taking into account the amount outstanding from customers or on the financial instrument and the rate applicable.		
<b>4. Depository Income</b> - Income from services rendered on behalf of depository is recognised upon rendering of the services, in accordance with the terms of contract.		
<b>5. Fees From Merchant Banking</b> - The Company provides underwriting the issuance of securities services to companies to raise capital through the IPO and FPO process, from initial planning to final listing on the stock exchange. Income is recognised as revenue upon rendering of the services, in accordance with the terms of agreement with customer.		
<b>43. Employee benefits</b>		
<b>A. The Company contributes to the following post-employment defined benefit plans</b>		
<b>(i) Defined Contribution Plans:</b>		
The Company makes contributions towards Provident Fund and Employees State Insurance Fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.		
The Company recognised ₹34.57 Lacs (Previous Year ₹33.09 Lacs) for provident fund contributions in the Statement of Profit and Loss.		
The Company recognised ₹5.41 Lacs (Previous Year: ₹4.93 Lacs) for Employees State Insurance Fund contribution in the Statement of Profit and Loss.		
<b>(ii) Defined Benefit Plan:</b>		
<b>Gratuity</b>		
In accordance with Payment of Gratuity Act, the Company provides for gratuity, a defined benefit retirement plan covering all employees. The plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee's salary and the years of employment with the Company subject to maximum of ₹20 lacs. (Previous Year ₹ 20 lacs).		
The gratuity benefit is provided through unfunded plan and annual contributions are charged to the statement of profit and loss. Under the scheme, the settlement obligation remains with the Company. Company accounts for the liability for future gratuity benefits based on an actuarial valuation. The net present value of the Company's obligation towards the same is actuarially determined based on the projected unit credit method as at the Balance Sheet date.		

**Notes Forming Part Of Standalone Financial Statement**

(₹ in Lacs)

Particulars	Defined Benefit Obligation			
	As at March 31, 2024	As at March 31, 2023		
<b>Opening balance</b>	<b>193.44</b>	<b>186.31</b>		
<b>Included in profit or loss -</b>				
Current service cost	14.79	13.20		
Interest cost	13.93	9.59		
<b>Total - A</b>	<b>222.16</b>	<b>209.11</b>		
<b>Included in OCI -</b>				
Actuarial loss (gain) arising from:				
Demographic assumptions	-	0.00		
Financial assumptions	0.32	(7.29)		
Experience adjustment	54.33	4.70		
<b>Total - B</b>	<b>54.65</b>	<b>(2.59)</b>		
<b>Other</b>				
Benefits paid	(15.20)	(13.07)		
Liability transferred in for Employees joined	-	-		
<b>Total - C</b>	<b>(15.20)</b>	<b>(13.07)</b>		
<b>Closing balance (A+B+C)</b>	<b>261.61</b>	<b>193.45</b>		
<b>C. Defined Benefit Obligations</b>				
<b>(i) Actuarial assumptions:</b> The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).				
<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>		
Mortality Table	IALM (2012-14) Urban	IALM (2012-14) Urban		
Retirement age	60,65,67,69,70 & 75 years	60,65 & 70 years		
Attrition Rate	29.00% p.a.	29.00% p.a.		
Discount rate	7.14% p.a.	5.15% p.a.		
Salary escalation rate	5.00% p.a.	5.00% p.a.		
<b>(ii) Sensitivity analysis:</b> Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.				
<b>Particulars</b>	<b>As at March 31, 2024</b>		<b>As at March 31, 2023</b>	
	<b>Increase</b>	<b>Decrease</b>	<b>Increase</b>	<b>Decrease</b>
Discount rate (1% movement)	(5.25)	5.55	(3.24)	3.44
Future salary growth (1% movement)	5.01	(4.82)	3.48	(3.34)
Employee Turnover (1% movement)	0.10	(0.12)	(0.01)	-
The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.				
The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.				
<b>D. Expected Future Cash Flows</b>				
The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:				

**Notes Forming Part Of Standalone Financial Statement**

(₹ in Lacs)

Maturity profile	As at March 31, 2024	As at March 31, 2023
	Expected benefits for Year 1	76.28
Expected benefits for Year 2	60.59	34.37
Expected benefits for Year 3	47.44	27.25
Expected benefits for Year 4	32.92	21.55
Expected benefits for Year 5	25.72	15.11
Sum of Years 6 to 10	54.93	33.64
Sum of Years 11 and above	11.96	8.68
<b>44. Related Party Disclosure</b>		
As per Ind AS 24 - Related Party Disclosures, specified under section 133 of the Companies Act, 2013, read with The Companies (Indian Accounting Standards) Rules, 2015, the name of related party where control exists / able to exercise significant influence along with the transactions and year end balances with them as identified and certified by the management are as follows:		
<b>List of related parties and their relationship</b>		
<b>a) Subsidiaries</b>		
- Arihant Futures & Commodities Limited		
- Arihant Financial Services Limited		
- Arihant Insurance Broking Services Limited		
- Arihant Institute of Financial Education Private Limited (Till 31 <sup>st</sup> July, 2023)		
- Arihant Capital (IFSC) Limited		
<b>b) Associate</b>		
- Electrum Capital Private Limited		
- Electrum Portfolio Managers Limited (Subsidiary of associate)		
<b>c) Key Management Personnel</b>		
Mr. Ashok Kumar Jain	Managing Director	
Mr. Arpit Jain	Joint Managing Director	
Mrs. Anita S Gandhi	Whole Time Director (cessation on August 05, 2023)	
Mr. Sunil Kumar Jain	Director	
Mr. Akhilesh Rathi	Independent Director	
Mr. Parag R. Shah	Independent Director	
Mr. Ashish Maheshwari	Independent Director	
Mr. Jitendra Jain	Independent Director	
Ms. Swanubhuti A Jain	Independent Director	
Mr. Tarun Goyal	Chief Financial Officer (Till 30 <sup>th</sup> November, 2023)	
Mr. Mahesh Pancholi	Company Secretary	
Mr. Uttam Maheshwari	Chief Financial Officer ( From 01 <sup>st</sup> December, 2023)	
<b>d) Relatives of Key Management Personnel</b>		
Ashok Kumar Jain HUF		
Mrs. Kiran Jain		
Mrs. Shruti Jain		
Mrs. Swati Jain		
<b>e) Enterprises over which Key Management Personnel are able to exercise significant influence</b>		
Shyam Developers		
Get Prosper Capital Private Limited		
Savitt Universal Limited		
<b>f) Trust Incorporated</b>		
Arihant Alternate Capital Trust		

**Notes Forming Part Of Standalone Financial Statement**

(₹ in Lacs)

Transactions with related parties			
Particulars	Relationship	March 31, 2024	March 31, 2023
<b>Income</b>			
<b>Rent</b>			
Electrum Portfolio Managers Limited	Subsidiary of Associate	-	1.20
Electrum Capital Private Limited	Associate	6.30	8.18
<b>Commission</b>			
Electrum Capital Private Limited	Associate	-	2.27
Electrum Portfolio Managers Limited	Subsidiary of Associate	90.89	22.83
<b>Expenses</b>			
<b>Salary &amp; Incentive</b>			
Ashok Kumar Jain	KMP	236.00	61.00
Anita Gandhi	KMP	14.75	35.40
Arpit Jain	KMP	343.29	168.00
Kiran Jain	Relative of KMP	4.80	2.40
Tarun Goyal	KMP	14.07	20.24
Mahesh Pancholi	KMP	14.95	13.12
Shruti Jain	Relative of KMP	37.00	29.50
Uttam Maheshwari	KMP	7.14	-
<b>Rent</b>			
Ashok Kumar Jain	KMP	15.00	15.00
Kiran Jain	Relative of KMP	35.25	35.25
Ashok Kumar Jain HUF	Relative of KMP	4.13	4.13
Arpit Jain	KMP	4.13	4.13
Shyam Developers	Enterprises over which KMP are able to exercise significant influence	30.71	15.00
<b>Sitting Fees</b>			
Sunil Kumar Jain	KMP	2.50	1.80
Paragbhai Shah	KMP	2.00	1.80
Ashish Maheshwari	KMP	2.00	1.80
Akhilesh Rathi	KMP	2.00	1.30
Jitendra Jain	KMP	2.50	1.80
Swanubhuti Jain	KMP	2.50	1.80
<b>Legal &amp; Professional Fees</b>			
Swati Jain	Relative of KMP	14.40	14.40
Electrum Capital Private Limited	Associate	-	0.15
<b>Interest</b>			
Arihant Financial Services Limited	Subsidiary	87.22	34.36
Savitt Universal Limited	Enterprises over which KMP are able to exercise significant influence	67.98	-
Akhilesh Rathi	KMP	6.09	58.50
Kamal Kumar Jain	Relative of KMP	1.76	-
Shanta Jain	Relative of KMP	4.81	-
Swati Jain	Relative of KMP	11.27	-
Meena Jain	Relative of KMP	59.98	-
Sunil Kumar Jain	KMP	48.46	-
Sunil Kumar Jain HUF	Relative of KMP	36.96	-
Anita Gandhi	Whole Time Director (cessation on August 05, 2023)	1.18	-
<b>Commission</b>			
Electrum Capital Private Limited	Associate	0.75	1.40
<b>Assets</b>			
<b>Rent Deposits</b>			
Ashok Kumar Jain	KMP	3.50	3.50
Kiran Jain	Relative of KMP	20.38	20.38

**Notes Forming Part Of Standalone Financial Statement**

(₹ in Lacs)

Particulars	Relationship	March 31, 2024	March 31, 2023
Ashok Kumar Jain HUF	Relative of KMP	3.44	3.44
Arpit Jain	KMP	3.44	3.44
Shyam Developers	Enterprises over which KMP are able to exercise significant influence	3.75	3.75
<b>Trust Deposit</b>			
Arihant Alternate Capital Trust	Trust Incorporated	1.36	-
<b>Commission Receivable</b>			
Electrum Portfolio Managers Limited	Subsidiary of Associate	33.80	11.51
<b>Rent Receivable</b>			
Electrum Capital Private Limited	Associate	0.62	-
<b>Liabilities</b>			
<b>Rent Deposits Taken</b>			
Electrum Capital Private Limited	Associate	5.00	5.00
<b>Loans Taken</b>			
Akhilesh Rathi	KMP	-	650.00
Savitt Universal Limited	Relative of KMP	1,000.00	-
Sunil Kumar Jain	KMP	-	-
<b>Payable for Asset Purchased</b>			
Get Prosper Capital Private Limited	Enterprises over which KMP are able to exercise significant influence	-	28.32
<b>Commission Payable</b>			
Electrum Capital Private Limited	Associate	-	0.10
<b>45. Foreign Currency Transactions</b>			
<b>(i) Expenditure in foreign currency</b>			
<b>Particulars</b>		<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
Software Expenses		7.90	-
Business Development Expenses		18.56	4.24
<b>Total</b>		<b>26.46</b>	<b>4.24</b>
<b>(ii) Income in foreign currency</b>			
<b>Particulars</b>		<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
Income from Royalty		15.27	66.97
<b>Total</b>		<b>15.27</b>	<b>66.97</b>



**Notes Forming Part Of Standalone Financial Statement**

(₹ in Lacs)

<b>46. Ageing Schedule for Trade Receivables</b>						
<b>For the year ended March 31, 2024</b>						
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- considered good	9,616.77	0.50	12.95	0.02	0.22	9,630.48
(ii) Undisputed Trade Receivables- Considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
<b>For the year ended March 31, 2023</b>						
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- considered good	17,067.93	98.37	67.59	15.57	19.99	17,269.46
(ii) Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
<b>47. Ageing Schedule for Trade Payables</b>						
<b>For the year ended March 31, 2024</b>						
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	164.89	-	-	-	-	164.89
(ii) Others	25,292.08	5,625.42	45.43	10.66	-	30,973.59
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-
<b>For the year ended March 31, 2023</b>						
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	29.12	-	-	-	-	29.12
(ii) Others	18,173.08	53.62	10.66	7.21	-	18,244.57
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-

**Notes Forming Part Of Standalone Financial Statement**

<b>48. Details of borrowings from banks or financial institutions on the basis of security of current assets</b> The quarterly returns or statements of current assets filed by the Company with banks or financial institutions for the working capital limit are in agreement with the books of accounts.
<b>49. Registration of charges or satisfaction with Registrar of Companies</b> The company has filed all the registration of charges, modification or satisfaction with ROC within the statutory period as required by the Companies Act, 2013.
<b>50. Additional Regulatory Information as per Companies Act, 2013</b>
1. The company has not granted any Loans or Advances to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.
2. The title deeds, comprising all the immovable properties are held in the name of company and no immovable property is jointly held with others.
3. There is no Intangible assets under development.
4. There is no tangible assets (Capital-work-in progress) under development.
5. The company has not revalued its Property, Plant and Equipment and Intangible Assets.
6. No proceeding have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
7. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
8. The company is not declared willful defaulter by any bank or financial Institution or other lender.
9. The company has not entered into transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
10. The company has not applied for any Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013.
11. Utilization of Borrowed funds and share premium: (a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (b) No funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."
12. The Company has not used the borrowings from banks and financial institutions for the purpose other than for which it was taken.
13. The Company has no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
<b>51. Disclosure relating to various ratios</b> Additional regulatory information required under clause (xvi) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Company as it is in broking business and not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.
<b>52. Fair value measurement</b>
<b>I. Accounting classification and fair values</b> The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

**Notes Forming Part Of Standalone Financial Statement**

(₹ in Lacs)

Particulars	Carrying amount			Fair value				
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>March 31, 2024</b>								
<b>Financial assets</b>								
Cash and cash equivalents	-	-	1,678.24	1,678.24	-	-	-	-
Bank balance other than cash and cash equivalents	-	-	37,868.41	37,868.41	-	-	-	-
Derivative financial instruments	4.47	-	-	4.47	4.47	-	-	4.47
Securities for trade	2,905.39	-	-	2,905.39	2,905.39	-	-	2,905.39
Trade receivables	-	-	9,630.48	9,630.48	-	-	-	-
Loans	-	-	17,446.95	17,446.95	-	-	-	-
Investments	944.12	-	638.27	1,582.39	939.02	-	5.10	944.12
Other financial assets	-	-	1,738.98	1,738.98	-	-	-	-
<b>Total financial assets</b>	<b>3,853.98</b>	<b>-</b>	<b>69,001.33</b>	<b>72,855.31</b>	<b>3,848.88</b>	<b>-</b>	<b>5.10</b>	<b>3,853.98</b>
<b>Financial liabilities</b>								
Trade Payables								
Total outstanding dues of micro & small enterprises	-	-	164.89	164.89	-	-	-	-
Total outstanding dues of creditors other than micro & small enterprises	-	-	30,973.59	30,973.59	-	-	-	-
Debt securities			4,325.00	4,325.00				
Borrowings	-	-	4,921.19	4,921.19	-	-	-	-
Other financial Liabilities	-	-	4,195.29	4,195.29	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>44,579.96</b>	<b>44,579.96</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Notes Forming Part Of Standalone Financial Statement**

(₹ in Lacs)

Particulars	Carrying amount			Fair value				
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>March 31, 2023</b>								
<b>Financial assets</b>								
Cash and cash equivalents	-	-	1,390.60	1,390.60	-	-	-	-
Bank balance other than cash and cash equivalents	-	-	18,465.93	18,465.93	-	-	-	-
Derivative financial instruments	15.76	-	-	15.76	15.76	-	-	15.76
Securities for trade	-	-	471.90	471.90	-	-	-	-
Trade receivables	-	-	17,269.46	17,269.46	-	-	-	-
Loans	5,995.55	-	663.10	6,658.65	5,990.45	-	5.10	5,995.55
Investments	-	-	2,252.32	2,252.32	-	-	-	-
Other financial assets	-	-	371.87	371.87	-	-	-	-
<b>Total financial assets</b>	<b>6,011.31</b>	<b>-</b>	<b>40,513.31</b>	<b>46,896.49</b>	<b>6,006.21</b>	<b>-</b>	<b>5.10</b>	<b>6,011.31</b>
<b>Financial liabilities</b>								
Trade Payables								
Total outstanding dues of micro & small enterprises	-	-	29.12	29.12	-	-	-	-
Total outstanding dues of creditors other than micro & small enterprises	-	-	18,244.57	18,244.57	-	-	-	-
Borrowings	-	-	5,058.65	5,058.65	-	-	-	-
Other financial Liabilities	-	-	1,754.43	1,754.43	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>25,086.77</b>	<b>25,086.77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Level 1:** Category include financial assets and liabilities that are measured in whole or significantly part by reference to published quotes in an active market.

**Level 2:** Category include financial assets and liabilities that are measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions.

**Level 3:** Category include financial assets and liabilities that are measured using valuation technique based on non-market observable inputs. This means that fair value are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

**II. Financial instruments not measured at fair value**

Financial assets not measured at fair value includes cash and cash equivalents, bank balance, trade receivables, loans and other financial assets. These are financial assets whose carrying amounts approximate fair value, due to their short-term nature and also fixed deposit with maturity more than 12 months (included in other financial assets) are measured at amortized cost. 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.

## Notes Forming Part Of Standalone Financial Statement

### 53. Financial risk management

The company has a risk management framework, appropriate to the size of the Company and environment under which it operates. The objective of its risk management framework is to ensure that various risks are identified, measured and mitigated and also that policies, procedures and standards are established to address these risks and ensure a systematic response in the case of crystallization of such risks. The board of Directors reviews these policies and processes regularly and is periodically informed about the risk assessment, impact of risk on the business and mitigation plans. The Company is exposed to following risk -

#### A. Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligation. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties, and by monitoring exposures in relations to such limits.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the financial statements.

