

14th July, 2023

To, Listing Department National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex Bandra (East), Mumbai- 400 051 NSE Symbol: EMKAY	To, Listing Department BSE Limited P. J. Tower, Dalal Street, Mumbai- 400 001 BSE Scrip Code: 532737
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Dear Sir,

Sub: Intimation of Dispatch of Notice of 29th Annual General Meeting and Annual Report for the F.Y. 2022-23.

Ref.: Our letter dated 10th July, 2023

As informed to you vide our letter dated 10th July, 2023, the 29th Annual General Meeting will be held on Thursday, 10th August 2023 at 4.30 p.m. through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

As per Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the financial year 2022-23 which is being sent through electronic mode to the Members on 14th July, 2023 whose email ids are registered with the Depository Participant /Registrar & Transfer agent of the Company.

Notice of 29th Annual General Meeting and Annual Report for the Financial Year 2022-23 are also available on the website of the Company i.e. www.emkayglobal.com/investor-relations

Kindly take the same on your record.

Thanking you,

Yours faithfully,

For Emkay Global Financial Services Limited

BHALCHANDRA
RA MADHAV RAUL
RAUL
Digitally signed by
BHALCHANDRA
MADHAV RAUL
Date: 2023.07.14
16:49:57 +05'30'

B. M. Raul
Company Secretary & Compliance Officer





Your success is our success

EMKAY GLOBAL FINANCIAL SERVICES LIMITED

CIN No. L67120MH1995PLC084899

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

Website: www.emkayglobal.com **Tel:** 022-66121212 **Fax:** 022-66121299 **Email:** secretarial@emkayglobal.com

AGM NOTICE

Notice is hereby given that the Twenty Ninth Annual General Meeting of the Members of Emkay Global Financial Services Limited ("the Company") will be held on Thursday, 10th August, 2023 at 4.30 pm through Video conferencing (VC)/ Other Audio Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements including audited consolidated financial statements of the Company for the financial year ended 31st March 2023 together with the reports of the Board of Directors and Auditors thereon.
2. To declare Dividend on equity shares of the Company for the Financial Year ended 31st March, 2023.
3. To appoint a director in place of Mr. S. K. Saboo (DIN-00373201), who retires by rotation and being eligible, offers himself for re-appointment.

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 (6) of the Companies Act, 2013 ("the Act") and Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. S.K. Saboo (DIN 00373201), aged 80 years be and is hereby appointed as a Non-Executive Non-Independent Director liable to retire by rotation".

SPECIAL BUSINESS:

4. Re-appointment of Dr. Bharat Kumar Singh (DIN-00274435) as an Independent Director

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV of the Act and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be amended from time to time, Dr. Bharat Kumar Singh (DIN - 00274435), aged 77 years who was appointed as an Independent Director of the Company for a term of five consecutive years with effect from 14th August, 2018 upto 13th August, 2023 by the members of the Company and who is eligible for being re-appointed as an Independent Director and in respect of whom the Company

has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of a Director of the Company, be and is hereby re-appointed as an Independent Director of the Company to hold office for second term of five consecutive years with effect from 14th August, 2023 up to 13th August, 2028, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors and/ or the Company Secretary of the Company be and are hereby authorised to do all such acts, deeds, matters and things, as may be required to give effect to this resolution.”

Registered Office:

The Ruby, 7th Floor,
Senapati Bapat Marg,
Dadar (West), Mumbai – 400028

By Order of the Board of Directors
For Emkay Global Financial Services Limited

Place : Mumbai
Date : 15th May, 2023

B. M. Raul
Company Secretary & Compliance Officer

NOTES FOR MEMBERS' ATTENTION:

1. Pursuant to General Circular No. 10/2022 dated 28th December, 2022 issued by the Ministry of Corporate Affairs in continuation to its General Circular No. 20/2020 dated 5th May, 2020 and General Circular No. 02/2022 dated 5th May, 2022 (MCA Circulars) in relation to holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM) and Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated 12th May 2020 and Circular No. SEBI/HO/CFD/ CMD2/CIR/P/2021/11 dated 15th January, 2021 and Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated 13th May, 2022 and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023 issued by the Securities and Exchange Board of India ("SEBI Circulars") permitted holding of the Annual General meeting (AGM) through VC/OAVM without the physical presence of the Members at a common venue and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the 29th Annual General Meeting (AGM) of the Company is being conducted through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) Facility, which does not require physical presence of Members at a common venue. The deemed venue for the 29th AGM shall be the Registered Office of the Company.
2. In compliance with the aforesaid MCA Circulars and SEBI Circulars, the Notice of the 29th AGM and other documents are being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories.

Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 29th AGM and Annual Report for the financial year 2022-2023 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-
 - A. For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self-attested copy of the PAN and any document (such as Driving License, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company at: secretarial@emkayglobal.com
 - B. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.
3. The Explanatory Business Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("the Act"), in respect of the Business / Special Business under Item nos. 3 to 4 set above and the details as required under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meeting (SS-2) in respect of the Directors seeking appointment / re- appointment at this Annual General Meeting is annexed hereto.
4. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/ OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members under section 105 of the Act will not be available for the 29th AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. Participation of Members through VC/ OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Act.
6. The Members can join the AGM in the VC/ OAVM mode 30 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 to at least 1000 members on first come first served 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, Remuneration and Compensation Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate Members intending to authorize their representatives to participate and vote at the meeting are requested to email a certified copy of the Board resolution/ authorization letter to the Company at secretarial@emkayglobal.com or upload on the VC portal/ e-voting portal.
8. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at emkayagm.speakers@emkayglobal.com up to 3rd August, 2023 (5:00 p.m. IST). Those

Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Members who do not wish to speak during the AGM but have queries may send their queries 7 days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at emkayagm.speakers@emkayglobal.com. These queries will be replied by company suitably by mail.

9. Members may also note that the Notice of this Annual General Meeting and the Annual Report for the financial year 2022-2023 will also be available on the Company's website www.emkayglobal.com for their download. The same shall also be available on the website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL <https://www.evotingindia.com>. Members may also note that pursuant to Sections 101 and 136 of the Act read with the Rules framed thereunder, the Notice calling the 29th AGM along with the Annual Report for financial year 2022-2023 is being sent by electronic mode to those Members whose E-mail addresses are registered with the DPs or the Company/ the Registrar and Transfer Agent.
10. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 and Register of Contract or Arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 will be available electronically open for inspection by the members on the website of the Company at [https://www.emkayglobal.com/investor relations/Information to the Shareholders/annual general meeting during the time of Annual General Meeting](https://www.emkayglobal.com/investor%20relations/Information%20to%20the%20Shareholders/annual%20general%20meeting%20during%20the%20time%20of%20Annual%20General%20Meeting).
11. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 4th August 2023 to Thursday, 10th August 2023 (both days inclusive).
12. Dividend - The final dividend, as recommended by the Board, if approved at the AGM, in respect of equity shares held in electronic form will be payable to the beneficial owners of the shares as on Thursday, 3rd August 2023 as per the downloads furnished to the Company by Depositories for this purpose. In case of shares held in physical form, dividend will be paid to the shareholders, whose names shall appear on the Register of Members as on 3rd August 2023.
13. Bank Account Details - Regulation 12 and schedule I of SEBI (LODR) Regulations, 2015 requires all companies to use the facilities of electronic clearing services for payment of dividend. In compliance with these regulations, payment of dividend will be made only by electronic mode directly into the bank account of Members and no dividend warrants or demand drafts will be issued without bank particulars.
14. Members holding shares in physical form are requested to notify immediately any change in their address or bank mandates to the Company/ Registrar & Share Transfer Agents quoting their Folio Number and Bank Account details along with self-attested documentary proofs. Members holding shares in the electronic form may update such details with their respective Depository Participants.
15. In case of joint holders attending the meeting, the joint holder with highest, in order of names will be entitled to vote.
16. Members desirous of getting any information about the accounts and operations of the Company are requested to address their queries to the Company at least seven days in advance of the meeting through email to secretarial@emkayglobal.com.
17. Nomination: Pursuant to Section 72 of the Act, Members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's share transfer agent. In respect of shares held in electronic/demat form, the Members may please contact their respective depository participant.
18. Share Transfer permitted only in Demat: As per Regulation 40 of the Listing Regulations, securities of listed companies can be transferred only in dematerialized form with effect from 1st April 2019. In view of the above and to avail the benefits of dematerialisation and ease portfolio management, Members are requested to convert physical shares held by them into demat form.
19. Unclaimed/ Unpaid Dividend: Pursuant to the provisions of Section 124 and 125 of the Act, the Company has transferred on due dates, the unpaid or unclaimed dividends for the financial year up to 2015-2016 to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded on its website the details of unpaid and unclaimed amounts lying with the Company. Members who have not yet encashed dividend for all subsequent years must claim the same as early as possible failing which it would be transferred to IEPF as per the dates mentioned herein below. In terms of Section 125 of the Companies Act, 2013, no claim shall lie against the Company after the said transfer. It is in the shareholders' interest to claim any unclaimed dividends and for future, opt for Electronic Clearing Services, so that dividends paid by the Company are credited to the investor's bank account on time. The details of dividend due to be transferred to IEPF are given below

Financial Year	Seven Years expiring on	Transfer to IEPF Account on or before
2016-2017	14.09.2024	13.10.2024
2017-2018	18.09.2025	17.10.2025
2018-2019	12.09.2026	11.10.2026
2020-2021	12.09.2028	11.10.2028
2021-2022	11.09.2029	10.10.2029

Note: No Dividend was declared for the Financial Year 2019-2020, hence provisions relating to transfer of unpaid unclaimed dividend to IEPF are not applicable.

Compulsory transfer of Equity Shares to Investor Education and Protection Fund (IEPF) Account

Pursuant to the provisions of section 124(6) of the Act, read with The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, all the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more as provided under subsection (5) of Section 124 are required to be transferred to the special Demat Account opened by IEPF Authority.

All the shareholders who have not claimed their unpaid dividend are requested to claim their unclaimed dividends, otherwise the unclaimed dividend and such shares will be transferred to IEPF account by the respective due dates.

Members are requested to contact M/s. Link Intime India Private Limited, the Registrar & Share Transfer Agent of the Company, for claiming the dividend for the aforesaid years. The details of the unclaimed dividends of the aforesaid years are available on the Company's website at www.emkayglobal.com and also on website of Ministry of Corporate affairs at www.mca.gov.in.

Members may note that the dividend and shares transferred to the IEPF can be claimed back by the concerned shareholders from the IEPF Authority after complying with the procedure prescribed under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

20. The Securities Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are requested to submit PAN to their Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent - M/s. Link Intime India Private Limited
21. **Green Initiative:** The Shareholders can now receive various notices and documents through electronic mode by registering their e-mail addresses with the Company. Shareholders who have not registered their e-mail address with the Company can now register the same by post with M/s. Link Intime India Private Limited. Members holding shares in electronic form are requested to register their email addresses with their Depository Participants only. Even after registering for E-communication, the shareholders of the Company are entitled to receive such communication in physical form, upon request.
22. Electronic copy of the Notice of the 29th Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes. Members, who have not registered their email address so far, are requested to register their email IDs for receiving all communications including Annual Report, Notices etc., from the Company electronically.
23. Members may also note that the Notice of the 29th Annual General Meeting and the Annual Report for the financial year 2022-2023 will also be available on the Company's website www.emkayglobal.com/investor-relations.
24. Since the AGM will be held through VC/ OAVM, the Route map is not annexed to the Notice.

25. Voting through electronic means:

Pursuant to the provisions of Section 108 of the Act, 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 MCA Circulars 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 Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

The Company has appointed Mr. P. N. Parikh (Membership No. FCS 327) and failing him Mr. Mitesh Dhaliwala (Membership no. FCS 8331) and failing him Ms. Sarvari Shah (Membership No. FCS 9697) of M/s Parikh & Associates, Practicing Company Secretaries, Mumbai as the Scrutiniser for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. E-voting is optional. In terms of requirements of the Act and the relevant Rules, the Company has fixed 3rd August 2023 as the 'Cut-off Date'. The remote e-voting / voting rights of the shareholders/ beneficial owners shall be reckoned on the equity shares held by them as on the Cut-off Date i.e. on Thursday, 3rd August, 2023 only.

(A) THE INSTRUCTIONS TO SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/ OAVM ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on 7th August, 2023 at 9.00 a.m. and ends on 9th August, 2023 at 5.00.p.m During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut- off date (record date) of 3rd August 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/ retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India.

This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) 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 company. On 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 & 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. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & 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.

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.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 (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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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. CDSL and NSDL

Login type	Helpdesk details
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 helpdesk.evoting@cDSLindia.com or contact at toll free no. 1800 22 55 33
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 evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for **Emkay Global Financial Services Limited** on which you choose to vote.

- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians - For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non-Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address cs@parikhassociates.com and to the company at the email address secreterial@emkayglobal.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

(B) INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.

8. Only those shareholders, who are 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 available during the AGM.
9. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

(C) PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS/ MOBILE NOS. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES

1. For Physical shareholders - please provide necessary details like 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 Company at secretarial@emkayglobal.com and/or M/s. Link Intime India Private Limited, the Registrar & Share Transfer Agent of the Company at rnt.helpdesk@linkintime.co.in
2. For Demat shareholders - **Please update your email id & mobile no. with your respective Depository Participant (DP)**
3. **For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on toll free no. 1800 22 55 33.

26. The voting rights of members shall be in proportion to the shares held by them in the paid-up equity share capital of the Company as on the cut-off date of 3rd August, 2023.
27. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 3rd August, 2023, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com.
28. A member may participate in the AGM even after exercising his/her right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
29. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.
30. The Scrutiniser shall after the conclusion of voting at the general meeting, will 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 and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
31. The Results shall be declared within 48 hours after the conclusion of the Annual General Meeting. The results declared along with the report of the Scrutiniser shall be placed on the website of the Company and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.

EXPLANATORY STATEMENT

Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 3

As per Regulation 17(1A) of the SEBI (LODR) Regulations, 2015 as amended, no listed Company shall appoint a person or continue the Directorship of any person as a Non-Executive Director who has attained the age of 75 years, unless a special resolution is passed to that effect and justification for appointing such person are indicated in the explanatory statement annexed to the Notice for such appointment / continuation of directorship.

Mr. S. K. Saboo (DIN: 00373201), who was re-appointed as a Non-executive Director at the 27th Annual General Meeting of the Company held on 6th August 2021, will be retiring by rotation at the ensuing Annual General Meeting.

Mr. S. K. Saboo (DIN: 00373201), aged 80 years (Date of Birth: 5th November 1942) has been associated with the Company as Non-Executive Director since 1995. Mr. S. K. Saboo has more than 55 years of management experience and presently he is the Group Advisor (Chairman's Office) for Aditya Birla Group, one of the premier business groups of India. He has contributed actively in the progress of the Company.

Brief profile of Mr. S. K. Saboo, Non-Executive Director is provided at the end of this Notice and in the Corporate Governance Report.

The Board of Directors recommends the Special Resolution as set out at Item No. 3 of the Notice for approval of the Members.

Mr. S. K. Saboo is interested in the resolution set out at Item No. 3 of the Notice. Mr. Krishna Kumar Karwa, Managing Director being related to Mr. S. K. Saboo may be deemed to be interested in the said resolution. Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, deemed to be concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

Item No. 4

Dr. Bharat Kumar Singh (DIN - 00274435), was appointed as Non-Executive Independent Director of the Company pursuant to the provisions of Section 149 of the Companies Act, 2023 ("Act"), read with Companies (Appointment and Qualification of Directors) Rules, 2014 in the 24th Annual General Meeting held on 14th August, 2018 for a term of five years with effect from 14th August, 2018 up to 13th August, 2023. ("first term" as per the explanation to Section 149(10) and 149(11) of the Act.)

Pursuant to provisions of section 149 of the Act, and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by Amendment Regulations, 2018, an Independent Director shall hold office for a term up to 5 (five) consecutive years on the Board of a company but shall be eligible for re-appointment on passing a Special Resolution by the Company and disclosure of such appointment in the Board's Report.

The Nomination, Remuneration & Compensation Committee at its Meeting held on 15th May, 2023 after taking into account the performance evaluation of Dr. Bharat Kumar Singh as an Independent Director, during his first term of five years and considering the knowledge, acumen, expertise and experience and the substantial contribution made by him during his tenure as an Independent Director since his appointment, has recommended to the Board that continued association of Dr. Bharat Kumar Singh as an Independent Director would be in the interest of the Company. Based on the above, the Board of Directors at its Board meeting held on 15th May, 2023 has re-appointed Dr. Bharat Kumar Singh as an Independent Director of the Company subject to approval of the shareholders at the ensuing Annual General Meeting, for the second term of five years with effect from 14th August, 2023 up to 13th August, 2028.

Dr. Bharat Kumar Singh has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act, he has made online registration with the Indian Institute of Corporate Affairs for inclusion of his name in the Independent Director Data bank. His Registration No. is IDDB-DI-202006-027831 and he is eligible for re-appointment as an Independent Director of the Company.

The Nomination, Remuneration & Compensation Committee and the Board has recommended the re-appointment of Dr. Bharat Kumar Singh as an Independent Director on the Board of the Company, to hold office for the second term of five consecutive years commencing from 14th August, 2023 up to 13th August, 2028 and not liable to retire by rotation.

The Company has received a notice in writing pursuant to Section 160 of the Act, from a member proposing the candidature of Dr. Bharat Kumar Singh for his re-appointment to the office of Independent Director. Brief profile of Dr. Bharat Kumar Singh is as under:

Dr. Bharat Kumar Singh joined the Board of Directors of the Company on 29th January, 2018. He was appointed as an Independent Director of the company for his first term of 5 years at the 24th Annual General Meeting held on 14th August, 2018. Presently, Dr. Bharat Kumar Singh is the member of the Audit Committee of the Board of Directors of the Company.

Dr. Bharat Kumar Singh is B.E (Mech), MBA(IIM-C), Ph.D. (Mumbai Univ. (JBIMS) and associated with the company since 29th January, 2018. He is on the Board of Aadhyathma Management Private Ltd., Emkay Wealth Advisory Limited and Emkay Comtrade Limited.

He does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

In the opinion of the Board, Dr. Bharat Kumar Singh fulfils the conditions specified in the Act, and rules made there under and SEBI (LODR) Regulations, 2015 for his re-appointment as an Independent Director of the Company and is independent of the management.

A copy of the draft Letter of Appointment for Independent Director, setting out terms and conditions of appointment of Independent Director is available for inspection at the Registered Office/ Administrative Office of the Company during business hours on any working day and is also available on the website of the Company i.e. www.emkayglobal.com.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Dr. Bharat Kumar Singh as an Independent Director. Accordingly, the Board recommends the special resolution in relation to re-appointment of Dr. Bharat Kumar Singh as an Independent Director for second term of five years for approval of the Members as set out at item No. 4 of the Notice. Brief profile of Dr. Bharat Kumar Singh in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, is provided at the end of this Notice and in the Corporate Governance Report.

Except Dr. Bharat Kumar Singh being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives are in any way, may be deemed to be concerned or interested, financially or otherwise in the resolution set out at item No. 4 of the notice.

Registered Office:

The Ruby, 7th Floor,
Senapati Bapat Marg,
Dadar (West), Mumbai – 400028

By Order of the Board of Directors
For Emkay Global Financial Services Limited

Place : Mumbai
Date : 15th May, 2023

B. M. Raul
Company Secretary & Compliance Officer

ANNEXURE I TO ITEM NO. 3 & 4 OF THE NOTICE

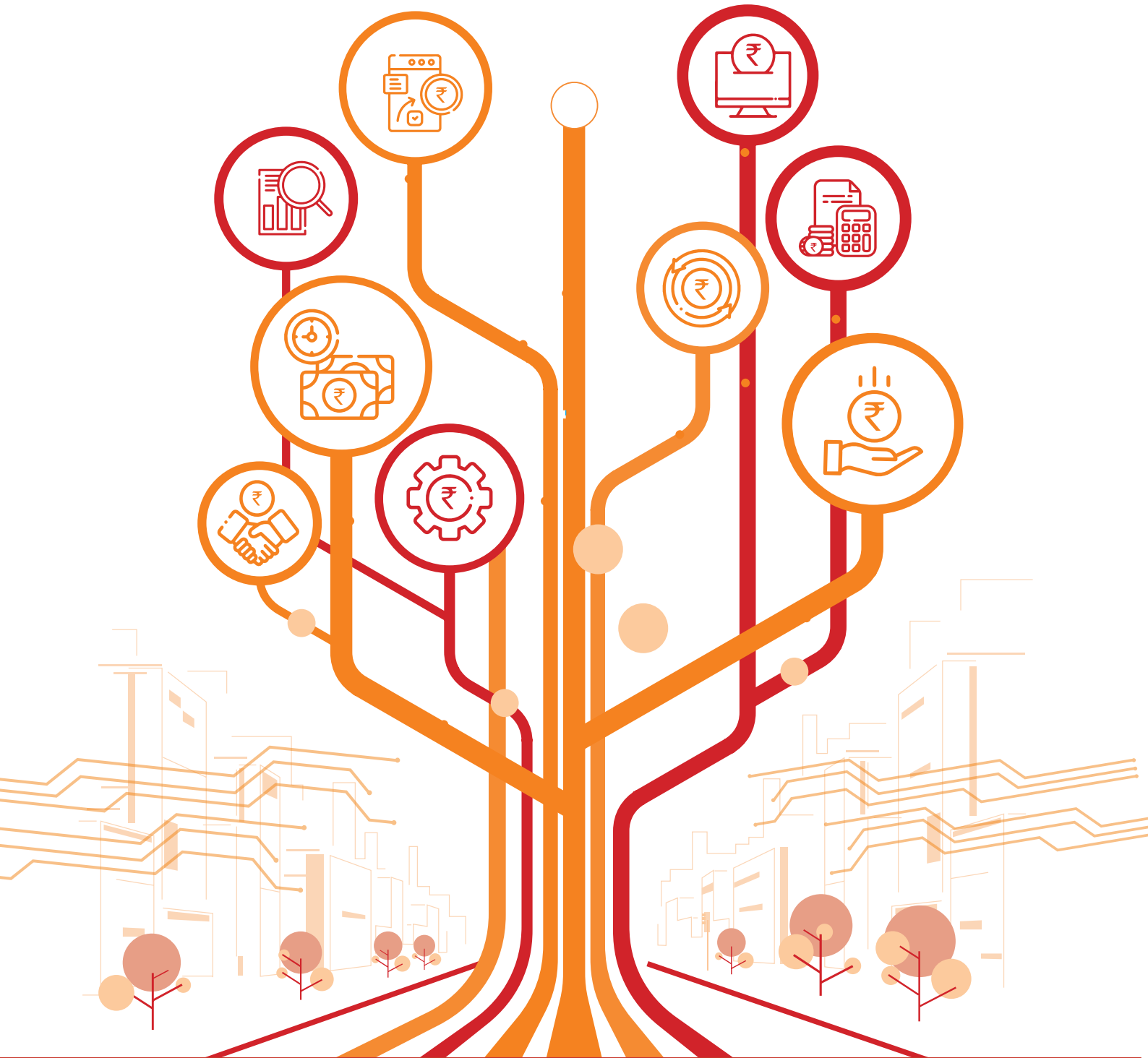
[Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India]

Sr. No.	Name of the Director	Mr. Sushil Kumar Saboo	Dr. Bharat Kumar Singh
1	DIN	00373201	00274435
2	Age & Date of Birth	80 Yrs (DOB 05/11/1942)	76 Yrs (DOB 23/07/1946)
3	Date of first appointment on Board	15.10.1995	29.01.2018
4	Brief resume including qualification and experience (i) Qualification (ii) Experience	(i) B.Com (ii) More than 55 years of experience in the field of Management.	(i) B.E (Mech), MBA(IIM-C), Ph. D (Mumbai Univ. (JBIMS) (ii) He has a well-rounded experience of 46 years out of which 14 years were spent in two large MNCs (ITC & Sandoz Group) and 32 years in Indian Houses (RPG & Aditya Birla Group) in senior capacity. He has a wide experience in acquiring knowledge of business space, Restructuring, Reorganizing and building relationships with the relevant Institutions
5	Expertise in specific functional areas	Rich and vast experience in the field of Management.	Rich experience in acquiring knowledge of business space, Restructuring, Reorganizing and building relationships with the relevant Institutions.
6	Other Directorships (as on May 15, 2023)	1. Indophil Textile Mills Inc; Philippines 2. Satnam Apartments Limited 3. Industry House Limited 4. Nandita Advisors Private Limited	(i) Aadhyathma Management Pvt. Limited, (ii) Emkay Wealth Advisory Limited and (iii) Emkay Commotrade Limited.
7	Chairmanship/ Membership of Committees in Companies in which position of Director is held (as on May 15, 2023)	Chairperson/ Member - Nil	Chairperson Nil Member - Nil
8	Listed entities from which the Director has resigned in the past three years	Nil	Nil
9	Relationship with other Directors, Managers and Key Managerial Personnel of the Company	Mr. Krishna Kumar Karwa Managing Director – Son in Law	None
10	No. of equity shares held in the Company (as on May 15, 2023)	Nil	Nil
11	No. of board meetings attended during the financial year (FY2022-23)	4 out of 4	4 out of 4
12	Terms and conditions of appointment including remuneration	Appointed as a Non-executive Non-Independent Director, retiring by rotation. As a director, he will be entitled to a sitting fee of Rs. 10,000 for each meeting of the Board and each meeting of the NRC Committee attended by him.	As an Independent Director, he will be entitled to a sitting fee of Rs. 10,000 for each meeting of the Board and each meeting of the Audit Committee attended by him and meeting of the NRC Committee as and when he will be appointed as member of the Committee.

Emkay®

Your success is our success

www.emkayglobal.com



**REIMAGINING INVESTMENTS
WITH TECHNOLOGY**

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Please find our online version at:

<https://www.emkayglobal.com/ir-annual-reports>

OR

Simply just scan the QR code



Investor Information

Market Capitalization as of 31st March, 2023	₹159 Crore
CIN	L67120MH1995PLC084899
BSE Code	532737
NSE Symbol	EMKAY
AGM Date	10th August, 2023
AGM Mode	Virtual

Disclaimer

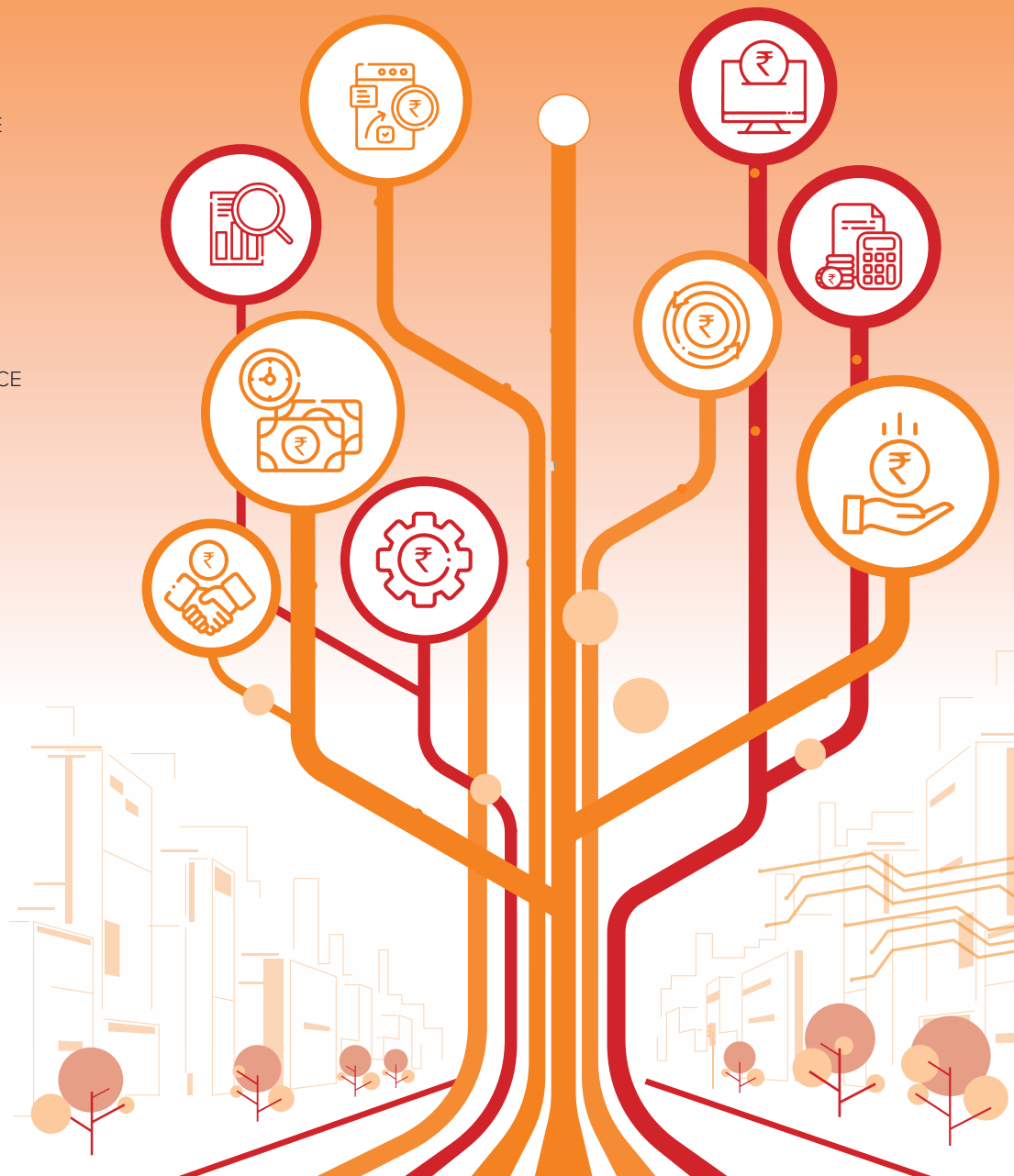
This document contains statements that are forward-looking about expected future events and the financials of Emkay Global Financial Services Limited. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications, and risk factors referred to in the Management Discussion and Analysis of this Annual Report.

REIMAGINING INVESTMENTS WITH TECHNOLOGY

AT EMKAY GLOBAL FINANCIAL SERVICES LIMITED, WE PRIORITIZE LEVERAGING DIGITAL ADVANCEMENTS TO PROVIDE A CUTTING-EDGE INVESTMENT EXPERIENCE. OUR COMPANY'S ROBUST DIGITAL INFRASTRUCTURE SERVES AS A CATALYST, ENABLING US TO ENHANCE CLIENT SERVICES, EMPOWER INFORMED INVESTMENT DECISION-MAKING, AND STAY AT THE FOREFRONT OF AN EVER-EVOLVING MARKET.

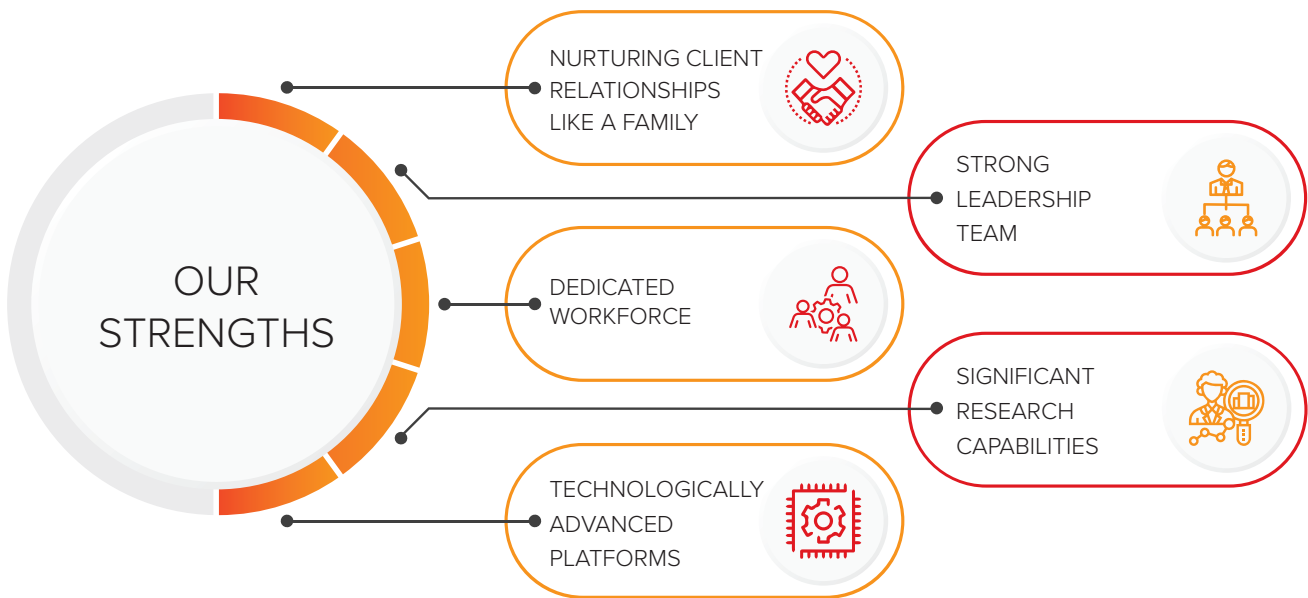
WITH A FOCUS ON EMBRACING TECHNOLOGY, WE OFFER OUR CLIENTS A WIDE RANGE OF INNOVATIVE SOLUTIONS AND SERVICES. OUR DIGITAL PLATFORM GRANTS CLIENTS ACCESS TO A COMPREHENSIVE RANGE OF INVESTMENT TOOLS, REAL-TIME DATA, AND PERSONALIZED INSIGHTS. THIS TECHNOLOGY-DRIVEN APPROACH EMPOWERS CLIENTS TO MAKE INFORMED INVESTMENT DECISIONS, UTILIZING MARKET INTELLIGENCE AND TAILORED INVESTMENT STRATEGIES.

OUR COMMITMENT TO REIMAGINING INVESTMENTS WITH TECHNOLOGY AS A TRANSFORMATIVE FORCE STRENGTHENS OUR INDUSTRY POSITION AND ENSURES THAT CLIENTS RECEIVE SEAMLESS AND EFFICIENT SERVICES. BY CAPITALIZING ON THE ADVANTAGES OF A TECHNOLOGY-DRIVEN INVESTMENT LANDSCAPE, WE DELIVER VALUE-ADDED SOLUTIONS AND MAINTAIN A LEADING POSITION IN THE DYNAMIC INDUSTRY.



EMKAY GLOBAL CORPORATE HIGHLIGHTS

AT EMKAY, WE PRIDE OURSELVES ON LEVERAGING OUR DIGITAL CAPABILITIES TO DELIVER CUTTING-EDGE SOLUTIONS IN THE SECTOR OF FINANCIAL SERVICES AND EXCEPTIONAL CLIENT EXPERIENCES.



MILESTONES OF THE PAST YEAR



44%
Increase in Equity Volumes

130%
Volume Growth in the Options Business

Conducted Business with
218 FPIs

Transacted a block of

₹ **30** Lakhs shares
in Advanced Enzymes, with Nalanda India
Equity Fund

Successfully Completed 2nd IPO as a Left
Lead Manager for Ethos, India's Luxury
Watch Retailer, Raising

₹ **42,726** Lakhs

EXECUTED

- SERIES E PRIVATE EQUITY INVESTMENT IN AWFIS
- RIGHTS ISSUE OF BHAGIRADHA CHEMICALS
- SERIES E PE FUNDING IN SILVERPUSH
- PROMOTER BLOCK IN ROUTE MOBILE

PROFITABLE GROWTH



Total Assets

₹ **73,095** Lakhs

Profit After Tax

₹ **1,408** Lakhs

Revenue

₹ **21,548** Lakhs

Net Worth

₹ **21,039** Lakhs

EXPANDING REACH



25

Branches

1,48,682

Clients

STRENGTHENING THE TEAM



489

Employees

₹ **8** Lakhs

Invested in Employee Training & Development

COMMUNICATING WITH THE INVESTORS



41

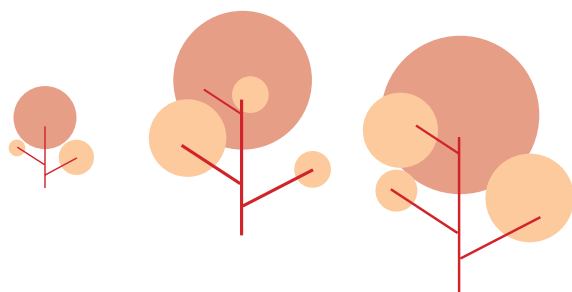
Road Shows

5

Major Conferences

237

Expert & Client Calls held in FY 2022-23



MANAGING DIRECTORS’ OUTLOOK



India’s capital market has played a crucial role in supporting individual investment requirements and corporate funding needs. It provides a platform for wealth creation and positions India as one of the fastest-growing wealth management markets worldwide. The Government of India has introduced substantial financial and regulatory reforms, paving the way for investment facilitation and supporting the country’s growth agenda.