Deposits with banks are considered to have negligible risk or nil risk, as they are maintained with high rated banks / financial institutions as approved by the Board of directors.

The management has established accounts receivable policy under which customer accounts are regularly monitored.

#### Expected Credit Loss (ECL):

The Company applies the Ind AS 109 Simplified approach for trade receivables which requires expected lifetime losses to be recognised. For other assets, the Company uses 12 month ECL approach to measuring expected credit losses (ECLs) where there is no significant increase in credit risk of borrower. If there is significant increase in credit risk full lifetime ECL approach is used.

#### Inputs considered in the ECL model

In assessing the impairment of financial assets under Expected Credit Loss (ECL) Model, the assets have been segmented into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages, relate to the recognition of expected credit losses.

**Stage 1 :** Financial assets for which credit risk has not increased significantly and that are also not credit impaired

**Stage 2 :** Financial assets for which credit risk has increased significantly but not credit impaired

**Stage 3 :** Financial assets for which credit risk has increased significantly and are credit impaired

#### B. Liquidity risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The entity's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the entity's reputation.

Prudent liquidity risk management requires sufficient cash and marketable securities and availability of funds through adequate committed credit facilities to meet obligations when due and to close out market positions.

Ultimate responsibility for liquidity risk management rests with the board of directors, for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

## Notes Forming Part Of Standalone Financial Statement

The table below provide details regarding the contractual maturities of significant financial liabilities as of March 31,2024

(₹ in Lacs)

Particulars	Carrying Amount	Less than 1 year	1-3 year	3-5 year	More than 5 year
Trade Payables	31,138.48	31,138.48	-	-	-
Debt Securities	4,325.00	1,932.00	2,393	-	-
Borrowings	4,921.19	4,921.19	-	-	-
Other financial Liabilities	4,195.29	4,195.29	-	-	-

The table below provide details regarding the contractual maturities of significant financial liabilities as of March 31,2023

Particulars	Carrying Amount	Less than 1 year	1-3 year	3-5 year	More than 5 year
Trade Payables	189.42	189.42	-	-	-
Borrowings	5,058.65	5,058.65	-	-	-
Other financial Liabilities	1,754.43	1,754.43	-	-	-

#### C. Market risk

Market Risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates, etc. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximizing the return.

##### (i) Currency risk

Currency Risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The company's all transactions are denominated in Indian rupees only. Hence, the Company is not significantly exposed to currency rate risk.

##### (ii) Interest rate risk

Interest Rate Risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate as result of changes in market interest rates. The Company's Loans are primarily in fixed interest rates. Hence, the Company is not significantly exposed to interest rate risk.

##### (iii) Market price risks

The Company is exposed to market price risk, which arises from FVTPL investments. The management monitors the proportion of these investments in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the appropriate authority.

#### 54. Capital Management

The company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

The company monitors its capital by using gearing ratio, which is net debt to total equity. Net debt includes borrowings net of cash and bank balances and total equity comprises of Equity share capital, general reserve and retained earnings.

Particulars	March 31,2024	March 31,2023
Debts	4,325.00	-
Borrowings	4,921.19	5,058.65
Less: Cash & bank balances	39,546.65	19,856.53
<b>Net Debt (A)</b>	<b>(30,300.46)</b>	<b>(14,797.88)</b>
<b>Total Equity(B)</b>	<b>29,354.14</b>	<b>23,227.98</b>
<b>Gearing Ratio (A/B)</b>	<b>(1.03)</b>	<b>(0.64)</b>



**Notes Forming Part Of Standalone Financial Statement**

(₹ in Lacs)

Particulars	March 31,2024			March 31,2023		
	Within 12 month	After 12 month	Total	Within 12 month	After 12 month	Total
<b>55. Maturity Analysis of Assets and Liabilities</b>	The table below shows an analysis of assets and liabilities analyzed according to when they are expected to be recovered or settled					
<b>Assets</b>						
<b>Financial assets</b>						
Cash and cash equivalents	1,678.24	-	1,678.24	1,390.60	-	1,390.60
Bank balance other than cash and cash equivalents	37,868.41	-	37,868.41	18,465.93	-	18,465.93
Derivative financial instruments	4.47	-	4.47	15.76	-	15.76
Securities for trade	2,905.39	-	2,905.39	471.90	-	471.90
Trade receivables	9,630.48	-	9,630.48	17,269.46	-	17,269.46
Loans	17,446.95	-	17,446.95	6,658.65	-	6,658.65
Investments	-	1,582.39	1,582.39	-	2,252.32	2,252.32
Other financial assets	1,514.03	224.95	1,738.98	146.92	224.95	371.87
	<b>71,047.97</b>	<b>1,807.34</b>	<b>72,855.31</b>	<b>44,419.22</b>	<b>2,477.27</b>	<b>46,896.49</b>
<b>Non-Financial assets</b>						
Property, plant and equipment	-	1,209.36	1,209.36	-	1,147.19	1,147.19
Other intangible assets	-	243.62	243.62	-	238.37	238.37
Other non financial assets	699.96	115.85	815.81	389.23	151.75	540.98
	<b>699.96</b>	<b>1,568.83</b>	<b>2,268.79</b>	<b>389.23</b>	<b>1,537.31</b>	<b>1,926.55</b>
<b>Total Assets</b>	<b>71,747.93</b>	<b>3,376.17</b>	<b>75,124.10</b>	<b>44,808.45</b>	<b>4,014.58</b>	<b>48,823.04</b>
<b>Liabilities</b>						
<b>Financial Liabilities</b>						
Trade payables	31,138.48	-	31,138.48	18,273.69	-	18,273.69
Debt Securities	1,932.00	2,393.00	4,325.00			
Borrowings	4,921.19	-	4,921.19	5,058.65	-	5,058.65
Other financial Liabilities	4,195.29	-	4,195.29	1,754.43	-	1,754.43
	<b>42,186.96</b>	<b>2,393.00</b>	<b>44,579.96</b>	<b>25,086.77</b>	<b>-</b>	<b>25,086.77</b>
<b>Non-Financial Liabilities</b>						
Current Tax Liabilities (net)	179.73	-	179.73	39.89	-	39.89
Provisions	-	261.61	261.61	-	193.44	193.44
Deferred Tax Liabilities (net)	-	67.56	67.56	-	114.65	114.65
Other non financial liabilities	681.10	-	681.10	160.30	-	160.30
	<b>860.83</b>	<b>329.17</b>	<b>1,190.00</b>	<b>200.19</b>	<b>308.09</b>	<b>508.28</b>
<b>Total Liabilities</b>	<b>43,047.79</b>	<b>2,722.17</b>	<b>45,769.96</b>	<b>25,286.96</b>	<b>308.09</b>	<b>25,595.05</b>

**Notes Forming Part Of Standalone Financial Statement**

**56. Corporate social responsibility**  
The Ministry of Corporate Affairs has notified Section 135 of the Companies Act, 2013 on Corporate Social Responsibility with effect from 1 April 2014. As per the provisions of the said section, the Company has undertaken the following CSR initiatives during the financial year 2023-24. CSR initiatives majorly includes supporting under privileged in education, medical treatments, etc. and various other charitable and noble aids.

A) Gross amount required to be spent by the Group during the year ₹ 91.22 Lakhs (Previous year ₹ 82.85 Lakhs)

B) Amount spent during the year ended March 31, 2024 on:

(₹ in Lacs)

Particulars	Year ended March 31,2024			Year ended March 31,2023		
	Amount Paid	Yet to be paid	Total	Amount Paid	Yet to be paid	Total
Construction/acquisition of any asset	-	-	-	-	-	-
On purposes other than (a) above	91.47	-	91.47	82.85	-	82.85
<b>Total</b>	<b>91.47</b>	<b>-</b>	<b>91.47</b>	<b>82.85</b>	<b>-</b>	<b>82.85</b>
<b>In case of S. 135(5) unspent amount</b>	<b>₹ in Lacs</b>					
<b>Opening Balance</b>	<b>Amount deposited in Specified Fund of Sch. VII within 6 months</b>	<b>Amount required to be spent during the year</b>	<b>Amount spent during the year</b>	<b>Closing Balance</b>		
-	Nil	91.22	91.47	(0.25)		

**57. Events after Reporting Date**

There were no significant events after the end of the reporting period which require any adjustment or disclosure in the financial statements other than as stated below:

The Board of Directors have recommended a final dividend of ₹ 0.50 per equity share for the financial year ended March 31, 2024. Payment of the final dividend is subject to its approval by the shareholders, in the ensuing Annual General Meeting of the Company.

58. Previous year figures have been regrouped/reclassified wherever necessary.

**59. Approval of Financial Statements**

The financial statements are approved for issue by the Board of Directors in their meeting held on May 21, 2024

For and on behalf of the Board

**For Dinesh Ajmera & Associates**  
Chartered Accountants  
Firm Reg No:011970C  
**CA. Dinesh Ajmera**  
Partner  
Membership No. : 402629  
**UDIN : 24402629BKDHHA4400**  
Indore, May 21, 2024

**Ashok Kumar Jain**  
Managing Director  
DIN-00184729

**Arpit Jain**  
Joint Managing Director  
DIN-06544441

**Mahesh Pancholi**  
Company Secretary  
M.No. F7143

**Uttam Maheshwari**  
Chief Financial Officer  
M.No. 419134

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**ARIHANT CAPITAL MARKETS LIMITED**

### Report on the Audit of the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **ARIHANT CAPITAL MARKETS LIMITED** ("the Holding Company"), and its subsidiaries (the Company and its Subsidiaries together referred to as the "Group") which includes the Group's share of profit in its associate, which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income) and the Consolidated Cash Flow Statement for the year then ended, the Consolidated Statement of Changes in Equity for the year then ended and a summary of material accounting policies and other explanatory information. (Hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditor on separate financial statements of its associate referred to in the Other Matter paragraph below, the aforesaid consolidated Ind AS 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 Standard prescribed under section 133 of the act read with the companies (Indian Accounting Standards) rules, 2015 as amended, ("Ind AS") and other principles generally accepted in India, of the consolidated statement of affairs of the Group as at 31st March, 2024, and their consolidated profit (including other comprehensive income) and consolidated cash flows and the consolidated changes in equity 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the consolidated Ind AS financial statements' section of our report. We are independent of the Group and its associate 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 Companies Act, 2013 and the Rules 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 opinion.

### Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Information other than the Ind AS Financial Statements and Auditor's Report thereon

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated Ind AS financial statements, standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the associate audited by the other auditors, to the extent it related to this entity and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Other information so far as it relates to the associate is traced from their financial statements audited by the other auditor.

Based on the work we have performed, we conclude that there is no material misstatement of this other information.

## Management's Responsibility for the Consolidated Ind AS Financial Statements.

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (and other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under Section 133. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Management and Board of Directors of the companies included in the Group and its associate are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Management and Board's of Directors of the companies included in the Group and its associate are also responsible for overseeing the financial reporting process of the Group and its associate.

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

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

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

1. 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.
2. 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the holding company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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 ability of the Group and its associate 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 Group and its associate to cease to continue as a going concern.
5. 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.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

#### Other Matters

The consolidated financial statements also include the Group's share of profit after tax of Rs. 210.28 lakhs for the year ended March 31, 2024 and total comprehensive income of Rs.210.28 lakhs for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

#### Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in paragraph 3 (xxi) and 4 of the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, to be included in the auditor's report, According to the information and explanations given to us and the CARO reports issued by us for the company and its subsidiaries included in the consolidated financial statement of the company and CARO reports issued by associate's auditor for the associate company to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.
2. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
3. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditor on the separate financial statement of the associate referred to in the Other Matters paragraph above we report, to the extent applicable that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the group so far as it appears from our examination of those books.

- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the holding company as on 31st March 2024 taken on record by the Board of Directors of the holding company, the report of the subsidiary companies and the reports of the statutory auditor of its associate's company, none of the directors of Group Companies and its associate is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Companies Act, 2013.
- (f) With respect to the adequacy of the internal financial control over financial reporting and the operating effectiveness of such control, refer to our separate report in Annexure "A" which is based on the auditor's report of the Group and its associates. Our report expresses an unqualified opinion on adequacy and operating effectiveness of the internal financial control over financial reporting of those companies.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Group and its associate, as detailed in note 42A to the consolidated financial statements, has disclosed the impact of pending litigations on its consolidated financial position of the Group as at 31 March 2024.
  - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, subsidiary companies and its associate company.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 

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

(c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
  - v. (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the act, as Applicable.
 

(b) The interim dividend declared and paid by the company during the year and until the date of this report is in accordance with section 123 of the act, as Applicable.

(c) The Board of directors of the company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the act, as Applicable.



- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of accounts for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is Applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024

**For Dinesh Ajmera & Associates**  
**Chartered Accountants Firm**  
**Reg. No:011970C**

**CA Dinesh Ajmera Partner**  
**Membership No. :402629**  
**UDIN : 24402629BKDH9116**  
**Indore, May 21, 2024**

## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **ARIHANT CAPITAL MARKETS LIMITED** of even date)

### **Report on the Internal Financial Controls with reference to the aforesaid consolidated Ind AS financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated Ind AS financial statements of the Group and its associate as of and for the year ended 31 March 2024, we have audited the internal financial controls over financial reporting of Arihant Capital Market Limited (“the Holding Company”) its subsidiary companies and its associates, as of that date.

#### **Management’s Responsibility for Internal Financial Controls**

The respective Management and Board of Directors of the holding company, its subsidiaries companies and its associate company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group 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. 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 group’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Group’s and its associate’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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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.

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.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of its associate, in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Group’s and its associate’s internal financial controls system over financial reporting with reference to these financial statements.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control 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 authorizations of management and directors of the company;
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Group and its associate, have in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2024, based on criteria established by the Group and its associate considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to its one associate company, is based solely on the corresponding reports of the auditors of such company.

Our opinion is not modified in respect of the above matters.

**For Dinesh Ajmera & Associates**  
Chartered Accountants  
Firm Reg. No:011970C

**CA Dinesh Ajmera** Partner  
Membership No. :402629  
UDIN : 24402629BKDHBB9116  
Indore, May 21, 2024

### Consolidated Balance Sheet as at March 31, 2024

(₹ in Lacs)

Particulars	Note No.	March 31, 2024	March 31, 2023
<b>ASSETS</b>			
<b>1 Financial assets</b>			
a. Cash and cash equivalents	4	2,413.74	2,020.84
b. Bank balance other than Cash and cash equivalent	5	38,125.21	18,614.06
c. Derivative financial instruments	6	4.47	15.76
d. Securities for trade	7	3,105.16	717.50
e. Trade receivables	8	9,637.37	17,289.72
f. Loans	9	19,172.06	9,220.95
g. Investments	10	1,462.78	1,907.92
h. Other financial assets	11	1,805.74	437.72
		<b>75,726.53</b>	<b>50,224.47</b>
<b>2 Non financial assets</b>			
a. Current tax assets (net)	12	0.05	0.05
b. Deferred tax assets (net)	13	6.54	6.18
c. Property, plant and equipment	14	1,239.39	1,178.14
d. Other intangible assets	15	248.34	244.27
e. Other non financial assets	16	827.60	550.57
		<b>2,321.92</b>	<b>1,979.21</b>
<b>Total Assets</b>		<b>78,048.45</b>	<b>52,203.68</b>
<b>LIABILITIES &amp; EQUITY</b>			
<b>Liabilities</b>			
<b>1 Financial Liabilities</b>			
a. Trade Payables	17		
i) Total outstanding dues of micro & small enterprises		164.89	29.12
ii) Total outstanding dues of creditors other than micro & small enterprises		30,241.98	18,244.57
b. Debt Securities	18	4,325.00	-
c. Borrowings	19	5,602.73	5,967.53
d. Other financial Liabilities	20	4,230.19	1,763.37
		<b>44,564.79</b>	<b>26,004.59</b>
<b>2 Non Financial Liabilities</b>			
a. Current Tax Liabilities (net)	21	206.19	59.63
b. Provisions	22	263.85	195.68
c. Deferred Tax Liabilities (net)	23	68.43	117.04
d. Other non financial liabilities	24	692.75	169.86
		<b>1,231.22</b>	<b>542.21</b>
<b>3 Equity</b>			
a. Equity share capital	25	1,041.13	1,041.13
b. Other equity	26	31,211.31	24,615.75
		<b>32,252.44</b>	<b>25,656.88</b>
<b>Total Liabilities &amp; Equity</b>		<b>78,048.45</b>	<b>52,203.68</b>

Significant Accounting Policies and Notes on Financial Statements 1 to 65

As per our report of even date  
**For Dinesh Ajmera & Associates**  
Chartered Accountants  
Firm Reg No:011970C  
**CA. Dinesh Ajmera**  
Partner  
Membership No. : 402629  
UDIN : 24402629BKDHBB9116  
Indore, May 21, 2024

**Ashok Kumar Jain**  
Managing Director  
DIN-00184729

**Arpit Jain**  
Joint Managing Director  
DIN-06544441

For and on behalf of the Board  
**Mahesh Pancholi**  
Company Secretary  
M.No. F7143  
**Uttam Maheshwari**  
Chief Financial Officer  
M.No. 419134

**Consolidated Statement of Profit and Loss for the year ended March 31, 2024** (₹ in Lacs)

Particulars	Note No.	March 31, 2024	March 31, 2023
<b>Income</b>			
<b>I Revenue from Operations</b>			
Interest Income	27	6,706.89	5,097.76
Dividend Income	28	45.99	55.58
Fees & Commission Income	29	12,115.97	7,908.95
Net Gain on fair value changes	30	4,645.51	692.48
II Other Income	31	46.21	21.26
<b>III Total Income</b>		<b>23,560.57</b>	<b>13,776.03</b>
<b>IV Expenses</b>			
Finance costs	32	1,256.89	904.21
Fees and commission expense	33	6,847.34	4,663.02
Impairment on financial instruments	34	11.30	4.25
Employee Benefits Expenses	35	3,200.91	2,143.28
Depreciation and Amortization Expenses	36	240.56	189.76
Other Expenses	37	2,945.10	1,998.83
<b>Total</b>		<b>14,502.10</b>	<b>9,903.35</b>
<b>V Profit Before Share of Profit / (Loss) of Associates, Exceptional Items and Tax</b>		<b>9,058.47</b>	<b>3,872.68</b>
VI Share of Profit / (Loss) of Associates (Net of Tax)		210.28	30.72
<b>VII Profit Before Exceptional Items and Tax</b>		<b>9,268.75</b>	<b>3,903.40</b>
VIII Exceptional items	39	0.82	35.31
<b>IX Profit Before Tax</b>		<b>9,269.57</b>	<b>3,938.71</b>
<b>X Tax Expenses</b>	40		
Current Tax		2,253.75	1,046.83
Deferred Tax		(35.22)	(19.88)
<b>Total Tax Expenses</b>		<b>2,218.53</b>	<b>1,026.95</b>
<b>XI Profit/(loss) for the year</b>		<b>7,051.04</b>	<b>2,911.76</b>
<b>XII Other Comprehensive Income</b>			
(A) Items that will not be reclassified to profit & loss			
Remeasurements of the defined benefit plans		(54.66)	2.58
Tax effect relating to above item		13.76	(0.65)
<b>Total (A)</b>		<b>(40.90)</b>	<b>1.93</b>
(B) Items that will be reclassified to profit & loss			
Foreign Currency Translation Reserve		1.89	10.72
Tax effect relating to above item			
<b>Total (B)</b>		<b>1.89</b>	<b>10.72</b>
<b>Total Other Comprehensive Income (A+B)</b>		<b>(39.01)</b>	<b>12.65</b>
<b>XIII Total Comprehensive Income for the period</b>		<b>7,012.03</b>	<b>2,924.41</b>
<b>XIV Earnings per Share</b>	41		
Equity Shares of ₹ 1 each			
Basic (Amount in ₹)		6.77	2.80
Diluted (Amount in ₹)		6.77	2.80

Significant Accounting Policies and Notes on Financial Statements 1 to 65

As per our report of even date

**For Dinesh Ajmera & Associates**  
Chartered Accountants  
Firm Reg No:011970C

**CA. Dinesh Ajmera**  
Partner  
Membership No. : 402629  
**UDIN : 24402629BKDHHB9116**  
Indore, May 21, 2024

For and on behalf of the Board

<b>Ashok Kumar Jain</b> Managing Director DIN-00184729	<b>Arpit Jain</b> Joint Managing Director DIN-06544441	<b>Mahesh Pancholi</b> Company Secretary M.No. F7143	<b>Uttam Maheshwari</b> Chief Financial Officer M.No. 419134
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**Consolidated Cash Flow Statement for the year ended March 31, 2024** (₹ in Lacs)

Particulars	Note No.	March 31, 2024	March 31, 2023
<b>A Cash flow (used in) / generated from operating activities</b>			
<b>Profit before tax</b>		<b>9,269.57</b>	<b>3,938.71</b>
Add / (less) : Adjustments			
Unrealised (gain)/loss on Fair value changes of Securities for trade		(21.73)	15.94
(Profit) / Loss on sale of Investments		(433.83)	316.47
Depreciation / amortisation		240.56	189.76
Interest paid on borrowings		806.76	754.07
Dividend income		(45.99)	(55.58)
Foreign Currency Translation Reserve		1.89	10.72
<b>Operating profit before working capital changes</b>		<b>9,817.23</b>	<b>5,170.09</b>
<b>Adjustments for changes in working capital:</b>			
-(Increase)/Decrease in Other bank balance		(19,511.15)	1,965.49
-(Increase)/Decrease in Derivative financial instruments		11.29	(53.27)
-(Increase)/Decrease in Securities for Trade		(2,365.93)	1,949.33
-(Increase)/Decrease in Trade and other receivables		7,652.35	2,331.70
-(Increase)/Decrease in Loans		(9,951.11)	(3,607.46)
-(Increase)/Decrease in Other financial assets		(1,368.02)	950.38
-(Increase)/Decrease in Other non financial assets		(277.03)	(95.09)
-(Increase)/(Decrease) in Trade payables		12,133.18	(5,326.40)
-(Increase)/(Decrease) in Other financial liabilities		2,466.82	(382.36)
-(Increase)/(Decrease) in Other non financial liabilities		522.89	(224.85)
-(Increase)/(Decrease) in Provisions		13.51	9.90
<b>Cash generated from operations</b>		<b>(855.97)</b>	<b>2,687.46</b>
Income tax paid (net)		(2,107.20)	(1,218.30)
<b>Net cash (used in) / generated from operating activities (A)</b>		<b>(2,963.17)</b>	<b>1,469.16</b>
<b>B Cash flow (used in) / generated from Investing activities</b>			
- (Purchase) / Proceeds from sale of property, plant and equipment		(305.87)	(428.47)
- (Purchase) / Proceeds from sale of investments		878.97	351.94
- Dividend income received		45.99	55.58
<b>Net cash (used in)/ generated from investing activities (B)</b>		<b>619.09</b>	<b>(20.95)</b>
<b>C Cash flow (used in) / generated from Financing activities</b>			
- Dividend paid		(416.45)	(156.17)
- Interest paid		(806.76)	(754.07)
- Increase/ (Decrease) in borrowings		(364.80)	(2,270.27)
- (Repayment) / Proceeds from issuance of debt securities		4,325.00	-
<b>Net cash (used in) / generated from financing activities (C)</b>		<b>2,736.99</b>	<b>(3,180.51)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>		<b>392.90</b>	<b>(1,732.30)</b>
Cash and cash equivalents at the beginning of the period		2,020.84	3,753.14
<b>Cash and cash equivalents at the end of the period</b>		<b>2,413.74</b>	<b>2,020.84</b>
<b>Cash and cash equivalents comprise of</b>			
Cash and cheques in hand		15.75	17.96
Balances with scheduled banks		2,397.99	2,002.88
<b>Total</b>		<b>2,413.74</b>	<b>2,020.84</b>
Notes:			
i) The above cash flow statement has been prepared under the "Indirect method" as set out on the Indian Accounting Standard (Ind AS-7) Statement of Cash Flow			
ii) Figures in brackets indicate cash outflows.			

Significant Accounting Policies and Notes on Financial Statements 1 to 65

As per our report of even date

**For Dinesh Ajmera & Associates**  
Chartered Accountants  
Firm Reg No:011970C

**CA. Dinesh Ajmera**  
Partner  
Membership No. : 402629  
**UDIN : 24402629BKDHHB9116**  
Indore, May 21, 2024

For and on behalf of the Board

<b>Ashok Kumar Jain</b> Managing Director DIN-00184729	<b>Arpit Jain</b> Joint Managing Director DIN-06544441	<b>Mahesh Pancholi</b> Company Secretary M.No. F7143	<b>Uttam Maheshwari</b> Chief Financial Officer M.No. 419134
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**Statement of Changes in Equity for the year ended March 31, 2024**

**A. Equity Share Capital**

(₹ in Lacs)

Particular	Amount
Balance as at April 1, 2022	1,041.13
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2023</b>	<b>1,041.13</b>
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2024</b>	<b>1,041.13</b>

**B. Other Equity**

(₹ in Lacs)

Particulars	Reserve & Surplus				Total Equity	
	Retained Earnings	Consolidated Reserve	Statutory Reserve	Foreign Currency Translation Reserve	General Reserve	
<b>Balance as at April 1, 2022</b>	<b>1,268.02</b>	<b>35.15</b>	<b>150.71</b>	<b>16.00</b>	<b>20,377.62</b>	<b>21,847.50</b>
Profit for the period	2,911.74	-	-	-	-	2,911.74
Other comprehensive income	1.93	-	-	10.72	-	12.65
<b>Total comprehensive income</b>	<b>4,181.69</b>	<b>35.15</b>	<b>150.71</b>	<b>26.72</b>	<b>20,377.62</b>	<b>24,771.89</b>
Final Dividend	(156.16)	-	-	-	-	(156.16)
Transfer to Statutory Reserve	(18.12)	-	18.12	-	-	-
Transfer to General Reserve	(2,571.60)	-	-	-	2,571.60	-
<b>Balance as at March 31, 2023</b>	<b>1,435.81</b>	<b>35.15</b>	<b>168.83</b>	<b>26.72</b>	<b>22,949.22</b>	<b>24,615.73</b>
Profit for the period	7,051.04	-	-	-	-	7,051.04
Other comprehensive income	(40.90)	-	-	1.89	-	(39.01)
<b>Total comprehensive income</b>	<b>8,445.95</b>	<b>35.15</b>	<b>168.83</b>	<b>28.61</b>	<b>22,949.22</b>	<b>31,627.76</b>
Final Dividend	(416.45)	-	-	-	-	(416.45)
Transfer to Statutory Reserve	(25.49)	-	25.49	-	-	-
Transfer to General Reserve	(6,000.00)	-	-	-	6,000.00	-
<b>Balance as at March 31, 2024</b>	<b>2,004.01</b>	<b>35.15</b>	<b>194.32</b>	<b>28.61</b>	<b>28,949.22</b>	<b>31,211.31</b>

For and on behalf of the Board

**For Dinesh Ajmera & Associates**  
Chartered Accountants  
Firm Reg No:011970C  
**CA. Dinesh Ajmera**  
Partner  
Membership No. : 402629  
**UDIN : 24402629BKDH9116**  
Indore, May 21, 2024

**Ashok Kumar Jain**  
Managing Director  
DIN-00184729

**Arpit Jain**  
Joint Managing Director  
DIN-06544441

**Mahesh Pancholi**  
Company Secretary  
M.No. F7143

**Uttam Maheshwari**  
Chief Financial Officer  
M.No. 419134

**SUMMARY OF MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION**

**NOTE 1: CORPORATE INFORMATION**

**Arihant Capital Markets Limited** ("ACML" or "the Holding Company") is a public limited company and incorporated on 25<sup>th</sup> June, 1992 under the provisions of Companies Act. The Company is domiciled in India having its registered office at 6, Lad Colony, YN Road Indore, Madhya Pradesh.

The Holding Company is registered with Securities and Exchange Board of India ("SEBI") under the Stock brokers and sub-brokers Regulations, 1992 and is a member of Bombay Stock Exchange Limited, National Stock Exchange of India Limited, Multi Commodity Exchange of India Ltd. and National Commodity and Derivatives Exchange Limited.

Arihant Capital Markets Limited, its subsidiaries and associate (collectively, the Group) are engaged in Stock Broking, Commodities Broking, Portfolio Management Services, Financial Services, Real Estate, Insurance Broking and other related activities.

**NOTE 2: MATERIAL ACCOUNTING POLICIES INFORMATION**

This note provides a list of the material accounting policies information adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

**Basis of Preparation**

The financial statement for the year ended 31<sup>st</sup> March 2024 has been prepared in accordance with Indian Accounting Standard ('Ind AS'). The Company is covered under the definition of NBFC. These Financial Statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). These Financial Statements of the Company are presented in Indian Rupees ("INR"), which is also the Company's functional currency and all values are rounded to nearest lacs. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures. Previous year figures have been regrouped/rearranged, wherever necessary.

**Preparation of Consolidated financial statements**

The Holding Company is covered in the definition of Non-Banking Financial Company as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the format prescribed under Division III of Schedule III to the Companies Act, 2013 on 11 October 2013, the Holding Company presents the Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the order of liquidity. A maturity analysis of recovery or settlement of assets and liabilities within 12 months after the reporting date and more than 12 months after the reporting date is presented in Note 58.

**2.1. Principles of Consolidation with Subsidiaries**

The consolidated financial statements have comprised financial statements of the Company and its subsidiaries, subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions within the Group are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

**2.2. Revenue Recognition**

The Group recognizes revenue from contracts with customers based on a five step model as set out in Ind AS 115, Revenue from Contracts with Customers, to determine when to recognize revenue and at what amount. Revenue is measured based on the consideration specified in the contract with a customer. Revenue from contracts with customers is

recognised when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognised when (or as) the Group satisfies a performance obligation by transferring a promised service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

When (or as) a performance obligation is satisfied, the Group recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Group applies the five-step approach for recognition of revenue:

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

**(i) Brokerage income**

It is recognized on settlement date basis and is exclusive of goods and service tax, securities transaction tax (STT) and commodity transaction tax (CTT) wherever applicable.

**(ii) Fee & Commission income**

Fees based incomes on services are recognised as earned on a pro-rata basis over the term of the contract. Commissions from distribution of financial products are recognised upon allotment of the securities to the applicant or as the case may be.

**(iii) Depository income**

Income from services rendered on behalf of depository is recognised upon rendering of the services, in accordance with the terms of contract.

**(iv) Interest income**

Interest income is recognized on accrual basis in Statement of profit and loss for all financial instruments measured at amortised cost.

**(v) Dividend income**

Dividend income is recognized in the statement of profit or loss on the date that the Group's right to receive payment is established.

**(vi) Revenue from Sale of Land and other rights**

Revenue from Sale of land and other rights is generally a single performance obligation and the Group has determined that this is satisfied at the point in time when control transfers as per the terms of the contract entered into with the buyers, which generally are with the firmity of the sale contracts / agreements

**(vii) Portfolio Management and Advisory Services**

The Group provides portfolio management services and advisory services to its clients wherein a separate agreement is entered into with each client. The Group earns management fees which is generally charged as a percent of the Assets Under Management (AUM) and is recognised on accrual basis. The Group, in certain instances also has a right to charge performance fee to the clients if the portfolio achieves a particular level of performance as mentioned in the agreement with the client to the extent permissible under applicable regulations. Generally, no upfront fee is charged to the clients

**(viii) Insurance Commission**

Insurance commission is recognized on receiving details of the policy issued by the insurance company or receipt of brokerage whichever is earlier.

**(ix) Advisory Fees**

Revenue from advisory services are recognized over the tenure of service as per terms of contract. Advisory fees related to successful completion of a milestone is recognised as revenue only when such milestone is achieved.

**2.3. Income Tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

**Current Tax**

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

**Deferred Tax**

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

**2.4. Assets held for sale**

Assets are classified as held for sale if their carrying amount will have recovered principally through sale transaction rather than through continuing use and sale is considered highly probable. They are measured at lower of their carrying amount or fair value less cost to sell, except for assets such as deferred tax, assets arising from employee benefit, financials assets and contractual rights under insurance contracts, which are specifically exempted from this requirement. Where the Company is committed to a sale plan involving loss of control of an entity, it classifies investment in the entity and assets & liabilities associated with that entity as held for sale.

**2.5. Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments 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.

**2.6. Financial Instruments  
Initial recognition and measurement:**

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Group commits to purchase or sell the asset.

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

**Fair value of financial instruments:**

Some of the Group's assets and liabilities are measured at fair value for financial reporting purpose. 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 regardless of whether that price is directly observable or estimated using another valuation technique. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 61.

**(A) Financial Assets**

**(i) Classification and subsequent measurement**

All recognised financial assets are subsequently measured at either amortised cost or fair value depending on their respective classification.

On initial recognition, a financial asset is classified as - measured at:

- Fair value through profit or loss (FVTPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain and loss on derecognition are recognised in profit or loss.

Financial assets at FVOCI are subsequently measured at fair value. Interest income is recognised using the effective interest (EIR) method. The impairment losses, if any, are recognized through Statement of Profit and Loss. The loss allowance is recognized in OCI and does not reduce the carrying value of the financial asset. On derecognition, gains and losses accumulated in OCI are reclassified to the Statement of Profit and Loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

**(ii) Impairment**

The Group recognizes impairment allowances using Expected Credit Losses ("ECL") method on all the financial assets that are not measured at FVPTL:

ECL are probability-weighted estimate of credit losses. For trade receivables Group follows simplified approach which requires expected lifetime losses to be recognised. For other assets, the Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is a significant increase in credit risk full lifetime ECL is used. For ECL all financial assets are classified as follows

- Stage 1:** Financials assets that are not credit impaired
- Stage 2:** Financials assets with significant increase in credit risk but that are not credit impaired.
- Stage 3:** Financials assets that are credit impaired.

Financial assets are written off / fully provided for when there is no reasonable of recovering a financial asset in its entirety or a portion thereof.

However, financial assets that are written off could still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the Statement of Profit and Loss.

**(iii) Derecognition**

A financial asset is derecognised only when:

The Group has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**(B) Financial Liabilities**

**(i) Initial recognition and measurement**

Financial liabilities are classified at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in Statement of Profit or loss.

**(ii) Subsequent measurement**

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

**(iii) Derecognition**

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

**2.7. Property, plant and equipment**

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition and installation of the assets.

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 Group 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 profit or loss during the reporting period in which they are incurred.

**Depreciation methods, estimated useful lives and residual value:**



Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful life prescribed under Schedule II to the Companies Act, 2013. The Group provides pro-rata depreciation from the date of installation till date the assets are sold or disposed.

Assets	Useful Life
Building	60 years
Furniture and Fixtures	10 years
Office Equipments	5 years
Computers	3 years
Electrical Installations	10 years
Vehicles	8 years
Leasehold Premises	30 years

**Derecognition:**

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit and loss when the asset is derecognized.

**2.8. Intangible assets**

Measurement at recognition:

Intangible assets are recognized where it is probable that the future economic benefit attributable to the assets will flow to the Group and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably.

**Amortization**

The Group amortizes intangible assets on a straight-line basis over their estimated useful life. The Group provides pro-rata amortization from the day the asset is put to use.