Dear Valued Stakeholders,

It brings us great joy to present the Emkay Global Financial Services Limited Annual Report FY 2022-23, showcasing our achievements and performance over the year. Our success is a testament to the consistent dedication and efforts of our exceptional team. We are sincerely grateful for the trust our esteemed customers have placed in us to manage their financial assets. These factors drive us to continuously deliver outstanding services and exceed expectations as we embark on an ambitious journey towards achieving greater milestones.

We would like to begin by highlighting the macroeconomic landscape that shaped our operations in FY 2022-23. Despite worldwide inflationary challenges, the Indian economy has demonstrated resilience and emerged as one of the fastest-growing economies globally. According to the National Statistical Office (NSO), the Indian economy grew by an impressive 7.2% in FY 2022-23. Although the global market remained moderate, geopolitical tensions and supply-chain disruptions presented additional obstacles.

Nevertheless, India's investment industry has witnessed significant traction, with total managed investment assets reaching 57% of India's GDP, driven by increasing household savings. Financial inclusion efforts, digitization, rising disposable incomes, and Government incentives have channeled these savings into various financial solutions such as Mutual Funds, Wealth Management, Estate Planning, and Equity Broking.

India's capital market has played a crucial role in supporting individual investment requirements and corporate funding needs. It provides a platform for wealth creation and positions India as one of the fastest-growing wealth management markets worldwide. The Government of India has introduced substantial financial and regulatory reforms, paving the way for investment facilitation and supporting the country's growth agenda.

Notably, BSE Sensex performed well in FY 2022-23, closing higher than the previous year and securing the 5th position among major global indices. The IPO market also witnessed significant activity, with 34 mainboard IPOs raising over ₹52,119.68 Crore.

We are pleased to see an increase in Demat accounts, indicating growing financial literacy and investor participation. Over 25 million Demat accounts were added in FY 2022-23, showcasing a positive trend in investor engagement. Furthermore, the inflow into mutual fund grew by 7% to ₹40.05 Lakhs Crore.

Amidst this favorable investment climate, Emkay has excelled. Allow us to share some key operational highlights from the year:

- Our total equity volumes demonstrated significant growth, increasing by 44% over the past year to reach ₹17,235 billion. Additionally, Emkay's volumes in the options business experienced remarkable growth of 130%, amounting to ₹12,068 billion
- We conducted business with a total of 218 Foreign Portfolio Investors (FPIs) during the year. We firmly believe that this number will continue to increase as FPIs are now permitted to operate in the commodity sector
- Our Institutional Equities team organized a series of conferences throughout the year, including our flagship event 'Emkay Confluence', the 'Electric Vehicle Conference 2.0', 'Emkay Konnect' (Festive Channel Check Conference), 'Emkay Cresta' (a two-day physical conference in Singapore), and a highly successful third season of our digi banking conference 'FinShift'
- We transacted a block of nearly 30 Lakhs shares in Advanced Enzymes, approximately 2.75% of the company with Nalanda India Equity Fund, raising their stake in the company to nearly 9%

- As a left lead manager, we successfully completed our second Initial Public Offering (IPO) with ₹427 Crore raised for Ethos India, a leading luxury watch retailer. Additionally, our Investment Banking team successfully executed a Series E Private Equity investment of ₹80 Crore in Awfis, a ₹84 Crore Rights Issue of Bhagiradha Chemicals, ₹18 Crore Series E Private Equity funding in Silverpush, and a ₹170 Crore promoter block in Route Mobile. In the last quarter of FY 2022-23, the team completed a buyback of ₹300 Crore in ECLerx Services and provided advisory services for preferential issues amounting to ₹113 Crore in Dynamatic Technologies Limited
- We successfully distributed funds to all investors from our maiden Alternative Investment Funds (AIFs) - Emkay Emerging Stars Fund I, II, and III, launched in CY 2018. Over the course of five tumultuous years, from 2018 to 2022, we skillfully managed to divest our portfolio investments, resulting in a pre-tax XIRR of 15-18% returns for our AIF investors. This performance stands in contrast to the underwhelming low to mid-single-digit returns delivered by the benchmark BSE Small indices during the same period
- Emkay has received in-principle approval from the Securities and Exchange Board of India (SEBI) to act as a sponsor for a Mutual Fund. Given Emkay's commendable track record in fund performance and extensive experience spanning more than ten

years in Portfolio Management Services (PMS) and Alternative Investment Funds (AIF), this represents a natural progression towards enhancing the accessibility of customized investment solutions to a wider audience, both within the domestic market and on an international scale

- Emkay Capital Builder, our flagship Portfolio Management Strategy, celebrated its 10th anniversary, outperforming both Nifty 50 and Nifty 500 over the last decade
- We successfully closed fundraising for our manufacturing focused AIF, Emkay Emerging Stars Fund Series V, with commitments exceeding ₹200 Crore
- Emkay Investment Managers Limited received the prestigious 'Most Innovative Company of the Year' award at the National Feather Awards

From a financial standpoint, our performance in FY 2022-23 has been noteworthy on several fronts. Our wealth management services generated revenue of ₹1,234 Lakhs, reflecting an impressive growth of 64% year-on-year. Revenue from treasury and other services amounted to ₹6,289 Lakhs. Additionally, our broking and allied services recorded revenue of ₹12,810 Lakhs, while asset management services contributed ₹1,215 Lakhs in revenue for FY 2022-23. Consolidating these figures, our total revenue stood at ₹21,548 Lakhs, with a profit after tax of ₹1,408 Lakhs and earnings per share of ₹5.71.

Technological advancement is a cornerstone of our business, and we continuously strive to maintain a competitive edge by strategically investing in technology. This enables us to provide our customers with enhanced prospects and cutting-edge solutions. At Emkay, we take pride in our robust technological infrastructure, which empowers us to scale our business operations. Over the years, we have built a reliable platform for our esteemed clients, supported by a state-of-the-art trading technology platform that ensures seamless accessibility. Leveraging our technological prowess, we have developed a scalable and sustainable digital business model. Our comprehensive suite of financial products, combined with expert perspectives, caters to the evolving needs of our clients. Through innovative digital platforms, we aim to assist investors in achieving their goals and enhancing their journey towards wealth creation.

Our dedicated team of professionals, consisting of 489 employees, is our most valuable asset. Our Research team, which includes 31 members, possesses a wealth of experience totalling over 200 years. Their expertise and knowledge enable our clients to build robust portfolios. We are fully committed to the development and well-being of our employees, supported by a strong framework of policies. Our organization places paramount importance on upholding human rights, actively combating gender bias, and striving to eliminate racial discrimination. We foster a balanced and harmonious work culture that provides every

individual with equal opportunities to thrive and contribute to our organizational goals.

Community care is deeply embedded in our investment and operational policies. Embracing the growing importance of ESG (Environment, Social & Governance) investing, we actively promote and uphold high ESG standards in the companies we invest in.

In conclusion, we reaffirm our unyielding commitment to all our stakeholders. Our goal is to solidify our position as a leading financial service provider, while striving to be the preferred employer, innovative wealth generator, and a socially responsible entity with best-in-class corporate governance practices. Capitalizing on our momentum, we remain dedicated to honing our capabilities and delivering consistent investment returns to our valued investors. We express our heartfelt gratitude to our entire team and the guidance of our esteemed Board of Directors for their resolute support in this endeavor. Additionally, we extend our sincere appreciation to our stakeholders for their continued trust and confidence, which fuels our continuous growth year after year.

Best regards,

Krishna Kumar Karwa
Prakash Kacholia
Managing Directors

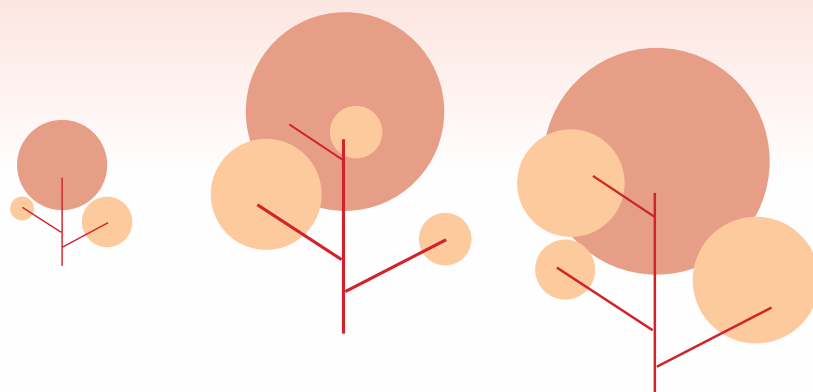
ABOUT EMKAY GLOBAL

FOUNDED IN 1995, EMKAY GLOBAL FINANCIAL SERVICES LIMITED (REFERRED TO AS 'EMKAY' OR 'WE') HAS UNDERGONE A REMARKABLE TRANSFORMATION. WE HAVE EVOLVED FROM AN INSTITUTIONAL BROKING HOUSE INTO A COMPREHENSIVE AND INNOVATIVE FINANCIAL SERVICES PROVIDER. EMBRACING CUTTING-EDGE TECHNOLOGY AND BACKED BY A LEGACY SPANNING 28 YEARS, WE HAVE FIRMLY ESTABLISHED OURSELVES AS A LEADING FORCE IN THE INDUSTRY.

Our commitment to offer a diverse range of services has enabled us to cater to a wide spectrum of clients. This varied clientele includes Domestic Institutional Investors (DIIs), Foreign Institutional Investors (FIIs), banks, insurance companies, private equity firms, corporate houses, small and medium-sized enterprises, as well as High-Net-Worth Individuals (HNWIs). Our comprehensive suite of offerings encompasses Broking and Allied Services, Wealth Management, Asset Management, and Currency Services, ensuring that we provide tailored solutions to meet the unique needs of each client.

Emkay is deeply dedicated to fulfilling the diverse

investment aspirations of our expanding client base. We achieve this by combining advanced technology, integrated processes, and our extensive financial expertise. By harnessing the power of technology, we ensure that our clients have access to a seamless and efficient investment journey, enabling them to achieve their financial goals confidently. As we move forward, we remain committed to continuous innovation and adaptation, driven by our core values of trust, transparency, and integrity. Our relentless pursuit of excellence positions us as a trusted partner for our clients, providing them with the financial solutions and support they need to thrive in an ever-changing market landscape.



 OUR MISSION	 OUR VISION	 OUR PROMISE
<p>To provide our clients with secure, customized and comprehensive financial solutions to achieve sustained growth</p>	<ul style="list-style-type: none"> ○ Be amongst the top 5 securities players in India ○ Deliver top-tier financial performance creating superior value for all stakeholders ○ Ensure client comes first, all else follows ○ Deploy cutting-edge digital solutions to impact the industry positively ○ Be an employer of choice – ‘a job here is never just a job’ ○ Be admired by all stakeholders 	<p>Handing over the responsibility for one’s finances involves immense trust. At Emkay, we go to great lengths to ensure we hold true to our client’s expectations right from ensuring that every person from Emkay meets the set value proposition. And, we also recall Emkay’s mission to be achieved collectively without forgoing values that the Company lives by</p>



Factors Propelling Our Market Distinction

Sustainability

- Long-term commitment to clients' wealth creation journey
- Philosophy, approach, and frameworks focused on achieving financial goals and delivering consistent and sustainable returns
- Disciplined and fundamentals-driven approach for portfolio strength and compounding benefits



Corporate Governance

- Full transparency and accountability in business operations
- Conducting business in a highly professional and ethical manner
- Continuous monitoring of governance practices and pursuit of holistic growth



Technology

- Proactive investment in digital assets
- Technology as a key cornerstone of the business
- Leveraging technology to offer value addition to clients at every step



Human Capital

- Team as the nucleus of the business
- Stability, agility, and proactiveness provided by the team
- Commitment to the health, safety, skill advancement, and collaborative working environment of the team



Insight into Our Offerings

Following a progressive and customer-centric approach, we place our customers' financial well-being at the forefront of everything we do.

Read more
on Pages

12-19

Broking, Advisory & Research



At Emkay, we offer a comprehensive range of financial services, encompassing equity, commodity, and currency markets, covering cash, futures, and options segments.

Investment Banking



Within Emkay's investment banking portfolio, we offer Merchant Banking, IPO advisory, Equity Capital Markets (ECM), and M&A advisory services.

Our LLP with Azalea Capital enables us to structure and facilitate private financing fund raising for companies (in LCY/ FCY) in the form of Structured Financing for both Performing and Distressed companies.

Wealth Management



Estate planning and customized solutions with products across all asset classes.

Investment/ Asset Management



Equity portfolio management and advisory services across all market caps – discretionary and non-discretionary, including Alternative Investment Funds (AIFs).

Financial Education



Facilitating financial education through FinLearn Academy (an EdTech focused on training in financial markets).

REIMAGINING TOMORROW BY ADDING MILESTONES TODAY

OUR JOURNEY FROM AN EQUITY BROKING SERVICES PROVIDER TO A PROMINENT PLAYER IN THE FINANCIAL SERVICES INDUSTRY REFLECTS OUR CONTINUOUS DRIVE FOR EXCELLENCE AND OUR FIRM COMMITMENT TO THE SUCCESS OF OUR STAKEHOLDERS.

Our Journey So Far

-
- 1995**
 - Year of incorporation
 - 1996**
 - Commenced equity broking on BSE
 - 1999**
 - Initiated equity broking on NSE
 - 2005**
 - Got listed as a public limited Company
 - 2006**
 - Successfully launched ₹75 Crore IPO and listed on BSE/NSE
 - Incorporated & launched RBI-approved NBFC
 - Commenced commodity broking
 - 2008**
 - Launched the investment banking business

2012

- Acquired own office space of 25,000 square feet in the heart of Mumbai
- Commenced currency broking

2018

- Launched Emkay Emerging Stars Fund Series I, II & III
- Incorporated EGFS IFSC for international financial services as a Capital market intermediary

2019

- Emkay Insurance Brokers Limited rechristened Emkay Wealth Advisory to offer Estate and Succession Planning services

2020

- Acquisition of 27% stake in Finlearn Edutech Private Limited by Emkay Fincap Limited, a 100% subsidiary

2021

- Established Emkay Global Financial Services Pte Limited in Singapore
- Emkay Fincap increased stake in Finlearn Edutech Private Limited to 48%

2022

- Emkay Global was BRLM for 6 QIPs out of 28 QIPs concluded in FY22

2023

- Received in-principle approval from the Securities And Exchange Board Of India (SEBI) for sponsoring a Mutual Fund

EMPOWERING INVESTORS WITH RELIABLE SOLUTIONS

AT EMKAY GLOBAL, WE FIRMLY BELIEVE THAT UNDERSTANDING OUR CLIENTS' ASPIRATIONS IS CRITICAL TO DEVELOPING THE RIGHT STRATEGIES. OUR TEAM OF PROFESSIONALS, ARMED WITH YEARS OF EXPERIENCE AND MARKET INSIGHTS, WORKS DILIGENTLY TO CRAFT BESPOKE SOLUTIONS THAT ALIGN WITH OUR CLIENTS' SPECIFIC REQUIREMENTS.

Broking, Advisory & Research



We specialize in offering both Institutional and Non-Institutional Broking Services. Our operations are backed by a forward-thinking research team that possesses the necessary expertise and a deep understanding of the ever-evolving industry dynamics. Our services go beyond the Indian markets, encompassing regions, such as Europe, Singapore, the UK, and Hong Kong, among others.

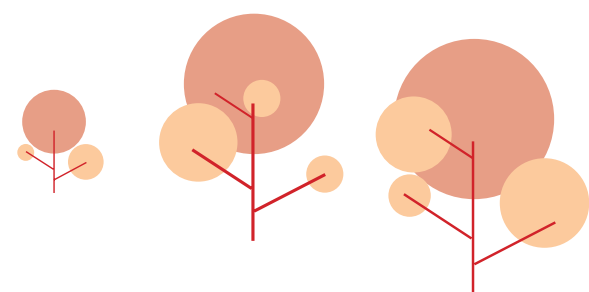


45%

Contribution from Institutional Client

55%

Contribution from Non-Institutional Client



Institutional Equities

Our institutional equities division encompasses a wide range of markets, including Europe, Hong Kong, India, Singapore, Taiwan, the UK, and the US. We cater to a diverse clientele consisting of esteemed entities, such as Mutual Funds, Insurance Companies, Banks, Foreign Portfolio Investors (FPIs), Family Offices, Global Hedge Funds, and Alternative Investment Funds (AIFs). Our expansive reach allows us to serve a varied array of financial institutions and investment vehicles. This reinforces our commitment to delivering comprehensive and tailored solutions to meet the unique requirements of our clients.

41

Road Shows

237

Corporate/Expert & Client Calls

TRANSACTIONED A BLOCK OF

~ ₹ 30 LAKHS SHARES IN
ADVANCED ENZYMES,
WITH NALANDA INDIA EQUITY FUND, RAISING
THEIR STAKE IN THE COMPANY TO NEARLY 9%

Strengthening the Communication with the Investor Community

Conferences Organized

VIRTUAL DIGI-BANKING
CONFERENCE



68

Funds

372

Meetings

102

Individuals

11

MD/Partner/Director/CIO/HOE

14

Companies

CRESTA
CONFERENCE



35

Group Meetings

32

Clients

11

Corporates

50

One-on-One Meeting

FESTIVE CHANNEL CHECK
CONFERENCE



96

Funds

383

Meetings

152

Individuals

16

Distributors/Dealers/Experts

EMKAY CONFLUENCE
2022



146

Funds

2,300

Meetings

489

Individuals

132

Companies

ELECTRIC VEHICLE
CONFERENCE



70

Funds

100

Individuals

11

Companies

Non- Institutional Equities

Our Non-Institutional Equities segment focuses on serving both Indian and Non-Resident Indian (NRI) clients worldwide. Our clientele within this segment includes Corporates, High-Net-Worth Individuals (HNWIs), Family Offices, Private Equity Firms, and Trusts. To ensure efficient service delivery, we have established a network of strategically located branches throughout the country, enabling us to effectively cater to the needs

of our valued clients. By extending our reach to diverse clients, we aim to provide tailored solutions and foster long-term relationships based on trust and expertise.

111
Offices pan-India

1,48,367
Non-Institutional clients

Equity Research

We aim to deliver enhanced value to our investors who seek investment opportunities within the Indian capital market. To achieve this objective, the collaborative efforts of our equity research, sales & sales trading, and corporate access teams play a crucial role. These teams work in unison, employing an integrated approach, which is of paramount significance. By leveraging the expertise of our equities research team, we provide valuable insights and analysis to help our investors make informed decisions. Our sales & sales trading teams are responsible for building and maintaining relationships with clients, understanding their investment goals and preferences, and providing them with personalized advice and solutions. Additionally, the sales trading team actively executes trades on behalf of clients, leveraging their market knowledge and expertise to achieve optimal outcomes. In contrast, our corporate access team facilitates direct engagement with key industry players, enabling our investors to gain valuable market perspectives. This coordinated effort reflects our commitment to delivering comprehensive and holistic solutions that empower our investors to

navigate and capitalize on the opportunities presented by the Indian capital market.

Our Robust Performance Delivery is Led by 3 Pillars

- Independent Thinking & Strong Fundamental Research
- Strong & Long-Term Relationships with Customers
- Quick Execution through Robust Technology

263 Companies
Fundamental Equity Research (Active + Soft Coverage)

17
Sectors (IT, Pharma, and Retail, among many other sectors under coverage)

Commodities & Currencies

Emkay Global holds membership in the esteemed Multi Commodity Exchange (MCX) and National Commodity & Derivatives Exchange (NCDEX). This allows us to offer comprehensive services in the commodities market. In the currency domain, we have successfully onboarded prominent Foreign Portfolio Investment (FPI) clients. We conducted business with a total of 218 FPIs in the year. At Emkay, we strongly believe that this number will continue to increase as FPIs are now permitted to operate in the commodity sector.

Award for

‘BEST RESEARCH IN
THE COMMODITY
SEGMENT 2022’

By MCX

Investment Banking



Renowned for its dependability, innovation, and flexibility, our Investment Banking division has established a strong reputation in the industry. Our team's exceptional skills and expertise drive the reliability and relevance of our advisory services. With resolute commitment, we consistently deliver high-quality strategic guidance and financial solutions to our esteemed clients.

Buyback of

₹ **300** Crore
In Eclerx Services

Advisory Services for Preferential Issue of

₹ **113** Crore
In Dynamatic Technologies Limited

₹ **18** Crore
PE investment in Silverpush

₹ **170** Crore
Promoter Block in Route Mobile Limited

₹ **427** Crore
IPO of Ethos Limited including Pre IPO

₹ **80** Crore
Series E Private Equity Investment in Awfis

₹ **84** Crore
Rights Issue of Bhagiradha Chemicals

To enhance our service offerings, we have implemented advanced trading technologies, which provide our clients with a robust and user-friendly platform for seamless trading and investment management. Additionally, we offer call and trade facilities through recorded lines, allowing clients to execute trades conveniently. Additionally, we provide real-time research advisory services through collaborative platforms and on-call assistance, enabling our clients to stay updated and make informed decisions.

With a focus on continuous improvement, we have implemented various customer-centric features such as, client back-office entry, electronic contract notes, and SMS facility. These enhancements aim to streamline processes and enhance convenience for our valued clients. By consistently enhancing our customer services, we strive to achieve higher customer satisfaction and reinforce our commitment to delivering exceptional experiences.

Furthermore, our strong relationships with the investor community and regulators elevate the quality of our services to unparalleled levels. These valuable connections enable us to stay updated with regulatory advancements and effectively navigate the ever-evolving investment landscape. By nurturing these robust relationships, we ensure our clients receive the highest service standards, while maintaining compliance with regulations.

At Emkay Investment Banking, our primary focus is on providing customized solutions that cater to the unique

requirements of our clients. We prioritize a hands-on approach, with our senior management actively involved in transaction execution to ensure strong and meaningful client engagement. Over the years, we have established an indisputable reputation for successfully closing deals in the small and mid-sized company segment. Our commitment to fostering long-term relationships allows us to strike multiple deals with our clients, building trust and consistently delivering value over an extended period.

Our offerings under the Investment Banking services

Public Market

- Initial Public Offer (IPO)/Follow on Public Offer (FPO)
- Qualified Institutional Placement (QIP)
- Preferential Issue/PIPE



Private Market

- Growth Capital for Private Companies
- Private Equity Exits
- Private Equity Buyouts



ECM & Corporate Advisory

- Advisory Services on Buyback, Delisting, Open Offer, Promoter OFS, Rights Issue
- Domestic as well as Cross Border M&As
- Corporate Restructuring and Structured Financing





Wealth Management

At Emkay Global, we are committed to providing a comprehensive range of well-curated and client-centric wealth management solutions. Through our Emkay Wealth Management services, we go beyond traditional investment options and embrace innovative avenues of progress. Under the guidance of our highly experienced team, we design and implement sound financial strategies that align with our clients' short-term and long-term goals, risk appetite, and the prevailing market dynamics. Our approach is guided by the following fundamental principles:

- Formulate a detail-oriented plan
- Focus on higher customer returns
- In-depth study and understanding of industry dynamics and client requirements
- Utilize a combination of in-house products, credit, third-party, and proprietary platforms
- Develop personalized plans based on a concrete framework of financial diagnostics, digital integration, prompt services, and up-to-the-minute market knowledge
- Firm dedication to technological advancements through our cutting-edge wealth management app, which not only offers clients a holistic perspective of their investments but also grants them effortless access to detailed insights and analysis, thanks to its distinctive user interface and intuitive design
- Recognized with the Best Technology Team (Wealth Management) at the second Annual NBFC and FinTech Excellence Awards 2023 by Quantic Business Media

Hassle-Free Process

As one of the leading entities in the financial service domain, it is important for us to completely understand the unique needs and goals of our clients. Our commitment lies in executing well-researched wealth solutions, while maintaining regular portfolio review and recalibration.

We provide a range of services within the Wealth Management segment. Our offerings include client risk profiling, analyzing existing portfolios, asset allocation, portfolio creation, and following up with performance measurement, monitoring, and rebalancing. Additionally, we provide transaction support, MIS, information support, and advisory services to all our clients, including UNHIs, family offices and corporate

treasuries. Emkay Wealth Advisory Private Limited, a subsidiary of our Company, offers estate and succession planning services through Emkay Wealth and is also a Registered Investment Advisor. Our research team regularly publishes articles on the economy, markets, and various asset classes to ensure our clients are well-informed about market changes. Emkay Wealth's effectiveness stems from its systematic approach to distribution, product development, client selection, asset allocation, and technology.

₹ 2,21,293 Lakhs

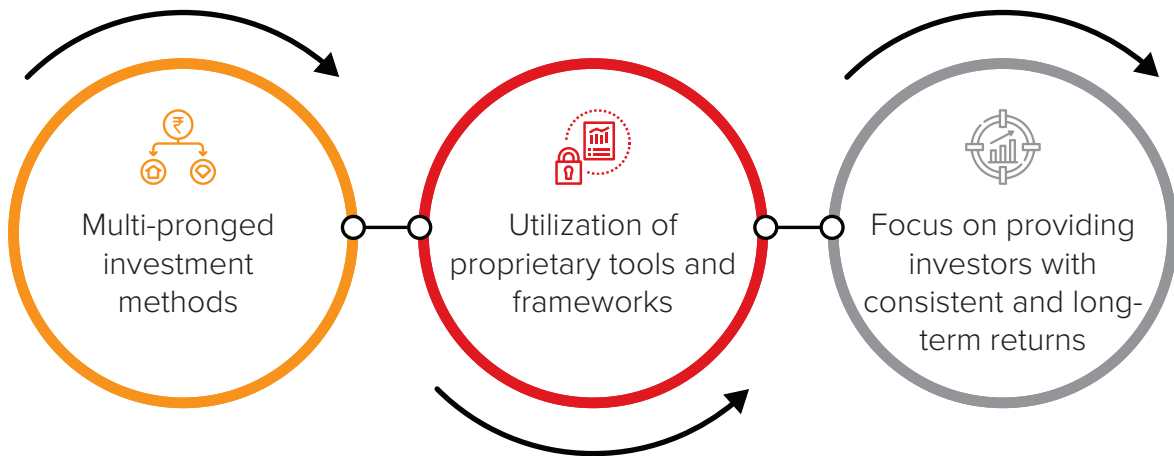
Wealth Assets





Asset Management

Emkay Global’s Asset Management vertical offers a comprehensive range of investment options to a broad client base. Our services cater to family offices, High-Net-Worth individuals (HNIs), corporates, Non-Resident Indians (NRIs), insurance companies, trusts, and private equity firms. Operating under Emkay Investment Managers Limited (EIML), we are a SEBI-registered portfolio management and investment advisory firm. Our primary focus is to provide clients with an array of investment options tailored to their long-term financial and unique requirements. This is achieved through:



EIML has enhanced the customer onboarding experience by introducing a convenient digital onboarding facility. Additionally, the successful launch of ENVI (Emkay New Vitalized India) signifies a new product, focused on investments in companies poised to benefit from the manufacturing upturn in the country. These initiatives demonstrate EIML’s commitment to providing seamless and innovative solutions to its clients, while leveraging emerging opportunities in the market. Additionally, we:

- Distributed funds to investors from Emkay Emerging Stars Fund I, II & III AIFs, achieving pre-tax XIRR of 15% - 18% returns
- Achieved the closure of fund raising for the manufacturing-focused AIF, Emkay Emerging Stars Fund Series V, with commitments exceeding ₹ 200 Crore
- Onboarded Yes Bank as the distribution partner for AIF V
- Emkay Capital Builder, the flagship Portfolio Management Strategy of EIML, successfully completed 10 years, outperforming both Nifty50 and Nifty500 over the last decade

- Received in-principle approval from SEBI for sponsoring a Mutual Fund

₹ **62,501** Lakhs
Assets Managed

AWARDED AS THE

**‘MOST
INNOVATIVE
COMPANY OF
THE YEAR (BFSI)’**

At the National Feather Awards in April 2022

Approaches Underlining Our Investment Portfolios

E-Qual

- Emkay's proprietary governance module
- Compares firms on qualitative and quantitative factors
- Helps identify and avoid hazardous stocks in portfolios
- Reinforces and differentiates the traditional alpha strategy
- Utilized by Emkay Capital Builder Strategy (PMS Platform) and Emkay Emerging Stars Fund (AIF Platform)

Smart Alpha

- Addresses human cognitive or psychological biases that can lead to inefficient investment decisions
- Recognizes that professional investors are susceptible to biases, such as 'selection bias' and 'allocation bias', in their pursuit of alpha
- Mitigates biases through a disciplined stock selection process
- Implements equi-weighted allocation, ensuring equal attention is given to each stock
- Aims to reduce both selection and allocation bias for more effective risk mitigation and decision-making



A Sneak Peek into Some of Our Investment Strategies:

Emkay L.E.A.D.

- Focuses on investing in large and mid-cap high-growth firms
- Emphasis on firms with a leadership trait in the industry
- Seeks companies with a strong moat and excellent management
- Considers firms with appropriate values and ethics
- Objective is to achieve long-term capital appreciation

Emkay Emerging Stars Fund

- An AIF that aims to deliver long-term capital appreciation for investors
- The fund invests in a diversified portfolio of equities and equity-related securities
- The Benchmark Index for the fund is the BSE Small-cap Index
- Emkay Emerging Stars Fund has received recognition from 'PMS - AIF World' for its exceptional performance



Emkay Capital Builder

- EIML's flagship PMS, based on the E-Qual Module
- It is a multi-cap portfolio designed to identify companies with wealth-building potential
- The investment horizon for Emkay Capital Builder is 3-5+ years, emphasizing a long-term approach

Outperformed Nifty **50** & the Nifty **500**
over the Last Decade, Delivering

37.8% More Returns
Over Nifty 50

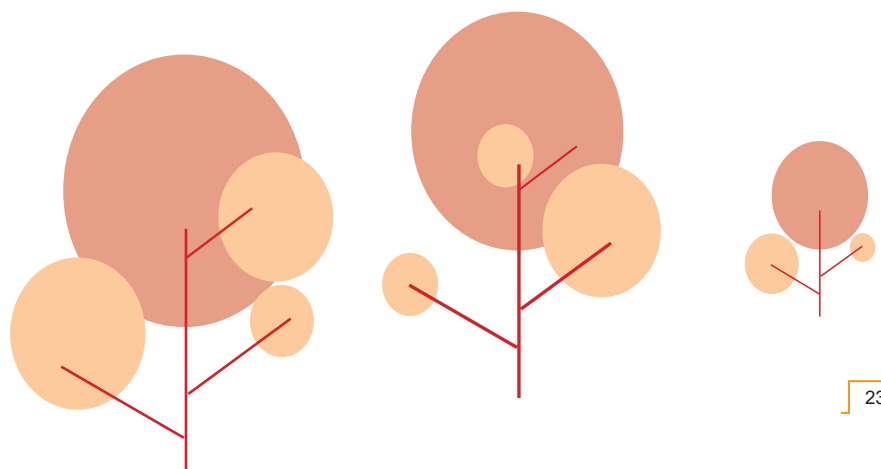
24.1% More Returns
Over Nifty 500

Emkay's 12

- Concentrates on companies with a larger economic moat and a dominant position in their industry
- Implements a buy-and-hold strategy for long-term investment
- Emphasizes medium and long-term wealth creation
- Seeks to achieve wealth creation through a balanced combination of value and growth investing approaches

Emkay GEMS

- Twenty-stock mid-cap strategy, focusing on risk adjusted returns
- No wide diversification
- Low portfolio volatility and strong liquidity
- Low portfolio turnover



THE VALUE CREATION MODEL

Inputs



Financial Capital

Our robust capital base consists of equity. A solid foundation of our financial capital enables us to generate higher returns for our valued investors. By leveraging our capital effectively, we strive to maximize the investment potential and deliver superior results for our clients.

₹ 21,039 Lakhs
Capital Employed

₹ 2,464 Lakhs
Equity Share Capital



Service Capital

At Emkay, we leverage our extensive network of physical offices, supported by cutting-edge digital platforms, to establish seamless connections with our valued customers. This combination empowers us to deliver exceptional service and cater to their diverse needs efficiently.

121
Total Offices Pan-India

17 sectors and
263 companies
Research Coverage

47
NIFTY Constituents and
30 **SENSEX Constituents**



Human Capital

Emkay's team comprises a diverse group of individuals with specialized skills and extensive experience tailored to meet the unique requirements of our clients. This human capital forms the backbone of our service, enabling us to provide expert guidance and personalized support.

489
Total Number of
Employees

₹ 8 Lakhs
Training and
Development Cost



Intellectual Capital

Equipped with advanced technology infrastructure, robust knowledge management systems, and well-established platforms, we efficiently process transactions, manage risks, and deliver superior customer service. Our intellectual capital enables us to stay at the forefront of innovation and consistently exceed client expectations.

25
Technology Enhancement
Initiatives Completed

11
Technology Enhancement
Initiatives Underway

4
Trading Technology Platforms



Social and Relationship Capital

At Emkay, our social and relationship capital is nurtured through strong connections with key stakeholders. Building and maintaining long-term relationships with our clients, partners, and communities forms the foundation of our success, allowing us to forge meaningful collaborations and deliver value beyond financial returns.

₹ 28 Lakhs
Amount Spent for CSR
Activities

₹ 55,630 Lakhs
Taxes Paid

96
Total Number of Franchisee Partners



Natural Capital

At Emkay, we recognize the impact of our operations on natural resources, such as energy, water, and climate. Through responsible resource management and sustainable practices, we strive to minimize our ecological footprint, while ensuring our economic activities contribute positively to the environment.

TFT MONITORS
Installed for Power Saving

AUTOMATIC POWER OFF MODES
Enabled on Idle Monitors

CAPACITORS INSTALLED
For Power Conservation

EDUCATING EMPLOYEES
on Electricity Conservation and other Natural
Resources Utilization

Value Creation

Our Mission

To provide our clients with secure, customized and comprehensive financial solutions to achieve sustained growth

Our Vision

- Be amongst the top 5 securities players in India
- Deliver top-tier financial performance, creating superior value for all stakeholders
- Ensure client comes first, all else follows
- Deploy cutting-edge digital solutions to positively impact the industry
- Be an employer of choice – ‘a job here is never just a job’
- Be admired by all stakeholders

Our Promises

Handing over the responsibility for one’s finances involves immense trust. At Emkay, we go to great lengths to ensure we hold true to your expectations right from ensuring that every person from Emkay meets the set value proposition. And, also recall Emkay’s mission to be achieved collectively without forgoing values that our Company lives by.

Our Focus Areas

- Human capital
- Corporate governance
- Sustainability
- Technology

Our Fundamental Capabilities

- 360-degree approach
- Relationship focus
- Strong Promoters & Board
- Significant research capabilities

Our Offerings Investments

- Institutional equities
- Non-institutional equities
- Commodities & currencies
- Fixed income products

Estate & Succession Planning

- Drafting of wills, creation of private family trusts
- Succession planning for family-owned businesses
- Succession planning for NRIs

Financial Education

- Through FinLearn Academy (an EdTech focused on training in financial markets)

Investment Banking

- Caters to public market, private market, ECM and corporate advisory

LLP with Azalea Capital

- Structures and facilitates private financing fund raise of companies (in LCY/FCY) in the form of structured financing for both performing and distressed companies

Output

Stakeholders Impacted

Return to Shareholders and Investors

₹ 21,548 Lakhs **7%**
Revenue **ROE**

₹ 5.71 **₹ 1,408 Lakhs**
EPS **PAT**

2% **₹ 1 per Share**
ROA **Dividend Declared**

- Investors
- Customers
- Employees
- Communities
- Government/Regulatory Bodies

1,48,682 **₹ 2,21,293 Lakhs**
Number of Clients **Managing under Wealth Management**

- Customers
- Employees

₹ 62,501 Lakhs **₹ 9,289 billion**
Managing under PMS+AIF **Equity Market ADTO (Annual)**

₹ 44 Lakhs **77.83%**
Revenue Generated per Employee **Employee Retention Rate**

- Employees

520 hours
Training Provided

237
Corporate/Expert and Client Calls

41
Roadshows

- Customers
- Employees
- Government/Regulatory Bodies

25+
Total Number of Web Properties Across the Group for Sharing Information and Servicing

CROSS SELLING AND UPSELLING
By Leveraging Our Digital Marketing Platform

FUND MANAGEMENT STRATEGIES
Are all in Place

3
CSR Beneficiaries

- Communities

PRIORITIZING THE STAKEHOLDERS


AT EMKAY, OUR CORE PRINCIPLES AS A RESPONSIBLE CORPORATE ENTITY ARE DEEPLY INGRAINED IN OUR DNA. WE FIRMLY BELIEVE IN LISTENING TO THE PERSPECTIVES OF OUR STAKEHOLDERS, UNDERSTANDING THEIR EVOLVING NEEDS, AND TAKING PROACTIVE MEASURES TO ADDRESS THEM AT EVERY PHASE OF THEIR JOURNEY. THIS COMMITMENT DRIVES US TO BUILD MEANINGFUL PARTNERSHIPS WITH THOSE WHOSE LIVES WE TOUCH, ENSURING IMPACTFUL, MUTUALLY BENEFICIAL, AND SUSTAINABLE OUTCOMES IN THE LONG-TERM.