Assets	Useful Life
Computer Software	6 years
Operating Right*	3 years

\* This contain insurance broking right and Portfolio management rights which is amortized over the period from the date of IRDA and SEBI Certificate for providing Insurance Broking and Portfolio Management Services respectively, which is the period over which it is estimated that benefits will flow to the Group.

**Derecognition:**

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit and loss when the asset is derecognized.

**2.9. Investment Property**

Investment Property are property held to earn rentals and for capital appreciation. Investment Property are measured initially at cost including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS16's requirements for cost model. An Investment property is derecognised upon disposal or when

the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which property is derecognised.

**2.10. Leases**

The Group's lease asset primarily consists of office premises which are of short-term lease with lease term of twelve months or less and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an expense in the Statement of Profit and Loss on a straight-line basis over the term of lease.

**2.11. Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counter party.

**2.12. Impairment of non-financial assets**

At each reporting date, the Group assesses whether there is any indication based on internal / external factors, that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. The recoverable amount of asset is the higher of its fair value or value in use. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects the current market assessment of time value of money and the risks specific to it. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An Impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the assets carrying amount would have been determined, net of depreciation or amortization, had no impairment loss been recognised.

**2.13. Provisions and contingencies**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date.

Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

**2.14. Employee benefits**

**(i) Short-term obligations**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered. The Group recognises the costs of bonus payments when it has a present obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made.

**(ii) Post-employment obligations**

**Defined contribution plan:**

Contribution paid / payable to the recognised provident fund, which is a defined contribution scheme, is charged to the Statement of Profit and Loss in the period in which they occur.

**Defined benefits plan:**

Gratuity is post-employment benefit and is in the nature of defined benefit plan. The liability recognised in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the Balance Sheet date together with the adjustments for unrecognised actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the Balance Sheet date by an independent actuary using the projected unit credit method. Actuarial gains and losses comprise experience adjustment and the effects of changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

**2.15. Foreign currency transactions and translation**

Transactions in foreign currencies are recorded at the rate of exchange prevailing on the date of the transaction. Exchange differences arising on settlement of revenue transactions are recognised in the statement of profit and loss. Monetary assets and liabilities contracted in foreign currencies are restated at the rate of exchange ruling at the Balance Sheet date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

**2.16. Dividends**

Dividends paid (including income tax thereon, if any) is recognized in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

**2.17. Earnings per share**

**a) Basic earnings per share**

Basic earnings per share is calculated by dividing the net profit for the period (excluding other comprehensive income) attributable to equity share holders of the Group by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year.

**b) Diluted earnings per share**

Diluted earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

**2.18. Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements.

**2.19. 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 Consolidated financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

**2.20. Derivative financial instruments**

Derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. The resulting gain or loss is recognized in standalone statement of profit and loss immediately.

**2.21. Investment in subsidiaries**

Investment in subsidiaries are recognized at cost and is not adjusted to fair value at the end of each reporting period as allowed by Ind AS 27 'Separate financial statement'. Cost of investment represents amount paid for acquisition of the said investment and a proportionate recognition of the fair value of shares granted to employees of subsidiary under a group share based payment arrangement.

The Company assesses at the end of each reporting period, if there are any indications that the said investment may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

**2.22. Investment in associates**

Associates are the entities over which the Group has significant influence. Investment in associates is accounted for using the equity method of accounting, after initially being recognized at cost.

**NOTE 3: KEY ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of Consolidated financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on ongoing basis. Any changes to accounting estimates are recognized prospectively. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the amounts recognised in the Consolidated financial statements are included in the following notes:

- (a) Provision and contingent liability: On an ongoing basis, Group reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in Consolidated financial statements. For Contingencies losses that are considered possible are not provided for but disclosed as Contingent liabilities in the Consolidated financial statements. Contingencies the likelihood of which is remote are not disclosed in the Consolidated financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.
- (b) Allowance for impairment of financial asset: Judgments are required in assessing the recoverability of overdue and determining whether a provision against those is required. Factors considered include the aging of past dues, value of collateral and any possible actions that can be taken to mitigate the risk of non-payment.
- (c) Recognition of deferred tax assets: Deferred tax assets are recognised for unused tax-loss carry forwards, deductible temporary differences and unused tax credits to the extent that realisation of the related tax benefit is probable. The assessment of the probability with regard to the realisation of the tax benefit involves assumptions based on the history of the entity and budgeted data for the future.
- (d) Defined benefit plans: The cost of defined benefit plans and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long – term nature, a defined benefit obligation is highly sensitive to changes in these assumptions.
- (e) Property, plant and equipment and Intangible Assets: Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation and amortization to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Group's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.
- (f) Inventories: Inventories comprising of construction-work-in progress are valued at lower of cost and net realisable value. Net Realisable value is based upon the estimates of the management. The effect of changes, if any, to the estimates is recognised in the Consolidated financial statements for the period in which such changes are determined.
- (g) Satisfaction of performance obligation: Determination of revenue under the satisfaction of performance obligation at a point in time method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the timing of satisfaction of performance obligation, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The Group recognises revenue when the Group satisfies its performance obligation.

**Consolidated Notes Forming Part Of Financial Statement**

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
<b>4. Cash and Cash Equivalents</b>		
Cash on hand	15.75	17.96
<b>Balances with banks</b>		
In current accounts	2,397.99	2,002.88
<b>Total</b>	<b>2,413.74</b>	<b>2,020.84</b>
<b>5. Bank Balances other than Cash and Cash Equivalent</b>		
Earmarked balances with bank towards Unclaimed dividend	24.52	24.37
Fixed deposit with maturity for less than 12 months *	34,489.68	10,971.05
Fixed deposit with maturity for more than 12 months *	2,805.85	7,539.35
Interest accrued on fixed deposits	805.16	79.29
<b>Total</b>	<b>38,125.21</b>	<b>18,614.06</b>
<b>Note:</b>		
* Fixed Deposit with bank includes Deposits under the lien of :		
BSE Limited (ICCL)	26,762.00	3,719.00
National Commodity Exchange Limited & NCCL	740.00	290.00
Multi Commodity Exchange of India Limited & MCX-CCL	2,187.00	1,235.00
Over Draft facility	20.00	20.00
Pension Fund Regulatory and Development Authority	7,339.00	20.00
Sales Tax Department	2.00	2.00
Insurance Regulatory and Development Authority of India (IRDA)	10.00	10.00
Bank for guarantees issued	20.00	13,100.00
<b>Total</b>	<b>37,080.00</b>	<b>18,396.00</b>
*Fixed deposits are pledged with exchange and banks for meeting margin requirements and for obtaining bank guarantee respectively.		
<b>6. Derivative Financial Instruments</b>		
(i) Equity linked derivatives	4.47	15.76
<b>Total</b>	<b>4.47</b>	<b>15.76</b>
Notional amounts	485.27	1,639.30
Note : - The derivatives are used for the purpose of trading.		
<b>7. Securities for trade</b>		
<b>Quoted Equity Shares</b>		
Aditya Birla Sun Life AMC Limited (6,000 (Nil) shares, face value of ₹ 10 each)	27.30	-
Adani Energy Solutions Limited (1,000 (Nil) shares, face value of ₹ 10 each)	10.27	-
Adani Green Energy Limited (1,000 (Nil) shares, face value of ₹ 10 each)	18.35	-
Adani Ports And Special Economic Zone Limited (300 (Nil) shares, face value of ₹ 2 each)	4.03	-
Adani Total Gas Limited (1,000 (Nil) shares, face value of ₹1 each)	9.27	-
Adani Power Limited (Nil (35,001) shares, face value of ₹10 each)	-	67.06
Adani Wilmar Limited (1000 (30000) shares, face value of ₹ 1 each)	3.21	121.76
Advik Capital Limited (30,000 (Nil) shares, face value of ₹ 1 each)	0.01	-
Angel One Limited (498 (Nil) shares, face value of ₹10 each)	15.16	-
Asian Energy Services Limited (1,000 (Nil) shares, face value of ₹10 each)	2.71	-
Aster DM Healthcare Limited (2,500 (Nil) shares, face value of ₹10 each)	10.23	-
Bajaj Hindusthan Sugar Limited (Nil (1,00,000) shares, face value of ₹1 each)	-	12.90
BEML Land Assets Limited (5,000 (Nil) shares, face value of ₹1 each)	11.83	-

**Consolidated Notes Forming Part Of Financial Statement**

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
Bharat Dynamics Limited (20,000 (Nil) shares, face value of ₹5 each)	350.38	-
BCL Industries Limited (Nil (40,900) shares, face value of ₹1 each)	-	161.02
Bharat Heavy Electricals Limited (2,500 (Nil) shares, face value of ₹2 each)	6.18	-
Borosil Renewables Limited (500 (Nil) shares, face value of ₹1 each)	2.49	-
Central Depository Services (India) Limited (2,500 (Nil) shares, face value of ₹1 each)	42.80	-
Century Textiles & Industries Limited (3,319 (Nil) shares, face value of ₹10 each)	54.10	-
Cupid Limited (700 (Nil) shares, face value of ₹10 each)	16.96	-
Valor Estate Limited (1,500 (Nil) shares, face value of ₹10 each)	2.95	-
Deep Industries Limited (1,000 (Nil) shares, face value of ₹5 each)	3.09	-
Doms Industries Limited (200 (Nil) shares, face value of ₹2 each)	3.13	-
EMS Limited (5,000 (Nil) shares, face value of ₹2 each)	20.12	-
Engineers India Limited (1,200 (Nil) shares, face value of ₹2 each)	24.23	-
Exicom Tele-Systems Limited (1,000 (Nil) shares, face value of ₹2 each)	1.97	-
Fertilizers & Chemicals Travancore Limited (Nil (692) shares, face value of ₹10 each)	-	1.42
Fineotex Chemical Limited (343 (Nil) shares, face value of ₹ 10 each)	1.26	-
Fortune Financial Services (India) Limited (1 (Nil) shares, face value of ₹ 10 each)	0.00	-
Genus Power Infrastructures Limited (3,772 (Nil) shares, face value of ₹10 each)	23.03	-
Global Surfaces Limited (5000 (Nil) shares, face value of ₹10 each)	11.54	-
Gmr Power & Urban Infra Limited (1,000 (Nil) shares, face value of ₹2 each)	119.98	-
Gujarat State Fertilizers & Chemicals Limited (50 (50,000) shares, face value of ₹2 each)	0.10	59.50
Gujarat Narmada Valley Fertilizers & Chemical Limited (2,50,000 (Nil) shares, face value of ₹1 each)	12.70	-
Hemisphere Properties India Limited (4,010 (Nil) shares, face value of ₹10 each)	1.80	-
Hindustan Construction Company Limited (3,855 (Nil) shares, face value of ₹10 each)	0.36	-
HOV Services Limited (Nil (19,771) shares, face value of ₹10 each)	-	8.25
HPL Electric & Power Limited (1,135 (Nil) shares, face value of ₹5 each)	3.59	-
Hcl Infosystems Limited (50,000 (Nil) shares, face value of ₹10 each)	8.45	-
HFCL Limited (10,000 (Nil) shares, face value of ₹1 each)	9.18	-
IFCI Limited (27,776 (Nil) shares, face value of ₹10 each)	11.01	-
IIFL Financial Limited (5,000 (Nil) shares, face value of ₹10 each)	17.01	-



**Consolidated Notes Forming Part Of Financial Statement**

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
India Tourism Development Corporation Limited (3,000 (Nil) shares, face value of ₹10 each)	9.56	-
Indo Count Industries Limited (1,000 (Nil) shares, face value of ₹2 each)	3.54	-
Indiamart Intermesh Limited (200 (Nil) shares, face value of ₹10 each)	5.29	-
Infibeam Avenues Limited (10,000 (Nil) shares, face value of ₹10 each)	3.41	-
Inox Wind Limited (15,000 (Nil) shares, face value of ₹10 each)	78.24	-
International Travel House Limited (2,000 (Nil) shares, face value of ₹ 2 each)	11.97	-
IRB Infrastructure Developers Limited (55,000 (Nil) shares, face value of ₹10 each)	14.64	-
ITI Limited (800 (Nil) shares, face value of ₹10 each)	2.02	-
Jai Corporation Limited (5,000 (Nil) shares, face value of ₹10 each)	14.14	-
Jaiprakash Associates Limited (1,00,000 (Nil) shares, face value of ₹2 each)	17.95	-
Jindal Poly Films Limited (1,314 (Nil) shares, face value of ₹10 each)	5.96	-
Jio Financial Services Limited (5,000 (Nil) shares, face value of ₹10 Each)	17.69	-
JSW Infrastructure Limited (1500 (Nil) shares, face value of ₹10 Each)	3.68	-
Jyoti CNC Automation Limited (5,000 (Nil) shares, face value of ₹10 Each)	41.07	-
Life Insurance Corporation of India (42,500 (Nil) shares, face value of ₹10 each)	389.36	-
Lux Industries Limited (500 (Nil) shares, face value of ₹2 each)	5.37	-
M M T C Limited (10,951 (Nil) shares, face value of ₹10 each)	7.28	-
Mangalam Cement Limited (15,000 (Nil) shares, face value of ₹2 each)	109.65	-
Mohini Health & Hygiene Limited (22,500 (Nil) shares, face value of ₹1 each)	11.88	-
NLC India Limited (4957 (Nil) shares, face value of ₹10 each)	11.31	-
Mahalaxmi Rubtech Limited (5,995 (Nil) shares, face value of ₹10 each)	17.45	-
Motisons Jewellers Limited (33,000 (Nil) shares, face value of ₹10 each)	52.82	-
Mirza International Limited (Nil (23,000) shares, face value of ₹2 each)	-	8.02
Organic Recycling Systems Limited (141,000 (Nil) shares, face value of ₹10 each)	296.45	-
Orient Cement Limited (10,000 (Nil) shares, face value of ₹10 each)	19.58	-
Oberoi Realty Limited (Nil (14,000) shares, face value of ₹10 each)	-	117.96
Patel Engineering Limited (25,000 (Nil) shares, face value of ₹10 each)	14.23	-
Paramount Communication Limited (60,000 (Nil) shares, face value of ₹10 each)	40.23	-

**Consolidated Notes Forming Part Of Financial Statement**

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
Protean eGOV. Technologies Limited (500 (Nil) shares, face value of ₹10 each)	5.03	-
Poonawalla Fincorp Limited (30,000 (25,000) shares, face value of ₹2 each)	139.68	73.13
Ramkrishna Forgings Limited (250 (Nil) shares, face value of ₹10 each)	1.73	-
Rico Auto Industries Limited (5,000 (Nil) shares, face value of ₹10 each)	7.26	-
Royal Orchid Hotels Limited (1,000 (13,210) shares, face value of ₹10 each)	3.61	63.24
Reliance Power Limited (3,40,000 (Nil) shares, face value of ₹10 each)	96.05	-
Sabar Flex India Limited (10,000 (Nil) shares, face value of ₹10 each)	1.98	-
The Shipping Corporation of India Limited (30,766 (Nil) shares, face value of ₹10 each)	64.24	-
Shriram Pistons & Rings Limited (3000 (Nil) shares, face value of ₹10 each)	58.82	-
Shriram Finance Limited (1806 (Nil) shares, face value of ₹10 each)	42.62	-
SMC Global Securities Limited (20,000 (Nil) shares, face value of ₹10 each)	24.97	-
Steel Authority of India Limited (9,500 (Nil) shares, face value of ₹10 each)	33.56	-
Sterling and Wilson Renewable Energy Limited (25,000 (Nil) shares, face value of ₹2 each)	78.49	-
Suzlon Energy Limited (55,000 (Nil) shares, face value of ₹2 each)	22.22	-
Sylph Technologies Limited (Nil (73,878) shares, face value of ₹1 each)	-	23.23
Tata Motors-Dvr Limited (18,000 (Nil) shares, face value of ₹10 each)	118.30	-
Tata Technologies Limited (1,000 (Nil) shares, face value of ₹10 each)	10.21	-
Tata Teleservices (Maharashtra) Limited (17,394 (Nil) shares, face value of ₹10 each)	12.87	-
Titan Company Limited (175 (Nil) shares, face value of ₹ 2 each)	6.65	-
Tv18 Broadcast Limited (1,77,507 (Nil) shares, face value of ₹10 each)	82.36	-
V Guard Industries Limited (399 (Nil) shares, face value of ₹10 each)	1.32	-
Vodafone Idea Limited (2,00,000 (Nil) shares, face value of ₹10 each)	26.50	-
Wockhardt Limited (10,000 (Nil) shares, face value of ₹10 each)	58.57	-
Welspun Specialty Solutions Limited (65,000 (Nil) shares, face value of ₹6 each)	20.42	-
Xpro India Limited (4,010 (Nil) shares, face value of ₹10 each)	44.81	-
Yes Bank Limited (90,020 (Nil) shares, face value of ₹2 each)	20.88	-
Zen Technologies Limited (3,000 (Nil) shares, face value of ₹1 each)	38.26	-
Zomato Limited (10,000 (Nil) shares, face value of ₹1 each)	18.21	-
<b>Total</b>	<b>3,105.16</b>	<b>717.50</b>