Key to our approach is the recognition that collaboration thrives when all parties are valued and actively engaged. We have diligently identified our stakeholders based on the reciprocal influence we share, forging connections that go beyond mere transactions. Through proactive engagement with our stakeholders, we harness their unique perspectives, expertise, and insights to shape our strategies and guide our decision-making.


Identifying our stakeholders is a meticulous process that involves thorough analysis and consideration. So far, we have identified and prioritized the stakeholders who play a crucial role in our journey towards sustainable growth and success.




Adding Value to Our Stakeholders


STAKEHOLDERS	IMPORTANCE	THE EMKAY HIGHLIGHTS	OUR RESPONSES
 <p>Customers</p>	<ul style="list-style-type: none"> At Emkay, our customers' expectations serve as a guiding force, propelling our business towards success They demand exceptional experiences, competitive pricing, innovative products and services, and robust financial advice to enhance, grow, and protect their wealth The trust and satisfaction of our customers are integral to our commitment to delivering excellence in all aspects of our operations 	<p>1,48,682 <u>Customers Served</u></p> <p>₹ 20,60,388 Lakhs <u>Total Assets</u></p> <p>₹ 2,21,293 Lakhs <u>Wealth Assets</u></p> <p>₹ 62,501 Lakhs <u>Emkay's PMS & AIF AUM</u></p> <p>₹ 9,289 billion <u>Average Daily Turnover (Annual)</u></p>	<ul style="list-style-type: none"> We continuously invest in cutting-edge technologies to ensure sustained innovation and progress Our commitment to providing exceptional customer service is demonstrated through the systematic enhancement of our customer care processes and tools We offer a diverse and innovative portfolio of services to meet the evolving needs of our customers Our workforce comprises highly knowledgeable and skilled staff who contribute to our success and the satisfaction of our customers

STAKEHOLDERS	IMPORTANCE	THE EMKAY HIGHLIGHTS	OUR RESPONSES
 <p>Investors</p>	<ul style="list-style-type: none"> Facilitate the provision of funds while emphasising the requirement for long-term, sustainable returns, which necessitates the implementation of a clear and consistent strategy 	<p>₹ 5.71 <u>Earnings per Share</u></p> <p>₹ 1,408 Lakhs <u>Net Profit</u></p> <p>7% <u>Return on Equity</u></p> <p>ZERO <u>Investor Grievances during FY 2022-23</u></p>	<ul style="list-style-type: none"> Maintain a firm focus on ensuring commendable returns for our esteemed investors Embrace a comprehensive approach to communication by providing complete, transparent, and timely disclosures, facilitating thoughtful decision-making among our stakeholders Foster a culture of regular and proactive engagement with our investors, ensuring they receive frequent updates on our progress and performance

STAKEHOLDERS	IMPORTANCE	THE EMKAY HIGHLIGHTS	OUR RESPONSES
 <p>Employees</p>	<ul style="list-style-type: none"> Our continued success is fueled by the exceptional skills, knowledge, and resolute commitment of our workforce Our employees have rightful expectations of fair compensation, recognition, job security, and an inclusive work environment that promotes equity, opportunity, and meritocracy We actively foster career development opportunities, creating an empowering atmosphere where our employees can thrive and grow professionally 	<p>489 <u>Total Workforce</u></p> <p>₹ 11,509 Lakhs <u>Total Employee Expenses</u></p> <p>₹ 8 Lakhs <u>Employee Training Cost</u></p>	<ul style="list-style-type: none"> We prioritize training, development, and mentoring programs to nurture the growth and expertise of our employees Open communication channels ensure that our organization’s strategy and key focus areas are effectively conveyed to all employees We emphasize technology skilling to equip our workforce with the necessary digital competencies Performance and merit-based rewards form an integral part of our compensation structure We are committed to providing equal opportunities based on meritocracy, and promoting a fair and inclusive environment Our grievance redressal system ensures that employee concerns and issues are addressed promptly and effectively Reward and recognition programs are in place to acknowledge and appreciate the outstanding contributions of our employees Engaging employee activities are organized to foster a sense of involvement, collaboration, and team spirit






STAKEHOLDERS	IMPORTANCE	THE EMKAY HIGHLIGHTS	OUR RESPONSES
 <p>Communities</p>	<ul style="list-style-type: none"> ○ Provide an opportunity for us to operate and undertake developmental and welfare initiatives ○ Encourage and expect us to engage in developmental and welfare initiatives, resulting in the creation of employment opportunities 	<p>₹ 28 Lakhs Invested towards CSR Activities through other NGOs</p> <p>3 CSR Beneficiaries</p>	<ul style="list-style-type: none"> ○ Prioritize shared value-creation as a core principle of our business approach, driving us to make a positive impact on society through our products, services, and community initiatives ○ Continuously strive to create long-term value for both our shareholders and society, honouring our commitment to shared value-creation since the inception of Emkay Global

STAKEHOLDERS	IMPORTANCE	THE EMKAY HIGHLIGHTS	OUR RESPONSES
 <p>Government/ Regulatory Bodies</p>	<ul style="list-style-type: none"> ○ Enact legislations and policies that hold significant influence over our business, including the ability to grant sanctions, clearances, and even revoke licenses ○ Expect our unyielding compliance with statutory and legal guidelines, while also emphasizing our role in contributing to the overall progress of the nation 	<p>₹ 95,942 Lakhs Contribution to Exchequer</p>	<ul style="list-style-type: none"> ○ Ensuring timely and substantial contributions to the exchequer ○ Demonstrating an unwavering commitment to strict adherence to relevant and prevailing laws, thereby actively supporting India's socio-economic growth and promoting sustainable capital market practices ○ Upholding a strong foundation of ethical business practices as a fundamental principle

INTEGRATING TECHNOLOGY

BY INTEGRATING TECHNOLOGY AND STRENGTHENING OUR DIGITAL INFRASTRUCTURE, WE POSITION OURSELVES TO DELIVER EXCEPTIONAL CLIENT SERVICES. THIS ENABLES US TO MAKE INFORMED INVESTMENT DECISIONS AND STAY AT THE FOREFRONT OF MARKET TRENDS THROUGH TAILORED INVESTMENT STRATEGIES. OUR TECHNOLOGY-DRIVEN APPROACH STRENGTHENS OUR INDUSTRY POSITION, LEVERAGING THE ADVANTAGES OF A DYNAMIC INVESTMENT LANDSCAPE TO DRIVE OUR SUCCESS.

 VISION	 MISSION	 TECHNOLOGY EDGE
<p>Build & develop a stable robust platform by creating digital experience across all the touch points; by anticipating market needs and providing customized products towards digital disruption</p>	<p>Conversion from 'As a service' to 'Business Enabler' and going towards 'Digital Transformation', where technology helps an organization deliver value to its customers</p>	<p>Digital transformation is driving strong client acquisition and penetration in the markets, with various digital platforms being offered and customer feedback to explore the untapped potential and roadmap to achieve the same</p>

Following Digital-First Approach, Ensuring Seamless Operations

SOFTWARE



Embarking on New Horizons

- Offering a competitive product and service portfolio across platforms with API initiatives, integrating back-office software for seamless experiences
- Strengthening key back-end and front-end services through regular hardening of platforms, vulnerability assessments, and penetration testing
- Enhancing error handling on both in-house and vendor-provided applications
- Undertaking complete rewrites of select in-house systems to deliver improved performance and user experience

PRODUCT



Optimizing the Experience

- Facilitating contextual user learning through our modern trading platform named Emkay Blitz
- Enhancing client journeys for both investors and traders through our app
- Optimizing applications to create a well-balanced ecosystem
- Utilizing multiple trading platforms to foster a vibrant trader community

DIGITAL PLATFORM



Delivering the Best Client Experience

- Developing in-house digital properties to cater to our diverse and growing client base
- Embracing an open architecture that seamlessly integrates third-party products
- Enabling digital acquisition of direct clients with online order execution capabilities
- Facilitating order placement through mobile apps, client terminals, API, and FIX
- Analyzing customer experience, servicing, and growth through our digital platforms

Technology for Business

At Emkay Global, technology plays a pivotal role in driving our success, revolutionizing the way we conduct business. Our robust technology infrastructure ensures reliability and security of our operations. Through the adoption of innovative tools and platforms, we enhance our trading capabilities, risk management, and investment strategies. By embracing the latest technological solutions, we continuously adapt to the ever-evolving market landscape, positioning ourselves as a leader in the financial services industry.



Robust Infrastructure

- Continuous performance improvements through scalability and fine-tuned hardware, ensuring reliability
- Implementation of a new hyper-converged platform in our global standard data center, enhancing capacity
- Faster trading experience facilitated by overclocked servers and seamless multi-stream broadcasting over the internet
- Onboarding new trading applications in NSE, BSE, MCX and IFSC
- Deploying new platforms enabling the technology teams to manage privileged access and automated system patching
- Introducing platform named Emkay Blitz for CTCL, Internet-based trading and mobile trading facility
- Enhanced the FIX platform for the execution of fill reports to the clients
- Introducing API offerings for trading into the landscape
- By deploying utilities for trade parameter monitoring, Emkay has initiated API integrations in back-office software for Banks, KYC & Ops

Reliable Platforms for Clients

- Cutting-edge technology infrastructure with ultralow latency 10G infrastructure at NSE Colocation, spanning multiple racks in different phases
- Deployment of key applications at external data centers, adhering to global standards, ensuring reliability and stability
- High-performance multicast Tick by Tick and multi-stream broadcast from NSE, offering scalability on demand.

Strong Network

- Guaranteeing high availability of systems throughout our network to minimize downtime and ensure seamless operations
- Utilizing a robust and reliable network infrastructure with multiple ISPs, offering diverse network paths and increased bandwidth for enhanced connectivity
- Expanding our presence across various data centers in Mumbai
- Upgrading the network bandwidth from Emkay POP to COLO for faster performance
- Revamping the RMS department with a better monitoring layout, hardware refresh and visibility of trading platforms for effective risk management
- Introducing a collaboration platform for the dealing team,

we have implemented a compliance archive for effective communication with clients

Securing Our Enterprise

- Onboarded a CERT-IN empaneled managed Security Operations Center to monitor cyber risks for our critical infrastructure 24x7x365
- Rolled out a leading NGAV, EDR, and Identity Protection platform across Emkay to replace the traditional signature-based anti-virus platform
- Implemented a Privileged Access Management platform to closely monitor and govern access to our critical assets
- Upgraded our DMARC services platform to enhance outbound email security
- Introduced a Cyber Attack Simulation and Cyber Awareness platform that helps us to assess and enhance the cyber maturity of our users
- Initiated enterprise-wide vulnerability assessments for all our technology platforms and are closely working with our service providers towards ensuring a cyber-safe environment



New Initiatives being Pursued in FY 2023-24

- Enterprise-wide migration to the Microsoft 365 platform for Mail & Office
- Enterprise-wide Hardware Refresh & systems upgrade to the latest OS for a better user experience
- DR Set Up the Trading & PMS platform based on feasibility
- Enhanced Backup Automation Solution for compliance requirements
- Backoffice Application upgrades to process the trades in multiples of the current volumes
- Implementation of an Identity Governance platform to streamline user identities across our corporate applications
- Implementation of a comprehensive next-generation Data Leak Prevention platform with data classification based on the sensitivity of the data
- Implementation of a granular application control platform
- Implementation of a zero-trust platform to replace the legacy VPN platform



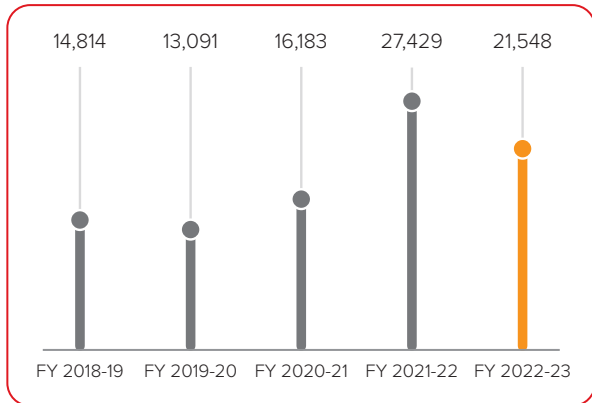
INTEGRATE

FINANCIAL STABILITY

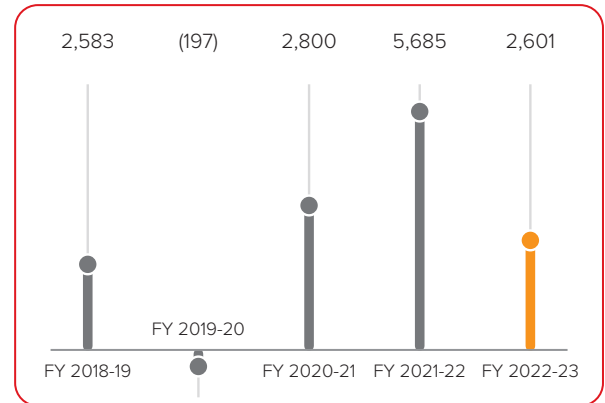
PROVING THE CREDIBILITY

AT EMKAY, WE UPHOLD FINANCIAL SOUNDNESS AS THE CORNERSTONE OF OUR OPERATIONS, ENABLING A SECURE AND TRUSTWORTHY ENVIRONMENT FOR OUR CLIENTS. OUR STRONG FINANCIAL FOUNDATION ENSURES STABILITY AND RESILIENCE, ALLOWING US TO NAVIGATE MARKET UNCERTAINTIES AND CONSISTENTLY DELIVER VALUE. WE PRIORITIZE PRUDENT FINANCIAL MANAGEMENT, RISK MITIGATION, AND REGULATORY COMPLIANCE TO UPHOLD OUR FINANCIAL SOUNDNESS.

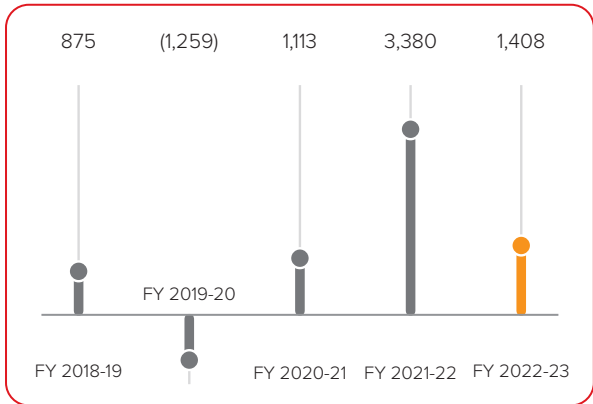
Total Revenue (in ₹ Lakhs)



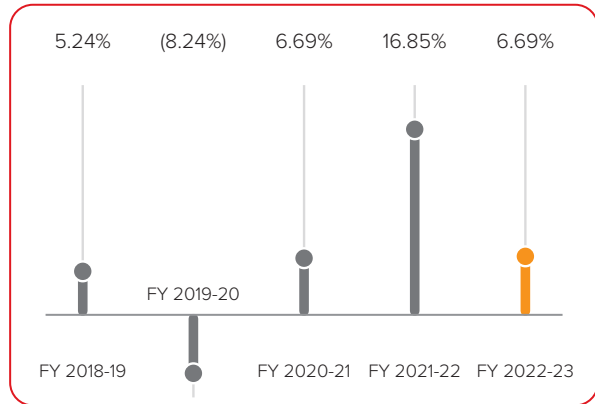
EBITDA (in ₹ Lakhs)



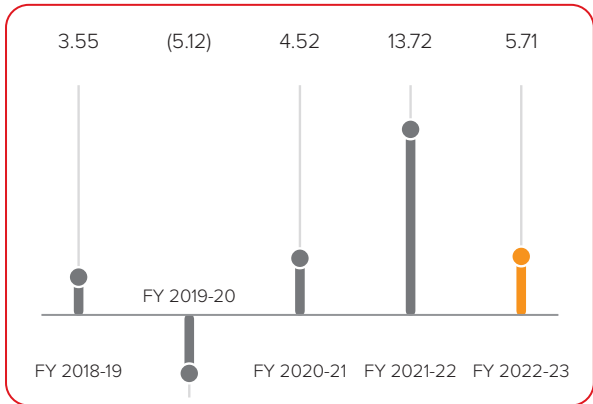
PAT (in ₹ Lakhs)



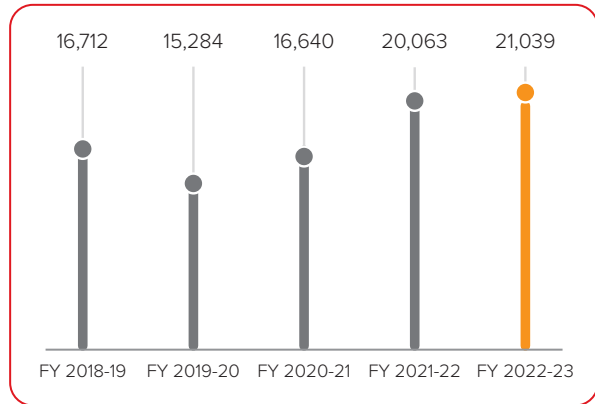
ROCE (in ₹ Lakhs)



EPS (Earnings per Share in ₹)



Capital Employed (in ₹ Lakhs)



MEET THE MANAGEMENT TEAM



Nirav Sheth
CEO, Institutional Equities

Nirav Sheth, the CEO of Emkay's Institutional Equities vertical, brings with him over 25 years of experience in capital markets and financial services. With a strong research background, Nirav is dedicated to expanding our business footprint and enhancing corporate access. He skillfully leverages his expertise and capabilities to achieve these objectives.

Rahul Rege
Business Head, Retail

Rahul Rege, with his sharp business acumen and extensive experience in the Financial Services industry, leads our entire retail division. His profound understanding of the segment, combined with exceptional leadership and people management skills, drives the success of our retail business.



Rajesh Sharma
Chief Operating Officer

Rajesh Sharma, serving as the Chief Operating Officer at Emkay, possesses extensive experience in systems and operations. He leads strategic planning, implementation, and execution of systems, procedures, and internal controls, ensuring risk mitigation, process re-engineering, and automation for scalable operations.



Siddhesh Sardesai
Chief Technology Officer

Siddhesh Sardesai, our Chief Technology Officer, boasts over a decade of experience in Financial markets, capital markets, private wealth, and investment banking. He plays a pivotal role in driving major IT projects, from initiation to completion, utilising his expertise in SDLC, RAD, and Agile Models.



Shishir Dhulla
Chief Information Security Officer

With extensive experience in managing critical trading platforms and equity research platforms, Shishir Dhulla, our Chief Information Security Officer leverages his expertise to drive key information security projects that contribute to the growth of Emkay. As a CISO, Shishir has successfully developed and implemented comprehensive security strategies to protect critical assets and ensure compliance with industry regulations.





Saket Agrawal
Chief Financial Officer

With over two decades of experience, Saket Agrawal serves as the Chief Financial Officer at Emkay and brings in-depth knowledge and expertise in accounting, finance, taxation, and auditing, effectively managing the financial aspects of all Emkay Group entities. He leads the financial planning and analysis efforts, conducting thorough assessments of financial performance, forecasting future trends, and providing strategic recommendations to optimize revenue generation and cost management.

Yatin Singh
Head, Investment Banking

Our investment banking division is under the leadership of Yatin Singh, a highly accomplished professional in investment banking. With a wealth of experience in the financial industry and a strong track record of success, Yatin plays a pivotal role in driving strategic initiatives, overseeing complex financial transactions, and fostering relationships with clients and key stakeholders.



Sachin Shah
Fund Manager, Emkay Investment Managers Limited

With a wealth of experience in Portfolio Management spanning over two decades, Sachin Shah, a seasoned Fund Manager, brings extensive expertise in market strategy and thorough research abilities in sectors & companies. He has played a crucial role in establishing a well-documented investment process and framework for Emkay PMS.

Sharanabasappa Jade
Head, Human Resources

Sharanabasappa Jade, with a strong background in banking and financial services, oversees the crucial function of Human Resources. His extensive knowledge and deep understanding significantly contribute to the effective management of HR processes at Emkay.



Bhalchandra M. Raul
Company Secretary

At Emkay, Bhalchandra M. Raul holds the position of Company Secretary, ensuring timely compliance with the Companies Act, listing requirements, and SEBI guidelines.

AWARDS & ACCOLADES

<p>Emkay Investment Managers Ltd. Awarded as the 'Most Innovative Company of the Year' at the National Feather Awards</p> <p>★ ★ ★</p>	<p>Received the 'Best Research in the Commodity Segment Award' by MCX</p> <p>★ ★ ★</p>	<p>Emkay's IT team was awarded as the 'Best Technology Team for Wealth Management' at the 2nd Annual NBFC and Fintech Excellence Awards 2023</p> <p>★ ★ ★</p>
<p>Emkay Emerging Stars Fund, our Category III AIF was awarded with the 'Best Post-Covid-19 Pandemic AIF Performance' across all categories (basis six months Absolute Returns) by PMS AIF WORLD 2021</p> <p>★ ★ ★</p>	<p>Emkay Global and Emkay Investment Managers received Certificate of Appreciation Issued by the Central Board of Indirect Taxes & Customs, Ministry of Finance, Govt. of India for timely return filing and sizeable payment of GST in cash</p> <p>★ ★ ★</p>	<p>Emkay Wealth Management recognized as 'One of the Top 10 Wealth Management Advisors 2020' by CEO Insights Magazine</p> <p>★ ★ ★</p>

Asiamoney's 2021 Brokers Poll showcases the names of brokerages, strategies, and analysts that made an impact during a difficult year

<p>BEST TEAM MEDIA</p>  <p>RANK <u>2</u></p>	<p>BEST TEAM ENERGY</p>  <p>RANK <u>2</u></p>	<p>BEST ANALYST ENERGY</p>  <p>RANK <u>1</u></p>	<p>BEST ANALYST MEDIA</p>  <p>RANK <u>2</u></p>
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CORPORATE INFORMATION

Board of Directors

S. K. Saboo

Chairman

R. K. Krishnamurthi

Independent Director

G. C. Vasudeo

Independent Director

Dr. Satish Ugrankar

Independent Director

Dr. Bharat Kumar Singh

Independent Director

Priti Kacholia

Woman Director (upto 8th August, 2022)

Hutokshi Wadia

Independent Woman Director

(Appointed w.e.f. 25th May, 2022)

Krishna Kumar Karwa

Managing Director

Prakash Kacholia

Managing Director

Chief Financial Officer

Saket Agrawal

Company Secretary & Compliance Officer

B. M. Raul

Corporate Identification Number (CIN)

L67120MH1995PLC084899

Website: www.emkayglobal.com

Statutory Auditors

S. R. Batliboi & Co. LLP,
Chartered Accountants

Secretarial Auditors

Parikh & Associates,
Practicing Company Secretaries

Internal Auditors

Lovi Mehrotra & Associates,
Chartered Accountants

Bankers

AXIS Bank Limited
IndusInd Bank Limited
IDFC First Bank Limited
Kotak Mahindra Bank
HDFC Bank Limited
State Bank of India
ICICI Bank Limited
RBL Bank Limited
Indian Overseas Bank
NSDL Payments Bank

Registered & Corporate Office

The Ruby, 7th Floor, Senapati Bapat Marg,
Dadar (West),
Mumbai - 400 028, Maharashtra
Tel No: 022-66121212

Administrative Office

C-06, Ground Floor, Paragon Center,
Pandurang Budhkar Marg, Worli,
Mumbai - 400013, Maharashtra
Tel No: 022 - 6629 9299

Registrar & Transfer Agent

Link Intime India Private Limited
C 101, 247 Park, L B S Marg, Vikhroli (West),
Mumbai - 400 083, Maharashtra

REPORT OF THE BOARD OF DIRECTORS

Dear Members,

Your Directors presents the Twenty Ninth Annual Report of your Company and the Audited Financial Statements for the year ended 31st March, 2023.

1. FINANCIAL RESULTS

An overview of the financial performance of your Company along with its Subsidiaries for the year 2022-23 is as under:

(₹ in Lacs)

Particulars	Standalone for the year ended		Consolidated for the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Total Income	19,853.31	18,107.64	21,547.60	27,376.70
EBITDA	2,138.93	2,622.95	2,600.61	5,684.93
Less : Depreciation and Amortization	883.55	734.11	918.04	757.78
Less : Finance Cost	442.91	286.70	428.02	315.69
Profit before exceptional item and tax	812.47	1,602.14	1,254.55	4,611.46
Exceptional item	(115.00)	252.50	-	-
Profit before tax	697.47	1,854.64	1,254.55	4,611.46
Less : Tax expenses	(365.99)	523.02	(145.94)	1,122.04
Profit after tax	1,063.46	1,331.62	1,400.49	3,489.42
(Less)/Add : Share of (loss)/profit of associate	-	-	12.76	(105.68)
Add : Profit/(loss) from discontinued operations	-	-	(5.64)	(3.37)
Profit attributable to shareholders of the Company	1,063.46	1,331.62	1,407.61	3,380.37
Opening balance in statement of profit and loss	2,415.31	1,329.88	6,603.39	3,633.43
Other adjustments	-	-	(833.11)	-
Amount available for appropriation	3,478.77	2,661.50	7,177.89	7,013.80
Appropriations				
Dividend paid on equity shares	308.00	246.19	308.00	246.19
Transfer to special reserve u/s 45-IC of RBI Act	-	-	71.42	164.22
Closing balance in statement of profit and loss	3,170.77	2,415.31	6,798.48	6,603.39

2. DIVIDEND

The Board of Directors is pleased to recommend a final dividend at the rate of ₹ 1/- (10 %) per equity share of the face value of ₹ 10 each for the year ended 31st March 2023 (Previous year ₹ 1.25) per equity share. This would involve a payout of ₹ 246.40 Lacs (previous year ₹ 308 Lacs) based on the number of shares as on 31st March, 2023. The dividend would be paid to all the shareholders, whose names appear in the Register of Members/Beneficial Holders list on the Book Closure date. This Dividend is subject to approval of the Members at the forthcoming 29th

Annual General Meeting. As per the prevailing provisions of the Income Tax Act, 1961, the dividend, if declared, will be taxable in the hands of the shareholders at the applicable rates.

3. REVIEW OF OPERATIONS

The information on operations of the Company is given in the Management Discussion & Analysis Report forming part of the Annual Report.

Standalone

During the year under review, your Company recorded a total income of ₹ 19,853.31 Lacs as compared to ₹ 18,107.64 Lacs in the previous financial year, higher by 9.64%. The profit for the same period stands at ₹ 1,063.46 Lacs as compared to the profit of ₹ 1,331.62 Lacs in the previous financial year, lower by 20.14%. The profits are lower as upfront expenditure has been incurred in development of a vertical the benefit of which would accrue in the years to come.

Consolidated

During the year under review, your Company recorded a total income of ₹ 21,547.60 Lacs as compared to ₹ 27,376.70 Lacs in the previous financial year, lower by 21.29%. The profit for the same period stands at ₹ 1,407.61 Lacs as compared to the profit of ₹ 3380.37 Lacs in the previous financial year, lower by 58.36 % over previous year. There was a one-off income in a product in one of the subsidiaries.

4. SHARE CAPITAL

The issued, subscribed and paid-up capital of the Company stands at 2,46,40,230 equity shares of ₹ 10/- each fully paid-up.

5. RECEIPT OF IN-PRINCIPLE APPROVAL FROM SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) FOR SPONSORING MUTUAL FUND

The Company has received in-principle approval from Securities and Exchange Board of India, Investment Management Department on 31st March, 2023, for sponsoring Mutual Fund under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996. The Company is in the process of completing necessary formalities as stipulated in the in-principle approval for getting final approval from SEBI for launch of Mutual Fund in the capacity of Sponsor.

6. BUYBACK OF EQUITY SHARES OF EMKAY COMMOTRADE LIMITED AND EMKAY FINCAP LIMITED, WHOLLY OWNED SUBSIDIARIES OF THE COMPANY

During the Financial Year the company had bought back equity shares offered by following two wholly owned subsidiary companies as under :

a) Emkay Commotrade Limited - 21,24,150 fully paid-up equity shares of ₹ 10/- each (Rupees Ten only) (representing 24.99% of the issued and paid-up equity share capital of the Company) at a price of ₹ 25/- per equity share for an aggregate amount of ₹ 5,31,03,750.

b) Emkay Fincap Limited - 54,97,800 fully paid-up equity shares of ₹ 10/- each (Rupees Ten only) (representing 24.99% of the issued and paid-up equity share capital of the Company) at a price of ₹ 10/- per equity share for an aggregate amount of ₹ 5,49,78,000.

Post buyback both these subsidiary companies continues to be wholly owned subsidiaries of the Company as earlier.

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

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

8. ANNUAL RETURN

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

9. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2022-23, 4 meetings were held on 24th May, 2022, 8th August, 2022, 7th November, 2022 and 30th January, 2023.

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

Name of the Director	Category	Board Meetings during Financial Year 2022-23	
		Held	Attended
Mr. S. K. Saboo	NED	4	4
Mr. R. K. Krishnamurthi	NED (I)	4	4
Mr. G. C. Vasudeo	NED (I)	4	3
Mr. Krishna Kumar Karwa	ED	4	4
Mr. Prakash Kacholia	ED	4	4
Mrs. Priti Kacholia (ceased to be a Director on 8 th August, 2022)	NED	4	1
Dr. Satish Ugrankar	NED (I)	4	4
Dr. Bharat Kumar Singh	NED (I)	4	4
Mrs. Hutokshi Wadia (Appointed with effect from 25 th May, 2022)	NED (I)	4	3

Category: NED-Non-Executive Director, NED(I)-Non-Executive Director & Independent, ED-Executive Director

10. DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The directors have prepared the annual accounts on a going concern basis.
- e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. AUDIT COMMITTEE

The Committee comprises of Mr. G. C. Vasudeo as the Chairman and Mr. R. K. Krishnamurthi, Dr. Satish Ugrankar, Dr. Bharat Kumar Singh and Mr. Prakash Kacholia as the members of the Committee. More details pertaining to the Audit Committee are included in the Corporate Governance Report, which forms part of this report.

All the recommendations made by the Audit Committee during the year were accepted by the Board of Directors of the Company.

12. NOMINATION, REMUNERATION AND COMPENSATION COMMITTEE

The Nomination, Remuneration and Compensation Committee constituted by the Board in compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 comprises of Mr. G. C. Vasudeo, an Independent

Director as the Chairman and Mr. R. K. Krishnamurthi, Dr. Satish Ugrankar and Mr. S. K. Saboo as the members of the Committee.

The Committee consists of only Non-Executive Directors as its members. All the members of the Committee are Independent Directors except Mr. S. K. Saboo who is a Non-Executive Non- Independent Director.

The Remuneration Policy of the Company is available on the Company's website i.e. www.emkayglobal.com/Investor-relations. The details of composition, terms of reference of the Nomination, Remuneration and Compensation Committee, numbers and dates of meeting held, attendance of the Directors and remuneration paid to them are given separately in the attached Corporate Governance Report forming part of the Board's Report.

13. PERFORMANCE EVALUATION

In terms of provisions of the Companies Act, 2013 read with Rules issued there under and Regulation 25 of SEBI (LODR) Regulations, 2015 and further Guidance note issued by SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated 05th January, 2017 on Board Evaluation", evaluation process was carried out internally for the performance of the Board, its Committees and Individual Directors.

The Independent Directors at their meeting held on 23rd March, 2023 have reviewed the performance evaluation of Non-Independent Directors and the Board as a whole including the Chairman.

The Nomination, Remuneration and Compensation Committee carried out evaluation of performance of each Director in their meeting held on 15th May, 2023. The Board of Directors carried out performance evaluation of the Board, each Director and the Committees for the financial year ended 31st March, 2023 in their meeting held on 15th May, 2023 based on various aspects which, inter alia, included the level of participation in the Board Meetings, understanding of their roles and responsibilities, business of the Company along with the effectiveness of their contribution.

14. AUDITORS AND THEIR REPORT

Pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 ("the Act") read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), S. R. Batliboi & Co. LLP, Chartered Accountants bearing Firm

Registration Number 301003E/E300005 with the Institute of Chartered Accountants of India (ICAI) were re-appointed as the Statutory Auditors of the Company on expiry of their first term at the 28th Annual General Meeting (AGM) held on 8th August, 2022 for a second term of five years commencing from the conclusion of the 28th AGM till the conclusion of the 33rd AGM of the Company.

M/s. S. R. Batliboi & Co. LLP have confirmed their eligibility and qualification required under section 139 and 141 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force as statutory auditors.

In terms of the Listing Regulations, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI.

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

Reporting of Fraud

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

Change In Accounting Policy

The Company had adopted Indian Accounting Standards (IND - AS) with effect from April 1, 2019 with effective date of such transition as April 1, 2018. There is no change in the Accounting Policy thereafter.

15. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Parikh & Associates, Company Secretaries, Mumbai to carry out Secretarial Audit of the Company for the financial year 2022-2023. The Secretarial Audit Report received from them is appended as “**Annexure A**” and forms part of this report.

The Secretarial Audit Report for the Financial year 2022-23 does not contain any qualification, reservation and adverse remarks.

16. INTERNAL AUDIT

As per the requirement of Section 138 of the Companies Act, 2013 and rules made there under, M/s. Lovi Mehrotra

& Associates, Chartered Accountants, Mumbai were appointed as Internal Auditors of the Company for the financial year 2022-2023.

The internal control systems are supplemented by extensive internal audits, regular reviews by management and standard policies and guidelines to ensure reliability of financial and all other records to prepare financial statements and other data. The Management Information System (MIS) forms an integral part of the Company's control mechanism. The Company has regular checks and procedures through internal audit periodically. The reports are deliberated and executive summary of the same along with action taken report (ATR) for steps taken by the Management to address the issues are placed before the Audit Committee meeting/ Board meeting for their review. Reports of internal auditors are reviewed by the Audit Committee, and corrective measures, if any, are carried out towards further improvement in systems and procedures in compliance with Internal Control System. The Board also recognizes the work of the auditors as an independent check on the information received from the management on the operations and performance of the Company.

17. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD MEETINGS AND GENERAL MEETINGS

The Company has complied with all the applicable mandatory secretarial Standards issued by the Institute of Company Secretaries of India.

18. MANAGEMENT DISCUSSION AND ANALYSIS

A detailed review of the operations, performance and future outlook of the Company and its businesses is given in the Management Discussion and Analysis, which forms part of the Annual Report.

19. PUBLIC DEPOSITS

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

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

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

The details of the related party transactions, as per requirement of Accounting Standards -18 are disclosed in notes to the financial statements of the Company for the financial year 2022-23. All the directors have disclosed their interest in Form MBP-1 pursuant to Section 184 of the Companies Act, 2013 and as and when any changes in their interest take place, such changes are placed before the Board at its meetings. None of the transactions with any of the related parties was in conflict with the interest of the Company. The particulars of contracts or arrangements with related parties referred to in Section 188 (1), in prescribed Form AOC-2 under Companies (Accounts) Rules, 2014 are appended as “Annexure B”.

22. INFORMATION UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has constituted an Internal Complaint Committee under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year no complaint was filed before the said Committee.

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

The prescribed particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo required under Section 134 (3) (m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached as “Annexure C” and forms part of this Report of the Board of Directors.

24. LEVERAGING DIGITAL TECHNOLOGY

Innovative ideas and technology is introduced continuously to provide great user experience to our customers, business associates and employees.

In association with the IT Team, the Company with active support from management has been investing time and effort in information technology solutions to demonstrate technological leadership.

25. BUSINESS RISK MANAGEMENT

Pursuant to section 134(3) (n) of the Companies Act, 2013 and as per provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the Company has adhered to the principles of sound risk management and already has a Risk Management Policy in place. An ongoing exercise is being carried out to identify, evaluate, manage and for monitoring of both business and non-business risk. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework. The details of the same are set out in the Corporate Governance Report forming part of the Board of Directors’ Report.

26. CORPORATE SOCIAL RESPONSIBILITY

The Company has evolved a Corporate Social Responsibility Policy and is actively practicing the same. The objectives of CSR Policy are to contribute to social and economic development of the communities in which the Company operates, to improve the quality of life of the communities through long term value creation for stakeholders and to generate, through its CSR initiatives, a community goodwill for the Company and help reinforce a positive and socially responsible image of the Company as a corporate entity. During FY 2022-23, as per the computation made pursuant to the provisions of section 135(5) of the Companies Act, 2013, the average net profit of last three years was not falling in the criteria determined for statutorily spending any amount on CSR activities during the financial year 2022-23. Accordingly, the Company had not spent any amount on CSR activities during the financial year 2022-23.

The Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached in the revised format as “Annexure D” and forms an integral part of this report.

27. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has implemented a Vigil Mechanism Policy to deal with instances of fraud and mismanagement, if any. The policy also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in all cases. The details of the policy are posted on the website of the Company under the link <http://www.emkayglobal.com/Investor-relations>. There were no complaints received during the year 2022-23.

28. DIRECTORS & KEY MANAGERIAL PERSONNEL

Cessation

Mrs. Priti Kacholia (DIN-03481747) was retiring by rotation in the previous Annual General Meeting (AGM) held on 8th August, 2022 and was proposed to be reappointed in that AGM. However, at the Board Meeting held prior to the AGM, she submitted a letter showing her unwillingness to get re-appointed as Director of the Company. Accordingly, the vacancy caused by her unwillingness to get re-appointed was not filled up in the AGM.

Mrs. Priti Kacholia had been associated with the Company as woman Director since 30th March, 2015. The Board placed on record its sincere appreciation for the valuable contribution made by Mrs. Priti Kacholia during her tenure as Director of the Company.

Appointments

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment & Qualification of Directors) Rules, 2014 and Articles of Association of the Company, Mr. S. K. Saboo (DIN:00373201), a Non-Executive Non-Independent Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. Your Board recommends his re-appointment to the shareholders.

Dr. Bharat Kumar Singh (DIN 00274435) was appointed as an Independent Director of the Company pursuant to Section 149 of the Companies Act, 2013 for first term of 5 years at the Annual General Meeting held on 14th August, 2018 and will be holding office up to 13th August 2023. Dr. Bharat Kumar Singh (DOB 23rd July, 1946) had completed the age of 75 years on 23rd July, 2021 and pursuant to provision of Regulation 17(1A) of SEBI (LODR) Regulations, 2015 a special resolution was passed for his continuation as Independent Director on the Board at the AGM held on 28th August, 2020

Considering the knowledge, expertise and vast experience and the valuable contribution made by Dr. Bharat Kumar Singh, during his tenure as an independent Director of the Company, the Nomination, Remuneration and Compensation Committee and the Board approved his re-appointment as an Independent Director with effect from 14th August, 2023 for second term of five years and recommend to the members his re-appointment as an Independent Director on the Board of the Company to hold office for the second term of five consecutive years commencing from 14th August, 2023 up to 13th August,

2028 and not liable to retire by rotation by passing a Special resolution.

The Company has received declaration from Dr. Bharat Kumar Singh that he meets the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 read with the Schedule and Rules issued there under and Regulation 16 of SEBI (LODR) Regulations, 2015, (as amended). He has made online registration with the Indian institute of Corporate Affairs for inclusion of his name in the Independent Director Data bank. His Registration Number is IDDB-DI-202006-027831 and he is eligible for re-appointment as an Independent Director of the company.

Brief profile of Mr. S. K. Saboo (DIN:00373201), Director and Dr. Bharat Kumar Singh (DIN: 00274435), Independent Director of the Company as required under Regulation 36 (3) of the SEBI (LODR) Regulations, 2015 and justification for their re-appointment are given in the explanatory statement to Notice of the 29th Annual General Meeting.

Further, the Company has received declaration from all the Independent directors that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 read with the Schedule and Rules issued there under and Regulation 16 of SEBI (LODR) Regulations, 2015, as amended. The Independent Directors of the Company have confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA') in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014. They are exempt from the requirement to undertake the online proficiency self-assessment test conducted by IICA.

The profile of the Independent Directors forms part of the Corporate Governance Report.

The above appointment/re-appointment forms part of the Notice of the forthcoming 29th Annual General Meeting and the respective resolutions are recommended for your approval.

Details of amount received from Directors of the Company falling under Rule 2(viii) of the Companies (Acceptance of Deposits) Rules, 2014, are given under Related Party Disclosure note no. 42 in the Financial Statements.

Code of Conduct

All the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company

Key Managerial Personnel (KMP)

The following four persons were formally noted as Key Managerial Personnel of the Company in compliance with the provisions of Section 203 of the Companies Act, 2013.

- Mr. Krishna Kumar Karwa - Managing Director
- Mr. Prakash Kacholia - Managing Director
- Mr. Saket Agrawal - Chief Financial Officer
- Mr. B. M. Raul - Company Secretary

29. PARTICULARS OF REMUNERATION

In terms of provisions of section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, details of the ratio of remuneration of each Director to the median employee's remuneration are provided in "Annexure E" which forms part of the Board's Report.

30. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

Pursuant to the provisions of Section 134 (5) (f) of the Act, the Company has devised proper systems to ensure compliance with the provisions of all applicable laws. Each department of the organization ensured that it had complied with the applicable laws and furnished its report to the Head of department who then along with the Company Secretary discussed on the compliance status of the department. Any matter that required attention was immediately dealt with. The Company Secretary reported to the Audit Committee and the Board on the overall compliance status of the Company. In effect, such compliance system was largely found to be adequate and operating effectively. The

directors in the Directors' Responsibility Statement under paragraph 10(f) hereinabove have also confirmed the same to this effect.

31. MAINTENANCE OF COST RECORDS & COST AUDIT

The Company is engaged in carrying stock broking and related activities and hence provisions related to maintenance of cost records and requirement of cost audit as prescribed under section 148 (1) of the Act are not applicable.

32. SUBSIDIARY COMPANIES

The Company has six subsidiaries as on 31st March, 2023. Besides, there is one associate company within the meaning of Section 2(6) of the Act.

Pursuant to the provisions of Section 129 (3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company.

The Consolidated Financial Statements of the Company form part of this Annual Report.

The Company will make available the annual accounts of the Subsidiary Companies and the related information to any member of the Company who may be interested in obtaining the same. The Annual Report of the Company and all its subsidiary Companies will also be available on the website of the Company i.e. www.emkayglobal.com.

33. EMPLOYEE STOCK OPTION SCHEMES

With a view to remain a preferred employer, the Company had granted Stock Options under two Schemes viz. Employee Stock Option Plan -2007 (ESOP 2007) and Employee Stock Option Plan-2018 (ESOP-2018) to the employees of the Company and the employees of the Subsidiary Companies.

Other disclosures in compliance with the provisions of the SEBI (Shared Based Employee Benefits and Sweat Equity) Regulations, 2021 are available on the website of the Company <https://www.emkayglobal.com/key-announcement>.

(a) ESOP 2007

The Nomination, Remuneration and Compensation Committee of the Company had granted stock options under ESOP-2007 scheme to the eligible employees (each

option carrying entitlement for one share of the face value of ₹10/- each. The summary of the same as on 31st March 2023 is as under:

Summary of ESOP 2007 as on 31st March 2023

Total no. of stock options approved under the Scheme		24,26,575
No. of Options	Date of Grant	Exercise Price Per Option
14,42,000	17.01.2008	₹ 63/-
2,44,000	19.06.2009	₹ 63/-
2,07,500	24.07.2009	₹ 61/-
1,00,000	04.05.2010	₹ 93/-
6,11,500	27.07.2010	₹ 77/-
2,00,000	21.01.2012	₹ 37/-
13,95,000	28.05.2018	*₹ 145.45/- (Re-priced at ₹ 75.60)
4,81,000	08.07.2019	₹ 74.65/-
7,02,120	14.11.2019	₹ 75.60
61,738	14.11.2019	₹ 74.65
1,66,740	24.01.2020	₹ 70.70
2,46,000	04.02.2021	₹ 74.90
61,738	09.09.2021	₹ 74.90
70,000	25.01.2022	₹ 104.25
1,41,125	08.08.2022	₹ 72.95
1,50,000	07.11.2022	₹ 78.95
Exercise Period		2-3 years
Re-Issued Options		38,53,886
Total no. of stock options granted under the scheme		62,80,461
Stock Options lapsed		48,32,107
Stock Options vested but not exercised		2,25,029
Stock Options exercised		2,62,730
Outstanding Stock Options		11,85,624

During the Financial Year 2022-23, 1,81,129 options were vested, however no options were exercised under the ESOP- 2007 scheme.

(b) EMPLOYEE STOCK OPTION PLAN - 2010 THROUGH TRUST ROUTE

The Nomination, Remuneration and Compensation Committee of the Company had granted total no. of

6,47,000 options under ESOP-2010 scheme through trust route to the eligible employees (each option carrying entitlement for one share of the face value of ₹ 10/- each till date). Summary of the same as on 31.03.2023 is as under.

Summary of ESOP 2010 (through trust route) as on 31st March 2023

Total no. of stock options approved under the Scheme		24,41,995
No. of options	Date of Grant	Exercise Price Per Option
5,55,000	21.10.2010	₹ 93/-
27,000	02.05.2011	₹ 63/-
15,000	22.10.2011	₹ 48/-
50,000	21.01.2012	₹ 37/-
Exercise Period		3 years
Total no. of stock options granted under the scheme		6,47,000
Stock Options lapsed		6,06,500
Stock Options vested but not exercised		0
Stock Options exercised		40,500
Outstanding Stock Options		0

c) ESOP 2018

The Nomination, Remuneration and Compensation Committee of the Company had granted options under ESOP-2018 scheme to the eligible new employees (each

option carrying entitlement for one shares of the face value of ₹ 10/- each) as per criteria determined by the committee

The summary of the same as on 31.03.2023 is as under:

Summary of ESOP 2018 as on 31st March 2023

Total no. of stock options granted under the Scheme		24,53,403
No. of Options	Date of Grant	Exercise Price Per Option
4,17,760	14/08/2018	₹ 133.25
3,32,167	30/10/2018	₹ 101.80
4,12,861	08/01/2019	₹ 108.20
9,23,380	01/03/2019	*₹ 108.20 (Re-priced at ₹ 75.60)
1,00,000	01/03/2019	₹ 72.55
2,70,600	28.05.2019	*₹ 93.20 (Re-priced at ₹ 75.60)
24,620	08.07.2019	₹ 74.65
61,738	14.11.2019	*₹ 93.20 (Re-priced at ₹ 75.60)
2,46,000	28.08.2020	₹ 59.60
30,000	07.12.2020	₹ 68.20
6,15,667	04.02.2021	₹ 59.60
1,00,000	20.05.2021	₹ 72.40
1,53,917	08.08.2022	₹ 72.95
Exercise Period		2 years
Re-Issued Options		12,35,307
Total no. of stock options granted under the scheme		36,88,710
Stock Options lapsed		18,40,845
Stock Options vested but not exercised		4,30,213
Stock Options exercised		0
Outstanding Stock Options		18,47,865

During the Financial Year 2022-23, 1,20,704 options were vested, however no options were exercised under the ESOP- 2018 scheme.

The disclosures required to be made in the Board' Report in respect of the aforesaid ESOP Schemes, in terms of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are contained in "Annexure F" forming part of the Directors' Report and are also uploaded on the website of the Company i.e. <https://www.emkayglobal.com/key-announcement>.

34. TRANSFER OF UNCLAIMED DIVIDEND AMOUNTS AND SUCH SHARES TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, the Company has transferred on due dates, the unpaid or unclaimed dividends up to the financial year 2015-2016 to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded on its website the details of unpaid and unclaimed amounts lying with the Company.

Further, in terms of the provisions of section 124(6) of the Companies Act, 2013 read with The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 notified by the Ministry of Corporate Affairs, New Delhi w.e.f. 7th September, 2016, and further notifications issued by Ministry of Corporate Affairs, amending the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 which has come into force w.e.f. 28th February 2017, 3,105 shares in respect of which dividend had not been paid or claimed for seven consecutive years or more as provided under subsection (6) of Section 124 have been transferred to the Special Demat Account of IEPF Authority as on 31st March, 2023.

As on the date of the Report total 10,089 no. of Shares have been transferred to IEPF Authority.

The details of the unclaimed/unpaid dividends are available on the Company's website at www.emkayglobal.com and also on website of Ministry of Corporate affairs at www.mca.gov.in.

35. PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Companies Act, 2013 (Act) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Annual Report.

Having regard to the provisions of Section 136 of the Act, the Annual Report excluding the aforesaid information is being sent to members of your Company. The said information is available for inspection at the registered office of your Company during working hours and any

member desirous of obtaining such information may write to the Secretarial Department of your Company and the same will be furnished on request.

36. CORPORATE GOVERNANCE REPORT

The Company adheres to the principles of Corporate Governance mandated by the Securities and Exchange Board of India and has implemented all the prescribed stipulations thereof. As stipulated in Regulation 27 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, a detailed report on Corporate Governance and the requisite Auditor's Certificate confirming compliance with the conditions of Corporate Governance, is appended as "Annexure G" and forms part of this Report.

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

During the year, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

38. LISTING WITH STOCK EXCHANGES

The Equity shares of the Company are listed on National Stock Exchange of India Ltd. and BSE Ltd.

39. ACKNOWLEDGEMENT

Your Directors would like to take this opportunity to express sincere gratitude to the customers, bankers and other business associates for the continued co-operation and patronage. Your Directors gratefully acknowledge the ongoing co-operation and support provided by the Government, Regulatory Bodies and the Stock Exchanges. Your Directors places on record their deep appreciation for the exemplary contribution made by the employees at all levels. The Directors also wish to express their gratitude to the valued shareholders for their unwavering trust and support.

For and on behalf of the Board of Directors

S. K. Saboo

Chairman

DIN : 00373201

Place: Mumbai

Date: 15th May, 2023

ANNEXURE "A"

Forming part of the Board of Directors' Report

FORM No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,

Emkay Global Financial Services Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company, to the extent the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the Covid-19 pandemic, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2023 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (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 and amendments from time to time; (Not applicable to the Company during the audit period)
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client; (Not applicable to the Company during the audit period)
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (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)
- (vi) Other laws specifically applicable to the Company namely
1. Bombay Stock Exchange Rules, Bye-law & Regulation
 2. National Stock Exchange Rules, Bye-law & Regulation
 3. Depository Act, 1996
 4. Securities Transaction Tax Rules, 2004

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that:

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

with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

For Parikh & Associates
Company Secretaries

Place: Mumbai
Date: May 15, 2023

Signature:
Mitesh Dhabliwala
Partner
FCS No: 8331 CP No: 9511
UDIN: F008331E000308191
PR No.: 1129/2021

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

‘ANNEXURE A’

To,
The Members,
Emkay Global Financial Services Limited

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. 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 procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates
Company Secretaries

Signature:

Mitesh Dhabliwala

Partner

FCS No: 8331 CP No: 9511

UDIN: F008331E000308191

PR No.: 1129/2021

Place: Mumbai
Date: May 15, 2023

ANNEXURE “B ”**Forming part of the Board of Directors’ Report****Form No. AOC-2**

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

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

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

Particulars					
a	Name(s) of the related party and nature of relationship	Emkay Commotrade Limited - Wholly Owned Subsidiary	Emkay Fincap Limited - Wholly Owned Subsidiary	Emkay Investment Managers Limited - Wholly Owned Subsidiary	Emkay Wealth Advisory Limited Wholly Owned Subsidiary
b	Nature of contracts / arrangements /transactions	Recovery of Rent, Electricity, Water Charges, Telephone Expenses, Building Maintenance etc. for the use of office premises of the holding company.			
c	Duration of the contracts / arrangements /transactions	From 1st April, 2022 to 31st March, 2023.			
d	Salient terms of the contracts or arrangements or transactions including the value, if any	Reimbursement of certain common expenses such as Rent, Electricity, Water Charges, Telephone Expenses, Building Maintenance etc. by the subsidiary companies on the basis of cost incurred by the holding company and dividing the same by the total number of employees sitting in the premises to arrive at cost per employee and recovering this from the subsidiary companies on the basis of number of employees of the subsidiary companies.			
e	Justification for entering into such contracts or arrangements or transactions	The wholly owned subsidiary companies are not having their own office premises.			
f	Date(s) of approval by the Board	25.01.2022	25.01.2022	25.01.2022	25.01.2022
g	Amount paid as advances, if any	N.A	N.A	N.A	N.A
h	Date on which the special resolution was passed in general meeting as required under first proviso to section 188 ##	N.A	N.A	N.A	N.A

Note:

1. As per 5th proviso to section 188(1) of the Companies Act, 2013 passing of shareholders resolution under 1st proviso is not applicable for transactions between holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the Annual General Meeting for approval.

2. Necessary omnibus approval of the Audit Committee has been obtained prior to entering into all the related party transactions.

Your Company enters into various transactions with related parties as per the provisions of the Companies Act, 2013 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The Audit Committee and the Board of Directors of the Company have formulated the Policy on dealing with RPTs and a Policy on materiality of RPTs which is uploaded on the website of the Company and can be accessed through the following link: www.emkayglobal.com/investor-relations.

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

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

During the financial year ended 31st March, 2023, there are no transactions with related parties which qualify as a material transaction in terms of the applicable provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

On behalf of the Board of Directors

S.K.Saboo

Chairman

DIN: 00373201

Place: Mumbai

Date: 15th May 2023

ANNEXURE “C”**Forming part of The Board of Directors’ Report****ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

- a) **Energy Conservation:** Since the Company is engaged in financial services, it does not consume substantial energy. However, as a responsible organization, the Company has adopted various environment friendly measures in order to conserve energy. The same are as follows:
1. Installation of capacitors to save power.
 2. Installation of power saving TFT monitors.
 3. Enabled automatic power off modes on idle monitors.
 4. Minimal air-conditioning usage.
 5. Fixed time schedules (timers enabled) for operating air-conditioners
 6. Shutting off electronic devices when not in use.
 7. Decommissioning old servers, network equipment and replacing them with newer ones.
 8. Installation and replacement (wherever possible) of power saving electrical equipments like LED over CFL.
 9. Preventive maintenance of all electrical equipment for better efficiency and power consumption.
 10. Educating employees on ways to conserve electricity and other natural resources and a strict adherence to the same is ensured.
- b) **Technology Absorption:** It is the policy of your Company to keep abreast of all the technological advancements in its field of operation and particularly so in the field of Information Technology. The Management places immense importance on careful analysis and absorption of the latest technology as well as on the development of technologies that abet the achievement of business goals and improve its performance in the long run.
- c) **Details of Foreign Exchange Earnings and Outgo:**
- i) The foreign exchange inflows were ₹ 96.77 Lacs
 - ii) The foreign exchange outflows were ₹ 1475.75 Lacs

On behalf of the Board of Directors

S.K.Saboo

Chairman

DIN : 00373201

Place: Mumbai

Date: 15th May, 2023

ANNEXURE “D”

Forming part of the Board of Directors’ Report

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2022-23

[Annexure -II]

1. Brief outline on CSR Policy of the Company -

Corporate Social Responsibility (CSR) forms an important part of the Company’s philosophy of giving back to the society. The objective of the CSR Policy of the Company is to contribute to social and economic development of the communities in which the Company operates and to generate through its CSR initiatives, a community goodwill for the Company and help reinforce a positive and socially responsible image of the Company as a corporate entity.

The CSR policy of the Company is available at the weblink of the Company at [https://www.emkayglobal.com/Investor-relations/Policy and disclosures.](https://www.emkayglobal.com/Investor-relations/Policy%20and%20disclosures)

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. G. C. Vasudeo	Chairman Independent Director	1	1
2	Mr. Krishna Kumar Karwa	Member	1	1
3	Mr. Prakash Kacholia	Member	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

<https://www.emkayglobal.com/investor-relations/policy-and-disclosures>

4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. Not Applicable

5.	(a)	Average net profit /(Loss) of the company as per sub-section (5) of section 135	₹ (1,08,47,889)
	(b)	Two percent of average net profit /(Loss) of the company as per sub-section 5 of section 135	₹ (2,16,958)
	(c)	Surplus arising out of the CSR projects or programmes or activities of the Previous financial years	NIL
	(d)	Amount required to be set off for the financial year, if any	NIL
	(e)	Total CSR obligation for the financial year [(b)+(c)-(d)]	₹ (2,16,958)
6.	(a)	Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects)	NIL
	(b)	Amount spent in Administrative Overheads	NIL
	(c)	Amount spent on Impact Assessment, if applicable	NIL
	(d)	Total amount spent for the Financial Year [(a) + (b)+ c]	NIL

(e) CSR amount spent or unspent for the financial year 2022-23 :

Amount Unspent (in ₹)					
Total Amount Spent for the Financial Year (in ₹)	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
NIL					

(f) Excess amount for set-off, if any :

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per section 135(5)	(2,16,958)
(ii)	Total amount spent for the Financial Year 2022-23	Nil
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: NIL

1	2	3	4	5	6			7	8
Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (In ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to fund as specified under Schedule VII as per second proviso to sub-section(5) of section 135, if any.			Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency, if any
					Name of the Fund	Amount (in ₹)	Date of transfer		
NIL									

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/ acquired

Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
NIL							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

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

Krishna Kumar Karwa
Managing Director
DIN: 00181055

Prakash Kacholia
Managing Director
DIN: 00002626

G.C.Vasudeo
Chairman - CSR Committee
DIN: 00021772

Place: Mumbai
Date: 15th May, 2023

ANNEXURE “ E”**Forming part of the Board of Directors’ Report****A) RATIO/MEDIAN**

Disclosure pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Sr. No.	Disclosure Requirement	Disclosure Details		
1.	Ratio of the remuneration of director to the median remuneration of the employees for the financial year	Name	Title	Ratio
		Krishna Kumar Karwa	Managing Director	16.01
		Prakash Kacholia	Managing Director	16.01
		S. K. Saboo	Chairman	0.06
		R. K. Krishnamurthi	Independent Director	0.10
		G. C. Vasudeo	Independent Director	0.08
		Dr. Satish Ugrankar	Independent Director	0.10
		Hutokshi Rohinton Wadia*	Independent Woman Director	0.02
2.	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Name	Title	% increase in remuneration from FY 21-22 to FY 22-23
		Krishna Kumar Karwa	Managing Director	20%
		Prakash Kacholia	Managing Director	20%
		Bhalchandra Raul	Company Secretary	10%
		Saket Agrawal	Chief Financial Officer	16.98%
3.	Percentage increase in the median remuneration of employees in the financial year	0.71%		
4.	Number of permanent employees including directors on the rolls of Company at the end of the year	396		
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	For employees other than Key Managerial Personnel who were in employment in FY21-22 as well as in FY 22-23, the average increase in their remuneration was 14.65% whereas average increase in remuneration of Key Managerial Personnel was 16.75% for the same period.		
6.	Affirmation that the remuneration is as per the remuneration policy of the Company	The Company’s Directors/Key Managerial Personnel and Employees are paid remuneration as per the Remuneration Policy		

Note *1. Appointed as an Independent Woman Director with effect from 25th May 2022.

**2. Ceased to be a Director since the vacancy caused by her unwillingness to get re-appointed was not filled-up at the AGM held on 8th August, 2022.

On behalf of the Board of Directors**S.K.Saboo****Chairman****DIN: 00373201**

Place: Mumbai

Date: 15th May, 2023

ANNEXURE “F”

Forming part of the Board of Directors’ report

Disclosures with respect to Employees Stock Option Scheme of the Company

Disclosures in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and sweat Equity) Regulations, 2021, as amended, are set below.

Sr. No.	Particulars	ESOP Scheme-2007	ESOP Scheme-2010 (Through Trust Route)	ESOP Scheme 2018
1	Total Number of Options under the plan	24,26,575	24,41,995	24,53,403
2	Options Granted during the year	2,91,125	---	1,53,917
3	Exercise Price & the Pricing formula	Exercise price considered is the closing market price as on the day preceding the date of the grant on that stock exchange which has had the maximum trading volume of the company’s shares.	Exercise price considered is the closing market price as on the day preceding the date of the grant on that stock exchange which has had the maximum trading volume of the company’s shares.	Exercise price considered is the closing market price as on the day preceding the date of the grant on that stock exchange which has had the maximum trading volume of the company’s shares.
4	Options vested (during the year)	1,81,129	0	1,20,704
5	Options exercised (during the year)	0	0	0
6	The total number of shares arising as a result of exercise of options during the year.	0	0	0
7	Options lapsed (during the year)	8,56,659	0	6,46,297
8	Money realized by exercise of options (during the year)	0	0	0
9	Total number of options in force at the end of the year.	11,85,624	0	18,47,865
10	Employee wise details of options granted to	-	-	
	i. Key Managerial Personnel	(During FY 2018-19)		
	(a) Mr. Saket Agrawal, Chief Financial officer	25,000	Nil	Nil
	(b) Mr. B. M. Raul, Company Secretary	10,000		
	ii. Employees holding 5% or more of the total number of options granted during the year.	Nil	Nil	Nil

Sr. No.	Particulars	ESOP Scheme-2007	ESOP Scheme-2010 (Through Trust Route)	ESOP Scheme 2018
	iii. Employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	NIL	NIL	1. Mr. Nirav Sheth, CEO Institutional Equities (8,61,667 Employee Stock Options)
11	Diluted Earnings per share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with ("Indian Accounting Standards (Ind AS) 33" Earnings per share)	4.29 Standalone 5.68 Consolidated	-	4.29 Standalone 5.68 Consolidated
12	Weighted-average exercise prices and weighted – average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	₹ 76.56 (weighted average exercise price) ₹ 39.85 (weighted average fair value)	-	₹ 68.98 (weighted average exercise price) ₹ 35.58 (weighted average fair value)
13	A description of the method and significant assumptions used during the year to estimate the fair values of options including the following weighted average information: 1. Risk free interest rate 2. Expected life 3. Expected volatility 4. Expected dividend yield 5. The price of the underlying shares in market at the time of option grant	<ul style="list-style-type: none"> • Stock Price-Closing price on recognized stock where Company's shares are listed on date immediately prior to date of Grant • Volatility • Risk free rate of return • Exercise price • Time of Maturity • Expected dividend yield 	-	<ul style="list-style-type: none"> • Stock Price-Closing price on recognized stock where Company's shares are listed on date immediately prior to date of Grant • Volatility • Risk free rate of return • Exercise price • Time of Maturity • Expected dividend yield

On behalf of the Board of Directors

S.K.Saboo
Chairman
DIN: 00373201

Place: Mumbai
Date: 15th May, 2023

MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL ECONOMIC OVERVIEW

2023 is likely to be a year of slowing growth across the world, as the impact of various shocks from last year continues to play out. Just as the world was emerging from over two years of Covid-19 pandemic-led disruptions, the beginning of 2022 saw another shock in the form of the Russia-Ukraine war, which caused inflation to spike across the world. Global central banks had a fight on their hands, and we saw some of the fastest rate tightening actions in the last 50 years. This has helped tame inflation somewhat going into 2023, with the International Monetary Fund's (IMF) World Economic Outlook (WEO) for April 2023 projecting global inflation at 7.0% in 2023, down from 8.7% in 2022, and further declining to 4.9% in 2024.

The April WEO also reported that the global economy grew at a rate of 3.4% in 2022, with an anticipated growth rate of 2.8% in 2023 and 3.0% in 2024. Nonetheless, the global economy has demonstrated recovery and resilience to exhibit a better growth trend driven by strong labor markets, considerable household consumption, and business investment. Furthermore, core inflation, which excludes the more volatile energy and food prices, is anticipated to remain under control given the current conditions. However, taking recent spillovers into consideration, a cautious stance will be maintained by policymakers during this time.

(Source:IMF)

INDIAN ECONOMIC OVERVIEW

The Indian economy has demonstrated remarkable growth and has established itself as one of the fastest-growing economies globally in FY 2022-23. This growth trajectory began after the onset of the Covid-19 pandemic, and it has been sustained through remarkable progress in private sector consumption and infrastructure development. Despite global challenges and tighter domestic monetary policies, India's growth momentum has remained resilient, underscoring the inherent robustness of the country's economy in rebounding and stimulating growth drivers.

India has been grappling with inflationary pressures since the beginning of 2022. In response, the Reserve Bank of India hiked the repo rate by 250bps across the year, with the rate currently at 6.50%. This calibrated approach has resulted in a gradual easing of inflationary pressures, as evidenced by moderating inflation rates. The central bank has forecasted a CPI of 5.4% for second quarter of FY 2023-24, indicating a gradual reduction in the inflationary grip on the economy.

India's robust economic fundamentals are shaping its long-term economic outlook positively. The Government's focus on growth-enhancing policies, such as the Production-Linked Incentive Scheme, self-reliance, and increased infrastructure spending, is resulting in a stronger multiplier effect on jobs, income, productivity, and efficiency. Additionally, the Government's emphasis on manufacturing and service exports, fueled by stronger digitization and technological transformation worldwide, is poised to aid the country's economic growth. According to The National Statistical Office, the Indian economy is projected to register 7.2% growth in FY 2022-23.

Over the past two decades, the Government has focused on capital expenditure, aiming not only to bridge infrastructure gaps but also to attract private investment by divesting Public Sector Enterprises and utilizing idle public sector assets. The 37.4% increase in the Capex budget to ₹ 10 Lakh crore in the Union Budget 2023-24, along with higher direct tax and GST collections, enabled the Government to utilize the Capex budget without hampering the fiscal deficit targets. The gross GST revenue collection for FY 2022-23 marked a 22% rise, amounting to ₹ 18.10 Lakh crore. Also, the direct tax collection marked an increase of 17.63%, amounting to ₹ 16.61 Lakh crore for FY 2022-23. With increased Government spending announced in the Union Budget FY 2023-24 and a rise in private consumption and investment, economic activity is poised to further boost demand, thereby propelling India's economic growth.

(Source:<https://pib.gov.in/PressReleasePage.aspx?PRID=1894932>, RBI Estimates, NSO Estimates)

The Indian economy's growth outlook for FY 2023-24 has been revised downward to 6% by S&P Global Ratings, as per their recent forecast. Although this falls short of the National Statistical Office's earlier estimate of 7%, India's remarkable recovery from the recent hindrances continues to drive growth, supported by pent-up domestic demand and increased capital investment. The Government's emphasis on capital expenditure has played a significant role in counterbalancing the private sector's cautious investment stance, with high GST and direct tax collections further strengthening this trend.

However, as the global economy faces numerous challenges such as high inflation and contractionary monetary policies, it is essential to exercise caution in sustaining India's steady growth trajectory. India's trade and financial linkages with advanced economies have grown, resulting in increased short-term ramifications for India's growth cycle, given its high synchronization with developed nations. The potential for global spillovers cannot be overlooked, and the Indian economy must brace itself to face these challenges.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

(Source: MOSPI, NSO, <https://www.outlookindia.com/business/growth-premium-news-244264>, <https://www.deccanherald.com/business/business-news/indias-gdp-to-grow-at-6-in-2023-24-sp-1204173.html>)

INDIAN EQUITY MARKET OVERVIEW

The Indian equity market has been a center of attraction for the investor community for many years. The steady growth trajectory of the country's economy, backed by the Government's push for re-energizing the country's infrastructure development and vision to be a USD 5 trillion economy has significantly improved investment sentiment. Also, India's current progress as a manufacturing-led country has given a boost to investment opportunities in the market. Apart from these, the self-reliance attitude of the Government and the whole country aligning with the vision have established the country as one of the prime investment destinations. The factor is further backed by the country's robust start-up ecosystem, which has been contributing significantly to the country's economy. A contribution to these factors is driving the growth of the investment market in the country, and the trend is likely to be followed for a longer period of time in the future.

Followed by a meteoric rise in the Covid-19 pandemic-affected time, the growth trajectory of the Indian equity market witnessed some hindrances due to the prolonged inflationary pressure on the economy and the volatile trade scenario due to geopolitical tension between Russia and Ukraine, causing a dent in global oil prices. Also, hindrances occurred due to the higher valuation of the Indian markets, making global investors prune their investments in the

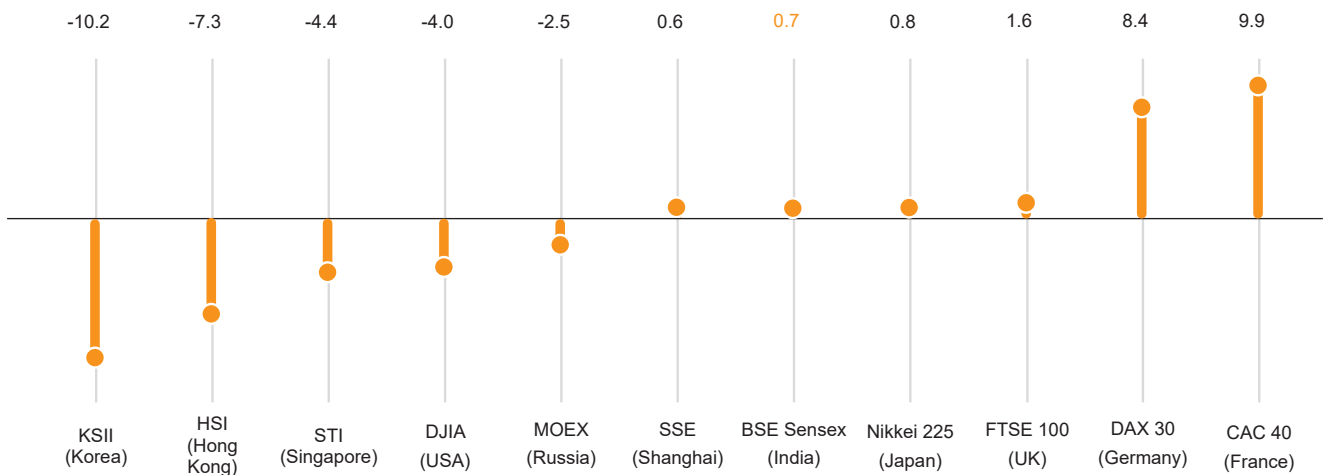
country. However, on the domestic front, the market has done remarkably well during FY 2022-23. The current account deficit (CAD) during the third quarter of FY 2022-23 narrows to 2.2% of GDP from 3.7% in the second quarter. The change is owing to the narrowing of the merchandise trade deficit to USD 72.7 billion from USD 78.3 billion in the second quarter of FY 2022-23, coupled with robust services and private transfer receipts. According to the Reserve Bank of India (RBI), the services exports reported a growth of 24.5% on a year-on-year (y-o-y) basis on the back of rising exports of software, business and travel services.

(Source: <https://www.businesstoday.in/latest/economy/story/indias-current-account-deficit-narrows-to-22-of-gdp-in-q3-from-37-in-q2-375645-2023-03-31>)

During FY 2022-23, the top-gaining sectors of Indian equity markets were Defense (+48.59), PSU banks (+36.34), FMCG (+26.50), Automobiles (+16.03), Private Banks (+11.93), and Logistics (+9.74); while the under-performing sectors were Information Technology, Consumer Durables, Pharmaceuticals, Metals, and Real Estate. Despite being a roller coaster ride for the Indian equity market, it ended up being one of the best-performing entities among the other emerging markets. The resilience of Indian equities was mainly boosted by robust inflows from domestic investors. While the foreign private investors continued to do away with their investments, the domestic institutions pumped nearly ₹ 2.52 Lakh crore into the market.

(Source: <https://economictimes.indiatimes.com/markets/stocks/news/strong-domestic-flows-help-india-outperform-most-emms-in-fy23/articleshow/99161664.cms>. Internal research)

Annual Growth in Equity Indices during FY 2022-23 (in %)

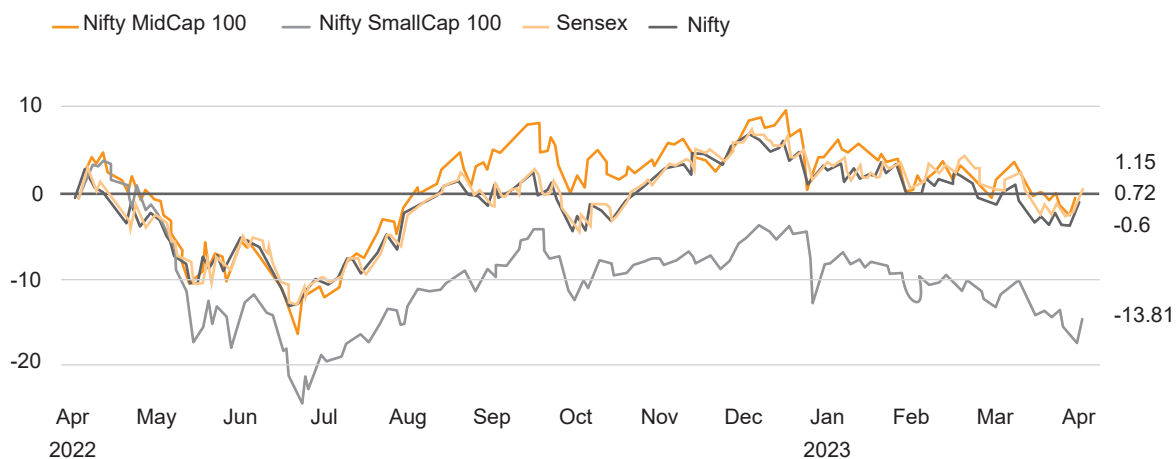


(Source: Yahoo Finance, <https://www.hindustantimes.com/business/indian-stock-markets-volatile-bse-sensex-worst-performer-in-three-years-with-0-7-gain-in-2022-23-crude-oil-prices-moderate-but-opec-decision-likely-to-raise-prices-indian-rupee-worst-performing-currency-in-asia-101680861898743.html>)

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Performance Indicators

In FY 2022-23, the Nifty MidCap 100 exhibited superior performance with a growth rate of 1.15%. Moreover, the Nifty Bank index experienced a substantial rise of 11.6% in the past year as compared to the Nifty 50 benchmark. Conversely, the Nifty SmallCap 100 showed a lower level of performance in the same period.