**Consolidated Notes Forming Part Of Financial Statement**

Particulars	March 31, 2024	March 31, 2023
<b>8. Trade Receivables</b>		
Considered good- Secured	9,131.44	17,084.99
Considered good - Unsecured	505.93	204.73
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit impaired	-	-
<b>Total (Gross)</b>	<b>9,637.37</b>	<b>17,289.72</b>
Less: Impairment loss allowance	-	-
<b>Total (Net)</b>	<b>9,637.37</b>	<b>17,289.72</b>
<b>Out of which:</b>		
Due from Directors	Nil	Nil
Due from a firm including LLP's and Private Limited Company in which a Director of the Company is a Partner or a Director respectively	Nil	Nil
<b>*For Ageing of Trade Receivable Refer Note No. 49.</b>		
<b>9. Loans</b>		
<b>[A] Loans measured at Amortised Cost</b>		
Margin trading facility	17,446.95	6,658.65
Loans to related parties	(731.61)	-
Loans repayable on demand	2,462.88	2,568.72
<b>Total (Gross)</b>	<b>19,178.22</b>	<b>9,227.37</b>
Less: Impairment loss allowance	(6.16)	(6.42)
<b>Total (Net)</b>	<b>19,172.06</b>	<b>9,220.95</b>
<b>[B]</b>		
i) Secured by tangible assets	19,624.68	8,848.18
ii) Unsecured	(446.46)	379.19
<b>Total (Gross)</b>	<b>19,178.22</b>	<b>9,227.37</b>
Less: Impairment loss allowance	(6.16)	(6.42)
<b>Total (Net)</b>	<b>19,172.06</b>	<b>9,220.95</b>
<b>[C] Loans in India</b>		
i) Public Sector		
ii) Others	19,178.22	9,227.37
<b>Total (Gross)</b>	<b>19,178.22</b>	<b>9,227.37</b>
Less: Impairment loss allowance	(6.16)	(6.42)
<b>Total (Net)</b>	<b>19,172.06</b>	<b>9,220.95</b>
<b>Stage wise break up of loans -</b>		
Low credit risk (Stage 1)	19,178.22	9,227.37
Significant increase in credit risk (Stage 2)	-	-
Credit impaired (Stage 3)	-	-
<b>Total</b>	<b>19,178.22</b>	<b>9,227.37</b>
<b>10. Investments</b>		
<b>(A) Equity Instruments</b>		
<b>- At Fair Value though Profit or Loss</b>		
<b>1. Investment in Quoted shares</b>		
Artemis Medicare Services Limited (Nil (40,000) shares, face value of ₹1 each)	-	27.16
Century Textiles and Industries Limited (6,681 (Nil) shares, face value of ₹10 each)	108.89	-
D. P. Abhushan Limited (Nil (1,91,353) shares, face value of ₹10 each)	-	592.91
Gufic Biosciences Limited (Nil (15,000) shares, face value of ₹1 each)	-	27.96

**Consolidated Notes Forming Part Of Financial Statement**

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
Hariom Pipe Industries Limited (Nil (15,000) shares, face value of ₹10 each)	-	71.80
Ion Exchange (India) Limited (Nil (530) shares, face value of ₹1 each)	-	18.09
Jainam Ferro Alloys Limited (17000 (Nil) shares, face value of ₹10 each)	21.39	-
Jash Engineering Limited (2297 (Nil) shares, face value of ₹2 each)	38.92	-
Nitiraj Engineers Limited (Nil (1,48,307) shares, face value of ₹10 each)	-	105.08
Poonawalla Fincorp Limited (21,189 (31,000) shares, face value of ₹2 each)	98.66	90.68
Rane Holdings Limited (Nil (5,500) shares, face value of ₹10 each)	-	47.63
Revathi Equipment Limited (Nil (1,700) shares, face value of ₹10 each)	-	21.81
Sepec Limited (22223 (Nil) shares, face value of ₹1 each)	3.70	-
Ttk Healthcare Limited (Nil (3,902) shares, face value of ₹10 each)	-	40.50
Xpro India Limited (9778 (Nil) shares, face value of ₹2 each)	109.25	-
<b>Sub-Total (1)</b>	<b>380.81</b>	<b>1,043.62</b>
<b>2. Investment in Unquoted shares</b>		
Das Offshore Limited (2,054 (2,054) shares, face value of ₹10 each)	250.00	250.00
Hdb Financial Services Limited (5,320 (5,320) shares, face value of ₹10 each)	50.27	34.58
National Stock Exchange Limited (NSE) (8,000 (8,000) shares, face value of ₹1 each)	257.94	255.92
Saurashtra Kutch Stock Exchange Limited (1 (1) shares, face value of ₹5,000 each)	5.05	5.05
The Saraswat Co-Operative Bank Limited (500 (500) shares, face value of ₹10 each)	0.05	0.05
<b>Sub-Total (2)</b>	<b>563.31</b>	<b>545.60</b>
<b>- As per equity method</b>		
<b>3. Investment in Associate</b>		
Electrum Capital Private Limited (13,75,000 (13,75,000) shares, face value of ₹10 each)	518.66	318.70
<b>Sub-Total (3)</b>	<b>518.66</b>	<b>318.70</b>
<b>Total</b>	<b>1,462.78</b>	<b>1,907.92</b>

**Consolidated Notes Forming Part Of Financial Statement**

Particulars	March 31, 2024	March 31, 2023
i) Investments in India	1,462.78	1,907.92
ii) Investments outside India	-	-
<b>Total</b>	<b>1,462.78</b>	<b>1,907.92</b>
<b>11. Other Financial Assets</b>		
Deposits with Exchanges / Depositories	1,405.63	332.59
Deposit with Related parties (Refer Note No. 46)	38.88	38.88
Other Deposits	29.10	29.83
Other Advances	332.13	36.42
<b>Total</b>	<b>1,805.74</b>	<b>437.72</b>
<b>12. Current tax Assets (net)</b>		
Advance Income Tax Receivable (Net of Provision for Tax)	0.05	0.05
<b>Total</b>	<b>0.05</b>	<b>0.05</b>
<b>13. Deferred Tax Assets</b>		
Deferred Tax Assets (Refer Note No. 40)	6.54	6.18
<b>Total</b>	<b>6.54</b>	<b>6.18</b>

**Consolidated Notes Forming Part Of Financial Statement**

(₹ in Lacs)

14. Property, Plant & Equipment										
Particulars	Building	Land	Leasehold Premises	Furniture & Fixtures	Office Equipments	Computers	Electrical Installations	Motor Vehicles	Total	
<b>Gross carrying Amount</b>										
As at April 1, 2022	577.89	-	30.51	87.27	74.75	278.48	20.15	221.97	1,291.03	
Additions	-	-	-	124.71	50.84	180.16	11.42	39.01	406.14	
Disposals	-	-	-	-	-	-	-	-	-	
Currency Fluctuation	-	-	2.58	0.23	-	0.11	-	-	2.92	
<b>Balance as at March 31, 2023</b>	<b>577.89</b>	<b>-</b>	<b>33.09</b>	<b>212.21</b>	<b>125.59</b>	<b>458.75</b>	<b>31.57</b>	<b>260.98</b>	<b>1,700.09</b>	
Additions	-	-	-	18.05	10.21	112.02	-	106.83	247.11	
Disposals	-	-	-	-	-	-	-	-	-	
Currency Fluctuation	-	-	0.47	0.04	-	0.02	-	-	0.53	
<b>Balance as at March 31, 2024</b>	<b>577.89</b>	<b>-</b>	<b>33.56</b>	<b>230.30</b>	<b>135.80</b>	<b>570.79</b>	<b>31.57</b>	<b>367.81</b>	<b>1,947.73</b>	
<b>Accumulated Depreciation</b>										
As at April 1, 2022	41.30	-	3.37	38.83	39.97	168.54	5.84	68.67	366.53	
Additions	10.33	-	1.08	14.99	16.28	78.36	2.67	31.23	154.93	
Disposals	-	-	-	-	-	-	-	-	-	
Currency Fluctuation	-	-	0.31	0.07	-	0.11	-	-	0.49	
<b>Balance as at March 31, 2023</b>	<b>51.63</b>	<b>-</b>	<b>4.76</b>	<b>53.89</b>	<b>56.25</b>	<b>247.01</b>	<b>8.51</b>	<b>99.90</b>	<b>521.95</b>	
Additions	10.33	-	1.11	22.43	19.13	96.25	3.33	33.70	186.28	
Disposals	-	-	-	-	-	-	-	-	-	
Currency Fluctuation	-	-	0.07	0.02	-	0.02	-	-	0.11	
<b>Balance as at March 31, 2024</b>	<b>61.96</b>	<b>-</b>	<b>5.94</b>	<b>76.34</b>	<b>75.38</b>	<b>343.28</b>	<b>11.84</b>	<b>133.60</b>	<b>708.34</b>	
<b>Net Carrying Amount</b>										
Balance as at March 31, 2023	526.26	-	28.33	158.32	69.34	211.74	23.06	161.08	1,178.14	
Balance as at March 31, 2024	515.93	-	27.62	153.96	60.42	227.51	19.73	234.21	1,239.39	



**Consolidated Notes Forming Part Of Financial Statement**

(₹ in Lacs)									
15. Other Intangible Assets									
Particulars	Software	License	MCX Membership	NCDEX Membership	NSEL Membership	Operating Right	Total		
<b>Gross carrying Amount</b>									
As at April 1, 2022	131.65	0.50	-	-	-	-	132.15		
Additions	207.17	-	-	-	-	-	207.17		
Disposals	-	-	-	-	-	-	-		
<b>Balance as at March 31, 2023</b>	<b>338.82</b>	<b>0.50</b>	-	-	-	-	<b>339.32</b>		
Additions	58.34	-	-	-	-	-	58.34		
Disposals	-	-	-	-	-	-	-		
<b>Balance as at March 31, 2024</b>	<b>397.16</b>	<b>0.50</b>	-	-	-	-	<b>397.66</b>		
<b>Accumulated Depreciation</b>									
As at April 1, 2022	59.82	0.40	-	-	-	-	60.22		
Additions	34.73	0.10	-	-	-	-	34.83		
Disposals	-	-	-	-	-	-	-		
<b>Balance as at March 31, 2023</b>	<b>94.55</b>	<b>0.50</b>	-	-	-	-	<b>95.05</b>		
Additions	54.28	-	-	-	-	-	54.28		
Disposals	-	-	-	-	-	-	-		
<b>Balance as at March 31, 2024</b>	<b>148.83</b>	<b>0.50</b>	-	-	-	-	<b>149.33</b>		
<b>Net Carrying Amount</b>									
Balance as at March 31, 2023	244.27	-	-	-	-	-	244.27		
Balance as at March 31, 2024	248.33	-	-	-	-	-	248.34		

**Consolidated Notes Forming Part Of Financial Statement**

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
<b>16. Other Non Financial Assets</b>		
Employee Advance	4.76	3.14
Prepaid Expenses	248.87	283.38
Tax Receivables (IT Department)	126.26	159.76
GST Receivables	373.18	31.41
Other Advances	74.53	72.88
<b>Total</b>	<b>827.60</b>	<b>550.57</b>
<b>17. Trade Payables</b>		
Micro, Small and Medium Enterprises (Refer Note No. 43)	164.89	29.12
Other than Micro, Small and Medium Enterprises	30,241.98	18,244.57
<b>Total</b>	<b>30,406.87</b>	<b>18,273.69</b>
<b>*For Ageing of Trade Payable Refer Note No. 50.</b>		
<b>18. Debt securities</b>		
Secured Debt Securities		
Redeemable non-convertible debenture 1 year @ 9.5%	1,932.00	-
Redeemable non-convertible debenture 3 year @10%	2,393.00	-
<b>Total</b>	<b>4,325.00</b>	-
i) Debt securities in India	4,325.00	-
ii) Debt securities outside India	-	-
<b>Total</b>	<b>4,325.00</b>	-
<b>Terms of repayment:</b>		
The aforesaid Redeemable Non-Convertible Debenture are repayable on maturity and the tenure is 12 to 36 months.		
<b>Details of Assets pledged as security</b>		
The Unlisted Redeemable non-convertible debentures are secured by way of pari passu charge on the secured debtors of the company, with a security coverage of 1.2 times the value of the secured debtors.		
<b>19. Borrowings</b>		
<b>[A] Loans repayable on demand</b>		
<b>- Amortised Cost</b>		
i) from Banks and Financial Institutions	4,554.52	4,908.03
ii) from Related Parties (Refer Note No. 46)	669.39	1,059.50
iii) from others	378.82	-
<b>Total</b>	<b>5,602.73</b>	<b>5,967.53</b>
<b>[B]</b>		
i) Borrowings in India	5,602.74	5,967.53
ii) Borrowings outside India	-	-
<b>Total</b>	<b>5,602.74</b>	<b>5,967.53</b>
<b>[C]</b>		
i) Secured *	4,554.52	4,408.65
ii) Unsecured	1,048.21	1,558.88
<b>Total</b>	<b>5,602.73</b>	<b>5,967.53</b>
*Secured against pledge of securities, trade receivables and immovable property.		

**Consolidated Notes Forming Part Of Financial Statement**

**\*Details of Assets pledged as security**

- The Company availed overdraft facility from ICICI Bank amounting to ₹ 2,000 Lacs. Outstanding book balance of overdraft is ₹11.20 Lacs (March 31, 2023: ₹ 1,651.71 Lacs)  
The aforesaid overdraft is secured by way of first charge on trade receivables of the company.
- The Company availed overdraft facility from Axis Bank amounting to ₹ 6,000 Lacs. Outstanding book balance of overdraft is ₹ 2100.08 Lacs (March 31, 2023: ₹ 2,261.61 Lacs).  
The aforesaid overdraft is secured by way of first charge on trade receivables of the company.
- The Company availed loan against property from ICICI Bank amounting to ₹ 500 Lacs. Outstanding book balance of loan is ₹ 299.81 Lacs (March 31, 2023: ₹ 495.33 Lacs).  
The aforesaid loan is secured by way of first charge by way of equitable mortgage of building situated at 1011, Solitaire Corporate Park, Building No.10, 1<sup>st</sup> Floor, Andheri Ghatkopar Link Road Chakala Andheri (EAST) Mumbai in the name of the company.
- The Company availed overdraft facility from IDFC FIRST Bank amounting to ₹ 2,500 Lacs. Outstanding book balance of overdraft is ₹ 1510.09 Lacs (March 31, 2023: NIL)  
The aforesaid overdraft is secured by way of first charge on trade receivables of the company.
- The Company availed loan against shares from Tata Capital Financial Services Limited amounting to ₹500 Lacs. Outstanding book balance of overdraft is Nil (March 31, 2023: Nil).  
The aforesaid loan is secured against securities of the company.
- The Company availed term loan from Tata Capital Financial Services Limited amounting to ₹ 800 Lacs. Outstanding book balance of overdraft is ₹ 636.08 Lacs (March 31, 2023: ₹ 502.09 Lacs).  
  
The aforesaid loan is secured against securities of the company.

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
<b>20. Other Financial Liabilities</b>		
Employee Benefits Payable	634.38	247.53
Franchise Deposit	1825.48	637.27
Other Deposit	184.33	209.49
Expenses Payable	128.11	99.85
Other Payable (includes payable to vendors)	1,433.37	544.86
Unclaimed Dividend*	24.52	24.37
<b>Total</b>	<b>4,230.19</b>	<b>1,763.37</b>
*Out of the above amount, the company is required to credit a sum of ₹ 4.09 Lacs lying in the unclaimed dividend account, on or before 15 <sup>th</sup> October, 2024 to the Investor Education & Protection Fund pursuant to Sub-section (1) of Section 125 of The Companies Act, 2013.		
<b>21. Current Tax Liabilities (net)</b>		
Income tax payable (Net of Advance Tax & TDS)	206.19	59.63
<b>Total</b>	<b>206.19</b>	<b>59.63</b>
<b>22. Provisions</b>		
Provision for Gratuity (Refer Note No. 45)	263.85	195.68
<b>Total</b>	<b>263.85</b>	<b>195.68</b>
<b>23. Deferred Tax Liabilities (net)</b>		
Deferred Tax Liabilities (net) (Refer Note No. 40)	68.43	117.04
<b>Total</b>	<b>68.43</b>	<b>117.04</b>

**Consolidated Notes Forming Part Of Financial Statement**

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023		
<b>24. Other Non Financial Liabilities</b>				
Statutory Dues Payable	692.75	169.86		
<b>Total</b>	<b>692.75</b>	<b>169.86</b>		
<b>25. Share Capital</b>				
<b>Authorised</b>				
12,50,00,000 equity share of ₹1/- each (12,50,00,000 of ₹1/- each)	1,250.00	1,250.00		
<b>Issued, Subscribed &amp; Paid up</b>				
10,41,12,800 equity share of ₹1/- each (10,41,12,800 of ₹1/- each)	1,041.13	1,041.13		
<b>Total</b>	<b>1,041.13</b>	<b>1,041.13</b>		
The Company has sub-divided its 2,08,22,560 equity shares of face value of ₹5 each fully paid up into 10,41,12,800 equity shares of face value of ₹1 each fully paid up w.e.f. April 15, 2022 as recommended by board of directors and approved by the shareholders of the company in the Extra Ordinary General Meeting held on March 26, 2022.				
<b>a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period</b>				
<u>Equity Shares of face value ₹1/- (face value ₹1/- March 23)</u>				
Share outstanding at the beginning of the period	10,41,12,800	2,08,22,560		
Share outstanding at the end of period	10,41,12,800	10,41,12,800		
<b>b. Terms/rights attached to equity shares</b>				
The company has one class of equity shares having a par value of ₹1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.				
<b>c. List of the Shareholders holding more than 5% of the total number of shares issued by the company</b>				
<b>Name of the shareholders</b>				
Ashok Kumar Jain	33,531,680 (32.21%)	33,531,680 (32.21%)		
Kiran Jain	23,641,600 (22.71%)	23,641,600 (22.71%)		
Sunil Kumar Jain	5,353,280 (5.14%)	5,353,280 (5.14%)		
Arpit Jain	5,739,200 (5.51%)	5,739,200 (5.51%)		
<b>d. Shareholding of Promoter</b>				
<b>For the year ended March 31, 2024</b>				
<b>Shares held by Promoters at the end of the Year</b>				
<b>S. No.</b>	<b>Promoter's Name</b>	<b>No. of Shares</b>	<b>% of total shares</b>	
			<b>% Change during the Year</b>	
1	Ashok Kumar Jain	3,35,31,680	32.21	-
2	Kiran Jain	2,36,41,600	22.71	-
3	Sunil Kumar Jain	53,53,280	5.14	-
4	Arpit Jain	57,39,200	5.51	-
5	Swati Jain	-	-	(3.95)
6	Shruti Jain	31,10,400	2.99	-
7	Ratik Jain	9,60,000	0.92	-
8	Kamal Kumar Jain (HUF)	-	-	(0.25)
9	Anvita Jain	1,92,000	0.18	-
10	Meena Jain	1,52,000	0.15	-
11	Kamal Kumar Jain	-	-	(0.12)
<b>Total</b>		<b>7,26,80,160</b>	<b>69.81</b>	<b>(4.31)</b>