BSE Sensex

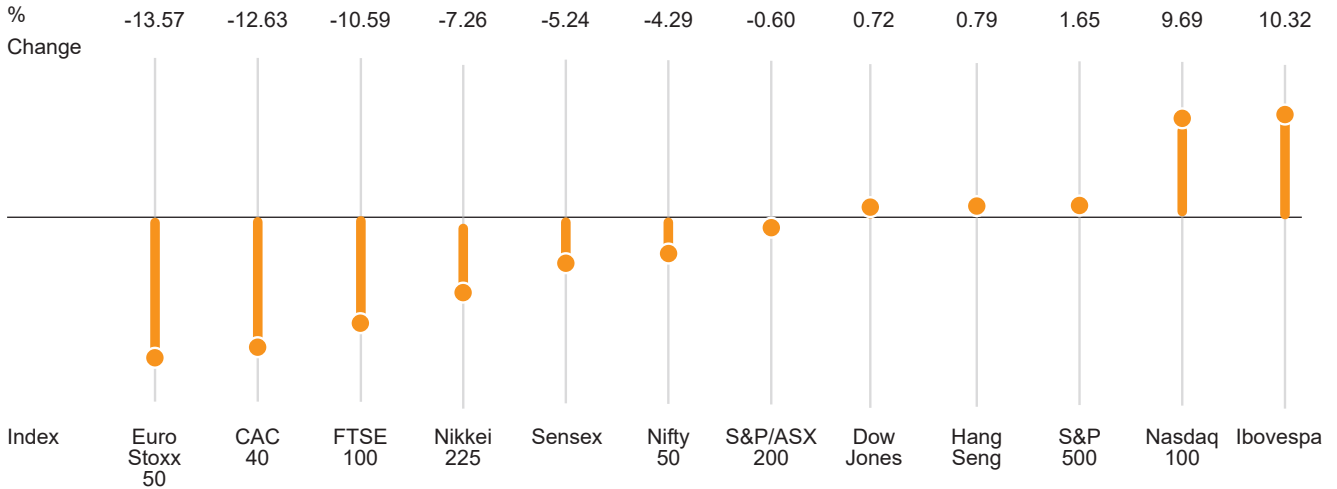


(Source: Bloomberg)

The headline indices demonstrated superior performance in comparison to a majority of major global peers, including the American Dow Jones, S&P 500, Nasdaq 100, Hong Kong's Hang Seng, and Australia's S&P/ASX 200 during FY 2022-23. Nonetheless, the domestic Indian indices exhibited a lower level of performance when juxtaposed with the Euro Stoxx 50, CAC 40, FTSE 100, and Japanese Nikkei 225.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

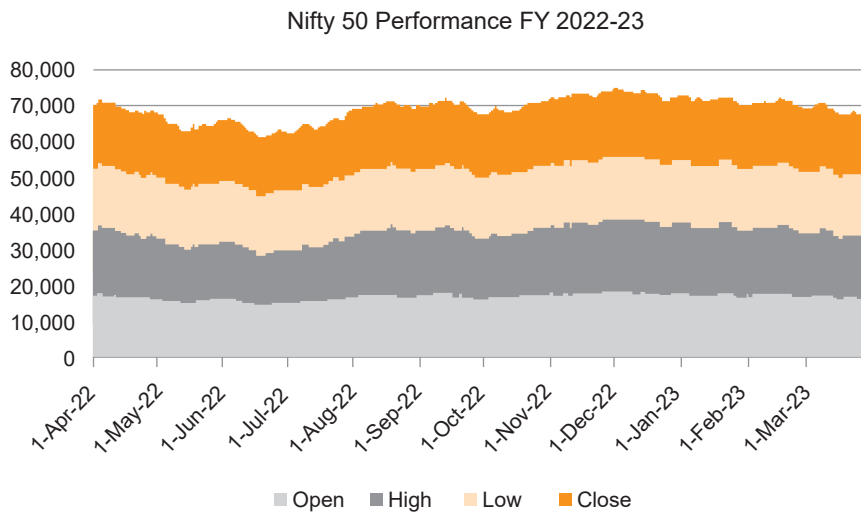
Indian Benchmarks Outperform Most Global Peers in FY 2022-23



(Source: Bloomberg)

Considering the indices' performances, the Nifty 50 grew by (0.60)% with a 105-point derailment while the BSE Sensex grew by 0.72% with 423.01 points.

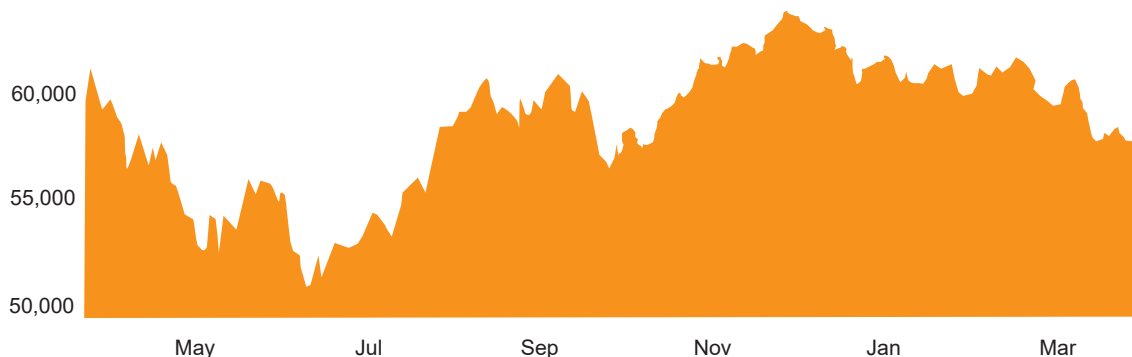
Nifty 50 Performance Indicator (FY 2022-23)



(Source: <https://www.niftyindices.com/reports/historical-data>)

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Sensex Performance



(Source: <https://www.bseindia.com>)

Outlook

The potential performance of the Indian equity market in FY 2023-24 is heavily reliant on macroeconomic factors, particularly inflation and policy changes implemented by authorities to mitigate any associated risks emanating from domestic or external factors. India's macroeconomic state has improved both structurally and cyclically, with the economy enjoying the goldilocks of stable growth and easing inflation.

The RBI is more or less done with the rate hike cycle, after a cumulative increase of 250 basis points throughout FY 2022-23. The policy reaction function is largely hinged on inflation which has seen gradual easing in recent months. Consumer price index-based (CPI) inflation, also referred to as retail inflation, has displayed a downward trend in India, declining gradually from a peak of 7.8% in April 2022 to 4.25% in May 2023. The RBI's projections indicate a further decrease to 5.1% during the final quarter of FY 2023-24.

Moreover, globally, the reduction in oil and commodity prices, resilient activity data and the shift in focus by Foreign Portfolio Investors towards purchasing Indian equities are paving the way for a positive growth trajectory for the Indian equity market. However, the open nature of the foreign market renders the landscape vulnerable to external risks for the Indian equity market. Thus, cautious optimism with regard to the Indian equity market in the near future is warranted.

BUSINESS OVERVIEW

Emkay Global Financial Services Limited ('EGFSL', also referred to as 'Emkay' or 'Our Company') is a well-regarded financial services firm that provides an extensive array of transactional and advisory services encompassing equity,

debt, currency, and commodities. Originally founded as Emkay Share and Stock Brokers Private Limited in January 1995, our Company underwent a transformation in 2006 when it became publicly listed on stock exchanges. This milestone led to the renaming of our organization as Emkay Global Financial Services Limited in 2008.

We cater to a wide range of clients with varied backgrounds, including foreign institutional investors, domestic mutual funds, banks, insurance companies, private equity firms, corporate entities, small and medium-sized enterprises, as well as high-net-worth individuals. Our expertise and customized solutions are tailored to meet the unique needs of each client. To ensure exceptional service quality, our team of seasoned research professionals is supported by a robust infrastructure and well-defined processes, ensuring that our offerings consistently uphold the highest standards of excellence.

BUSINESS SEGMENTS

1. Equity

Emkay's foremost priority is the cultivation of long-term value and investment opportunities. Our proficient research team plays a pivotal role in identifying undervalued stocks using a comprehensive blend of qualitative and quantitative analysis, with a key focus on safeguarding capital. We extend our services to both institutional and non-institutional clients, offering them diligently researched, reliable, and high-potential portfolio constructions.

In FY 2022-23, the institutional equities segment constituted 45% of the total equity broking business, while the non-institutional segment accounted for the remainder.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Institutional Equities

We take pride in offering Institutional Equities services that cover an extensive range of markets across the globe. These markets include Europe, Hong Kong, India, Singapore, Taiwan, the UK, and the United States, among others. Our clients in this segment are primarily Mutual Funds, Insurance Companies, Banks, Foreign Portfolio Investors (FPI), Family Offices, Global Hedge Funds, and Alternative Investment Funds (AIF).

During the year the Institutional Equities team organized many thematic conferences including Emkay's flagship conference 'Emkay Confluence', Electric Vehicle Conference 2.0, Emkay Konnect (Festive Channel Check Conference), Emkay Cresta (a two-day physical conference in Singapore), and the third season of our highly successful digi-banking conference 'FinShift'. The team additionally conducted over 230 expert and client calls and more than 40 roadshows.

Non-Institutional Equities

Our Non-Institutional Equities division caters to clients in India and Non-Resident Indians worldwide. Our clientele in this segment includes Corporates, High-Net-Worth Individuals, Family Offices, Non-Resident Indians, Trusts, and Private Equity firms. We have an extensive network of offices throughout the country to serve these clients effectively. As of 31st March, 2023, the number of institutional and non-institutional clients stood at 315 and 1,48,367, respectively.

Research

At Emkay, we take pride in delivering unparalleled, distinctive, comprehensive, and exhaustive real-time insights through our research capabilities. Emkay is well-known in the financial industry for producing exceptional, high-quality research. Leveraging our proprietary research methodology, we conduct thorough due diligence using institutional-grade analytics and gain an understanding of macro- and micro-economic trends and the outlook for capital markets to analyze and plan the capital allocation strategies for our clients. Our research team was honoured with top accolades at the Asiamoney Brokers Poll, the largest Asia-focused equity services provider poll.

Our team of analysts and research associates possess extensive experience and sound domain knowledge in their respective industries. We cover 263 stocks as

of 31st March, 2023, including 47 of the Nifty 50 and all 30 of the BSE Sensex companies.

2. Asset Management

Emkay Investment Managers Limited (EIML) serves a diverse clientele, including family offices, HNIs, corporations, NRIs, and trusts, through Portfolio Management Services (PMS) and Alternative Investment Funds (AIFs). Our investment strategies are backed by thorough research in sectors and companies with a promising growth outlook, and we tailor our offerings to meet the specific requirements of each client.

Our team of certified portfolio managers and analysts employ proprietary frameworks to ensure consistent long-term returns while prioritizing capital preservation and client comfort. At EIML, we believe in transparency and make sure our investors are well-informed about their investments. Our distinct stock evaluation modules differentiate us from conventional investment strategies, as our portfolios are built on two distinctive methodologies - E-Qual and Smart Alpha, which have consistently helped us outperform our competitors.

- **E-Qual**

EIML's patented governance system, 'E-QUAL,' has been able to assess managements based on criteria such as management capability, management integrity, and wealth distribution ability, among others

- **Smart Alpha**

The Smart Alpha framework employed by EIML is designed to identify stocks and themes such as value migration and consumption. This innovative framework is unique in the country and utilizes robust risk management mechanisms to eliminate selection and allocation biases in a portfolio. The result is consistent returns that are generated with a high degree of reliability

We have the following offerings under the two approaches:

Emkay L.E.A.D.

- Emkay L.E.A.D. endeavors to attain long-term capital appreciation by mainly investing in large and mid-cap high-growth firms that exhibit leadership traits in their respective sectors, along with a strong economic moat, quality management, and reasonable valuations

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Emkay Emerging Stars Fund

- Emkay Emerging Stars Fund intends to produce capital appreciation over the long-term for investors from a collection of equity and equity-related securities
- Benchmark Index: BSE SmallCap Index
- The performance of Emkay Emerging Stars Fund was recognized with an award from PMS - AIF World
- Successfully returned funds to all investors in Emkay Emerging Stars Fund AIF I, II & III within the stipulated time
- Successfully closed fund raising for Series V with commitments of more than ₹ 200 crore.

Emkay Capital Builder

- Based on EIML's E-Qual Module
- A multi-cap portfolio that aims to identify companies with the potential to build wealth over an investment horizon of 3-5+ years
- The strategy successfully completed 10 years, outperforming both Nifty50 and Nifty500 over the last decade.

Emkay's 12

- An equal-weighted twelve-stock large-cap-oriented strategy
- A buy and hold strategy focusing on companies with a wider economic moat and a dominant position in the sector
- Combination of value + growth to deliver medium - and long-term wealth creation

Emkay GEMS

- An equal-weighted twenty-stock mid-cap-oriented strategy
- Focuses on risk adjusted returns
- No wide diversification
- Lower portfolio volatility and high liquidity
- Low portfolio turnover

Emkay New Vitalized India Strategy

- A multi-cap portfolio aimed at achieving long-term capital appreciation
- Invests in companies that will benefit from trends like private and public capex, greater indigenization to reduce dependence on imports, robust export growth, a strong turnaround in the industrial sector and services that are an integral part of industrial growth.

- Focus on absolute Returns and high emphasis on Purchase Price

Emkay received in-principle approval from the Securities And Exchange Board Of India (SEBI) for sponsoring a Mutual Fund. With a strong fund performance track record and over a decade of experience in PMS and AIF, this is a logical progression to expand the reach of tailored investment solutions to a broader audience, both domestically and internationally.

Other Key Highlights

- We bagged the award for 'Most Innovative Company of the Year (BFSI)' at the National Feather Awards.
- We made the customer on-boarding experience more convenient by introducing the digital on-boarding facility.
- Successfully launched and closed Series V of our highly appreciated AIF 'Emkay Emerging Stars Fund', and also launched a PMS strategy 'Emkay New Vitalized India Strategy', both of which focused on investing in companies that are primed to benefit from the manufacturing uptick in the country.
- Successfully distributed funds to all the investors of Emkay Emerging Stars Fund – I, II & III, which were launched in CY2018. Over the course of five tumultuous years, spanning 2018 to 2022, we skillfully managed to divest our portfolio investments, culminating in a pre-tax XIRR of 15%-18% for our AIF investors. This stands in contrast to the underwhelming low- to mid-single-digit returns delivered by the benchmark BSE SmallCap indices during the same period.
- Received commitments of more than ₹ 200 crore in AIF V
- Emkay Capital Builder, the flagship Portfolio Management Strategy of EIML successfully completed 10 years, outperforming both Nifty50 and Nifty500 over the last decade.

3. Wealth Management

Our process orientation and strong research-based approach allows us to build on our view of the markets and asset classes to help provide investment products and Wealth Management Services to our clients. Using Quantitative and Qualitative techniques, our wealth research team can scan through the myriad of products and services available. Our team of private

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

bankers, using advanced client profiling techniques and spending more time with clients is able to understand their specific requirements and provide the right kind of products and services.

We provide a range of services within the Wealth Management segment, starting with client risk profiling, Analysing existing portfolios, asset allocation, portfolio creation and following up with performance measurement, monitoring and rebalancing. We also provide transaction support, MIS and information support and advisory services to all our clients including UNHIs, Family Offices and Corporate treasuries. Emkay Wealth Advisory Private Limited, a subsidiary of our Company, offers estate and succession planning services and is also a Registered Investment Advisor. Our research team regularly publishes articles on the economy, markets, and various asset classes to keep our clients informed of market changes. Emkay Wealth's effectiveness stems from its systematic approach to distribution, product development, client selection, asset allocation, and technology.

With the support of our dedicated and experienced private bankers and wealth managers across our 10 branches in India, Emkay Wealth has expanded its operations significantly since its establishment less than four years ago. As of the end of FY 2022-23, we have more than 2,000 clients, which is an increase from 1,529 in the previous year, and we manage assets worth ₹ 2,213 crore.

4. Investment Banking

During the year Emkay transacted a block of nearly 30 Lakh shares in Advanced Enzymes, approximately 2.75% of the Company, with Nalanda India Equity Fund, raising their stake in the Company to nearly 9%.

The Investment Banking team also successfully completed its second IPO as a left lead manager with ₹ 427 crore fund raise for Ethos – India's leading luxury watch retailer. The team also executed a Series E Private Equity investment of ₹ 80 crore in Awfis and ₹ 84 crore Rights Issue in Bhagiradha Chemicals. Additionally, the IB team executed ₹ 18 crore PE funding in Series E of Silverpush and ₹ 170 crore on promoter block in Route Mobile. In the last quarter of FY 2022-23, the team completed a buyback of ₹ 300 crore in EClerx Services and provided advisory services for a preferential issue of ₹ 113 crore in Dynamatic Technologies Limited.

The tremendous success and responses to these

transactions have helped build our reputation further, as we continue to take leaps through the growth momentum we have gathered in the previous years.

5. Currency and Commodity

Emkay is a member of the Multi Commodity Exchange (MCX) and the National Commodity & Derivatives Exchange (NCDEX) and the NSE Commodity. The client services provided under Commodities are mainly through:

- Software: Omnesys Nest by Thomson Reuters. We offer a varied suite of Algo Strategies to our clients (Omnesys Nest/Greeksoft)
- Call & Trade through recorded lines and via Bloomberg and Reuters chat
- Online platform for execution as well as viewing. For latency-sensitive clients, we provide DMA
- Real-time research advisory through WhatsApp messages & phone, Bloomberg and Reuters chat.
- Online client back office access
- Electronic contract notes, SMS facility

Research reports such as the Daily - Technical Report, Monthly - Fundamental Review, and Periodic - Special Report also help keep our customers aware of the commodity market direction.

Key Service Offerings Provided in Currency

We provide technical reports that contain analysis and hedging strategies to our clients. Our FX Insights report tracks the movement and trend of the INR and presents a daily outlook. In addition, our RBI MPC Meeting Preview report is a special report that analyzes macroeconomic indicators and estimates their impact on market movement. Our Daily FX Insight report provides an analysis of different segments of the Foreign Exchange (Forex) market, including technical and fundamental analysis. Regular updates on the Forex Markets are also available through WhatsApp. Our Exchange v/s OTC Spread report compares forward premiums between the Exchange and OTC markets. The USDINR Weekly Insight report captures the movement and trend in INR on a weekly basis and provides a hedging matrix for importers and exporters, along with a weekly calendar. Our Option Max Pain - USDINR report is a special report that analyzes major derivative concepts on USDINR and helps determine possible levels at expiry. Lastly, our USDINR Technical Report provides analysis along with hedging strategies.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

During the year, the commodity team bagged the award for 'Best Research in the Commodity Segment', by MCX.

Opportunities

1. India's Start-up and SME Ecosystem: Booming with IPO Opportunities in 2023

India is experiencing a surge in the number of start-ups and small enterprises, owing to the Government's persistent support for entrepreneurship through initiatives such as Ease of Doing Business, Start-up India, and PLI schemes. The SME exchange's introduction has facilitated SMEs to become listed, and increasing M&A deals are anticipated due to sectoral consolidation and the growing penetration of private equity and venture capital in Indian companies. As soon as the current high inflationary and geopolitical environment stabilizes, companies that were planning to raise capital through the primary markets are expected to initiate the process. With the moderation in volatility and robust earnings support, a substantial volume upswing could arise from the backlog of such IPOs. In 2023, the robust traction in IPOs is expected to continue driven by domestic retail and institutional capital. Almost 100 public offerings are likely to be launched in 2023.

(Source: <https://www.livemint.com/market/ipo/nearly-100-public-offerings-in-2023-here-s-how-experts-see-ipo-market-performing-next-year-11671816211607.html>)

2. Opportunities in Indian Household Financial Asset Investments

The household sector is a significant contributor, accounting for approximately 60% of gross savings in the Indian economy, thereby acting as the primary source of financial resources for gross investment. A notable trend observed in recent years is the increasing inclination of Indian households to invest larger amounts in financial assets, as compared to conventional physical assets like gold and real estate. This shift is reinforced by steady economic growth and the declining attractiveness of physical assets due to their relatively lower returns compared to financial assets. Consequently, various investment options such as mutual

funds, equities, and ULIPs, among others, are expected to gain traction and experience growth.

3. Opportunity for Financial Services Companies in India's Growing Digital Market

As of January 2023, India has seen a significant increase in its internet user base, with 692.0 million internet users, accounting for 48.7% of the total population. This has provided a vast untapped digital market for the country's financial services companies to expand their services. Additionally, with the rise in the number of internet users, there has been a surge in social media usage, with 467.0 million social media users in India, which is about 32.8% of the total population.

The increase in internet and social media usage is further supported by the growing number of cellular mobile connections. As of early 2023, there were 1.10 billion active cellular mobile connections in India, equivalent to 77.0% of the total population. With the Government's focus on improving digital infrastructure and connectivity through initiatives like the 'Digital India' plan, it is expected that internet, social media, and cellular mobile usage will continue to grow rapidly, providing new opportunities for businesses and individuals alike.

The burgeoning untapped digital market in rural India has been observed to have a y-o-y increase. The 'Digital India' initiative of the Government has aided in improving internet connectivity, facilitating financial services companies to extend their reach to the vast untapped and underserved rural markets, while also contributing to enhancing the existing infrastructure of the urban markets.

Threats

Our Company's progress may encounter impediments from various sources, including geopolitical tensions, market volatility, escalating commodity and energy prices, inflationary pressures, and anticipated interest rate hikes aimed at tightening the liquidity within the system. Despite these factors posing threats, it is important to examine additional threats that could hinder our Company's growth.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Highlight

Recently, the Securities and Exchange Board of India (SEBI) has put forth a proposal to rationalize the total expense ratio (TER) by implementing performance fees for funds. Within this suggested framework, SEBI recommends that equity schemes offered by asset management companies (AMCs) falling within the first AUM slab (up to ₹ 2,500 crore) should have a maximum TER of 2.55%. Additionally, SEBI aims to consolidate all supplementary expenditure components within the overall TER. This implies that all transaction charges should be considered part of the TER itself. The proposal suggests that brokerage and transaction fees should be encompassed within this limit, alongside the securities transaction tax (STT). While the intention behind this proposal is to enhance the benefits of economies of scale for investors, it is important to note that it may have a short-term, but significant negative impact on the profit margins of fund houses, MF distribution houses, as well as the institutional broking business.

Risk Mitigation

Risk	Impact	Mitigation
Regulatory and Compliance Risks	Financial services companies in India are subject to a complex regulatory environment, which can pose risks to their operations. Failure to comply with these regulations can result in fines, penalties, and reputational damage.	We mitigate our regulatory and compliance risks by implementing robust compliance programs that ensure adherence to all relevant regulations. This includes ongoing monitoring, training programs, and regular internal audits.
Technology Risk	A substantial influx of users has the potential to temporarily overwhelm the server, resulting in inconvenience to clients. Moreover, the IT infrastructure holds significant importance from a business perspective, and therefore, the occurrence of system failures, security breaches, or other related risks cannot be ruled out.	In order to ensure uninterrupted service to our clients, we have implemented a cloud-based CRM for the Commodity PCG Desk and developed Web API services to facilitate seamless data exchange for the Wealth CRM. Furthermore, at Emkay, we make consistent investments in technology to establish a robust platform for our users.
Cyber Security Risk	Insufficient implementation of essential security systems can render a platform susceptible to cyber-attacks and hacking.	Our proficient IT security system and expert software team aid in thwarting, identifying, and responding to potential cyber security attacks.
Competition Risk	The escalating influx of emerging competitors into our industry has the potential to pose a significant threat to our market share.	We differentiate ourselves from our competitors by offering top-notch research, advisory services, and alpha-generation capabilities. We have also diversified our services and offerings to mitigate the impact of market fluctuations arising out of increased competition.
Inflationary Risk	Persistent worldwide monetary tightening reflected throughout FY 2022-23 to curve the prolonged inflationary pressure. Such instances wreak havoc on the economy and pose challenges to our growth strategies.	To manage financial growth effectively in an inflationary market, it is imperative to construct portfolios that adopt a balanced approach to mitigate market volatility and deliver inflation-beating returns.

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Risk	Impact	Mitigation
Reputation Risk	Reputation risk is a significant concern that arises from negative public perception, stakeholder dissatisfaction, or adverse media coverage. This risk can lead to a loss of customers, market share, and regulatory scrutiny.	We mitigate reputation risk by developing a strong corporate culture that promotes ethical behavior and accountability, establishing a crisis management plan to prepare for potential reputation risk events, engaging with stakeholders to build trust and maintain a positive reputation, conducting regular risk assessments to identify potential risks and implementing mitigation strategies.

Financial Performance

Consolidated (₹ in Lakhs)

Particulars	As of 31 st March, 2023	As of 31 st March, 2022
ASSETS		
Financial Assets		
(a) Cash and cash equivalents	2,948	9,473
(b) Bank balance other than (a) above	31,911	31,812
(c) Derivative financial instruments	-	4
(d) Stock in trade (Securities held for trading)	72	147
(e) Trade receivables	10,529	8,876
(f) Loans	5,136	4,018
(g) Investments	2,368	3,424
(h) Other financial assets	13,920	14,337
Sub-total - Financial Assets	66,884	72,091
Non-Financial Assets		
(a) Current tax assets (net)	510	151
(b) Deferred tax assets (net)	501	139
(c) Property, plant and equipment	2,999	2,772
(d) Right of use assets	747	412
(e) Capital work-in-progress	-	166
(f) Intangible assets under development	-	12
(g) Other intangible assets	55	25
(h) Other non-financial assets	1,399	624
Sub-total – Non-Financial Assets	6,211	4,301
Total – Assets	73,095	76,392
LIABILITIES AND EQUITY		
Financial Liabilities		
(a) Trade payables	12,026	13,666
(b) Borrowings (other than debt securities)	1,497	1,099
(c) Deposits	1,036	2,878
(d) Lease liabilities	763	435
(e) Other financial liabilities	33,129	34,190
Sub-total – Financial Liabilities	48,451	52,268

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Consolidated (₹ in Lakhs)

Particulars	As of 31 st March, 2023	As of 31 st March, 2022
Non-Financial Liabilities		
(a) Current tax liabilities	4	44
(b) Provisions	2,192	2,277
(c) Other non-financial liabilities	1,409	1,741
Sub-total – Non-Financial Liabilities	3,605	4,062
Equity		
(a) Equity share capital	2,464	2,464
(b) Other equity	18,575	17,599
Sub-total – Equity	21,039	20,063
Total – Liabilities and Equity	73,095	76,393

	FY 2022-23	FY 2021-22	FY 2020-21	FY 2019-20
Revenue	21,548	27,377	16,183	13,513
Earnings before interest, tax and depreciation & amortization	2,601	5,685	2,800	(200)
Profit/(Loss) before tax	1,255	4,611	1,737	(1,657)
Profit/(Loss) for the year	1,408	3,380	1,113	(1,259)
Total assets	73,095	76,393	56,484	38,066
EPS (In ₹)	5.71	13.72	4.52	(5.12)

Metrics	Standalone			Consolidated		
	31 st March, 2023	31 st March, 2022	% Change increase (decrease)	31 st March, 2023	31 st March, 2022	% Change increase (decrease)
Current ratio	1.04	1.12	-7.14%	1.16	1.24	-6.45%
Debt equity ratio	NA	NA	NA	0.07	0.05	40.00%
Net profit margin	5.36%	7.35%	-27.07%	6.53%	12.35%	-47.13%
Return on net worth	7.03%	9.22%	-23.75%	6.69%	16.85%	-60.30%
Interest coverage ratio	2.57	7.47	-65.60%	3.93	15.61	-74.82%

INFORMATION TECHNOLOGY

Emkay's strong client acquisition can be largely attributed to its commitment to digital transformation. Our Company places a significant focus on expanding its footprint in the financial markets through digital platforms. We prioritize enhancing the user interface and streamlining operational efficiency on our platforms to improve our customer service offerings. Furthermore, digital innovations, customer feedback, and cyber security enhancements play a vital role in our ongoing growth and in exploring untapped business opportunities on our platforms.

Emkay's technology team strives to build a reliable and robust platform that offers a seamless digital experience across various touchpoints. Our goal is to proactively anticipate market needs and respond to digital disruptions by providing tailored offerings that cater to individual requirements. We are committed to creating a dynamic digital ecosystem that adapts to changing demands and ensures a dependable experience for our users.

In FY 2022-23, we have undertaken the following initiatives to enhance our technology prowess:

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

- New hyper-converge platform improvising the capacity in global standard data center with scaled-up & fine-tuned hardware for reliability and improvisation in performance
- Added overclocked servers for a faster trading experience & multi-stream broadcast over the network for the clients.
- Upgraded the network bandwidth from Emkay POP to COLO for faster performance.
- Revamped the RMS department with a better monitoring layout, hardware refresh & visibility of trading platforms
- Introduction of a collaboration platform for the dealing team with a compliance archive for effective communication with clients.
- Enhanced the FIX platform for the execution of fill reports to the clients
- API offerings for trading: REST, JAVA, Dot Net, and custom EM-API were introduced into the landscape
- API initiatives with Integrations in Back-office software for Banks, KYC & Ops, deployed utilities for trade parameter monitoring
- New platforms were deployed, enabling the technology teams to manage privileged access and automated system patching.

FASTER TRADING EXPERIENCE THROUGH DIGITAL INNOVATION

Providing an optimal trading experience for our clients is pivotal to enabling them to make well-informed financial decisions. We strive to achieve this by furnishing our customers with faster, more accurate, and more secure access to data. Our platform offerings, coupled with API initiatives, enable us to deliver superior performance and an enhanced experience to our clients in a highly competitive landscape.

To enhance our software services and infrastructure robustness we have performed the following:

- Digitization of the Re-KYC process for the DP team
- Performed hardening of platforms and performing vulnerability assessments & pen-tests as an ongoing process
- We deployed a new marketing automation platform for our marketing team
- We upgraded our core accounting platform with the latest upgrades on the new servers over a hyper-converge platform
- Revamp of the Research Reports & Email templates for Institutional Research

We have enhanced our electronic execution through the following:

- Onboarded new trading applications in NSE, BSE, MCX and IFSC.
- Newly introduced Platform named Emkay Blitz for CTCL, internet-based trading and mobile trading facilities
- Newly introduced a strategy platform named Noren for arbitrage.

CYBER SECURITY

Our Company has implemented several security measures to ensure the safety of our infrastructure and information. These measures include implementing XDR and Next-Gen Antivirus technologies and maintaining a strong focus on information security and technology governance across all of our branches and head office. Additionally, we have onboarded a security operations center that provides around-the-clock monitoring of our platforms to ensure their safety. Our technology team has also worked towards developing an extended detection and response system that correlates various inputs across our landscape to provide enhanced security.

To enhance our cybersecurity division we undertook the following initiatives during FY 2022-23:

- We onboarded a CERT-IN empaneled managed Security Operations Center to monitor cyber risks for our critical infrastructure 24x7x365
- We rolled out a leading NGAV, EDR and Identity Protection platform across Emkay to replace the traditional signature-based antivirus platform
- We implemented Privileged Access Management platform to closely monitor and govern access to our critical assets
- We upgraded our DMARC services platform to enhance outbound email security
- We introduced a Cyber Attack Simulation and Cyber Awareness platform that helps us assess and enhance the cyber maturity of our users
- We have initiated enterprise-wide vulnerability assessments for all our technology platforms and are closely working with our service providers towards ensuring a cyber-safe environment

Year after year, our dedication to technology deepens, and we are actively pursuing planned initiatives in the current fiscal year, encompassing the following:

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

- Enterprise-wide migration to the Microsoft 365 platform for Mail & Office
- Enterprise-wide Hardware Refresh & systems upgrade to the latest OS for a better user experience.
- DR Set Up the Trading & PMS platforms based on feasibility
- Enhanced backup automation solution for compliance requirements
- Backoffice application upgrades to process the trades in multiples of the current volumes
- Implementation of an Identity Governance platform to streamline user identities across our corporate applications
- Implementation of a comprehensive next-generation Data Leak Prevention platform with data classification based on the sensitivity of the data
- Implementation of a granular application control platform
- Implementation of a zero-trust platform to replace the legacy VPN platform

HUMAN RESOURCES

Our Company's Human Resources department has implemented a focused approach to attract and nurture top talent while prioritizing their overall well-being. We have initiated a long-term journey of hiring across various functions and roles from well-known institutes such as the Institute of Chartered Accountants, Symbiosis Institute of Management, XIMB Bhubaneswar, and IMT Ghaziabad. These hires include full-time employees and interns, with the goal of attracting and grooming the best talent at the entry level. This year too, we continued to improve our online Talent Acquisition strategies to ensure that we tap the right talent from the right sources and have a steady supply of talent for the Group.

As a knowledge-based organization, we have focused on improving our employees' functional and behavioral skills through various online and offline programs. We have also customized programs on Learning Management Systems (LMS) to allow employees to learn on the go and at their own pace. In addition to renewing online e-learning content, we capitalize on our in-house knowledge experts and convert them into recurring Learning Series for our employees.

We have broadened the scope of potential employees' roles and implemented well-defined paths for their professional growth and development. Additionally, we have established ongoing 'CONNECT' programs that involve one-on-one interactions and periodic surveys,

particularly during the initial months of joining. Our internal role movement program, 'EMBRACE', provides opportunities for internal career progression for our employees. Furthermore, we have revitalized our Rewards & Recognition system to acknowledge and incentivize high-performing individuals. We believe our employees are Ambassadors of Emkay and have leveraged our Employee Referral network

The well-being of our employees and their families is of paramount importance to us, and we have implemented various measures to support them, such as meditation sessions, expert-led diet programs, and ergonomically designed seats. We have also experimented with the Work from Anywhere concept in a few cases, with promising preliminary findings. This opens up a great opportunity for drawing a large pool of talent from around the country, which may be cost-effective and efficient.

Our HRMS advancements have taken center stage to ensure that we deliver effortlessly and that data is integrated at a central level, making all our People Processes environment-friendly from hiring to retirement. At Emkay, we stand by our employees, promote gender equality, and focus on building skills and improving efficiency. Our policy initiatives help in nurturing future leaders who will take our legacy forward.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACIES

At Emkay, we take the implementation of Internal Control Systems seriously, ensuring that they are adequate, effective, and appropriate for the size of our business. We achieve this through the presence of a professional management team and the adoption of established policies and procedures. We also maintain an appropriate audit program, an internal control environment, effective risk monitoring, and management information systems.

We regularly refresh our systems in line with industry-best practices, and we use internal audits to supplement the internal control systems. The Management conducts regular evaluations, and we have standard policies and norms in place to ensure that financial and other records used to compile financial statements and other data are accurate. Our Management Information System (MIS) is a crucial component of our control system, and we conduct regular checks and processes to ensure its effectiveness.

An independent audit company carries out regular internal audits, and the reports are deliberated upon. An executive summary, as well as Action Taken Reports (ATR) and

MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

management actions to address the issues, are presented to the Audit Committee/Board meeting for evaluation. The Audit Committee reviews internal auditor reports, and corrective actions are taken to improve future systems and procedures in line with Internal Control Systems. The auditors' work is also recognized by the Board as an independent check on the information obtained from management on our Company's operations and performance.

CAUTIONARY STATEMENTS

The Management Discussion and Analysis contains statements about our Company's objectives, plans,

estimates, and expectations. It should be noted that these statements may be deemed as 'forward-looking statements' under relevant securities laws and regulations. It is important to acknowledge that the actual outcomes may significantly differ from those stated or suggested due to various factors such as economic developments in the country, industry demand and supply circumstances, input pricing, changes in Government regulations and tax laws, as well as issues such as litigation and labor relations. These factors hold the potential to impact our Company's operations in a significant manner.

ANNEXURE - G

CORPORATE GOVERNANCE REPORT**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company has set for itself the objective of achieving excellence in its business. As a part of its growth strategy, the Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance. The Company emphasizes the need for full transparency and accountability and conducting its business in a highly professional and ethical manner, thereby enhancing trust and confidence of all its stakeholders. The Company continuously monitors its governance practices and benchmarks itself to the best governed companies across the industry. The Company believes in pursuing holistic growth and realizes its responsibility towards its stakeholders and environment. The Board considers itself as a Trustee of its Shareholders and acknowledges its responsibilities towards them for creation and safeguarding of their wealth. The Company not only adheres to the prescribed corporate governance practices as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 but is also committed to sound corporate governance principles and constantly strives to adopt emerging best practices.

A report on compliance with the principles of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V of SEBI (LODR) Regulations, 2015 is given below:

2. BOARD OF DIRECTORS (BOARD)**2.1 Composition of Board**

The Company has an optimum combination of Executive and Non-Executive Directors in its Board and comprises of Eight Directors (nine during the year) as on 31st March, 2023, each having expertise in their field of operation including one Woman Director. The total number of Non- Executive Directors are more than 50% of the total number of Directors which is in conformity with the requirement of Regulation 17 (1) (a) of SEBI (LODR) Regulations, 2015. The Chairman of the Board is a Non-Executive Director, and there is optimum combination of half of the Board of Directors as Independent Directors as per Regulation 17 (1) (b) of the SEBI (LODR) Regulations, 2015. As on 31st March 2023 the Company's Board consist of eight Directors.

2.2 The brief profile of each Director is given below:

- (i) Mr. S. K. Saboo (Non-Executive, Non Independent Director)
Mr. Sushil Kumar Saboo has more than 55 years of corporate management experience. Presently he is the Group Advisor (Chairman's Office) for Aditya Birla Group, one of the premier business groups of India.
- (ii) Mr. R. K. Krishnamurthi (Non-Executive, Independent Director)
Mr. R. K. Krishnamurthi, a Solicitor in the Mumbai High Court and the Supreme Court of England, has a rich and wide experience of over 50 years in the field of Law. He is a retired Partner of Mulla & Mulla Craigie Blunt & Caroe, a reputed firm of Advocates, Solicitors and Notaries. He has worked and practiced as a lawyer & legal advisor to several companies in the matters related to corporate affairs and Corporate Law. He is on the Board of Madhav Marbles and Granites Limited.
- (iii) Mr. G. C. Vasudeo (Non-Executive, Independent Director)
Mr. G. C. Vasudeo is a fellow member of the Institute of Chartered Accountants of India, The Institute of Company Secretaries of India, an Associate member of The Institute of Cost and Works Accountants of India and a Law Graduate from the University of Mumbai. He is having wide and rich industrial experience of over 42 years. He retired as Managing Director & Country Manager of SI Group-India Private Limited. He held various positions including Head of Corporate Finance, Accounts, Information Technology and Company Secretarial matters. He also headed the Marketing and Purchase function during his tenure. He was instrumental in restructuring of the Group and also in mergers and acquisitions for the Group.
- (iv) Dr. Satish Ugrankar (Non Executive, Independent Director)
Dr. Satish Ugrankar is M.S., D'ORTH (CPS), and F.C.P.S. (CPS), (Mumbai). He was on the Board of FDC Limited for around 50 years.
- (v) Mr. Krishna Kumar Karwa (Managing Director, Promoter)
Mr. Krishna Kumar Karwa, a rank holder Member of the Institute of Chartered Accountants of India, is the

Corporate Governance Report (Contd.)

Promoter & Managing Director of the Company. Mr. Krishna Kumar Karwa has a rich and varied experience of 35 years in all aspects of the Equity Capital Markets. He was a Director of Titagarh Agrico Private Limited. He was also on the Board of West Coast Paper Mills Limited as an Independent Director.

(vi) Mr. Prakash Kacholia (Managing Director, Promoter)

Mr. Prakash Kacholia, a Member of the Institute of Chartered Accountants of India, is the Promoter and Managing Director of the Company. Mr. Prakash Kacholia has a rich experience of 34 years in the capital markets with a focus on the derivative segment. He was associated as Director with various prominent Companies like Central Depository Services (India) Limited and BOI Shareholding Limited.

(vii) Dr. Bharat Kumar Singh (Non Executive, Independent Director)

Dr. Bharat Kumar Singh is B.E (Mech), MBA (IIM-C), Ph.D (Mumbai Univ. (JBIMS)). Dr. Bharat Kumar Singh comes with a well-rounded experience of 46 years out of which 14 years were spent in two large MNCs (ITC & Sandoz Group) and 32 years in Indian Houses (RPG & Aditya Birla Group) in senior capacity. He has a wide experience in acquiring knowledge of business space, Restructuring, Reorganising and building relationships with the relevant Institutions. Presently he is on the Board of Aadhyathma Management Pvt. Limited, Emkay Wealth Advisory Ltd. and Emkay Commotrade Limited.

(viii) Mrs. Hutokshi Rohinton Wadia (Non-executive, Independent Woman Director)

Mrs. Hutokshi Rohinton Wadia is an Independent woman Director on the Board of Directors of the Company. She is an Associate member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. She has a well-rounded rich experience of 31 years as a Company Secretary out of which 23 years was in two large TATA Group companies (Trent Ltd. and Trent Hypermarkets Ltd.) and 8 years in Aditya Birla Group Companies viz. Aditya Birla NOVO Limited as Senior Vice-President & Company Secretary and in Grasim Industries Ltd. as its President & Company Secretary. Presently she is working in the capacity of Hon. General Secretary & Chief Operating Officer of Indian National Theatre.

The Composition of the Board, Directorship/ Committee positions in other companies as on 31st March, 2023 and number of Meetings held and attended during the year are as follows:

The names and category of the Directors on the Board, their attendance at Board Meeting held during the year under review and at the last Annual General Meeting (AGM), name of the other Public Companies in which the Director is a Director and the number of the Directorship and Committee Chairmanship/Membership held by them in other public limited companies as on 31st March, 2023 are as under -

Name of the Director*	Category	No. of Board Meetings held during his/ her tenure and attended in 2022-2023		Whether attended last AGM held on 08.08.2022	Number of Directorships in other public companies*	Number of Committee positions held in other public companies #		List of Directorship held in other listed companies and category of Directorship
		Held	Attended			Chairman	Member	
Mr. S. K. Saboo	NED	4	4	Y	2	-	-	-
Mr. R. K. Krishnamurthi	NED (I)	4	4	Y	3	1	-	1.Madhav Marbles and Granites Limited NED (I)
Mr. G. C. Vasudeo	NED (I)	4	3	Y	2	-	1	-
Dr. Satish Ugrankar	NED (I)	4	4	Y	-	-	-	-
Mr. Krishna Kumar Karwa	ED	4	4	Y	1	-	1	-
Mr. Prakash Kacholia	ED	4	4	Y	1	-	-	-
Mrs. Priti Kacholia**	NED	2	1	NA	-	-	-	-
Dr. Bharat Kumar Singh	NED (I)	4	4	Y	2	-	-	-
Mrs. Hutokshi Wadia	NED (I)	3	3	Y	-	-	-	-

Note 1:

- Category: NED: Non-Executive Director, NED (I) : Non-Executive Director and Independent, ED - Executive Director & Promoter
- None of the above Directors are related inter-se to any other Director on the Board, except for Mr. Krishna Kumar Karwa and Mr. S. K. Saboo who are related to each other and Mr. Prakash Kacholia and Mrs. Priti Kacholia who are related to each other.
- None of the Non-Executive Directors except Mrs. Priti Kacholia hold any shares or convertible instruments in the Company.
- None of the Directors hold the office of a Director in more than the permissible number of companies under the Companies Act, 2013 or Regulation 25 and 26 of the SEBI (LODR) Regulations, 2015

* excluding private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013, trusts and alternate directorships as per Regulation 26 of the SEBI (LODR) Regulations, 2015.

only Audit Committee and Stakeholders Relationship Committee have been considered as per Regulation 26 of the SEBI (LODR) Regulations, 2015.

**Mrs. Priti Kacholia was subject to retiring by rotation at the previous Annual general meeting of the Company held on 8th August 2022 and was proposed to be reappointed in that AGM. However, at the Board Meeting held prior to the AGM, she submitted a letter showing her unwillingness to get re-appointed as Director of the Company. Accordingly, the vacancy was not filled at the AGM.

Corporate Governance Report (Contd.)

NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS

Sr. No.	Name of Director	No. of shares held	Convertible instrument
1	Mr. S.K. Saboo	Nil	NA
2	Mr. R.K. Krishnamurthi	Nil	NA
3	Mr. G.C. Vasudeo	Nil	NA
4	Dr. Satish Ugrankar	Nil	NA
5	Dr. Bharat Kumar Singh	Nil	NA
6	Mrs. Priti Kacholia (Ceased to be Director from 08.08.2022)	18,80,000	NA
7	Mrs. Hutokshi Wadia	Nil	NA

THE BOARD HAS IDENTIFIED THE FOLLOWING SKILLS / EXPERTISE WITH THE INDIVIDUAL BOARD MEMBERS WITH REFERENCE TO THE COMPANY'S BUSINESS AND INDUSTRY.

Name of Director	Area of Expertise
Mr. S. K. Saboo	Corporate Management Experience
Mr. R. K. Krishnamurthi	Solicitor, Law including International Law
Mr. G. C. Vasudeo	Global Business, Banking, Corporate Finance, Accounts, Information Technology, Merger and Acquisitions
Dr. Satish Ugrankar	Board Service and Governance.
Dr. Bharat Kumar Singh	Corporate Strategy & Business Development, Restructuring and Reorganization, Global Business
Mrs. Priti Kacholia	Business Management
Mr. Krishna Kumar Karwa	Equity Capital Market, Finance, Banking and Accounting, Global Business and Wealth Management
Mr. Prakash Kacholia	Equity Capital Market with focus on derivatives segment Finance, Banking and Accountancy and Wealth Management
Mrs. Hutokshi Wadia	Financial Regulatory/Legal & Risk Management. Corporate Governance and Strategic Matters

INDEPENDENT DIRECTORS

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination, Remuneration and Compensation Committee, for appointment, as Independent Directors on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons. The Board considers the Committee's recommendation, and takes appropriate decision. Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under the law. The Non-Executive Directors, including Independent Directors on the Board, possess the requisite experience and specialization in diverse fields such as legal, finance, banking, administration etc.

The Company has issued letters of appointment to Independent Directors which cover the Code for Independent Directors as per schedule IV as provided in the Companies Act, 2013 and the Company has disclosed the terms and conditions of appointment of an Independent Director on the website of the Company. The Company has also received a declaration from them in the manner as provided in the Companies Act, 2013 and as per amended Listing Regulations.

A sample of the letter of appointment is available on the website of the Company and can be accessed through the link: www.emkayglobal.com/Policy & Disclosures

Based on the disclosures received from all the Independent Directors and also in the opinion of the Board, the Independent Directors fulfill the conditions specified in the Companies Act, 2013 and the Listing Regulations and are Independent of the management.

Independent director databank registration

Pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 all directors have completed the registration/renewal with the Independent Directors Databank. Requisite disclosures have been received from the directors in this regard.

Corporate Governance Report (Contd.)

Familiarization Programme

Your Company has put in place a structured induction and familiarization programme for all its Directors including the Independent Directors. The Company through such programmes familiarizes not only the Independent Directors but also any new appointee on the Board, with a brief background of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model, operations of the Company, etc. They are also informed of the important policies of the Company including the Code of Conduct for Board Members and Senior Management Personnel and the Code of Conduct to Regulate, Monitor and Report, Trading by Insiders, etc.

The familiarization programme for Independent Directors in terms of Schedule V(C)(2)(g) of Regulation 34(3) of SEBI (LODR) Regulations, 2015 is uploaded on the website of the Company and can be accessed through the following link: <https://www.emkayglobal.com/policy-and-disclosures>

Evaluation of Board Effectiveness

In terms of provisions of the Companies Act, 2013 read with Rules issued there under and Regulation 25 of SEBI (LODR) Regulations, 2015 and further as per Guidance note on Board Evaluation issued by SEBI to help companies to improve the evaluation process by the companies, derive the best possible benefit and achieve the objective of the entire process.

Accordingly, the Board of Directors, on recommendation of the Nomination, Remuneration and Compensation Committee, has evaluated the effectiveness of the Board. Further, the performance evaluation of the Board, each Director and the Committees was carried out for the financial year ended 31st March, 2023. The evaluation of the Directors was based on various aspects which, inter alia, included the level of participation in the Board Meetings, understanding of their roles and responsibilities, business of the Company along with the effectiveness of their contribution. In the evaluation, the Directors who are subject to evaluation, do not participate.

Meetings of Independent Directors

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and regulation 25 of the SEBI (LODR) Regulations, 2015 and as per Clause VII of Schedule IV of the Companies Act, 2013, Regulation 25(3) and (4) of the SEBI (LODR) Regulations, 2015 and as per guidance note on Board Evaluation, a separate meeting of the Independent Directors of the Company was held on 23rd March, 2023 without the attendance of non-independent directors and members of management to inter alia:

- review the performance of Non-Independent Directors and the Board as a whole;
- review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-executive Directors;
- assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Board Meetings

During the Financial Year 2022-23, 4 Board Meetings were held on 24th May, 2022, 08th August, 2022, 07th November, 2022 and 30th January, 2023.

Name of Director	No. of Meetings entitled to attend	Number of Meetings Attended
Mr. S.K. Saboo	4	4
Mr. Prakash Kacholia	4	4
Mr. Krishna Kumar Karwa	4	4
Mr. G.C. Vasudeo	4	3
Mr. R.K. Krishnamurthi	4	4
Dr. Bharat Kumar Singh	4	4
Dr. Satish Ugrankar	4	4
Mrs. Hutokshi Wadia (Appointed w.e.f. 25/05/2022)	3	3
Mrs. Priti Kacholia (Ceased to be Director from 08/08/2022)	2	1

Corporate Governance Report (Contd.)

The Company Secretary prepares the agenda papers in consultation with the Managing Directors and circulates the same to each Director sufficiently before Board and Committee Meetings. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meetings. Wherever it is not practicable to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted. To enable the Board to discharge its responsibilities effectively, both the Managing Directors apprise the Board at every meeting on the overall performance of the Company, followed by a detailed presentation.

The Board periodically reviews strategies, business plans, annual operating and capital expenditure budgets and evaluates the functions of the management in order to meet shareholders' aspiration. Some of the important matters that are discussed in the meeting of the Board are listed below: (The list mentioned below is only indicative and not exhaustive)

- The minutes of the Board meeting of unlisted Subsidiary Companies.
- Minutes of the meetings of Audit Committee and other Committees of the Board.
- Declaration of Independent Directors at the time of appointment/annually and every year.
- Annual operating plans of various businesses, budgets and any updates on the same.
- Statement of all significant transactions, related party transactions and arrangements with the Subsidiary Companies.
- Quarterly Results of the Company on Standalone & Consolidated basis.
- Annual Financial Results of the Company, Auditor's Report and the Report of the Board of Directors.
- Dividend/Interim Dividend declaration, if any.
- Compliance Certificate certifying compliance with all the laws as applicable to the Company.
- Consideration and review of investments and exposure limits.
- Action taken report on the decisions taken at the previous meeting of the Board and other Committees.

The information as specified in Regulation 17 (7), Part A of Schedule II, of the SEBI (LODR) Regulations, 2015 is regularly made available to the Board, whenever applicable, for discussion and consideration.

The minutes of the proceedings of each Board and Committee Meeting are duly recorded. A draft of the minutes is circulated to all the members of the Board/ Board Committees for their comments.

Board Committees

The Board has constituted Committee(s) of Directors, with adequate delegation of powers. The Company Secretary of the Company acts as the Secretary to the Committees. The Board is responsible for constituting, assigning and co-opting the members of the Committees. Each Committee has its own charter which sets forth the purposes, goals and responsibilities of the Committees.

3. AUDIT COMMITTEE

A. Qualified and Independent Committee

The present composition of the Audit Committee is as follows:

Mr. G. C. Vasudeo	Chairman
Mr. R. K. Krishnamurthi	Member
Dr. Satish Ugrankar	Member
Mr. Prakash Kacholia	Member
Dr. Bharat Kumar Singh	Member

The Audit Committee comprises of four Non-Executive Independent Directors and one Executive Director. The Chairman of the Audit Committee, Mr. G. C. Vasudeo is a Non-Executive Independent Director having expertise in the field of accounting and related financial management. All the members of the Committee are financially literate.

Corporate Governance Report (Contd.)

The Statutory Auditors, Internal Auditors, Managing Director, Chief Financial Officer (CFO) and Chief Operating Officer (COO) are permanent invitees to the Meetings and Company Secretary acts as the Secretary to the Audit Committee of the Board of Directors.

Meetings

During the Financial Year 2022-23, Four Meetings of the Committee were held on 24th May, 2022, 08th August, 2022, 07th November, 2022 and 30th January, 2023. The attendance of each Committee member was as under:

Name	No. of Meetings attended
Mr. G. C. Vasudeo	3
Mr. R. K. Krishnamurthi	4
Dr. Satish Ugrankar	4
Mr. Prakash Kacholia	4
Dr. Bharat Kumar Singh	4

The Chairman of the Audit Committee attended Annual General Meeting to answer shareholders' queries.

Terms of Reference

The role and terms of reference of the Audit Committee are set out in Regulation 18(3) read with Part C of Schedule II of the SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors of the Company. The terms of reference of the Audit Committee broadly are:

1. Approval of annual internal audit plan;
2. Review and approval of related party transactions;
3. Review of financial reporting systems;
4. Ensuring compliance with regulatory guidelines;
5. Reviewing the quarterly, half yearly and annual financial results;
6. Discussing the annual financial statements and auditors report before submission to the Board with particular reference to the (i) Director's Responsibility Statement; (ii) major accounting entries; (iii) significant adjustments in financial statements arising out of audit findings; (iv) compliance with SEBI (LODR) Regulations, 2015 etc.;
7. Interaction with statutory, internal and cost auditors;
8. Recommendation for appointment and remuneration of auditors;
9. Reviewing and monitoring the auditor's independence and performance etc;
10. Reviewing the functioning of the whistle blower mechanism/ vigil Mechanism;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/ investments.

Further the Audit Committee also mandatorily reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Management letters/ letters of internal control weaknesses issued by the statutory auditors;
3. Internal audit reports relating to internal control weaknesses;
4. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee; and
5. Statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (LODR) Regulations, 2015;
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of SEBI (LODR) Regulations, 2015.

Corporate Governance Report (Contd.)

In addition to the above, the Audit Committee also reviews the financial statements and details of investments made by the Subsidiary Companies.

4. NOMINATION, REMUNERATION AND COMPENSATION COMMITTEE

The composition of the Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015.

The composition of the Nomination, Remuneration and Compensation Committee is as follows:

Mr. G. C. Vasudeo	Chairman
Mr. S. K. Saboo	Member
Mr. R. K. Krishnamurthi	Member
Dr. Satish Ugrankar	Member

The Committee comprises of only Non-Executive Directors as its members. All the members of the Committee are Independent except Mr. S. K. Saboo. As per Regulation 19 of SEBI (LODR) Regulations, 2015, Chairman of the Board shall not chair the Nomination, Remuneration and Compensation Committee. Mr. G. C. Vasudeo, an Independent Director, has been appointed as a Chairman of the Committee.

Meetings

During the Financial Year 2022-23, Three Meeting were held on 24th May, 2022, 08th August, 2022 and 07th November, 2022. The attendance of each Committee member was as under:

Name	No. of Meetings attended
Mr. G. C. Vasudeo	3
Mr. R. K. Krishnamurthi	3
Mr. S. K. Saboo	3
Dr. Satish Ugrankar	3

Terms of Reference

The Nomination, Remuneration and Compensation Committee determines the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment and carry out the role as per the corporate governance regulations framed by the authorities from time to time as under :

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
2. For every appointment of an independent director, the Nomination, Remuneration and Compensation Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of external agencies, if required;
 - b. considered candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
3. Formulation of criteria for evaluation of performance of Independent Directors and the Board;
4. Devising a policy on Board diversity;
5. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Corporate Governance Report (Contd.)

6. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of the performance evaluation of Independent Directors.
7. Recommend to the board, all remuneration, in whatever form, payable to senior management.

Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for independent directors is determined by the Nomination, Remuneration and Compensation Committee and indicative list of factors on which evaluation was carried out includes participation and contribution by a Director, commitment, effective deployment of knowledge and expertise and independent judgment in the interest of the company.

The Chairman of the Nomination, Remuneration and Compensation Committee remains present at the Annual General Meeting, to answer the shareholders' queries.

The Nomination, Remuneration and Compensation Committee also meets as and when required for the purpose of proper administration and implementation of the ESOP Schemes formulated by the Company from time to time.

The main function of the Committee includes implementation, administration and superintendence of the ESOP Scheme formulated by the Company from time to time and to formulate the detailed terms and conditions for the same including.

- a) The quantum of options to be granted under an ESOP Scheme per employee and in aggregate.
- b) The Eligibility Criteria
- c) The Schedule for Vesting of Employee Stock Options;
- d) The conditions under which the Employee Stock Option vested in Employees may lapse in case of termination of employment for misconduct;
- e) The procedure for making a fair and reasonable adjustment to the number of Employee Stock Options and to the Exercise Price in case of a corporate action such as rights issues, bonus issues, merger, sale of division and others.
- f) The procedure and terms for the Grant, Vest and Exercise of Employee Stock Option
- g) The procedure for cashless exercise of employee stock options, if required
- h) Approve forms, writings and/or agreements for use in pursuance of the ESOP Schemes.
- i) Frame suitable policies and systems to ensure that there is no violation by an employee of
 - (a) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and
 - (b) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003
- j) Frame any other byelaws, rules or procedures as it may deem fit for administering ESOP.

Remuneration Policy

The Remuneration policy of your Company is a comprehensive policy which is competitive, in consonance with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives.

The Board of Directors and Nomination, Remuneration and Compensation Committee of the Board of Directors are authorized to decide the remuneration of Executive Directors subject to the approval of the Members and Central Government, if required. Payment of remuneration to the Managing Directors is governed by the letter of appointment issued to them by the Company, containing the terms and conditions of appointment approved by the Board of Directors and Nomination, Remuneration and Compensation Committee and the Shareholders. The remuneration structure comprises of salary, perquisites, retirement benefits and performance linked bonus. No stock options are granted to the Executive Directors of the Company.

Remuneration to Non-Executive Independent Director

During the financial year, the Non-executive Independent Directors did not have any pecuniary relationship or transactions with the Company.

Corporate Governance Report (Contd.)

The remuneration / commission is fixed as per the slabs and conditions mentioned in the Companies Act, 2013. Commission to Non-Executive Independent Directors may be paid within the monetary limit approved by the shareholders, subject to the limit of 1% of the net profits of the Company computed as per the applicable provisions of the Act or in case of no profit or inadequate profit not exceeding the limits prescribed in Table (A) of section II of Part II of Schedule V to the Companies Act, 2013.

The Non-Executive Independent Director may receive remuneration by way of fees for attending meetings of the Board or the Committee thereof. Provided that the amount of such fees shall not exceed one lakh rupees per meeting of the Board or Committee as may be prescribed in the Companies Act, 2013 and also subject to approval of the Board of Directors.

Sitting fees for Board / Committees paid to all Non-Executive Directors including Independent Directors fixed by the Board of Directors were within the limit as prescribed in the Companies Act, 2013. An Independent Director is not entitled to any stock option of the Company.

Details of Remuneration paid to Managing Director(s) for the Financial Year 2022-23

On the basis of the recommendation of the Nomination, Remuneration and Compensation Committee and the Board of Directors of the Company, the members of the company at the 28th Annual General Meeting held on 8th August, 2022, had approved re-appointment of Mr. Krishna Kumar Karwa and Mr. Prakash Kacholia as Managing Directors (MDs) of the Company for a period of three years with effect from October 1, 2022 to September 30, 2025 at a basic salary of ₹ 12,00,000 (Rupees Twelve Lakh Only) per month with such annual increments as may be decided by the Nomination Remuneration and Compensation Committee and the Board of Directors of the Company from time to time plus perquisites.

5. REMUNERATION OF DIRECTORS

The following table gives details of remuneration paid to Directors. During 2022-23, the company did not advance any loan to any of its Directors. Further, no Director has been granted any stock options of the Company during the year.

Name of the Director	Relationship with other Directors	Sitting fees	Salary and Perquisites	Provident Fund	Commission to Non- executive Directors/ performance incentive to Executive Directors	Total	No. of Stock options, if any
Mr. S. K. Saboo	Related to Krishna Kumar Karwa	70,000	0	0	0	70,000	None
Mr. R. K. Krishnamurthi	None	1,10,000	0	0	0	1,10,000	None
Mr. G. C. Vasudeo	None	90,000	0	0	0	90,000	None
Dr. Satish Ugrankar	None	1,10,000	0	3,50,000	0	4,60,000	None
Mr. Krishna Kumar Karwa (Managing Director)	Related to S. K. Saboo	0	1,20,00,000	14,40,000	0	1,34,40,000	None
Mr. Prakash Kacholia (Managing Director)	Related to Priti Kacholia	0	1,20,00,000	14,40,000	0	1,34,40,000	None
Mrs. Priti Kacholia (ceased to be Director from 08.08.2022)	Related to Prakash Kacholia	0	0	0	0	0	None
Dr. Bharat Kumar Singh	None	80,000	0	3,50,000	0	4,30,000	None
Mrs. Hutokshi Wadia	None	30,000	0	0	0	30,000	None

Note: Sitting fees are paid for attending Board Meetings and Board level Committees i.e. Audit, and Nomination, Remuneration and Compensation Committee

Corporate Governance Report (Contd.)

Name of the Director	Service contracts	Notice period	Severance fee
Mr. S. K. Saboo	NA	NA	NA
Mr. R. K. Krishnamurthi	NA	NA	NA
Mr. G. C. Vasudeo	NA	NA	NA
Dr. Satish Ugrankar	NA	NA	NA
Mr. Krishna Kumar Karwa (Managing Director)	3 Yrs.*	NA	NA
Mr. Prakash Kacholia (Managing Director)	3 Yrs.*	NA	NA
Mrs. Priti Kacholia (ceased to be Director from 08.08.2022)	NA	NA	NA
Dr. Bharat Kumar Singh	NA	NA	NA
Mrs. Hutokshi Wadia	NA	NA	NA

*Reappointed as Managing Director for the further term of three years w.e.f. 1st October, 2022 at the AGM held on 8th August, 2022 .

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

(a) The Stakeholders Relationship Committee of the Company comprises of three Directors as under:

Mr. R. K. Krishnamurthi	Chairman
Mr. Prakash Kacholia	Member
Mr. Krishna Kumar Karwa	Member

The Chairman of the Committee is the Non-Executive Independent Director. In case there is a request for transfer of shares, demat - remat of shares during a fortnight, the Committee meeting is held fortnightly else the Committee meets once in every quarter.

During the financial year 2022-23, 4 meetings of the Committee were held. These meeting were held on 24th May, 2022, 08th August, 2022, 07th November, 2022 and 30th January, 2023.

The attendance of each Committee member was as under:

Name	No. of Meetings attended
Mr. R. K. Krishnamurthi	4
Mr. Krishna Kumar Karwa	4
Mr. Prakash Kacholia	3

The Stakeholders Relationship Committee looks into the redressal of shareholder and investor grievances, issue of duplicate/ consolidated share certificates, remat /demat of shares and review of cases for refusal of transfer/ transmission and reference to statutory and regulatory authorities.

(b) Mr. B. M. Raul, the Company Secretary designated as the Compliance Officer under SEBI (LODR) Regulations, 2015 has been complying with the requirements of the Securities Law and the SEBI (LODR) Regulations.

(c) Details of Shareholders/ Investors Complaints for the financial year 2022-23 :

Number of shareholders complaints received during the year	Nil
Number not solved to the satisfaction of shareholders	Nil
Number of pending complaints	Nil

Corporate Governance Report (Contd.)**7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

The composition of the committee is in Compliance with section 135(1) of the Companies Act, 2013. The members of the CSR Committee are as under :

Mr. G. C. Vasudeo	Chairman
Mr. Krishna Kumar Karwa	Member
Mr. Prakash Kacholia	Member

Meetings:

During the Financial Year 2022-23, 2 Meetings of the Committee were held on 24th May, 2022 and 07th November, 2022. The attendance of each Committee member was as under:

Name	No. of Meetings attended
Mr. G. C. Vasudeo	2
Mr. Krishna Kumar Karwa	2
Mr. Prakash Kacholia	1

Terms of Reference

The terms of reference of the CSR committee broadly are as under:

- Formulation of the corporate social responsibility policy and its review from time to time.
- Recommending various categories of expenditures on the CSR activities in alignment with the CSR policy and in compliance with the regulatory requirements.
- Monitoring the implementation of framework of CSR policy.
- Carrying out any other function in compliance with any statutory notification, amendment or modification, as may be applicable, necessary or appropriate.

8. GENERAL BODY MEETINGS

Details of venue, date and time of the last three Annual General Meetings (AGM) held:

Financial Year	AGM No.	Venue	Date	Time
2021-2022	28th	Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	08th August, 2022	04.30 p.m.
2020-2021	27th	Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	06th August, 2021	03.00 p.m.
2019-2020	26th	Video Conferencing (VC)/ Other Audio Visual Means (OAVM)	28th August, 2020	11.00 a.m.

Special Resolutions passed at the last three AGMs:

- At the 28th AGM held on 8th August, 2022 through Video Conferencing (VC) / Other Audio Visual Means (OAVM)**
 - Appointment of Mrs. Hutokshi Wadia (DIN-00103357) as an Independent Director
 - Re-appointment of Mr. Krishna Kumar Karwa as Managing Director with effect from October 1, 2022 and Payment of remuneration to him
 - Re-appointment of Mr. Prakash Kacholia as Managing Director with effect from October 1, 2022 and Payment of remuneration to him.

Corporate Governance Report (Contd.)

2. At the 27th AGM held on 6th August, 2021 through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

- Appointment of Mr. S. K. Saboo (DIN-00373201), aged 78 years, as a Director who retired by rotation and being eligible had offered himself for re-appointment
- Payment of Commission to Non-Executive Directors.
- Re-appointment of Dr. Satish Ugrankar (DIN- 00043783) as an Independent Director
- Grant of Stock options to Mr Sanjay Chawla, Head of Research and Strategist in excess of one per cent of issued equity capital under Employee Stock Option Plan-2007 (ESOP-2007)

3. At the 26th AGM held on 28th August 2020 through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

- Continuation of Directorship of Dr. Satish Ugrankar (DIN - 00043783) as an Independent Director
- Continuation of Directorship of Mr. R. K. Krishnamurthi (DIN - 00464622) as an Independent Director
- Continuation of Directorship of Dr. Bharat Kumar Singh (DIN - 00274435) as an Independent Director

Postal Ballot:

During the year, no resolutions were passed by the Company through postal ballot.

1. Proposal for Postal Ballot:

At present there is no Special Resolution proposed to be passed through postal ballot

9. MEANS OF COMMUNICATION

- The Quarterly / Annual Financial Results of the Company are normally published in the Business Standard and Sakal.
- The Quarterly / Annual Financial Results were promptly displayed on the Company's website www.emkayglobal.com.
- All the official news releases are regularly sent to the Stock Exchanges and are promptly displayed on the Company's website.
- No presentations made to the institutional investors or to the analysts during the year.

10. GENERAL SHAREHOLDER INFORMATION

Sr. No.	AGM: Date, Time and Venue	August, 10th, 2023 at 4.30 p.m.through the mode of Video Conferencing and OAVM
(a)	Financial Year	1st April, 2022 to 31st March, 2023.
(b)	Date of Book Closure	4 th August, 2023 to 10 th August, 2023 (Both days inclusive)
(c)	Dividend Payment Date	Dividend if declared at the Annual General Meeting shall be paid to all eligible shareholders from 14 th August, 2023 onwards.
(d)	Listing on Stock Exchanges	BSE Limited, P. J. Tower, Dalal Street, Mumbai 400001 National Stock Exchange of India Limited, Exchange Plaza, BKC, Bandra (East), Mumbai 400051
(e)	Stock Code / Symbol	BSE Limited - 532737 National Stock Exchange of India Limited-EMKAY
(f)	Listing Fees	The Company has paid listing fees to BSE Limited and National Stock Exchange of India Limited for the Financial Year 2022-23
(g)	ISIN Number	INE296H01011

Corporate Governance Report (Contd.)

Sr. No.	AGM: Date, Time and Venue	August, 10th, 2023 at 4.30 p.m.through the mode of Video Conferencing and OAVM
(h)	Registrar and Transfer Agents	Link Intime India Private Limited, C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400 083 Tel No: +91 22 49186000 Fax: +91 22 49186060
(i)	Share Transfer System	As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed entities can be transferred only in dematerialised form, with effect from 1st April, 2019. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Any Director of the Company or the Company Secretary is empowered to approve transfers. Pursuant to SEBI circular dated 25th January 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.
(j)	Dematerialization of Shares and liquidity	As on 31.03.2023 99.98% of the Equity Share Capital comprising 2,46,36,216 equity shares out of total 2,46,40,230 equity shares were dematerialized.
(k)	Outstanding GDR /ADR / Warrants or any Convertible Instruments, Conversion Date and likely impact on equity.	The Company has not issued any GDR /ADR /Warrants.
(l)	Commodity price risk or foreign exchange risk and hedging activities	The Company is not exposed to commodity price risk since it is engaged in business of providing financial services. The Company's foreign exchange risk is negligible and hence it has not undertaken any hedging activities.
(m)	Plant Locations	The Company is into financial services business and does not have any plant locations
(n)	Address for correspondence	Registered Office: The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai - 400028 Administrative Office: Paragon Center, C-06, Ground Floor, Pandurang Budhkar Marg, Worli, Mumbai - 400 013. Registrar and Transfer Agent: Link Intime India Private Limited C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083
(o)	List of Credit Rating along with any revision thereto during the relevant financial year for all debt instrument.	N.A. The Company does not have any debt instrument

Corporate Governance Report (Contd.)

Market Price Data

The Market Price of the Company's Shares traded on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) during each month of the last Financial Year from 1st April, 2022 to 31st March, 2023 is as follows:

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2022	124.00	107.05	124.00	105.00
May, 2022	118.90	75.95	119.00	75.80
June, 2022	80.45	61.05	80.90	60.90
July, 2022	77.00	64.00	75.40	64.00
August, 2022	90.05	70.50	90.40	70.35
September, 2022	93.40	79.00	95.00	78.55
October, 2022	86.00	75.30	86.50	76.10
November, 2022	81.20	70.00	81.50	69.80
December, 2022	81.90	68.25	81.80	68.20
January, 2023	80.00	70.20	79.50	70.10
February, 2023	74.95	65.50	75.70	65.55
March, 2023	73.80	61.15	69.00	61.85

Categories of Share Holding as on 31st March, 2023

The Shareholding of different categories of the shareholders as on 31st March, 2023 is given below:

Category	No. of Shareholders	No. of Shares	% of total
(A) Promoters and Promoter Group Shareholding			
Individual / Hindu Undivided family	6	1,35,02,500	54.80
Bodies Corporate	1	48,51,484	19.69
Total (A)	7	1,83,53,984	74.49
(B) Public Shareholding			
Other Bodies Corporate	59	1,58,133	0.64
NRI (including Non Repatriable)	216	2,07,800	0.84
Clearing Members	6	63,372	0.26
Indian Public	14,337	49,53,500	20.10
IEPF	1	3,105	0.01
HUF	265	3,20,767	1.30
Foreign Portfolio investors	1	1,87,107	0.76
LLP	4	2,06,241	0.84
Office bearers	26	1,86,221	0.76
Total (B)	14,915	62,86,246	25.51
(C) Non Promoter-Non Public Shareholding	0	0	0
Total (C)	0	0	0
Total (A+B+C)	14,922	2,46,40,230	100.00

Corporate Governance Report (Contd.)

Distribution of Shareholding according to size class as on 31st March, 2023

The Shareholding distribution of the equity shares as on 31st March, 2023 is given below:

Number of Shares held (Face value of ₹ 10 each)	Shareholders		Shares	
	Number	% of total	Number	% of total
1-500	13,706	90.4507	13,11,635	5.3231
501-1,000	725	4.7845	5,69,703	2.3121
1,001-2,000	358	2.3626	5,45,028	2.2119
2,001-3,000	132	0.8711	3,31,495	1.3453
3,001-4,000	67	0.4422	2,36,759	0.9609
4,001-5,000	43	0.2838	2,04,784	0.8311
5,001-10,000	55	0.3630	4,03,233	1.6365
10,001 & above	67	0.4422	2,10,37,593	85.3790
Total	15,153	100.0000	2,46,40,230	100.0000

11. OTHER DISCLOSURES

A. Related Party Transactions (RPT)

- The Audit Committee and the Board of Directors of the Company have formulated the Policy on dealing with RPTs and a Policy on materiality of RPTs, is uploaded on the website of the Company and can be accessed through the following link: www.emkayglobal.com/policy-and-disclosures
- Your Company enters into various transactions with related parties as per the provisions of the Companies Act, 2013 and Regulation 23 of the SEBI (LODR) Regulations, 2015.
- During the financial year ended 31st March 2023, there are no transactions with related parties which qualify as materially significant transaction in terms of the provisions of Regulation 23 of the SEBI (LODR) Regulations, 2015.
- There are no materially significant related party transactions of the Company which conflict with the interests of the Company at large.
- A statement in summary form of all the transactions with related parties is placed periodically before the audit committee.
- Transactions with related parties, as per requirements of Indian Accounting Standard (Ind AS) 24, are disclosed in this annual report.