For the year ended March 31, 2023				
S. No.	Promoter's Name	No. of Shares	% of total shares	% Change during the Year
1	Ashok Kumar Jain	3,35,31,680	32.21	-
2	Kiran Jain	2,36,41,600	22.71	-
3	Sunil Kumar Jain	53,53,280	5.14	-
4	Arpit Jain	57,39,200	5.51	-
5	Swati Jain	41,07,580	3.95	(0.45)
6	Shruti Jain	31,10,400	2.99	-
7	Ratik Jain	9,60,000	0.92	-
8	Kamal Kumar Jain (HUF)	2,56,000	0.25	-
9	Anvita Jain	1,92,000	0.18	-
10	Meena Jain	1,52,000	0.15	-
11	Kamal Kumar Jain	1,28,000	0.12	-
<b>Total</b>		<b>7,71,71,740</b>	<b>74.12</b>	-
(₹ in Lacs)				
Particulars		March 31, 2024	March 31, 2023	
<b>26. Other Equity</b>				
<b>General Reserve</b>				
Balance at the beginning of the year		22,949.22	20,377.62	
Transfer from Retained Earnings		6,000.00	2,571.60	
<b>Balance as at end of the year</b>		<b>28,949.22</b>	<b>22,949.22</b>	
<b>Retained Earnings</b>				
Balance at the beginning of the year		1,435.81	1,268.03	
Transfer from Statement of Profit and Loss		7,051.04	2,881.04	
Remeasurement of Defined Benefit Plan (Net of Taxes)		(40.90)	1.93	
Final Dividend		(416.45)	(156.17)	
Transfer to Statutory Reserve		(25.49)	(18.12)	
Transfer to General Reserve		(6,000.00)	(2,571.60)	
<b>Balance as at end of the year</b>		<b>2,004.01</b>	<b>1,405.11</b>	
<b>Consolidated Reserve</b>				
Balance at the beginning of the year		35.15	35.15	
<b>Balance as at end of the year</b>		<b>35.15</b>	<b>35.15</b>	
<b>Statutory Reserve</b>				
Balance at the beginning of the year		168.83	150.71	
Transfer from Retained Earnings		25.49	18.12	
<b>Balance as at end of the year</b>		<b>194.32</b>	<b>168.83</b>	
<b>Foreign Currency Translation Reserve</b>				
Balance at the beginning of the year		26.72	16.00	
Transfer from Statement of Profit and Loss		1.89	10.72	
<b>Balance as at end of the year</b>		<b>28.61</b>	<b>26.72</b>	
<b>Total</b>		<b>31,211.31</b>	<b>24,585.03</b>	
<b>General Reserve</b>				
General reserve represents appropriation of surplus in the profit and loss account and is available for distribution to shareholders as dividend.				

**Consolidated Notes Forming Part Of Financial Statement**

<b>Retained Earnings</b>	Surplus in profit or loss account (Retained Earnings) represents surplus/accumulated profit of the company and is available for distribution to shareholders as dividend.	
<b>Consolidated Reserve</b>	Consolidated reserve is the excess of net assets taken over cost of consideration paid.	
<b>Statutory Reserve</b>	Reserve fund is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve as 20% of the profit after tax.	
<b>Foreign Currency Translation Reserve</b>	Foreign currency translation reserve is created out of Exchange differences in translating the financial statements having functional currency different from Group functional currency.	
	(₹ in Lacs)	
Particulars	March 31, 2024	March 31, 2023
<b>27. Interest Income</b>		
On financial assets measured at amortised cost-		
Interest on loans	333.53	290.07
Interest on deposits with banks	1,852.00	967.08
Interest on Margin deposit with exchange	58.97	27.25
Interest on Margin funding and delayed payment	4,462.39	3,813.36
<b>Total</b>	<b>6,706.89</b>	<b>5,097.76</b>
<b>28. Dividend Income</b>		
From Securities	45.99	55.58
<b>Total</b>	<b>45.99</b>	<b>55.58</b>
<b>29. Fees and commission income</b>		
Commission Received (Net)	396.77	345.05
Brokerage	10,765.70	7,148.87
Depository Receipts	420.74	240.84
Income from Education Fees	4.16	12.28
Insurance Commission	33.15	53.73
Fees From Merchant Banking	495.45	108.18
<b>Total</b>	<b>12,115.97</b>	<b>7,908.95</b>
<b>30. Net Gain on fair value changes</b>		
<b>(A) Net gain / (loss) on financial instruments at fair value through profit or loss</b>		
(I) Profit/(loss) on sale of derivatives held for trade (net)	1,279.52	246.73
(ii) Profit/(loss) on securities held for trade	2,932.16	793.22
<b>(B) Others</b>		
- Profit/(loss) on sale of investments (net) at fair value through profit or loss	433.83	(347.47)
<b>Total</b>	<b>4,645.51</b>	<b>692.48</b>
<b>Fair value changes</b>		
Realised gain	4,521.69	811.69
Unrealised gain	123.82	(119.21)
<b>Total</b>	<b>4,645.51</b>	<b>692.48</b>



**Consolidated Notes Forming Part Of Financial Statement**

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
<b>31. Other Income</b>		
Bad debts recovered	12.40	3.28
Income from Rent	6.30	9.38
Interest on Income tax refund	-	0.37
Miscellaneous income	27.51	8.23
<b>Total</b>	<b>46.21</b>	<b>21.26</b>
<b>32. Finance Costs</b>		
On financial liabilities measured at amortised cost-		
Interest on Borrowings	632.36	754.07
Interest on NCD	174.41	-
Interest paid on Deposit	441.06	149.08
Other Interest expenses	9.06	1.06
<b>Total</b>	<b>1,256.89</b>	<b>904.21</b>
<b>33. Fees and Commission Expense</b>		
Sub Brokerage/Referral Fees	5,651.53	3,865.03
Depository charges	141.07	83.58
Exchange Transaction Charges	963.05	702.38
Merchant Banking Expenses	91.69	12.03
<b>Total</b>	<b>6,847.34</b>	<b>4,663.02</b>
<b>34. Impairment on financial instruments</b>		
On Financial Assets measured at amortised cost-		
Trade Receivables	-	-
Loans	(0.26)	3.02
Bad Debts written off	11.56	1.23
<b>Total</b>	<b>11.30</b>	<b>4.25</b>
<b>35. Employee Benefits Expenses (Includes Managerial Remuneration)</b>		
Salaries, wages and bonus	3,094.68	2,045.81
Contribution to provident and other fund (Refer Note No. 45)	39.99	38.02
Gratuity expense (Refer Note No. 45)	28.72	22.98
Staff welfare expenses	37.52	36.47
<b>Total</b>	<b>3,200.91</b>	<b>2,143.28</b>
<b>36. Depreciation and amortisation expense</b>		
Depreciation on Property, plant & equipment	186.28	154.93
Amortisation on other intangible assets	54.28	34.83
<b>Total</b>	<b>240.56</b>	<b>189.76</b>
<b>37. Other Expenses</b>		
Advertisement	11.20	25.32
Auditors' Remuneration (Refer Note No. 38)	14.26	10.74
Bank Charges	164.96	178.38
Books & Periodicals	0.05	-
Business Development	286.56	84.95
Corporate Social Responsibility (Refer Note No. 62)	91.47	82.85
Communication Costs	190.49	162.33
Commission	15.91	-
Diwali Expenses	0.03	-
Electricity	59.61	59.47

**Consolidated Notes Forming Part Of Financial Statement**

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
Foreign Exchange Loss (Net)	0.02	0.05
Insurance	12.35	10.44
Legal and Professional	779.28	305.83
Membership Fee & Subscription	25.05	26.70
Miscellaneous Expenses	112.35	131.72
Office Expenses	47.69	40.58
Professional Tax	0.03	-
Rent	170.50	140.40
Repairs & Maintenance	117.29	55.92
Software Maintenance	677.39	548.33
Stationery & Printing	31.80	19.41
Travel & Conveyance	136.81	115.41
<b>Total</b>	<b>2,945.10</b>	<b>1,998.83</b>
<b>38. Remuneration To Auditors (Exclusive of Taxes)</b>		
Statutory audit	10.52	8.62
Tax audit	1.00	1.00
Limited review	0.90	0.90
Other services	1.84	0.22
<b>Total</b>	<b>14.26</b>	<b>10.74</b>
<b>39. Exceptional Item</b>		
Share of Profit / (Loss) of Associates (Net of Tax)	-	-
Gain on Disposal of Investments (Net) (Refer Note No. 47)		
- In Subsidiaries Carried at Cost	0.82	35.31
<b>Total</b>	<b>0.82</b>	<b>35.31</b>
<b>40. Tax Expense</b>		
<b>A. The major components of income tax expense for the year are as under</b>		
<b>(A) Current tax expense</b>		
Current tax for the year	2,291.63	1,055.70
Tax adjustment in respect of earlier years	(37.88)	(8.87)
<b>Total current tax expense (A)</b>	<b>2,253.75</b>	<b>1,046.83</b>
<b>(B) Deferred tax expense</b>		
Change in deferred tax	(35.22)	(19.88)
<b>Net deferred tax expense (B)</b>	<b>(35.22)</b>	<b>(19.88)</b>
<b>Total (A+B)</b>	<b>2,218.53</b>	<b>1,026.95</b>
<b>B. Reconciliation of tax expenses and the accounting profit for the year is as under</b>		
Profit / (loss) before income tax expense	9,058.47	3,872.66
<b>Tax at the rate of 25.17%</b>	<b>2,279.84</b>	<b>974.67</b>
Difference due to :		
Tax effect of expense allowed on payment basis	15.01	0.71
Tax on expense not tax deductible	22.95	21.61
Tax adjustment relating to fair valuation of equity instrument	(112.42)	100.14
Tax impact of Expense Deductible for tax purpose	-	-
Tax effect of Impairment Loss	-	-
Tax impact of Carried forward losses	(0.05)	(22.93)
Tax effect of different depreciation	(6.98)	(20.19)
Tax effect on chapter VI	(14.00)	(13.98)
Tax effect of Ind AS adjustment	(0.01)	(0.68)
Tax adjustment of previous years	(37.88)	(8.87)

**Consolidated Notes Forming Part Of Financial Statement**

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023			
Tax on income exempt from tax	-	-			
Tax on income taxable at different rate	103.37	13.18			
Others	1.28	0.90			
Impairment on subsidiaries	0.04	2.27			
Associate Dividend	2.60	-			
<b>Current tax expense (A)</b>	<b>2,253.75</b>	<b>1,046.83</b>			
Change in deferred tax liabilities	(34.86)	(33.74)			
Change in deferred tax assets	(0.36)	13.86			
<b>Deferred tax expense (B)</b>	<b>(35.22)</b>	<b>(19.88)</b>			
<b>Total Tax Expense (A+B)</b>	<b>2,218.53</b>	<b>1,026.95</b>			
<b>Effective Tax Rate</b>	<b>24.49%</b>	<b>26.52%</b>			
<b>Movement in deferred tax assets and liabilities</b> (₹ in Lacs)					
Particulars	As at April 1, 2023	Credit / (Charge) in Profit or Loss	Recognised in OCI	Disposal of Subsidiaries	As at March 31, 2024
Timing difference on Property, plant and equipment as per books and Income Tax Act, 1961	104.47	(7.09)	-	-	111.56
Fair valuation of Securities for trade as per Ind AS	-	-	-	-	-
Processing Fee	0.68	(0.01)	-	-	0.69
Fair valuation of Mutual Funds held for investment as per Ind AS	-	-	-	-	-
Fair valuation of Equity Instruments as per Ind AS	66.09	41.12	-	-	24.97
Expenses allowable u/s. 43B on payment basis	-	-	-	-	-
-Gratuity	(49.25)	3.40	13.76	-	(66.41)
-Bonus	(2.14)	(2.14)	-	-	-
Loss carried forward	(8.99)	(0.05)	-	-	(8.93)
Impairment of Trade Receivable	-	-	-	-	-
<b>Net deferred tax (asset) / liabilities</b>	<b>110.86</b>	<b>35.23</b>	<b>13.76</b>	<b>-</b>	<b>61.88</b>
Particulars	As at April 1, 2022	Credit / (Charge) in Profit or Loss	Recognised in OCI	Disposal of Subsidiaries	As at March 31, 2023
Timing difference on Property, plant and equipment as per books and Income Tax Act, 1961	83.64	(20.83)	-	-	104.47
Fair valuation of Securities for trade as per Ind AS	(2.92)	(2.92)	-	-	-
Processing Fee	-	(0.68)	-	-	0.68
Fair valuation of Mutual Funds held for investment as per Ind AS	-	-	-	-	-
Fair valuation of Equity Instruments as per Ind AS	122.14	56.04	-	-	66.10
Expenses allowable u/s. 43B on payment basis	-	-	-	-	-
-Gratuity	(47.41)	2.49	(0.65)	-	(49.25)
-Bonus	(3.93)	(1.78)	-	-	(2.15)
Loss carried forward	(14.59)	(4.16)	-	(1.44)	(8.99)
Impairment of Trade Receivable	(8.28)	(8.28)	-	-	-
<b>Net deferred tax (asset) / liabilities</b>	<b>128.65</b>	<b>19.88</b>	<b>(0.65)</b>	<b>(1.44)</b>	<b>110.86</b>

**Consolidated Notes Forming Part Of Financial Statement**

(₹ in Lacs)

Particulars	March 31, 2024	March 31, 2023
<b>Net deferred tax (assets) / liabilities</b>		
<b>Amounts presented in the consolidated balance sheet</b>		
Deferred tax assets	(6.54)	(6.18)
Deferred tax liabilities	68.43	117.04
<b>41. Earnings Per Equity Share</b>		
<b>A) Profit attributable to Equity holders of Company</b>		
Profit attributable to equity holders	7,051.04	2,911.74
<b>B) Weighted average number of ordinary shares</b>		
Number of shares at the beginning of the year	10,41,12,800	10,41,12,800
<b>Weighted average number of shares at the end of the year</b>	<b>10,41,12,800</b>	<b>10,41,12,800</b>
<b>C) Face value per share</b>	<b>1.00</b>	<b>1.00</b>
<b>D) Basic and Diluted earnings per share</b>	<b>6.77</b>	<b>2.80</b>
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>42 A. Contingent Liability and Commitment (to the extent not provided for)</b>		
<b>Contingent liabilities:</b>		
Bank Guarantees given*	14,673.75	26,200.00
Demand in respect of income tax matters for which appeal is pending	101.15	104.98
Contingent Liabilities in respect of brokerage earned in relation to trade in NSEL products.	77.57	-
<b>Capital commitments:</b>		
There are no Capital commitment as at the year end.		
<b>* Bank Guarantees details</b>		
1. ICCL Bombay Stock Exchange Ltd (under mandatory rules for membership)	148.75	148.75
2. ICCL Bombay Stock Exchange Ltd (towards additional margin)	14,450.00	25,976.25
3. National Securities Clearing Corporation Ltd (under mandatory rules for membership)*	75.00	75.00
<b>42 B. Arihant Futures and Commodities Limited (AFCL) was a member of National Spot Exchange Limited (NSEL) till 2013. NSEL had defaulted in its settlement obligations to investors including pay-out of Rs. 4826.08 lacs to AFCL's Clients who traded on the Exchange Platform till July 2013. The matter has been under investigation by EOW, ED, SEBI, SFIO as well as other investigating authorities/Courts and is currently pending before such authorities/courts. Further Rs. 77.57 Lacs towards brokerage earned in relation to trade in NSEL products has been attached under PMLA Act 2002.</b>		
<b>43. Due to Micro, Small, &amp; Medium Enterprises</b>		
The Group has sent letters to vendors to confirm whether they are covered under Micro, Small and Medium Enterprise Development Act 2006 as well as they have filed required memorandum with prescribed authority. Based on and to the extent of the information received by the Group from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at the year end are furnished below:		

**Consolidated Notes Forming Part Of Financial Statement**

(₹ in Lacs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
The Principal amount remaining unpaid at the year end	164.89	29.12
The Interest amount remaining unpaid at the year end	-	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the year (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
The amount of interest accrued and remaining unpaid at the year end	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-
<b>The balance of MSMED parties as at the year end</b>	<b>164.89</b>	<b>29.12</b>

**44. Revenue from Contract with customers**

The Group derives revenue primarily from the broking and related business. Its other major revenue sources is Interest income.

**A. Disaggregate revenue information**

The table below presents disaggregate revenues from contracts with customers for the year ended March 31, 2024 and March 31, 2023. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by market and other economic factors.