B. There was no non-compliance and no penalties or strictures were imposed by the stock exchanges or by the SEBI or any other statutory authority on the Company in any matter related to capital market in connection with its equity share capital from the date of listing.

C. Whistleblower Policy/ Vigil Mechanism

The Company is committed to provide an open, honest and transparent working environment and seeks to eliminate fraudulent activities in its operations. To maintain high level of legal, ethical and moral standards and to provide a gateway for employees to report unethical behavior and actual or suspected frauds, the Company has adopted the Whistleblower Policy / vigil mechanism with effect from 1st April, 2014, in line with Regulation 22 of the SEBI (LODR) Regulations, 2015. No personnel have been denied access to the Audit Committee.

The Whistleblower Policy / vigil mechanism broadly covers a detailed process for reporting, handling and investigation of fraudulent activities and providing necessary protection to the employees who report such fraudulent activities / unethical behaviour. The Whistleblower Policy is available on the Company's website i.e. www.emkayglobal.com/policy-and-disclosures

D. Details of compliance with mandatory and non-mandatory requirements of SEBI (LODR) Regulations, 2015 :

Your Company has complied with all the mandatory requirements of SEBI (LODR) Regulations, 2015.

Corporate Governance Report (Contd.)

E. Disclosure of commodity price risks and commodity hedging activities

The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore there is no disclosure to offer in term of SEBI circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018.

F. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): Not Applicable

G. A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority: The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

H. Where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof: Not Applicable

I. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.: Details relating to fee paid to the Statutory Auditor are given in note to the Standalone Financial Statement and note to the Consolidated Financial Statement.

J. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: During the year, no complaint was filed under the said act.

Following is the status of the compliance with the non-mandatory requirements:

a) Audit qualifications:

During the year under review, there was no audit qualification on the Company's financial statements.

b) Reporting of Internal Auditor:

As per the requirements, the internal auditor may report directly to the Audit Committee. The same is reported by briefing the Audit Committee through discussion and presentation of the observations, review, comments and recommendations etc. in the Internal Audit presentation by the Internal Auditor of the Company.

c) Code of Conduct:

Your Company has adopted a Code of Conduct for all the employees including Board Members and Senior Management Personnel of the Company in accordance with the requirement under SEBI (LODR) Regulations, 2015. The Code of Conduct has been posted on the website of the Company. All the Board Members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the financial year ended 31st March, 2023. A certificate signed by the Managing Directors/ CEO is annexed to this report as 'Annexure 1.'

d) Code of Conduct for Prevention of Insider Trading :

Pursuant to Regulation 9(1) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Board has laid down Internal Code of Conduct for Prevention of Insider Trading in dealing with Securities of Emkay Global Financial Services Limited and the same can be accessed through the following link: <https://www.emkayglobal.com/policy-and-disclosures>

e) CEO / CFO Certification :

The certificate required under SEBI (LODR) Regulations, 2015 duly signed by the Managing Directors/CFO has been given to the Board and the same is annexed to this report as "Annexure 2."

f) IPO Unclaimed Shares Demat Suspense Account

As per the directive issued by the Securities Exchange Board of India (SEBI), the Company had opened a Beneficiary Account with Emkay Global Financial Services Limited, in the capacity of Depository Participant of CDSL in the name and style of

Corporate Governance Report (Contd.)

“Emkay Global Financial Services Limited A/C, IPO-Unclaimed Securities Suspense Account” and credited the unclaimed shares lying in the Escrow Account which were not transferable in any manner. The said account was held by the Company purely on behalf of the allottees who were entitled to the shares but had not claimed their shares.

As per Rule 6 of the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 which came into force on 28.02.2017 “the shares were required to be credited to the Demat Account of the Authority opened by the Authority for the said purpose.

In accordance with provisions of section 124 and 125 of the Companies Act, 2013, during the financial year 2017- 18, the Company has transferred 391 no. of shares lying in Unclaimed Securities Suspense Account to the Demat Account opened by IEPF Authority. As on 31st March, 2023 there are no shares lying in the said Depository Account.

Further, in compliance with the aforesaid SEBI Circular, the Company had opened an account with HDFC Bank Ltd in the name and style of “EGFSL – IPO Unclaimed Shares Unpaid Dividend Account” and credited the said bank account with the dividends declared on Unclaimed IPO Shares. As on 31 March 2023, an amount of ₹ 780.50 was lying in the said bank account.

Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Fund:

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), dividend, if not claimed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (“IEPF”).

Interim dividend declared for the FY 2015-16, remaining unpaid or unclaimed for seven consecutive years or more has been transferred to the IEPF on 2nd May 2023.

Transfer of Equity Shares in respect of which dividend had not been paid or claimed for seven consecutive years or more to the Special Demat Account of the Investor Education and Protection Fund (IEPF) Authority.

In accordance with the provisions of section 124 and 125 of the Companies Act, 2013, during the financial year 2022-23 10,089 shares in respect of which dividend had not been paid or claimed for seven consecutive years or more has been transferred to the Demat Account of IEPF Authority.

Shares which are transferred to the Demat account of IEPF Authority can be claimed back by the shareholders from the IEPF Authority by following the procedure prescribed under the aforesaid rules.

h) Subsidiary Companies

The Company has six wholly owned unlisted subsidiaries as under:

Name of subsidiary	Date of Incorporation & Place of Incorporation	Name of Statutory Auditor	Date of Appointment
Emkay Fincap Limited	16.05.2005 Mumbai	S.K. Loonker & Co.	05.08.2021
Emkay Commotrade Limited	05.01.2006 Mumbai	B.L. Sarda & Associates	12.08.2019
Emkay Wealth Advisory Limited	08.03.2007 Mumbai	B.L. Sarda & Associates	12.08.2019
Emkay Investment Managers Limited	08.06.2010 Mumbai	B.L. Sarda & Associates	12.08.2019
Emkayglobal Financial Services IFSC Private Limited	21.06.2018 Gandhinagar	B.L. Sarda & Associates	30.09.2019
Emkay Global Financial Services Pte. Ltd., Singapore	10.02.2021 Singapore	JBS Practice Public Accounting Corporation	07.04.2022

Out of the above six subsidiaries, Emkay Fincap Limited, Emkay Commotrade Limited and Emkay Investment Managers Limited are material non-listed Indian subsidiaries as per SEBI (LODR) Regulations, 2015 whose turnover or net worth exceeds 10% of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year ended 31st March, 2022. As required under regulation 24 (1) SEBI (LODR) Regulations, 2015, an Independent Director of the Company has been appointed on the Board of Emkay Fincap Limited, Emkay Commotrade Limited and Emkay Investment Managers Limited.

Corporate Governance Report (Contd.)

The Company monitors the performance of its subsidiaries, inter alia, by following means:

1. The Financial Statements, in particular the investments made by the unlisted subsidiary companies are placed before the Company's Audit Committee as well as before the Board.
2. The Minutes of Board and Audit Committee Meetings of the subsidiaries are placed at the Board Meetings of the Company.
3. Details of significant transactions and arrangements entered into by the unlisted subsidiary companies with the Company are placed before the Company's Board, as and when applicable.
Policy on determining 'Material Subsidiaries' is uploaded on the website of the Company <https://www.emkayglobal.com/policy-and-disclosures>

i) Risk Management Framework

The Company has in place a mechanism to inform the Board about the risk assessment and minimization procedures and periodical review to ensure that management controls risk through means of a properly defined framework.

j) Commodity price risk or foreign exchange risk and hedging activities

The Company is not exposed to commodity price risk since it is engaged in business of providing financial services. The Company's foreign exchange risk is negligible and hence it has not undertaken any hedging activities.

k) Loans and Advances in the nature of loans to firms/ companies in which Directors are interested: Not Applicable

l) Listing Fees

The Company has complied with SEBI (LODR) Regulations, 2015 with respect to payment of Annual Listing fees to the Exchanges and Annual Custodial fees to the Depositories.

m) Reclassification of Public shareholding

SEBI vide its letter No. CFD/CMD/RV/OW/25811/2016 dated 14.09.2016, had informed to be guided by the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. As per the proviso to Regulation 3(12) of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, (SBEB Regulations) any ESOP Trust, which at the commencement of the regulations holds secondary shares, is required to appropriate these shares on the stock exchange to the extent that these shares remained un-appropriated by granting Stock Options within one year from the notification of the regulations i.e by 27.10.2015 or sell in the secondary market within 5 years from the date of notification of the regulations i.e by 27.10.2019. In compliance with the requirement, ESOP trust has sold the remaining shares in the secondary market in June 2019.

The Company has made all disclosures regarding compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR), 2015 in the section on Corporate Governance of the annual report.

There is no non-compliance of any requirement under para (1) to (10) of schedule V of SEBI (LODR) Regulations, 2015 in Corporate Governance Report.

On behalf of the Board of Directors

For Emkay Global Financial Services Limited

S.K.Saboo
Chairman

DIN: 00373201

Place: Mumbai

Date: 15th May, 2023

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
Emkay Global Financial Services Limited
7th Floor, The Ruby Senapati Bapat Marg,
Dadar (West) Mumbai – 400028

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Emkay Global Financial Services Limited** having CIN **L67120MH1995PLC084899** and having registered office at 7th Floor, The Ruby Senapati Bapat Marg, Dadar (West) Mumbai – 400028 (hereinafter referred to as 'the Company'), produced before us 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 and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our 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 us by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of Appointment in Company*
1	Prakash Kacholia	00002626	24/01/1995
2	Girindrachandra Vasudeo Chandrakant	00021772	20/01/2006
3	Satish Ugrankar Shripad	00043783	12/08/2015
4	Krishna Karwa Kumar	00181055	24/01/1995
5	Bharat Kumar Singh	00274435	29/01/2018
6	Sushil Kumar Saboo Madan Lal	00373201	15/10/1995
7	Ravikumar Krishnamurthi	00464622	10/11/2005
8	Hutokshi Rohinton Wadia	00103357	25/05/2022

*the date of appointment is as per the MCA Portal.

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

For Parikh & Associates

Practising Company Secretaries

Mitesh Dhaliwala

FCS: 8331 CP: 9511

Mumbai, May 15, 2023

UDIN: F008331E000308224

**REPORT ON CORPORATE GOVERNANCE AS PER PROVISIONS OF CHAPTER IV
OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS
AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS AMENDED
PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE**

**TO THE MEMBERS OF
Emkay Global Financial Services Limited**

We have examined the compliance of the conditions of Corporate Governance by Emkay Global Financial Services Limited ('the Company') for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023.

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

For Parikh & Associates
Company Secretaries

Place: Mumbai
Date: May 15, 2023

Mitesh Dhaliwala
Partner
FCS No: 8331 CP No: 9511
UDIN: F008331E000308213
PR No.: 1129/2021

Annexure 1

CODE OF CONDUCT

In accordance with Regulation 26 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, We, Krishna Kumar Karwa - Managing Director and Prakash Kacholia - Managing Director of the Company confirm that the Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended 31st March, 2023.

For **EMKAY GLOBAL FINANCIAL SERVICES LIMITED**

Krishna Kumar Karwa
Managing Director

Prakash Kacholia
Managing Director

Place: Mumbai
Date: 15th May, 2023

CEO/ CFO CERTIFICATE

We hereby Certify that

- A. We have reviewed financial statements and the cash flow statement for the year ended on 31.03.2023 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such 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
- (1) Significant changes in internal control over financial reporting during the year ended on 31.03.2023;
 - (2) Significant changes in accounting policies during the year ended on 31.03.2023 and that the same have been disclosed in the notes to the financial statements; and
 - (3) There are no instances 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 listed entity's internal control system over financial reporting.

Krishna Kumar Karwa
Managing Director

Prakash Kacholia
Managing Director

Saket Agrawal
Chief Financial Officer

Place: Mumbai
Date: 15th May, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Members of Emkay Global Financial Services Limited
Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of Emkay Global Financial Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered

Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

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

We have determined the matter described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
<p>1. IT systems and controls</p> <p>The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes.</p> <p>Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure accurate financial reporting.</p> <p>Therefore, due to the pervasive nature and complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.</p>	<p>We performed the following procedures assisted by specialized IT auditors on the IT infrastructure and applications relevant to financial reporting:</p> <ul style="list-style-type: none"> • Tested the design and operating effectiveness of IT access controls over the information systems that are important to financial reporting and various interfaces, configuration and other identified application controls. • Tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized. • Tested the Company's periodic review of access rights. We also inspected requests of changes to systems for appropriate approval and authorization. • In addition to the above, we tested the design and operating effectiveness of certain automated and IT dependent manual controls that were considered as key internal controls over financial reporting.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

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

When we read such other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and to comply with the relevant applicable requirements of the standard on auditing for auditor's responsibility in relation to other information in documents containing audited standalone financial statements. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IndAS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 financial statements.

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

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

INDEPENDENT AUDITOR'S REPORT (Contd.)

uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone 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 financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 44 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) The management has represented that, to the best of its knowledge and belief, as

INDEPENDENT AUDITOR'S REPORT (Contd.)

disclosed in the Note 63(i) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign 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, as disclosed in the Note 63(j) to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 59 to the standalone financial statements, 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 dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

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

ICAI Firm Registration Number: 301003E/E300005

per **Viren H. Mehta**

Partner

Membership Number : 048749

UDIN : 23048749BGGVKG2737

Place of Signature : Mumbai

Date : May 15, 2023

Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our Report of even date

Re: Emkay Global Financial Services Limited

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) As disclosed in note 63(d) to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the audited/ unaudited books of accounts of the Company.
- (iii) (a) During the year the Company has provided loans to companies, firms, Limited Liability Partnerships or any other parties as follows:

Particulars	Loans (Amount in Rs.)
Aggregate amount granted/ provided during the year	23,94,45,259

Particulars	Loans (Amount in Rs.)
Balance outstanding as at balance sheet date	4,48,13,079

During the year the Company has not provided advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.

- (b) During the year the investments made and terms and conditions of the grant of all loans to companies, firms, limited liability partnerships or any other parties are not prejudicial to the Company's interest.

During the year the Company has not provided guarantees, given security and granted advances in the nature of loans and guarantees to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.

- (c) The Company has granted loans during the year to companies, firms, limited liability partnerships or any other parties where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

The Company has not granted advances in the nature of loans during the year to companies, firms, limited liability partnerships or any other parties where the schedule of repayment of principal and payment of interest has been stipulated. Accordingly, the requirement to report on this is not applicable to the Company.

- (d) There are no amounts of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

The Company has not granted advances in the nature of loans during the year to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on this is not applicable to the Company.

- (e) There were no loans granted to companies, firms, limited liability partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our Report of even date (contd.)

The Company has not granted advances in the nature of loans during the year to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on this is not applicable to the Company.

- (f) During the year, the Company has granted loans either repayable on demand or without specifying any terms or period of repayment to companies, firms, limited liability partnerships or any other parties as stated below and none of these are granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

Particulars	All Parties (Amount in Rs.)	Related Parties and Promoters (Amount in Rs.)
Aggregate amount of loans - Repayable on demand	23,94,45,259	5,11,913
Percentage of loans to the total loans	100%	0.2%

The Company has not granted advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.

- (iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

As informed, the provisions of sales tax, duty of customs, duty of excise and value added tax are currently not applicable to the Company.

- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, service tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax on broking income earned from FII & other foreign client	Rs.8,47,80,563 (Net of Rs. 38,43,538 paid)	FY 2012-13 & FY 2013-14	Commissioner of CGST and Central Excise
Finance Act, 1994	GST on excess ITC availed	Rs. 11,41,440 (Net of Rs. 40,101 paid)	July 2017 to March 2018	Commissioner of GST

As informed, the provisions of sales tax, duty of customs, duty of excise and value added tax are currently not applicable to the Company.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority during the year.

Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our Report of even date (contd.)

- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes during the year by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures during the year.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer /further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clauses 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) 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 notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year or the previous financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company

Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our Report of even date (contd.)

is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) The provisions of Section 135(5) to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) The provisions of Section 135(5) to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Viren H. Mehta**

Partner

Membership Number : 048749

UDIN : 23048749BGVGKG2737

Place of Signature : Mumbai

Date : May 15, 2023

Annexure 2 to the independent auditor's report of even date on the standalone financial statements of Emkay Global Financial Services Limited

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

We have audited the internal financial controls with reference to standalone financial statements of Emkay Global Financial Services Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone

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

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

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

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

Annexure 2 to the independent auditor's report of even date on the standalone financial statements of Emkay Global Financial Services Limited (Contd.)

in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Viren H. Mehta**

Partner

Membership Number : 048749

UDIN : 23048749BGVGKG2737

Place of Signature : Mumbai

Date : May 15, 2023

STANDALONE BALANCE SHEET

AS AT 31 MARCH, 2023

(₹ in Lacs)			
Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
ASSETS			
1 Financial Assets			
Cash and cash equivalents	7	1,264.02	5,745.05
Bank balance other than cash and cash equivalents	8	28,928.56	28,985.09
Derivative financial instruments	9	-	3.51
Securities held for trading	10	-	147.05
Trade receivables	11	10,316.83	8,599.61
Loans	12	448.13	91.42
Investments	13	5,401.99	7,346.04
Other financial assets	14	13,744.54	14,196.96
Total financial assets		60,104.07	65,114.73
2 Non-Financial Assets			
Current tax assets (net)	15	407.16	96.97
Deferred tax assets (net)	16	425.51	62.61
Property, plant and equipment	17	2,962.04	2,722.26
Right-of-use-assets	48	722.43	382.90
Capital work-in-progress	18	-	165.91
Intangible assets under development	19	-	12.00
Other intangible assets	17	52.65	20.05
Other non-financial assets	20	454.76	251.57
Total non-financial assets		5,024.55	3,714.27
TOTAL ASSETS (1 + 2)		65,128.62	68,829.00
LIABILITIES AND EQUITY			
1 Financial liabilities			
Derivative financial instruments	9	-	-
Trade payables	21	-	-
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		11,726.86	13,577.61
Deposits	22	1,036.47	2,878.10
Lease liabilities	48	731.16	400.91
Other financial liabilities	23	33,166.27	34,128.80
Total financial liabilities		46,660.76	50,985.42
2 Non-financial liabilities			
Provisions	24	1,988.22	2,130.45
Other non-financial liabilities	25	1,353.44	1,263.05
Total non-financial liabilities		3,341.66	3,393.50
3 EQUITY			
Equity share capital	26	2,464.02	2,464.02
Other equity	27	12,662.18	11,986.06
Total equity		15,126.20	14,450.08
TOTAL LIABILITIES AND EQUITY (1 + 2 + 3)		65,128.62	68,829.00

The accompanying notes are an integral part of financial statements

As per our report of even date
for **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number:
301003E/E300005

per **Viren H. Mehta**
Partner
Membership No.048749

Place : Mumbai
Date : May 15, 2023

For and on behalf of the Board of **Emkay Global Financial Services Limited**

S.K.Saboo
Chairman
DIN : 00373201

Saket Agrawal
Chief Financial Officer

Place : Mumbai
Date : May 15, 2023

Prakash Kacholia
Managing Director
DIN : 00002626

Bhalchandra Raul
Company Secretary
Membership No.FCS1800

STANDALONE STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED 31 MARCH, 2023

(₹ in Lacs)			
Particulars	Note No.	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations			
(a) Interest income	28	442.05	455.50
(b) Fees and commission income	29	15,765.84	15,893.36
(c) Net gain on fair value changes	30	2,194.60	910.62
(d) Other operating income	31	212.03	247.41
Total revenue from operations (I)		18,614.52	17,506.89
Other income (II)	32	1,238.79	600.75
Total income (I + II = III)		19,853.31	18,107.64
Expenses			
(i) Finance costs	33	442.91	286.70
(ii) Fees and commission expenses	34	2,325.65	1,936.44
(iii) Impairment on financial instruments	35	9.70	14.11
(iv) Employee benefits expenses	36	10,670.28	10,222.46
(v) Depreciation and amortization expenses	37	883.55	734.11
(vi) Other expenses	38	4,708.75	3,311.68
Total expenses (IV)		19,040.84	16,505.50
Profit before exceptional items and tax (III - IV = V)		812.47	1,602.14
Exceptional items (VI)	58	(115.00)	252.50
Profit before tax (V+VI = VII)		697.47	1,854.64
Tax expense:			
(i) Current tax		-	285.29
(ii) Deferred tax		(362.90)	250.91
(iii) Taxes for earlier years		(3.09)	(13.18)
Total tax expenses (VIII)	54	(365.99)	523.02
Profit for the year (VII - VIII = IX)		1,063.46	1,331.62
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
(i) Actuarial loss on defined benefit plans		(70.54)	(58.89)
(ii) Income tax relating to above item		-	10.29
Other comprehensive (loss) / income for the year (X)		(70.54)	(48.60)
Total comprehensive income for the year (IX + X = XI)		992.92	1,283.02
Earnings per equity share (face value ₹10 per each)			
Basic EPS (₹ in Lacs)		4.32	5.41
Diluted EPS (₹ in Lacs)	39	4.29	5.11

The accompanying notes are an integral part of financial statements

As per our report of even date
for **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number:
301003E/E300005

per **Viren H. Mehta**
Partner
Membership No.048749

Place : Mumbai
Date : May 15, 2023

For and on behalf of the Board of **Emkay Global Financial Services Limited**

S.K.Saboo
Chairman
DIN : 00373201

Saket Agrawal
Chief Financial Officer

Place : Mumbai
Date : May 15, 2023

Prakash Kacholia
Managing Director
DIN : 00002626

Bhalchandra Raul
Company Secretary
Membership No.FCS1800

STANDALONE STATEMENT OF CHANGES IN EQUITY

AS AT 31 MARCH, 2023

1. EQUITY SHARE CAPITAL

Equity shares of ₹ 10/- each issued, subscribed and fully paid up

Particulars	Equity Share Capital	
	No of Shares	₹ in Lacs
Balance as at 1 April 2021	24,619,030	2,461.90
Changes in equity share capital due to prior year errors	-	-
Restated balance at the beginning of the previous reporting year	24,619,030	2,461.90
Changes in equity share capital during the previous year	21,200.00	2.12
Balance as at 31 March 2022	24,640,230	2,464.02
Balance as at 1 April 2022	24,640,230	2,464.02
Changes in equity share capital due to prior year errors	-	-
Restated balance at the beginning of the current reporting year	24,640,230	2,464.02
Changes in equity share capital during the current year	-	-
Balance as at 31 March 2023	24,640,230	2,464.02

2. OTHER EQUITY

Particulars	Reserves and Surplus				Other Comprehensive Income	Total
	Securities premium	Retained earnings	General reserve	Equity settled share based payment reserve	Items that will not be reclassified to profit or loss - actuarial gains/(losses) on defined benefit plans	
Balance as at 1 April 2021	6,994.94	1,329.88	1,761.51	576.23	(51.10)	10,611.46
Changes in accounting policy or prior year errors	-	-	-	-	-	-
Restated balance at the beginning of the previous reporting year	6,994.94	1,329.88	1,761.51	576.23	(51.10)	10,611.46
Addition during the year on account of share issue	13.91	-	-	-	-	13.91
Transfer from equity-settled share based premium reserve	16.71	-	-	(16.71)	-	-
Fair value of stock options - charge for the year	-	-	-	323.86	-	323.86
Profit for the year	-	1,331.62	-	-	-	1,331.62
Other comprehensive income/(loss) (net)	-	-	-	-	(48.60)	(48.60)
Total	7,025.56	2,661.50	1,761.51	883.38	(99.70)	12,232.25
Dividend paid	-	(246.19)	-	-	-	(246.19)
Balance as at 31 March 2022	7,025.56	2,415.31	1,761.51	883.38	(99.70)	11,986.06
Balance as at 1 April 2022	7,025.56	2,415.31	1,761.51	883.38	(99.70)	11,986.06
Changes in accounting policy or prior year errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting year	7,025.56	2,415.31	1,761.51	883.38	(99.70)	11,986.06
Addition during the year on account of share issue	-	-	-	-	-	-
Transfer from equity-settled share based premium reserve	-	-	43.46	(43.46)	-	-
Fair value of stock options - charge for the year	-	-	-	(8.79)	-	(8.79)
Profit for the year	-	1,063.46	-	-	-	1,063.46
Other comprehensive income/(loss) (net)	-	-	-	-	(70.54)	(70.54)
Total	7,025.56	3,478.77	1,804.97	831.13	(170.25)	12,970.18
Dividend paid	-	(308.00)	-	-	-	(308.00)
Balance as at 31 March 2023	7,025.56	3,170.77	1,804.97	831.13	(170.25)	12,662.18

The accompanying notes are an integral part of financial statements

As per our report of even date
for **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number:
301003E/E300005

per **Viren H. Mehta**
Partner
Membership No.048749

Place : Mumbai
Date : May 15, 2023

For and on behalf of the Board of **Emkay Global Financial Services Limited**

S.K.Saboo
Chairman
DIN : 00373201

Saket Agrawal
Chief Financial Officer

Place : Mumbai
Date : May 15, 2023

Prakash Kacholia
Managing Director
DIN : 00002626

Bhalchandra Raul
Company Secretary
Membership No.FCS1800

STANDALONE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

(₹ in Lacs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
ASSETS		
A. Cash flow from operating activities		
Profit before tax	812.47	1,602.14
Add / (less) : adjustment for :		
Interest income	(57.81)	(38.82)
Fair value (gain) on investments, stock in trade and derivative trades	(46.08)	(577.30)
Net gain on sale Investments	(2,182.98)	(118.62)
Net (gain) / loss on disposal of property, plant and equipment	(9.79)	4.96
Fair valuation of security deposit	(13.85)	(15.17)
Unrealised foreign exchange loss (Net)	35.27	10.68
Income on lease closure and rent waiver	(0.83)	(17.32)
Dividend income	(95.64)	(390.31)
Finance costs	390.61	238.24
Finance cost pertaining to lease liability	52.30	48.46
Impairment on financial instrument (Gross)	1.25	6.23
Share based payment to employees	32.18	301.35
Depreciation and amortisation expenses	883.55	734.11
Operating profit before working capital changes	(199.35)	1,788.63
Add: (less) : Adjustment for changes in working capital:		
(Increase) / decrease in deposits with banks and other items	56.53	(2,770.12)
(Increase) / decrease in derivative financial instruments (asset)	3.51	(3.27)
(Increase) / decrease in securities held for trading	147.05	(140.00)
(Increase) / decrease in trade receivables	(1,718.47)	(2,164.24)
(Increase) / decrease in loans	(356.71)	(78.94)
(Increase) / decrease in other financial assets	437.63	(8,669.56)
(Increase) / decrease in other non financial assets	(137.01)	2.57
Increase / (decrease) in trade payables	(1,859.57)	1,927.62
Increase / (decrease) in deposits	(1,841.63)	2,708.92
Increase / (decrease) in other financial liabilities	(987.84)	9,762.33
Increase / (decrease) in provisions	(212.77)	934.11
Increase / (decrease) in other non financial liabilities	90.39	369.21
Cash (used in) / generated from operations	(6,578.24)	3,667.26
Income tax paid (net)	(292.24)	(199.70)
Cash flow before exceptional / extraordinary items	(6,870.48)	3,467.56
Exceptional / extraordinary items	-	-
Net cash (used in) / generated from operating activities (A)	(6,870.48)	3,467.56
B. Cash flow from investing activities		
Purchase of investments measured at FVTPL	(2,380.86)	(551.25)
Proceeds from sale of investments measured at FVTPL	5,617.18	438.62
Investment in subsidiary companies	(300.00)	(55.53)
Proceeds from buyback of investments in subsidiary companies	1,080.81	-
Purchase of property, plant, equipment and intangibles	(769.08)	(430.04)
Proceeds from sale of property, plant and equipment	18.79	8.19
Interest received	57.81	38.82
Dividend received	95.64	390.31
Net cash generated from / (used in) investing activities (B)	3,420.29	(160.88)
C. Cash flow from financing activities		
Issue of equity share capital (including securities premium)	-	16.03
Share based payment recovered from subsidiary	-	5.18
Cash payment of lease liabilities	(331.11)	(329.26)
Finance costs paid	(390.61)	(238.24)
Dividend paid	(308.00)	(246.19)
Increase / (decrease) in unpaid dividend	(0.05)	0.58
Net cash (used in) / generated from financing activities (C)	(1,029.77)	(791.90)
D. Net change due to foreign exchange translation differences	(1.08)	0.13
Net (decrease) / increase in cash and cash equivalents (A+B+C+D)	(4,481.03)	2,514.91

Standalone Cash Flow Statement
For the year ended 31 March 2023 (contd.)

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Net increase in cash and cash equivalents (A+B+C+D)	(4,481.03)	2,514.91
Cash and cash equivalents at the beginning of the year	5,745.05	3,230.14
Cash and cash equivalents at the end of the year	1,264.02	5,745.05
Notes :		
1. Components of cash and cash equivalents		
Balances with Banks		
- In India with scheduled banks	1,258.10	5,743.45
- Fixed deposit with original maturity of less than three months	-	-
Cash on hand	1.78	1.60
Others : Balances in prepaid cards	4.14	-
Total cash and cash equivalents	1,264.02	5,745.05
2. 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.		
3. Cash and cash equivalent excludes borrowings and other commitments and balance in Unclaimed Dividend accounts.		
4. Previous year's figures are re-grouped/ recasted/ re-arranged wherever considered necessary.		

As per our report of even date
for **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number:
301003E/E300005

per **Viren H. Mehta**
Partner
Membership No.048749

Place : Mumbai
Date : May 15, 2023

For and on behalf of the Board of **Emkay Global Financial Services Limited**

S.K.Saboo
Chairman
DIN : 00373201

Saket Agrawal
Chief Financial Officer

Place : Mumbai
Date : May 15, 2023

Prakash Kacholia
Managing Director
DIN : 00002626

Bhalchandra Raul
Company Secretary
Membership No.FCS1800

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2023

1. Corporate information

Emkay Global Financial Services Limited ('the Company') is a public limited company domiciled in India and was incorporated in 1995 and got listed in 2006. The Company is a member of National Stock Exchange of India Limited (NSE), Bombay Stock Exchange Limited (BSE), National Commodities and Derivatives Exchange Limited (NCDEX), Multi Commodity Exchange of India Limited (MCX), Metropolitan Stock Exchange of India Limited (MSEI) and depository participant with Central Depository Services (India) Limited (CDSL). The Company is engaged in the business of providing Equity, Currency and Commodity Broking Services, Investment Banking, Depository Participant Services and Wealth Management Services including distribution of third party financial products. The Company's registered office is at The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028.

2. Basis of preparation

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

Historical cost convention

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

- certain financial instruments which are measured at fair value
- defined benefit plan assets measured at fair value
- share-based payment obligations

Use of estimates and judgments

The preparation of financial statements requires the management to make judgments, accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Areas involving a higher degree of judgment or complexity, or areas where assumptions are significant to the Company are discussed in Note 6 - Significant accounting judgments, estimates and assumptions.

Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

3. Presentation of financial statements

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

The financial statements of the Company are presented in order of liquidity and in accordance with Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA).

An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 55.

Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- i. The normal course of business
- ii. The event of default
- iii. The event of insolvency or bankruptcy of the Company and/or its counterparties

4. Statement of compliance

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.

5. Significant accounting policies

5.1 Revenue from operations

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS115:

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or a service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

Revenue includes the following:

(i) Brokerage fee income

Revenue from contract with customers is recognised at a point in time when performance obligation is satisfied (when the trade is executed i.e., trade date). This include brokerage fees which is charged per transaction executed on behalf of the customers.

(ii) Fees & commission income

This includes:

- a) Income from investment banking activities, research and other fees :

Income from investment banking activities and other fees is recognized as and when such services are completed / performed and as per terms of agreement with the client (i.e. when the performance obligation is completed). Research fees income is recognised when the entity satisfies the performance obligation by providing the service to the client.

- b) Income from depository operations :

Revenue from depository services on account of annual maintenance charges have been accounted for over the period of the performance obligation. Revenue from depository services on account of transaction charges is recognised at a point in time when the performance obligation is completed.

- c) Income from wealth management services :

Commission income (net of taxes and other statutory charges) from distribution of financial products is recognized based on mobilization and intimation received from clients/intermediaries or over the period of service after deducting claw back as per the agreed terms.

(iii) Interest income

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). The EIR is the rate that exactly discounts estimated future cash flows of the financial assets through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The internal rate of return on financial assets after netting off the fees received and cost incurred approximates the effective interest rate method of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for ECLs).

(iv) Dividend income

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

This is generally when the shareholders approves the dividend.

(v) Net gain on fair value changes

Any realised gain or loss on sale of financial assets (including investments, derivatives and stock in trade) being classified as fair value through profit or loss ("FVTPL") is recognised as "Net gain or loss on fair value changes" under "Revenue from operations" or "Expenses" respectively in the statement of profit and loss.

Similarly, any differences between the fair values of financial assets (including investments, derivatives and stock in trade) being classified as fair value through profit or loss ("FVTPL"), held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

there is a net gain in the aggregate, the same is recognised as “Net gain on fair value changes” under “Revenue from operations” and if there is a net loss the same is disclosed as “Net loss on fair value changes” under “Expenses” in the statement of Profit and Loss.

(vi) Delayed payment charges

The same are accounted at a point in time of default.

(vii) Other income

In respect of other heads of Income it is accounted to the extent it is probable that the economic benefits will flow and the revenue can be reliably measured, regardless of when the payment is being made. An entity shall recognise a refund liability if the entity receives consideration from a customer and expects to refund some or all of that consideration to the customer.

5.2 Financial instruments

(i) Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, as described in Note 6.1. Financial instruments are initially measured at their fair value (as defined in Note 6.3), except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount. Trade receivables are measured at the transaction price. When the fair value of financial instruments at initial recognition differs from the transaction price, the company accounts for the Day 1 profit or loss, as described below.

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

(ii) Classification of financial instruments

The Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income (FVOCI)
3. Financial assets to be measured at fair value through statement of profit and loss (FVTPL)

The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets.

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The business model is assessed on the basis of aggregated portfolios based on observable factors. These factors include:

- Reports reviewed by the entity's key management personnel on the performance of the financial assets
- The risks impacting the performance of the business model (and the financial assets held within that business model) and its management thereof
- The compensation of the managing teams (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of trades.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account.

The Company also assesses the contractual terms of financial assets on the basis of its contractual cash flow characteristics that are solely for the payments of principal and interest on the principal amount outstanding.

'Principal' is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

iii) Financial Assets and Liabilities

(a) Financial assets measured at amortized cost

These financial assets comprise bank balances, loans, trade receivables and other financial assets.

Financial Assets with contractual terms that give rise to cash flows on specified dates, and represent solely payments of principal and interest (SPPI) on the principal amount outstanding; and are held within a business model whose objective is achieved by holding to collect contractual cash flows are measured at amortized cost.

These financial assets are initially recognised at fair

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

value plus directly attributable transaction costs and subsequently measured at amortized cost. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or a financial liability.

(b) Financial assets measured at fair value through other comprehensive income (FVOCI)

Debt instruments

Investments in debt instruments are measured at fair value through other comprehensive income where they have:

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

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income (OCI) (a separate component of equity). Impairment losses or reversals, interest revenue and foreign exchange gains and losses are recognised in statement of profit and loss. Upon disposal, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the statement of profit and loss. As at the reporting date the Company does not have any financial instruments measured at fair value through other comprehensive income.

Equity instruments

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

Amounts presented in other comprehensive income for equity instruments are not subsequently transferred to statement of profit and loss. Dividends on such investments are recognised in statement of profit and loss.

(c) Financial assets measured through statement of profit and loss

The financial assets are classified as FVTPL if these do not meet the criteria for classifying at amortized cost or FVOCI. Items at fair value through statement of profit and loss comprise:

- Investments (including equity shares) and stock in trade held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition;
- Debt instruments with contractual terms that do not represent solely payments of principal and interest; and
- Derivative transactions

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking, or it is a derivative not designated in a qualifying hedge relationship.

The profit/(loss) earned on sale of investments and securities held for trading are recognised on trade date basis. Profit or loss on sale of investments is determined on the basis of the weighted average cost method and securities held for trading on FIFO method. On disposal of an investment, the difference between carrying amount and net disposal proceeds is charged to or credited to statement of profit and loss.

Trading derivatives and trading securities are classified as held for trading and recognised at fair value.

d) Financial liabilities

The Company classifies its financial liabilities at amortized costs unless it has designated liabilities at fair value through the statement of profit and loss such as derivative liabilities.

Debt securities and other borrowed funds

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

(e) Undrawn loan commitments

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

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

customer. Undrawn loan commitments are in the scope of the ECL requirements.

The nominal contractual value of undrawn loan commitments, where the loan agreed to be provided is on market terms, are not recorded in the balance sheet. The nominal values of these instruments together with the corresponding ECLs are disclosed in Note 12.

(f) Derivatives

The Company enters into derivative transactions being equity derivative transactions in the nature of Futures and Options in Equity Stock/Index and currency derivative transactions in the nature of Futures and Options in foreign currencies both entered into for trading purposes. Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The notional amount and fair value of such derivatives are disclosed separately. Changes in the fair value of derivatives are included in net gain on fair value changes.