(₹ in Lacs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Broking & Related Income	12,111.81	7,896.67
Interest Income	6,706.89	5,097.76
Gain on Fair Value Changes(AFCL)	247.42	165.71
<b>Total</b>	<b>19,066.12</b>	<b>13,160.14</b>

**B. Nature and timing of satisfaction of the performance obligation**

**1. Broking & Related Income** - Income from services rendered as a broker is recognised upon rendering of the services. Commissions from distribution of financial products are recognised upon allotment of the securities to the applicant or as the case may be, on issue of the insurance policy to the applicant. Fees for subscription based services are received periodically but are recognised as earned on a pro-rata basis over the term of the contract, and are over the period in nature. Income from services rendered on behalf of depository is recognised upon rendering of the services, in accordance with the terms of contract. The Company provides underwriting the issuance of securities services to companies to raise capital through the IPO and FPO process, from initial planning to final listing on the stock exchange. Income is recognised as revenue upon rendering of the services, in accordance with the terms of agreement with customer.

**2. Interest Income** - Interest is earned on delayed payments from clients and amounts funded to them as well as on loans and term deposit with bank. Interest income is recognised on a time proportion basis taking into account the amount outstanding from customers or on the financial instrument and the rate applicable.

**3. Gain on fair value changes** - The Company earns gain on fair value change through trading in shares and derivatives. There is only one performance obligation of execution of the trade and settlement of the transaction which is satisfied at a point in time. Gain loss on fair value changes is recognised as revenue on settlement date basis.

**Consolidated Notes Forming Part Of Financial Statement**

**45. Employee benefits**

A. The Group contributes to the following post-employment defined benefit plans

**(i) Defined Contribution Plans:**

The Group makes contributions towards Provident Fund and Employees State Insurance Fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

The Company recognised ₹34.57 Lacs (Previous Year ₹33.09 Lacs) for provident fund contributions in the Statement of Profit and Loss.

The Company recognised ₹5.41 Lacs (Previous Year: ₹4.93 Lacs) for Employees State Insurance Fund contribution in the Statement of Profit and Loss.

**(ii) Defined Benefit Plan:**

**Gratuity**

In accordance with Payment of Gratuity Act, the Group provides for gratuity, a defined benefit retirement plan covering all employees. The plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee's salary and the years of employment with the Group subject to maximum of ₹20 Lacs. (Previous Year ₹ 20 Lacs).

The gratuity benefit is provided through unfunded plan and annual contributions are charged to the statement of profit and loss. Under the scheme, the settlement obligation remains with the Group. Group accounts for the liability for future gratuity benefits based on an actuarial valuation. The net present value of the Group's obligation towards the same is actuarially determined based on the projected unit credit method as at the Balance Sheet date.

**B. Movement in Defined Benefit Liability**

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

(₹ in Lacs)

Particulars	Defined Benefit Obligation	
	As at March 31, 2024	As at March 31, 2023
<b>Opening balance</b>	<b>195.68</b>	<b>188.36</b>
<b>Included in profit or loss -</b>		
Current service cost	14.79	13.20
Interest cost	13.93	9.78
<b>Total (A)</b>	<b>224.40</b>	<b>211.34</b>
<b>Included in OCI -</b>		
Actuarial loss (gain) arising from:		
Demographic assumptions	-	-
Financial assumptions	0.32	(7.29)
Experience adjustment	54.33	4.70
<b>Total (B)</b>	<b>54.65</b>	<b>(2.59)</b>
<b>Other</b>		
Benefits paid	(15.20)	(13.07)
Liability transferred in for Employees joined	-	-
<b>Total (C)</b>	<b>(15.20)</b>	<b>(13.07)</b>
<b>Closing balance (A+B+C)</b>	<b>263.85</b>	<b>195.68</b>



**Consolidated Notes Forming Part Of Financial Statement**

<b>C. Defined Benefit Obligations</b>				
<b>(i) Actuarial assumptions:</b> The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).				
Particulars	As at March 31,2024		As at March 31,2023	
	IALM (2012-14) Urban	60,65,67,69,70 & 75 years	IALM (2012-14) Urban	60,65 & 70 years
Mortality Table				
Retirement age				
Attrition Rate	29.00% p.a.		29.00% p.a.	
Discount rate	7.14% p.a.		7.20% p.a.	
Salary escalation rate	5.00% p.a.		5.00% p.a.	
<b>(ii) Sensitivity analysis :</b> Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.				
	(₹ in Lacs)			
Particulars	As at March 31, 2024		As at March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(5.25)	5.55	(3.24)	3.44
Future salary growth (1% movement)	5.01	(4.82)	3.48	(3.34)
Employee Turnover (1% movement)	0.10	(0.12)	(0.01)	-
The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.				
The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.				
<b>D. Expected Future Cash Flows</b>				
The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:				
	(₹ in Lacs)			
Maturity profile	As at March 31, 2024		As at March 31, 2023	
Expected benefits for Year 1		76.28		83.30
Expected benefits for Year 2		60.59		34.37
Expected benefits for Year 3		47.44		27.25
Expected benefits for Year 4		32.92		21.55
Expected benefits for Year 5		25.72		15.11
Sum of Years 6 to 10		54.93		33.64
Sum of Years 11 and above		11.96		8.68

**Consolidated Notes Forming Part Of Financial Statement**

<b>46. Related Party Disclosure</b>	
As per Ind AS 24 - Related Party Disclosures, specified under section 133 of the Companies Act, 2013, read with The Companies (Indian Accounting Standards) Rules, 2015, the name of related party where control exists / able to exercise significant influence along with the transactions and year end balances with them as identified and certified by the management are as follows:	
<b>List of related parties and their relationship</b>	
<b>a) Key Management Personnel</b>	
Mr. Ashok Kumar Jain	Managing Director
Mr. Arpit Jain	Joint Managing Director
Mrs. Anita S Gandhi	Whole Time Director (cessation on August 05, 2023)
Mr. Sunil Kumar Jain	Director
Mr. Akhilesh Rathi	Independent Director
Mr. Parag R. Shah	Independent Director
Mr. Ashish Maheshwari	Independent Director
Mr. Jitendra Jain	Independent Director
Ms. Swanubhuti A Jain	Independent Director
Mr. Tarun Goyal	Chief Financial Officer (Till 30 <sup>th</sup> November, 2023)
Mr. Mahesh Pancholi	Company Secretary
Mr. Uttam Maheshwari	Chief Financial Officer ( From 01 <sup>st</sup> December, 2023)
<b>b) Relatives of Key Management Personnel</b>	
Mr. Arpit Jain	
Mr. Ashok Kumar Jain HUF	
Mrs. Mohini Doshi	
Mrs. Kiran Jain	
Mrs. Shruti Jain	
Mrs. Swati Jain	
<b>c) Associate</b>	
- Electrum Capital Private Limited	
- Electrum Portfolio Managers Limited (Subsidiary of associate)	
<b>d) Enterprises over which Key Management Personnel are able to exercise significant influence</b>	
- Shyam Developers	
- Savitt Universal Limited	
- Get Prosper Capital Private Limited	
- Ahinsa Investment Advisers Private Limited	
<b>e) Trust Incorporated</b>	
Arihant Alternate Capital Trust	

**Consolidated Notes Forming Part Of Financial Statement**

(₹ in Lacs)

Transactions with related parties			
Particulars	Relationship	March 31, 2024	March 31, 2023
<b>Income</b>			
<b>Interest</b>			
Ahinsa Investment Advisers Private Limited	Enterprises over which KMP are able to exercise significant influence	-	5.28
<b>Rent</b>			
Electrum Capital Private Limited	Associate	6.30	8.18
Electrum Portfolio Managers Limited	Subsidiary of Associate	-	1.20
<b>Commission</b>			
Electrum Capital Private Limited	Associate	-	2.27
Electrum Portfolio Managers Limited	Subsidiary of Associate	90.89	22.83
<b>Expenses</b>			
<b>Salary &amp; Incentive</b>			
Ashok Kumar Jain	KMP	236.00	61.00
Arpit Jain	KMP	343.29	168.00
Anita Gandhi	KMP	14.75	35.40
Tarun Goyal	KMP	14.07	20.24
Mahesh Pancholi	KMP	14.95	13.12
Kiran Jain	Relative of KMP	4.80	2.40
Mohini Doshi	Relative of KMP	5.88	6.42
Shruti Jain	Relative of KMP	37.00	29.50
Uttam Maheshwari	KMP	7.14	
<b>Rent</b>			
Ashok Kumar Jain	KMP	15.00	15.00
Arpit Jain	KMP	5.69	5.59
Kiran Jain	Relative of KMP	38.53	38.23
Ashok Kumar Jain HUF	Relative of KMP	5.59	5.59
Shyam Developers	Enterprises over which KMP are able to exercise significant influence	30.71	15.00
<b>Sitting Fees</b>			
Sunil Kumar Jain	KMP	2.50	1.80
Paragbhai Shah	KMP	2.00	1.80
Ashish Maheshwari	KMP	2.00	1.80
Akhilesh Rathi	KMP	2.00	1.30
Jitendra Jain	KMP	2.50	1.80
Swanubhuti Jain	KMP	2.50	1.80

**Consolidated Notes Forming Part Of Financial Statement**

(₹ in Lacs)

Transactions with related parties			
Particulars	Relationship	March 31, 2024	March 31, 2023
<b>Legal &amp; Professional Fees</b>			
Swati Jain	Relative of KMP	14.40	14.40
Electrum Capital Private Limited	Associate	-	0.15
<b>Interest</b>			
Akhilesh Rathi	KMP	6.09	58.50
Sunil Kumar Jain	KMP	48.46	-
Kamal Kumar Jain	Relative of KMP	1.76	-
Shanta Jain	Relative of KMP	4.81	-
Swati Jain	Relative of KMP	11.27	-
Meena Jain	Relative of KMP	59.98	-
Sunil Kumar Jain HUF	Relative of KMP	36.96	-
Electrum Capital Private Limited	Associate	13.95	7.48
Electrum Portfolio Managers Limited	Subsidiary of Associate	18.60	17.15
Get Prosper Capital Private Limited	Enterprises over which KMP are able to exercise significant influence	10.41	3.46
Savitt Universal Limited	Enterprises over which KMP are able to exercise significant influence	67.98	-
Ahinsa Investment Advisers Private Limited	Enterprises over which KMP are able to exercise significant influence	-	0.25
Anita Gandhi	KMP	1.18	-
<b>Commission</b>			
Electrum Capital Private Limited	Associate	0.75	1.40
<b>Assets</b>			
<b>Rent Deposit</b>			
Ashok Kumar Jain	KMP	3.50	3.50
Arpit Jain	KMP	4.66	4.66
Kiran Jain	Relative of KMP	22.81	22.81
Ashok Kumar Jain HUF	Relative of KMP	4.66	4.66
Shyam Developers	Enterprises over which KMP are able to exercise significant influence	3.75	3.75
<b>Trust Deposit</b>			
Arihant Alternate Capital Trust	Trust Incorporated	1.36	-
<b>Commission Receivable</b>			
Electrum Portfolio Managers Limited	Subsidiary of Associate	33.80	11.51
<b>Rent Recievable</b>			
Electrum Capital Private Limited	Assoicate	0.62	-
<b>Liabilities</b>			
<b>Rent Deposit Taken</b>			
Electrum Capital Private Limited	Associate	5.00	5.00
<b>Loan Taken</b>			
Akhilesh Rathi	KMP	-	650.00
Savitt Universal Limited	Relative of KMP	1,000.00	-
Electrum Capital Private Limited	Associate	150.00	150.00
Electrum Portfolio Managers Limited	Subsidiary of Associate	200.00	200.00
Get Prosper Capital Private Limited	Enterprises over which KMP are able to exercise significant influence	118.00	59.50
<b>Payable for Asset Purchased</b>			
Get Prosper Capital Private Limited	Enterprises over which KMP are able to exercise significant influence	-	28.32
<b>Commission Payable</b>			
Electrum Capital Private Limited	Associate	-	0.10

**Consolidated Notes Forming Part Of Financial Statement**

<b>47. Disposal of Subsidiary</b>		
The Company has sold entire shareholding of its wholly owned subsidiaries Arihant Institute of Financial Education Private Limited on July 31, 2023 for a total consideration of ₹ 58.75 Lacs.		
The Company has sold entire shareholding of its wholly owned subsidiary Ahinsa Lifespace Infraheight Limited on September 30, 2022 for a total consideration of ₹ 221.00 Lacs.		
<b>47.1 Gain/(Loss) on disposal of wholly owned subsidiary Arihant Institute of Financial Education Private Limited</b> (₹ in Lacs)		
<b>Particulars</b>	<b>As at July 31, 2023</b>	
Sale Consideration		58.75
Less: Net Asset Disposed of		(57.93)
<b>Total</b>		<b>0.82</b>
<b>47.2 Gain/(Loss) on disposal of wholly owned subsidiary Ahinsa Lifespace Infraheight Limited</b>		
<b>Particulars</b>	<b>As at September 30, 2022</b>	
Sale Consideration		221.00
Less: Net Asset Disposed of		(185.69)
<b>Total</b>		<b>35.31</b>
<b>48. Foreign Currency Transactions</b>		
<b>(i) Expenditure in foreign currency</b>		
<b>Particulars</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
Software Expenses	7.90	-
Membership Fees	0.07	3.62
Business Development Expenses	18.56	4.24
<b>Total</b>	<b>26.53</b>	<b>7.86</b>
<b>(ii) Income in foreign currency</b>		
<b>Particulars</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
Income from Royalty	15.27	66.97
Interest on Fixed Deposit	3.65	0.95
<b>Total</b>	<b>18.92</b>	<b>67.92</b>

**Consolidated Notes Forming Part Of Financial Statement**

<b>For the year ended March 31, 2023</b>						(₹ in Lacs)
<b>Particulars</b>	<b>Outstanding for following periods from due date of payment</b>					<b>Total</b>
	<b>Less than 6 months</b>	<b>6 months- 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
(i) Undisputed Trade receivables considered good	17,088.20	98.37	67.59	15.57	19.99	<b>17,289.72</b>
(ii) Undisputed Trade Receivables considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
<b>50. Ageing Schedule for Trade Payables</b>						(₹ in Lacs)
<b>For the year ended March 31, 2024</b>						(₹ in Lacs)
<b>Particulars</b>	<b>Outstanding for following periods from due date of payment</b>					<b>Total</b>
	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>		
(I) MSME	164.89	-	-	-	-	<b>164.89</b>
(ii) Others	24,560.47	5,625.42	45.43	10.66	-	<b>30,241.98</b>
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-
<b>For the year ended March 31, 2023</b>						(₹ in Lacs)
<b>Particulars</b>	<b>Outstanding for following periods from due date of payment</b>					<b>Total</b>
	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>		
(i) MSME	29.12	-	-	-	-	<b>29.12</b>
(ii) Others	18,173.08	53.62	10.66	7.21	-	<b>18,244.57</b>
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-
<b>51. Details of borrowings from banks or financial institutions on the basis of security of current assets</b>						
The quarterly returns or statements of current assets filed by the Company with banks or financial institutions for the working capital limit are in agreement with the books of accounts.						
<b>52. Registration of charges or satisfaction with Registrar of Companies</b>						
The company has filed all the registration of charges, modification or satisfaction with ROC within the statutory period as required by the Companies Act, 2013.						
<b>53. Additional Regulatory Information as per Companies Act, 2013</b>						
1. The Company has not granted loans or advances in nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person.						
2. The title deeds, comprising all the immovable properties are held in the name of company and no immovable property is jointly held with others						
3. There is no tangible assets(Capital-work-in progress) under development.						
4. The company has not revalued its Property, Plant and Equipment and Intangible Assets.						
5. No proceeding have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.						



**Consolidated Notes Forming Part Of Financial Statement**

(₹ in Lacs)

6. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.  
7. The company is not declared willful defaulter by any bank or financial Institution or other lender.  
8. The company has not entered into transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.  
9. The company has not applied for any Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013.  
10. Utilization of Borrowed funds and share premium:  
(a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
(b) No funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."  
11. The Company has not used the borrowings from banks and financial institutions for the purpose other than for which it was taken.  
12. The Company has no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

**54. Disclosure relating to various ratios**

Additional regulatory information required under clause (xvi) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Company as it is in broking business and not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.

**55. Fair value measurement**

**I. Accounting classification and fair values**

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

Particulars	Carrying amount				Fair value				
	March 31, 2024	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>									
Cash and cash equivalents	-	-	-	2,413.74	2,413.74	-	-	-	-
Bank balance other than cash and cash equivalents	-	-	-	38,125.21	38,125.21	-	-	-	-
Derivative financial instruments	4.47	-	-	-	4.47	4.47	-	-	4.47
Securities for trade	3,105.16	-	-	-	3,105.16	3,105.16	-	-	3,105.16
Trade receivables	-	-	-	9,637.37	9,637.37	-	-	-	-
Loans	-	-	-	19,172.06	19,172.06	-	-	-	-
Investments	1,462.78	-	-	-	1,462.78	1,199.74	-	263.04	1,462.78
Other financial assets	-	-	-	1,805.74	1,805.74	-	-	-	-
<b>Total financial assets</b>	<b>4,572.41</b>	<b>-</b>	<b>-</b>	<b>71,154.12</b>	<b>75,726.53</b>	<b>4,309.37</b>	<b>-</b>	<b>263.04</b>	<b>4,572.41</b>
<b>Financial liabilities</b>									
Trade Payables									
Total outstanding dues of micro & small enterprises	-	-	-	164.89	164.89	-	-	-	-
Total outstanding dues of creditors other than micro & small enterprises	-	-	-	30,241.98	30,241.98	-	-	-	-
Debt Securities	-	-	-	4,325.00	4,325.00	-	-	-	-
Borrowings	-	-	-	5,602.73	5,602.73	-	-	-	-
Other financial Liabilities	-	-	-	4,230.19	4,230.19	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44,564.79</b>	<b>44,564.79</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Consolidated Notes Forming Part Of Financial Statement**

(₹ in Lacs)

Particulars	Carrying Amount				Fair Value				
	March 31, 2023	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>									
Cash and cash equivalents	-	-	-	2,020.84	2,020.84	-	-	-	-
Bank balance other than cash and cash equivalents	-	-	-	18,614.06	18,614.06	-	-	-	-
Derivative financial instruments	15.76	-	-	-	15.76	15.76	-	-	15.76
Securities for trade	717.50	-	-	-	717.50	717.50	-	-	717.50
Trade receivables	-	-	-	17,289.72	17,289.72	-	-	-	-
Loans	-	-	-	9,220.95	9,220.95	-	-	-	-
Investments	1,907.92	-	-	-	1,907.92	1,646.90	-	261.02	1,907.92
Other financial assets	-	-	-	437.72	437.72	-	-	-	-
<b>Total financial assets</b>	<b>2,641.18</b>	<b>-</b>	<b>-</b>	<b>47,583.29</b>	<b>50,224.47</b>	<b>2,380.16</b>	<b>-</b>	<b>261.02</b>	<b>2,641.18</b>
<b>Financial liabilities</b>									
Trade Payables									
Total outstanding dues of micro & small enterprises	-	-	-	29.12	29.12	-	-	-	-
Total outstanding dues of creditors other than micro & small enterprises	-	-	-	18,244.57	18,244.57	-	-	-	-
Borrowings	-	-	-	5,967.53	5,967.53	-	-	-	-
Other financial Liabilities	-	-	-	1,763.37	1,763.37	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,004.59</b>	<b>26,004.59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Level 1:** Category include financial assets and liabilities that are measured in whole or significantly part by reference to published quotes in an active market.

**Level 2:** Category include financial assets and liabilities that are measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions.

**Level 3:** Category include financial assets and liabilities that are measured using valuation technique based on non-market observable inputs. This means that fair value are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

**II. Financial instruments not measured at fair value**

Financial assets not measured at fair value includes cash and cash equivalents, bank balance, trade receivables, loans and other financial assets. These are financial assets whose carrying amounts approximate fair value, due to their short-term nature and also fixed deposit with maturity more than 12 months (included in other financial assets) are measured at amortized cost.

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.

**56. Financial risk management**

The Group has a risk management framework, appropriate to the size of the Group and environment under which it operates. The objective of its risk management framework is to ensure that various risks are identified, measured and mitigated and also that policies, procedures and standards are established to address these risks and ensure a systematic response in the case of crystallisation of such risks. The board of Directors reviews these policies and processes regularly and is periodically informed about the risk assessment, impact of risk on the business and mitigation plans. The Company is exposed to following risk -

**A. Credit risk**

Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligation. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties, and by monitoring exposures in relations to such limits.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial

**Consolidated Notes Forming Part Of Financial Statement**

instruments presented in the financial statements.

Deposits with banks are considered to have negligible risk or nil risk, as they are maintained with high rated banks / financial institutions as approved by the Board of directors.

The management has established accounts receivable policy under which customer accounts are regularly monitored.

**Expected Credit Loss (ECL):**

The Group applies the Ind AS 109 Simplified approach for trade receivables which requires expected lifetime losses to be recognised. For other assets, the Company uses 12 month ECL approach to measuring expected credit losses (ECLs) where there is no significant increase in credit risk of borrower. If there is significant increase in credit risk full lifetime ECL approach is used.

**Inputs considered in the ECL model**

In assessing the impairment of financial assets under Expected Credit Loss (ECL) Model, the assets have been segmented into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages, relate to the recognition of expected credit losses.

**Stage 1 :** Financial assets for which credit risk has not increased significantly and that are also not credit impaired

**Stage 2 :** Financial assets for which credit risk has increased significantly but not credit impaired

**Stage 3 :** Financial assets for which credit risk has increased significantly and are credit impaired

Following table provides information about exposure to credit risk and ECL on Financial Assets (₹ in Lacs)

Particulars	March 31, 2024			March 31, 2023		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Gross Trade Receivables	9,637.37	-	-	17,289.72	-	-
Impairment loss	-	-	-	-	-	-
<b>Net Trade Receivables</b>	<b>9,637.37</b>	<b>-</b>	<b>-</b>	<b>17,289.72</b>	<b>-</b>	<b>-</b>
Gross Loans	19,178.22	-	-	9,227.37	-	-
Impairment loss	(6.16)	-	-	(6.42)	-	-
<b>Net Loans</b>	<b>19,172.06</b>	<b>-</b>	<b>-</b>	<b>9,220.95</b>	<b>-</b>	<b>-</b>

Movements in the allowances for impairment in respect is as follows:

Particulars	Carrying Amount March 31, 2024				Carrying Amount March 31, 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>Opening Balance</b>	<b>6.42</b>	<b>-</b>	<b>-</b>	<b>6.42</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Impairment loss recognised during the year	(0.26)	-	-	(0.26)	6.42	-	-	6.42
<b>Closing Balance</b>	<b>6.16</b>	<b>-</b>	<b>-</b>	<b>6.16</b>	<b>6.42</b>	<b>-</b>	<b>-</b>	<b>6.42</b>

**B. Liquidity Risk**

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The entity's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the entity's reputation.

Prudent liquidity risk management requires sufficient cash and marketable securities and availability of funds through adequate committed credit facilities to meet obligations when due and to close out market positions.

Ultimate responsibility for liquidity risk management rests with the board of directors, for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**Consolidated Notes Forming Part Of Financial Statement**

(₹ in Lacs)

The table below provide details regarding the contractual maturities of significant financial liabilities as of March 31, 2024

Particulars	Carrying Amount	Less than 1 year	1-3 year	3-5 year	More than 5 year
Trade Payables	30,406.87	30,406.87	-	-	-
Debt securities	4,325.00	1,932.00	2,393.00	-	-
Borrowings	5,602.73	5,236.06	366.67	-	-
Other financial Liabilities	4,230.19	4,230.19	-	-	-

The table below provide details regarding the contractual maturities of significant financial liabilities as of March 31, 2023

Particulars	Carrying Amount	Less than 1 year	1-3 year	3-5 year	More than 5 year
Trade Payables	18,273.69	18,273.69	-	-	-
Borrowings	5,967.53	5,634.20	333.33	-	-
Other financial Liabilities	1,763.37	1,763.37	-	-	-

**C. Market Risk**

Market Risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates, etc. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximising the return.

**(i) Currency Risk**

Currency Risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group's majority transactions are denominated in Indian rupees only. Hence, the Group is not significantly exposed to currency rate risk.

**(ii) Interest rate Risk**

Interest Rate Risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate as result of changes in market interest rates. The Group's Loans are primarily in fixed interest rates. Hence, the Group is not significantly exposed to interest rate risk.

**(iii) Market price Risks**

The Group is exposed to market price risk, which arises from FVTPL investments. The management monitors the proportion of these investments in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the appropriate authority.

**57. Capital Management**

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

The Group monitors its capital by using gearing ratio, which is net debt to total equity. Net debt includes borrowings net of cash and bank balances and total equity comprises of Equity share capital, general reserve and retained earnings.

Particulars	March 31, 2024	March 31, 2023
<b>Debt Securities</b>	<b>4,325.00</b>	<b>0</b>
Borrowings	5,602.73	5,967.53
Less: Cash & bank balances	40,538.95	20,634.90
<b>Net Debt (A)</b>	<b>(30,611.22)</b>	<b>(14,667.37)</b>
<b>Total Equity(B)</b>	<b>32,252.44</b>	<b>25,626.16</b>
<b>Gearing Ratio (A/B)</b>	<b>(0.95)</b>	<b>(0.57)</b>

(₹ in Lacs)

<b>58. Maturity Analysis of Assets and Liabilities</b>						
The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled						
Particulars	March 31, 2024			March 31, 2023		
	Within 12 month	After 12 month	Total	Within 12 month	After 12 month	Total
<b>Assets</b>						
<b>Financial assets</b>						
Cash and cash equivalents	2,413.74	-	2,413.74	2,020.84	-	2,020.84
Bank balance other than cash and cash equivalents	38,125.21	-	38,125.21	18,614.06	-	18,614.06
Derivative financial instruments	4.47	-	4.47	15.76	-	15.76
Securities for trade	3,105.16	-	3,105.16	717.50	-	717.50
Trade receivables	9,637.37	-	9,637.37	17,289.72	-	17,289.72
Loans	19,172.06	-	19,172.06	9,220.95	-	9,220.95
Investments	-	1,462.78	1,462.78	-	1,907.92	1,907.92
Other financial assets	1,524.86	280.88	1,805.74	382.08	55.64	437.72
	<b>73,982.87</b>	<b>1,743.66</b>	<b>75,726.53</b>	<b>48,260.91</b>	<b>1,963.56</b>	<b>50,224.47</b>
<b>Non-Financial assets</b>						
Current tax assets (net)	0.05	-	0.05	0.05	-	0.05
Deferred tax assets (net)	-	6.54	6.54	-	6.18	6.18
Property, plant and equipment	-	1,239.39	1,239.39	-	1,178.14	1,178.14
Other intangible assets	-	248.34	248.34	-	244.27	244.27
Other non financial assets	701.35	126.26	827.60	390.81	159.76	550.57
	701.40	1,620.53	2,321.92	390.86	1,588.35	1,979.21
<b>Total Assets</b>	<b>74,684.27</b>	<b>3,364.19</b>	<b>78,048.45</b>	<b>48,651.77</b>	<b>3,551.91</b>	<b>52,203.68</b>
<b>Liabilities</b>						
<b>Financial Liabilities</b>						
Trade payables	30,406.87	-	30,406.87	18,273.69	-	18,273.69
Debt securities	1,932.00	2,393.00	4,325.00	-	-	-
Borrowings	5,236.06	366.67	5,602.73	5,967.53	333.33	5,967.53
Other financial Liabilities	4,230.19	-	4,230.19	1,763.37	-	1,763.37
	<b>41,805.12</b>	<b>2,759.67</b>	<b>44,564.79</b>	<b>26,004.59</b>	<b>333.33</b>	<b>26,004.59</b>
<b>Non-Financial Liabilities</b>						
Current Tax Liabilities (net)	206.19	-	206.19	59.63	-	59.63
Provisions	263.85	-	263.85	195.68	-	195.68
Deferred Tax Liabilities (net)	-	68.43	68.43	-	117.04	117.04
Other non financial liabilities	692.75	-	692.75	169.86	-	169.86
	1,162.79	68.43	1,231.22	425.17	117.04	542.21
<b>Total Liabilities</b>	<b>42,967.91</b>	<b>2,828.10</b>	<b>45,796.01</b>	<b>26,429.76</b>	<b>450.37</b>	<b>26,546.80</b>

**Consolidated Notes Forming Part Of Financial Statement**

(₹ in Lacs)

<b>59. Investments in associate (accounted for using the equity method)</b>								
The aggregate summarized financial information in respect of the Company's associates that are accounted for using the equity method is set forth below:								
Particulars	March 31, 2024			March 31, 2023				
Carrying amount of the Company's interest in associates accounted for using the equity method	518.66			318.70				
Particulars	For the year ended March 31, 2024			For the year ended March 31, 2023				
Company's share of net profit/(loss)(Includes Exceptional Gain) of associates accounted for using the equity method in consolidated statement of profit and loss	210.28			30.72				
The Company has 27.23% stake in Electrum Capital Private Limited, making it an associate enterprise of Arihant Capital Markets Limited.								
<b>60. Additional Disclosure pertaining to Subsidiaries as per division III of Companies Act, 2013</b>								
Name of the entity	Net Assets (i.e. Total Assets - Total Liabilities)		Share in Profit & (Loss)		Share in other comprehensive income		Share in Total comprehensive income	
	As % of Consolidated Net Assets	Amount ₹ in Lacs	As % of Consolidated Profit / (Loss)	Amount ₹ in Lacs	As % of Consolidated OCI	Amount ₹ in Lacs	As % of Total Consolidated Income	Amount ₹ in Lacs
<b>Parent</b>								
Arihant Capital Markets Limited	89.20%	29,216.64	92.80%	6,583.53	104.84%	(40.90)	92.73%	6,542.63
<b>Subsidiaries</b>								
Arihant Financial Services Limited	3.34%	1,093.81	1.80%	127.44	0.00%	-	1.81%	127.44
Arihant Futures & Commodities Limited	5.13%	1,679.84	2.37%	168.35	0.00%	-	2.39%	168.35
Arihant Insurance Broking Services Limited	0.31%	102.04	0.04%	2.64	0.00%	-	0.04%	2.64
Arihant Institute of Financial Education Private Limited*	0.00%	-	0.02%	1.72	0.00%	-	0.02%	1.72
Arihant Capital (IFSC) Limited	0.43%	142.22	0.01%	0.49	-4.84%	1.89	0.03%	2.38
<b>Sub Total</b>	<b>98.42%</b>	<b>32,234.55</b>	<b>97.04%</b>	<b>6,884.17</b>	<b>100.00%</b>	<b>(39.01)</b>	<b>97.02%</b>	<b>6,845.16</b>
<b>Associate</b>								
Electrum Capital Private Limited	1.58%	518.66	2.96%	210.28	0.00%	-	2.98%	210.28
<b>Sub Total</b>		<b>518.66</b>	<b>2.96%</b>	<b>210.28</b>	<b>0.00%</b>	<b>-</b>	<b>2.98%</b>	<b>210.28</b>
<b>Total</b>	<b>100.00%</b>	<b>32,753.21</b>	<b>100.00%</b>	<b>7,094.45</b>	<b>100.00%</b>	<b>(39.01)</b>	<b>100.00%</b>	<b>7,055.44</b>
Less-Intercompany Elimination and Consolidation Adjustments		(500.76)						
<b>Total</b>		<b>32,252.45</b>						
* The company has sold its entire shareholding in wholly owned subsidiary Arihant Institute of Financial Education Private Limited during the year.								



**Consolidated Notes Forming Part Of Financial Statement**

**61. Principles and assumptions used for consolidated financial statements and proforma adjustments**

The Consolidated Financial Statements have been prepared by applying the principles laid in the Indian Accounting Standard (Ind AS) - 110 "Consolidated Financial Statements" for the purposes of these Consolidated Balance Sheet and Consolidated Statement of Profit and Loss, together referred to in as 'Consolidated Financial Statements.'

The list of subsidiaries in the consolidated financial statement are as under :-

Arihant Capital Markets Limited ('the Company' or 'the holding company') shareholding in the following companies as on March 31, 2024 and March 31, 2023 is as under:

Name of the Entities	Country of incorporation	Proportion of ownership interest	
		As at March 31, 2024	As at March 31, 2023
<b>Name of the Subsidiary Companies</b>			
Arihant Financial Services Limited	India	100.00%	100.00%
Arihant Futures & Commodities Limited	India	100.00%	100.00%
Arihant Insurance Broking Services Limited	India	100.00%	100.00%
Arihant Institute of Financial Education Private Limited*	India	0.00%	100.00%
Arihant Capital (IFSC) Limited	India	100.00%	100.00%
<b>Name of the Associate Company</b>			
Electrum Capital Private Limited	India	27.23%	27.23%

\* The company has sold its entire shareholding in wholly owned subsidiary Arihant Institute of Financial Education Private Limited during the year.

**62. Corporate social responsibility**

The Ministry of Corporate Affairs has notified Section 135 of the Companies Act, 2013 on Corporate Social Responsibility with effect from 1 April 2014. As per the provisions of the said section, the Company has undertaken the following CSR initiatives during the financial year 2023-24. CSR initiatives majorly includes supporting under privileged in education, medical treatments, etc. and various other charitable and noble aids.

A) Gross amount required to be spent by the Group during the year ₹ 91.22 Lakhs (Previous year ₹ 82.85 Lakhs)

B) Amount spent during the year ended March 31, 2024 on:

Particulars	Year ended March 31, 2024			Year ended March 31, 2023		
	Amount Paid	Yet to be paid	Total	Amount Paid	Yet to be paid	Total
Construction/acquisition of any asset	-	-	-	-	-	-
On purposes other than (a) above	91.47	-	91.47	82.85	-	82.85
<b>Total</b>	<b>91.47</b>	<b>-</b>	<b>91.47</b>	<b>82.85</b>	<b>-</b>	<b>82.85</b>

**In case of S. 135(5) unspent amount**

Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	Nil	91.22	82.85	-

**63. Events after Reporting Date**

There were no significant events after the end of the reporting period which require any adjustment or disclosure in the financial statements other than as stated below:

The Board of Directors have recommended a final dividend of ₹ 0.50 per equity share for the financial year ended March 31, 2024. Payment of the final dividend is subject to its approval by the shareholders, in the ensuing Annual General Meeting of the Company.

**Consolidated Notes Forming Part Of Financial Statement**

64. Previous year figures have been regrouped/reclassified wherever necessary.

**65. Approval of Financial Statements**

The consolidated financial statements are approved for issue by the Board of Directors of parent Company in their meeting held on May 21, 2024.

For and on behalf of the Board

**For Dinesh Ajmera & Associates**  
Chartered Accountants  
Firm Reg No:011970C  
**CA. Dinesh Ajmera**  
Partner  
Membership No. : 402629  
**UDIN : 24402629BKDHHB9116**  
Indore, May 21, 2024

**Ashok Kumar Jain**  
Managing Director  
DIN-00184729

**Arpit Jain**  
Joint Managing Director  
DIN-06544441

**Mahesh Pancholi**  
Company Secretary  
M.No. F7143

**Uttam Maheshwari**  
Chief Financial Officer  
M.No. 419134

**Arihant Capital**  
Generating Wealth

**Registered Office:**

6 Lad Colony, Y.N. Road, Indore - 452003, (M.P.)

[www.arihantcapital.com](http://www.arihantcapital.com)