(g) Recognition and derecognition of financial assets and liabilities

A financial assets or financial liabilities are recognised in the balance sheet when the Company becomes a party to the contractual provisions of the instruments, which are generally on trade date. Loans and receivables are recognised when cash is advanced (or settled) to the borrowers. Financial assets at fair value through statement of profit or loss are recognised initially at fair value. All other financial assets are recognised initially at fair value plus directly attributable transaction costs.

The Company derecognises its financial assets when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows on the financial assets in a transaction in which substantially all the risks and rewards of ownership are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability. A financial liabilities are derecognised from the balance sheet when the Company has discharged its obligation or the contract is cancelled or expires.

(h) Impairment of financial assets

Overview of the ECL principles

The Company recognises loss allowances (provisions) for expected credit losses on its financial assets (including non-fund exposures) that are measured at amortised costs.

The Company applies a three-stage approach to measuring expected credit losses (ECLs) for the following categories of financial assets that are not measured at fair value through statement of profit and loss:

- debt instruments measured at amortised cost
- loan commitments; and
- financial guarantee contracts.

Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance provision is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months expected credit loss. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has classified its loan portfolio into Corporates / Firms, Individuals (HNIs) and Individuals (Retail).

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Company does the assessment of significant increase in credit risk at a borrower level. If a borrower has various facilities having different past due status, then the highest days past due (DPD) is considered to be applicable for all the facilities of that borrower.

Based on the above, the Company categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Company classifies all standard advances and advances upto 30 days default under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

Stage 2

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk.

Stage 3

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired.

Credit-impaired financial assets:

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- a) Significant financial difficulty of the borrower or issuer;
- b) A breach of contract such as a default or past due event;
- c) The restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- e) The disappearance of an active market for a security because of financial difficulties.

Loan Commitments

When estimating lifetime ECL, for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down.

For margin funding facilities that include both a loan and an undrawn commitment, ECL are calculated and presented together with the loan. For loan commitments, the ECL is recognised within Provisions. Margin trading facilities are secured by collaterals. As per policy of the Company, margin trading facilities to the extent covered by collateral

and servicing interest on a regular basis is not considered as due/default.

Financial guarantee contracts

The Company's liability under financial guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the statement of profit and loss.

The mechanics of ECL:

The Company calculates ECLs based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Company in accordance with the contract and the cash flows that the Company expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of default (PD) - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

Exposure at default (EAD)- The Exposure at Default is an estimate of the exposure at a future default date.

Loss given default (LGD) - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

Trade Receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates.

Company also writes off balances that are due generally for more than one year and are not likely to be recovered.

Forward looking information

While estimating the expected credit losses, the Company

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

Collateral Valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral, wherever possible. The collateral comes in various forms, such as equity shares, fixed deposits, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models.

(i) Write-offs

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

(j) Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments as explained in note 56 at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

Difference between transaction price and fair value at initial recognition:

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the Company recognises the difference between the transaction price and the fair value in profit or loss on initial recognition (i.e. on day one).

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

5.3 Expenses

(i) Borrowing / finance costs

Borrowing costs

Expenses related to borrowing cost are accounted using effective interest rate. Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Finance costs

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed

- a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.
- b. By considering all the contractual terms of the financial instrument in estimating the cash flows
- c. Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in in the statement of profit and loss with the corresponding adjustment to the carrying amount of the assets.

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, rating fee etc, provided these are incremental costs that are directly related to the issue of a financial liability

(ii) Retirement and other employee benefits

Short term employee benefit

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

Post-employment employee benefits

a) Defined contribution schemes

Retirement / Employee benefits in the form of Provident Fund, Employees State Insurance Scheme and Labour Welfare Fund are considered as defined contribution plan and contributions to the respective funds administered by the Government are charged to the statement of profit and loss of the year when the contribution to the respective funds are due

b) Defined benefit schemes

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

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

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

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

Other Long Term Benefits

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

(iii) Share-based payments

Equity-settled share-based payments to employees that are granted are measured by reference to the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the vesting conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

In respect of options granted to the employees of the subsidiary companies, the amount equal to the expense for the grant date fair value of the award is recognized as a debit to investment in subsidiary as a capital contribution and a credit to equity.

(iv) Other expenses

All other expenses are recognized in the period they accrue/occur.

(v) Impairment of non financial asset

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not

be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit to which the asset belongs.

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

(vi) Taxes

Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by

the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities are realised simultaneously.

Minimum Alternate Tax (MAT)

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the MAT Credit Entitlement asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

Goods and services tax paid on acquisition of assets or on incurring expenses

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

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

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

5.4 Foreign currency translation

Initial recognition:

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

Conversion:

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

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

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

5.5 Cash and cash equivalents

Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) and are subject to an insignificant risk of change in value, cheques on hand and balances with banks. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

For the purpose of the statement of cash flows, cash and cash equivalents are as defined above.

5.6 Property, plant and equipment

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

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

Depreciation :

Depreciation is calculated using the WDV method to write down the cost of property, plant and equipment to their residual values over their estimated useful lives which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013 except for Leasehold Improvements which are amortised on a straight-line basis over the period of lease or estimated period of useful life of such improvement, subject to a maximum period of 36 months. Leasehold improvements include all expenditure incurred on the leasehold premises that have future economic benefits.

The estimated useful lives are as follows:

Particulars	Useful life as prescribed by Schedule II of the Companies Act, 2013	Useful life estimated by Company
Office premises	60 years	60 years
Furniture and fixture	10 years	10 years
Air conditioner	15 years	15 years
Office equipment	5 years	5 years
Vehicles	8 years	8 years
Computer end user	3 years	3 years
Computer data centre and networking	6 years	6 years

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

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

5.7 Intangible assets

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

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

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the statement of profit and loss. Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from / upto the date of acquisition/sale.

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised on a straight-line basis over a period of 3 years from the start of the year of acquisition irrespective of the date of acquisition, unless it has a shorter useful life.

The Company's intangible assets consist of computer software with finite life.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

5.8 Leases (As a lessee)

(i) Identifying a lease

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

- The contract involves the use of an identified asset, this may be specified explicitly or implicitly.
- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Company has right to direct the use of the asset.

(ii) Recognition of right of use asset

The Company recognises a right of use asset at the lease commencement date of lease and comprises of the initial lease liability amount, plus any indirect costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

(iii) Subsequent measurement of right of use asset

The right of use asset is subsequently amortized using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term, whichever is lesser. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurement of the lease liability.

(iv) Recognition of lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments and lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

(v) Subsequent measurement of lease liability

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in rate. Whenever the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the RTU asset, or is recorded in profit or loss if the carrying amount of the RTU asset has been reduced to zero.

The lease payments are apportioned between the finance charges and reduction of the lease liability using the incremental borrowing rate implicit in the lease to achieve a constant rate of interest on the remaining balance of the liability.

(vi) Short-term leases and leases of low-value assets:

The company has elected by class of underlying asset to not recognise right of use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases for which the underlying asset is of low value.

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5.9 Provisions, Contingent Liabilities and Contingent Assets

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

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

5.10 Earning Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

5.11 Dividend on ordinary shares

The Company recognises a liability to make cash distributions to its equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by

the shareholders. A corresponding amount is recognised directly in equity.

5.12 Contingencies and 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.

5.13 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below-

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The Company has evaluated the amendment and there is no impact on its financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments requires the entities to provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after 1 April 2023. Consequential amendments have been made in Ind AS 107.

The Company has evaluated the amendment and there is no impact on its financial statements.

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

6. Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

6.1 Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI (Solely Payments of Principal and Interest) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This

assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the standalone statement of profit and loss in the period in which they arise.

6.2 Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. 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. All assumptions are reviewed annually.

6.3 Fair value measurement:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

6.4 Impairment of financial asset

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

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

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

The impairment loss on loans and advances is disclosed in more details in Note 5.2 (iii)(h) overview of ECL principles.

6.5 Effective Interest Rate (EIR) method

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

This estimation, by nature, requires an element of judgment regarding the expected behavior and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument

6.6 Contingent liabilities and provisions other than impairment on loan portfolio

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

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

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

6.8 Share based payments

Estimating fair value for share based payment requires determination of the most appropriate valuation model. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them. The assumption and models used for estimating fair value for share based payments transactions are disclosed in Note 46 Employee stock option plan (ESOP).

6.9 Expected credit loss

When determining whether the risk of default on a financial instruments has increased significantly since initial recognition, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and credit assessment and including forward looking information.

6.10 Deferred tax

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of the future taxable income during the carry-forward period are reduced.

6.11 Leases

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional period, when an entity is reasonable certain to exercise an option to extend (or not to terminate) a lease. The Company consider all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Company reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.

6.12 Other estimate

These include contingent liabilities, useful lives of tangible and intangible assets etc.

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

7. CASH AND CASH EQUIVALENTS

Particulars	(₹ in Lacs)	
	As at 31 March, 2023	As at 31 March, 2022
Cash on hand	1.78	1.60
Balances with banks		
- in current accounts	1,258.10	5,743.45
Others		
- balance in prepaid cards	4.14	-
Total	1,264.02	5,745.05

8. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	(₹ in Lacs)	
	As at 31 March, 2023	As at 31 March, 2022
Earmarked balances with banks towards unclaimed dividend	5.75	5.80
Fixed deposits with original maturity of upto 12 months	13,616.17	21,683.00
Fixed deposits with original maturity of more than 12 months	14,996.05	6,920.00
Accrued interest on fixed deposits with banks	310.59	376.29
Total	28,928.56	28,985.09
Breakup of deposits		
Fixed deposits under lien with stock exchanges and clearing corporations	18,225.05	19,984.00
Fixed deposits for bank guarantees	9,368.17	8,100.00
Fixed deposits for credit facilities	1,019.00	519.00
Total	28,612.22	28,603.00

9. DERIVATIVE FINANCIAL INSTRUMENTS

Particulars	(₹ in Lacs)	
	As at 31 March, 2023	As at 31 March, 2022
Equity index / stock options premium	-	3.51
Total	-	3.51
Notional amounts - assets	-	262.50
Notional amounts - liabilities	-	-
Fair value - assets	-	3.51
Fair value - liabilities	-	-
Derivatives are used for the purpose of trading.		
Refer note 53 for management of risks arising from derivatives.		

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

10. SECURITIES HELD FOR TRADING

(₹ in Lacs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
At fair value through profit or loss		
Equity Shares : Unquoted, fully paid	-	147.05
Total	-	147.05

11. TRADE RECEIVABLES

(₹ in Lacs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Receivables considered good - secured *	2,783.96	4,416.74
Receivables considered good - unsecured **	7,532.87	4,182.87
Receivables which have significant increase in credit risk	-	-
Receivables - credit impaired	22.59	21.35
	10,339.42	8,620.96
Less: Impairment loss allowance	(22.59)	(21.35)
Total	10,316.83	8,599.61

* Secured against securities given as a collateral by the clients

** Above includes receivable from stock exchanges on account of trades executed by clients

** Above includes due from managing directors

** Above includes due from subsidiaries, associates and other related parties

Trade receivables are net of margin

The Company applies the Ind AS 109 simplified approach to measuring expected credit losses (ECLs) for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables are calculated based on actual historic credit loss experience over the preceding three to five years on the total balance of non-credit impaired trade receivables. The Company considers a trade receivable to be credit impaired when one or more detrimental events have occurred, such as significant financial difficulty of the client or it becoming probable that the client will enter bankruptcy or other financial reorganization. When a trade receivable is credit impaired, it is written off against trade receivables and the amount of the loss is recognized in the statement of profit and loss. Subsequent recoveries of amounts previously written off are credited to the statement of profit and loss.

Trade receivables ageing schedule as at 31 March 2023

(₹ in Lacs)

Particulars	Outstanding for following year from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2 - 3 years	More than 3 years	More than 3 years
Undisputed trade receivables - considered good	10,313.03	25.15	1.09	0.14	-	10,339.42

Trade receivables ageing schedule as at 31 March 2022

(₹ in Lacs)

Particulars	Outstanding for following year from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2 - 3 years	More than 3 years	More than 3 years
Undisputed trade receivables - considered good	8,615.22	3.51	2.22	0.01	-	8,620.96

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

12. LOANS

Particulars	(₹ in Lacs)	
	As at 31 March, 2023	As at 31 March, 2022
(A) At amortised cost		
Margin trading facility (MTF)	448.13	91.42
Less: Impairment loss allowance	-	-
Total	448.13	91.42
(B) Secured / Unsecured		
Secured by tangible assets (Securities)	448.13	91.42
Unsecured	-	-
	448.13	91.42
Less: Impairment loss allowance	-	-
Total	448.13	91.42
(C) Loans in India		
Public Sector	-	-
Others	448.13	91.42
Less: Impairment loss allowance	-	-
Total	448.13	91.42
(D) Stage wise break up of loans		
(i) Low credit risk (Stage 1)	448.13	91.42
(ii) Significant increase in credit risk (Stage 2)	-	-
(ii) Credit impaired (Stage 3)	-	-
Total	448.13	91.42

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

13. INVESTMENTS

		(₹ in Lacs)	
Particulars		As at 31 March, 2023	As at 31 March, 2022
I	Unquoted investments at cost		
1	In equity instruments of subsidiary companies* (fully paid up)		
	Emkay Fincap Limited	1,650.22	2,200.00
	Emkay Commotrade Limited	637.59	850.00
	Emkay Investment Managers Limited	900.00	900.00
	Emkayglobal Financial Services IFSC Pvt. Ltd.	500.00	200.00
	Emkay Wealth Advisory Limited	410.00	410.00
	Emkay Global Financial Services Pte. Ltd.	5.53	5.53
		4,103.34	4,565.53
	Less: Impairment loss allowance	(325.00)	(210.00)
	Total investments in equity instruments (A)	3,778.34	4,355.53
2	Capital contribution In associate* (B)		
	Azalea Capital Partners LLP	4.50	4.50
II	At fair value through profit or loss		
1	In alternative investment funds (Category III)		
	Emkay Emerging Stars Fund	-	1,504.38
	Emkay Emerging Stars Fund-II	-	336.74
	Emkay Emerging Stars Fund-III	-	511.80
	Emkay Emerging Stars Fund-IV	765.26	581.67
	Emkay Emerging Stars Fund-V	843.44	-
	Total (C)	1,608.70	2,934.59
2	Value of stock options granted to employees of subsidiaries**		
	Emkay Investment Managers Limited	-	46.32
	Emkay Global Financial Services Pte. Ltd.	3.46	-
	Emkay Wealth Advisory Limited	6.98	5.10
	Total (D)	10.45	51.42
	Total (A+B+C+D)	5,401.99	7,346.04
	Investment in India	5,393.00	7,340.51
	Investment outside India	8.99	5.53

*The Company has elected to measure investment in subsidiaries and associate at deemed cost as per Ind AS 27/ Ind AS 101

** The Company has granted stock options to the employees of wholly-owned subsidiary companies where the fair value of the said options are recognized over the vesting period as deemed investment as per Ind AS 102

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

14. OTHER FINANCIAL ASSETS (UNSECURED, CONSIDERED GOOD)

Particulars	(₹ in Lacs)	
	As at 31 March, 2023	As at 31 March, 2022
At amortised cost		
Deposits with stock exchanges / clearing corporations	13,412.49	13,931.29
Deposits for leased premises	170.33	169.11
Less: Impairment loss allowance	(1.70)	(1.69)
	168.63	167.42
Deposits others	23.15	17.30
Other recoverable	5.25	74.90
Recoverable from related parties	135.02	6.05
Total	13,744.54	14,196.96

15. CURRENT TAX ASSETS (NET)

Particulars	(₹ in Lacs)	
	As at 31 March, 2023	As at 31 March, 2022
Income tax paid (net of provision for taxation of ₹ 1430.87 Lacs (Previous year ₹ 1453.74 Lacs)	407.16	96.97
Total	407.16	96.97

16. DEFERRED TAX ASSETS (NET)

Particulars	(₹ in Lacs)	
	As at 31 March, 2023	As at 31 March, 2022
Deferred tax assets		
Financial assets at fair value through profit or loss	9.26	4.96
Lease liabilities	212.91	116.74
Provisions	7.07	6.71
Disallowances	27.83	25.46
Carried forward tax losses	502.51	126.76
Total	759.58	280.63
Deferred tax liabilities		
Property, plant and equipment and other intangible assets	123.70	106.52
Right of use assets	210.37	111.50
Total	334.07	218.02
Total	425.51	62.61

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

17. PROPERTY, PLANT AND EQUIPMENT

Current year

(₹ in Lacs)

Particulars	Gross block			Accumulated depreciation / amortization			Net Block			
	Balance as at 01 April 2022	Additions	Disposals	Balance as at 31 March 2023	Balance as at 01 April 2022	Additions	Disposals	Balance as at 01 April 2022	Balance as at 31 March 2023	
Property, plant and equipment										
Office premises	2,736.19	-	-	2,736.19	494.35	108.95	-	603.30	2,241.84	2,132.89
Furniture & fixtures	96.88	9.68	2.25	104.31	60.87	6.52	1.43	65.96	36.01	38.35
Vehicles	98.33	103.70	25.78	176.25	50.78	40.84	20.39	71.23	47.55	105.02
Office equipment	92.32	28.17	3.23	117.26	60.95	16.84	2.66	75.13	31.37	42.13
Computers	946.27	618.89	2.32	1,562.84	610.18	327.03	0.40	936.81	336.09	626.03
Air conditioners	31.26	2.91	0.75	33.42	15.67	2.93	0.43	18.17	15.59	15.25
Leasehold improvement	216.13	35.53	-	251.66	202.32	46.97	-	249.29	13.81	2.37
Total (A)	4,217.38	798.88	34.33	4,981.93	1,495.12	550.08	25.31	2,019.89	2,722.26	2,962.04
Intangible assets										
Computer software	249.54	67.07	-	316.61	229.49	34.47	-	263.96	20.05	52.65
Total (B)	249.54	67.07	-	316.61	229.49	34.47	-	263.96	20.05	52.65
Total (A)+(B)	4,466.92	865.95	34.33	5,298.54	1,724.61	584.55	25.31	2,283.85	2,742.31	3,014.69

Previous year

(₹ in Lacs)

Particulars	Gross block			Accumulated depreciation / amortization			Net Block			
	Balance as at 01 April 2021	Additions	Disposals	Balance as at 31 March 2022	Balance as at 01 April 2021	Additions	Disposals	Balance as at 01 April 2021	Balance as at 31 March 2022	
Property, plant and equipment										
Office premises	2,736.19	-	-	2,736.19	379.84	114.51	-	494.35	2,356.35	2,241.84
Furniture & fixtures	88.35	8.85	0.32	96.88	51.90	9.00	0.03	60.87	36.45	36.01
Vehicles	98.33	-	-	98.33	29.19	21.59	-	50.78	69.14	47.55
Office equipment	85.45	17.57	10.70	92.32	55.04	13.35	7.44	60.95	30.41	31.37
Computers	745.98	215.93	15.64	946.27	436.95	180.56	7.33	610.18	309.03	336.09
Air conditioners	27.70	4.74	1.18	31.26	13.38	2.92	0.63	15.67	14.32	15.59
Leasehold improvement	217.91	-	1.78	216.13	155.44	47.93	1.05	202.32	62.47	13.81
Total (A)	3,999.91	247.09	29.62	4,217.38	1,121.74	389.86	16.48	1,495.12	2,878.17	2,722.26
Intangible assets										
Computer software	225.74	23.80	-	249.54	188.06	41.43	-	229.49	37.68	20.05
Total (B)	225.74	23.80	-	249.54	188.06	41.43	-	229.49	37.68	20.05
Total (A)+(B)	4,225.65	270.89	29.62	4,466.92	1,309.80	431.29	16.48	1,724.61	2,915.85	2,742.31

Note: There is no (i) acquisition through business combinations (ii) revaluation of property, plant and equipment and (iii) impairment losses and its reversal during the current year / previous year.

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

18. CAPITAL WORK-IN-PROGRESS (CWIP)

(₹ in Lacs)

Particulars	Amount in CWIP for a year of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Ageing schedule as on 31 March 2023					
Projects in progress	-	-	-	-	-
Ageing schedule as on 31 March 2022					
Projects in progress	165.91	-	-	-	165.91

19. INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Lacs)

Particulars	Amount in CWIP for a year of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Ageing schedule as on 31 March 2023					
Projects in progress	-	-	-	-	-
Ageing schedule as on 31 March 2022					
Projects in progress	-	12.00	-	-	12.00

20. OTHER NON FINANCIAL ASSETS

(₹ in Lacs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Capital advances	99.03	18.00
Prepaid expenses	227.15	155.82
Fringe benefit tax refund receivable	-	14.85
Income tax refund receivable	0.88	0.88
Deposit against appeal	45.54	38.44
Advances to suppliers and others	12.20	6.37
Goods and service tax input credit available / receivable	69.96	17.21
Total	454.76	251.57

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

21. PAYABLES

(₹ in Lacs)

Particulars	As at 31 March, 2023	As at 31 March, 2022			
Trade Payables					
(i) Total outstanding dues of micro enterprises and small enterprises	-	-			
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises *	11,726.86	13,577.61			
* Above includes payable to stock exchanges on account of trades executed by clients	1.96	343.23			
The details of amount outstanding to Micro, Small and Medium Enterprises defined under " Micro, Small and Medium Enterprises Development Act, 2006" (as identified based on information available with the Company and relied upon by the Auditors is as under)					
Principal amount due and remaining unpaid	-	-			
Interest due on above and the unpaid interest	-	-			
Interest paid	-	-			
Payment made beyond the appointed day during the year	-	-			
Interest due and payable for the year of delay	-	-			
Interest accrued and remaining unpaid	-	-			
Amount of further interest remaining due and payable in succeeding years	-	-			
Trade payable due for payment - ageing schedule as at 31 March 2023	(₹ in Lacs)				
Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME - undisputed	-	-	-	-	-
(ii) Others - undisputed	11,581.14	22.90	79.82	43.00	11,726.86
Trade payable due for payment - ageing schedule as at 31 March 2022					
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME - undisputed	-	-	-	-	-
(ii) Others - undisputed	13,521.86	20.25	12.07	23.43	13,577.61

22. DEPOSITS

(₹ in Lacs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
At amortised cost		
Deposits - unsecured		
- from intermediaries	121.87	133.30
- from others	914.60	2,744.80
Total	1,036.47	2,878.10

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

23. OTHER FINANCIAL LIABILITIES

Particulars	(₹ in Lacs)	
	As at 31 March, 2023	As at 31 March, 2022
Interest accrued but not due on borrowings	10.00	-
Unpaid dividends	5.75	5.80
Margin from clients	32,653.71	33,719.48
Payable for expenses	314.39	285.37
Accrued salaries and benefits	104.26	64.15
Payable to related parties	36.22	10.01
Other liabilities	41.94	43.99
Total	33,166.27	34,128.80

24. PROVISIONS

Particulars	(₹ in Lacs)	
	As at 31 March, 2023	As at 31 March, 2022
Provision for employee benefits		
- Gratuity (refer note 47)	210.65	172.41
- Bonus	1,400.00	1,550.00
- Compensated absences	95.57	87.44
- Incentives	282.00	320.60
Total	1,988.22	2,130.45

25. OTHER NON FINANCIAL LIABILITIES

Particulars	(₹ in Lacs)	
	As at 31 March, 2023	As at 31 March, 2022
Statutory dues payable	1,312.59	1,237.20
Income received in advance	38.56	23.82
Advance received from clients	2.29	2.03
Total	1,353.44	1,263.05

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

26. EQUITY SHARE CAPITAL

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of Shares	₹ in Lacs	Number of Shares	₹ in Lacs
(A) Authorised:				
Equity Shares of ₹ 10/- each	50,000,000	5,000.00	50,000,000	5,000.00
	50,000,000	5,000.00	50,000,000	5,000.00
(B) Issued, subscribed and fully paid up				
Equity Shares of ₹ 10/- each	24,640,230	2,464.02	24,619,030	2,461.90
Issued during the year : ESOP	-	-	21,200	2.12
Total Equity	24,640,230	2,464.02	24,640,230	2,464.02

(C) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of Shares	₹ in Lacs	Number of Shares	₹ in Lacs
At the beginning of the reporting year	24,640,230	2,464.02	24,619,030	2,461.90
Shares issued during the reporting year : ESOP	-	-	21,200	2.12
Outstanding at the end of the reporting year	24,640,230	2,464.02	24,640,230	2,464.02

(D) Terms / rights / restrictions attached to equity shares

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

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

During the year ended 31 March 2023 dividend recognized as distribution to equity shareholders was ₹ 1.25 per share being final dividend for the year ended 31 March 2022. The total dividend appropriated amounts to ₹ 308.00 Lacs (Previous year ₹ 246.19 Lacs).

(E) Details of shareholders holding more than 5% shares in the Company (Face value of ₹ 10 per share)

Name of Shareholders	As at 31 March 2023		As at 31 March 2022	
	No of Shares	% Held	No of Shares	% Held
Krishna Kumar Karwa	4,922,500	19.98%	4,922,500	19.98%
Prakash Kacholia	4,750,000	19.28%	4,750,000	19.28%
Emkay Corporate Services Private Limited	4,851,484	19.69%	4,851,484	19.69%
Priti Kacholia	1,880,000	7.63%	1,880,000	7.63%
Raunak Karwa	1,750,000	7.10%	1,750,000	7.10%
Total	18,153,984	73.68%	18,153,984	73.68%

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

(F) Details of shares held by promoters/promoter group

As at 31 March 2023

Promoters' names	No of shares	% of total shares	% Change during the year
Krishna Kumar Karwa	4,922,500	19.98%	0.00%
Prakash Kacholia	4,750,000	19.28%	0.00%
Emkay Corporate Services Pvt. Ltd.	4,851,484	19.69%	0.00%
Priti Kacholia	1,880,000	7.63%	0.00%
Raunak Karwa	1,750,000	7.10%	0.00%
Murlidhar Karwa HUF	100,000	0.41%	0.00%
Krishna Kumar Karwa HUF	100,000	0.41%	0.00%
Total	18,353,984	74.50%	

As at 31 March 2022

Promoters' names	No of shares	% of total shares	% Change during the year
Krishna Kumar Karwa	4,922,500	19.98%	-0.01%
Prakash Kacholia	4,750,000	19.28%	-0.01%
Emkay Corporate Services Pvt.Ltd	4,851,484	19.69%	-0.02%
Priti Kacholia	1,880,000	7.63%	-0.01%
Raunak Karwa	1,750,000	7.10%	-0.01%
Murlidhar Karwa HUF	100,000	0.41%	0.00%
Krishna Kumar Karwa HUF	100,000	0.41%	0.00%
Total	18,353,984	74.50%	

(G) Shares reserved for issue under employee stock option plans

Particulars	As at	As at
	31 March, 2023	31 March, 2022
No's		
ESOP's reserved for offering to eligible employees of the Company and its subsidiaries under ESOP scheme		
- ESOP's granted and are pending for vesting / exercise	3,033,489	4,091,403
- ESOP's not yet granted	1,583,759	525,845
Total	4,617,248	4,617,248

(H) During the preceding five years the Company has not:

- allotted fully paid up shares without payment being received in cash
- issued fully paid up bonus shares
- bought back shares

(I) Capital management :

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity, operating cash flows generated and short term debt.

In addition to above the Company is required to maintain a minimum networth as prescribed from time to time by the Securities and Exchange Board of India (Stock brokers and sub-brokers) Regulations 1992. The management ensures that this is complied at all times.

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

27. OTHER EQUITY

Particulars	(₹ in Lacs)	
	As at 31 March, 2023	As at 31 March, 2022
Reserves and surplus		
Securities premium		
Balance at the beginning of the year	7,025.56	6,994.94
Add : Addition during the year	-	13.91
Add : Transfer from equity-settled share-based payment reserve	-	16.71
Balance at the end of the year	7,025.56	7,025.56
Retained earnings		
Balance at the beginning of the year	2,415.31	1,329.88
Add : Profit for the year	1,063.46	1,331.62
Amount available for appropriation	3,478.77	2,661.50
Less : Dividend paid to equity shareholders	308.00	246.19
Balance at the end of the year	3,170.77	2,415.31
General Reserve	1,761.51	1,761.51
Add : Transfer from equity-settled share-based payment reserve	43.46	-
Balance at the end of the year	1,804.97	1,761.51
Equity-settled share-based payment reserve		
Balance at the beginning of the year	883.38	576.23
Add : Additions during the year (net)	(8.79)	323.86
Less : Transfer to securities premium account	-	(16.71)
Less : Transfer to general reserve	(43.46)	-
Balance at the end of the year	831.13	883.38
Other comprehensive income		
Balance at the beginning of the year	(99.70)	(51.10)
Add : Movement in other comprehensive income (net of taxes) during the year	(70.54)	(48.60)
Balance at the end of the year	(170.25)	(99.70)
Total	12,662.18	11,986.06

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

Nature and purpose of reserve

a) Securities premium

Securities Premium reserves is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares, writing off the preliminary expenses in accordance with the provisions of the Companies Act, 2013.

b) Retained earnings

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

c) General reserve

Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

d) Equity-settled share-based payment reserve

This reserve is created by debiting the statement of profit and loss account with value of share options granted to the employees. Once shares are issued by the Company, the amount in this reserve will be transferred to Share capital, Securities premium or retained earnings.

e) Other comprehensive income

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

28. INTEREST INCOME

(₹ in Lacs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
On financial assets measured at amortised cost		
Interest on deposits with banks	403.63	445.75
Interest on margin trading funding (MTF)	38.42	9.75
Total	442.05	455.50

29. FEES AND COMMISSION INCOME

(₹ in Lacs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Brokerage income	14,043.52	14,776.69
Research and advisory fees	1,642.46	1,020.51
Depository operations	79.86	96.16
Total	15,765.84	15,893.36

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

30. NET GAIN ON FAIR VALUE CHANGES

(₹ in Lacs)		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Net gain / (loss) on financial instruments at fair value through profit or loss		
- Investments	2,229.06	688.64
- Securities held for trading	(90.27)	37.18
- Derivatives	55.81	184.80
Total net gain on fair value changes	2,194.60	910.62
Fair value changes		
- Realised gain	2,148.51	333.32
- Unrealised gain	46.09	577.30
Total	2,194.60	910.62

31. OTHER OPERATING INCOME

(₹ in Lacs)		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Delayed payment charges from clients	196.73	228.51
Others	15.30	18.90
Total	212.03	247.41

32. OTHER INCOME

(₹ in Lacs)		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Dividend income		
From subsidiary companies	95.64	390.00
Others	4.94	0.31
Net gain on disposal/discard of property, plant and equipment	9.79	-
Interest on loan to related parties	-	8.56
Interest on deposits with banks	54.14	21.98
Other interest income	17.53	23.44
Facility fees and other miscellaneous income	1,056.75	156.46
Total	1,238.79	600.75

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

33. FINANCE COSTS

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
On Instruments measured at amortised cost		
Interest on deposits	7.01	8.81
Interest on borrowings from banks	78.75	64.22
Interest on borrowings from related parties	110.75	8.42
Interest on lease liabilities	52.30	48.46
Bank guarantee commission charges	169.60	146.79
Other borrowing costs	24.50	10.00
Total	442.91	286.70

34. FEES AND COMMISSION EXPENSES

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Brokerage sharing with intermediaries	2,174.71	1,800.27
Other fees	150.94	136.17
Total	2,325.65	1,936.44

35. IMPAIRMENT ON FINANCIAL INSTRUMENTS

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
On financial instruments measured at amortised cost :		
Receivables	1.24	6.36
Bad debts written off (net)	8.44	5.00
Other financial assets		
Deposits	0.02	2.75
Total	9.70	14.11

36. EMPLOYEE BENEFIT EXPENSE

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries and other benefits	9,963.56	9,388.66
Share based payments to employees (refer note 46)	32.18	301.35
Contributions to provident and other funds	462.32	381.41
Gratuity (refer note 47)	140.11	113.52
Staff welfare expenses	72.11	37.52
Total	10,670.28	10,222.46

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

37. DEPRECIATION AND AMORTIZATION

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on property, plant and equipment	550.08	389.86
Depreciation on right of use assets	299.00	302.82
Amortization on other intangible assets	34.47	41.43
Total	883.55	734.11

38. OTHER EXPENSES

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Electricity	101.90	93.71
Repairs and maintenance		
- Buildings	66.64	58.31
- Others	358.00	288.60
Insurance	22.54	19.07
Rates and taxes	23.71	19.52
Communication, postage and courier	267.69	254.88
Travelling and conveyance	613.68	381.83
Printing and stationery	36.10	20.92
Advertisement and business promotion	142.66	41.81
Donations	0.86	4.50
Legal and professional fees	801.33	666.83
Subscription	1,083.33	888.77
Software expenses	142.37	74.18
Claims and compensation	1.14	21.65
Fees and stamps	26.02	19.03
Payments to stock exchanges	743.11	199.63
Registration fees	10.16	11.70
Depository charges	23.84	30.72
Training & development	7.93	13.57
Auditors' remuneration #	40.35	36.50
Loss on disposal/discard of property, plant and equipment	-	4.96
Commision to independent directors	11.00	7.00
Foreign exchange rate fluctuations loss (Net)	50.92	11.23
Miscellaneous expenses	133.47	142.76
Total	4,708.75	3,311.68

#	Particulars	(₹ in Lacs)	
		For the year ended 31 March 2023	For the year ended 31 March 2022
	a) for audit fees	22.50	22.50
	b) for tax audit fees	2.00	2.00
	c) for other services (including limited review and certificates)	14.00	12.00
	d) for reimbursement of expenses	1.85	-
	Total	40.35	36.50

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

39. EARNINGS PER SHARE

Particulars		(₹ in Lacs)	
		For the year ended 31 March 2023	For the year ended 31 March 2022
Profit available for equity shareholders	₹ in Lacs	1,063.46	1331.62
Weighted average number of equity shares used in computing basic earnings per share (FV of ₹ 10/- each)	Nos.	24,640,230	24,629,913
Add : Impact of diluted ESOPS	Nos.	131,355	1,432,776
Weighted average number of equity shares used in computing diluted earnings per share (FV of ₹ 10/- each)	Nos.	24,771,585	26,062,689
Basic earnings per share (FV of ₹ 10/- each)	₹	4.32	5.41
Diluted earnings per share (FV of ₹ 10/- each)	₹	4.29	5.11

40. SEGMENT INFORMATION

Primary Segment - The Chief Operating Decision Maker (CODM) monitors the operating results of the business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The operating segment has been identified considering the nature of services, the differing risks and returns, the organization structure and internal financial reporting system. Business segment has been considered as the primary segment for disclosure. The primary business of the Company relates to one business segment namely "Advisory and Transactional Services" comprising of broking and distribution of securities, investment banking and other related financial intermediation services therefore primary business segment reporting as required by Ind AS "Segment Reporting" is not applicable.

41. FOREIGN CURRENCY TRANSACTIONS

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Expenditure in foreign currency (accrual basis)		
Fees and commission expenses	934.86	526.47
Subscription	143.87	147.52
Consultancy	365.92	181.33
Travelling expenses	24.71	0.62
Advertisement and business promotion	4.79	0.36
Software expenses	0.47	0.49
Miscellaneous expenses	1.13	-
	1,475.75	856.79
(b) Earning in foreign currency (accrual basis)		
Research and advisory fees	96.77	189.22

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

42. RELATED PARTY DISCLOSURES

(A) As per Indian Accounting Standard (Ind AS 24)- Related Party Disclosures, specified under section 133 of the Companies Act, 2013, read with The Companies (Indian Accounting Standard) 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 follow :

I Subsidiary companies

Emkay Fincap Limited
 Emkay Commotrade Limited
 Emkay Wealth Advisory Limited
 Emkay Investment Managers Limited
 Emkayglobal Financial Services IFSC Pvt. Limited
 Emkay Global Financial Services Pte. Limited

II Associate

Azalea Capital Partners LLP

III Associate of a wholly owned subsidiary companies

Finlearn Edutech Private Limited
 AES Trading and Consultants LLP

IV Directors and/or key managerial personnel (KMP)

S.K.Saboo	Non Independent Non-Executive Director (Chairman of the Board)
Krishna Kumar Karwa	Managing Director
Prakash Kacholia	Managing Director
G.C.Vasudeo :	Independent Director
R.K.Krishnamurthi	Independent Director
Dr.Satish Ugrankar	Independent Director
Dr.Bharat Kumar Singh	Independent Director
Hutokshi Rohinton Wadia	Independent Woman Director (w.e.f. 25/05/2022)
Saket Agrawal	Chief Financial Officer
Bhalchandra Raul	Company Secretary

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

V Relatives of directors and/or key managerial personnel

(Where transactions have taken place)

Priti Kacholia	Wife of Prakash Kacholia and Woman Director till 08/08/2022
Priti Karwa	Wife of Krishna Kumar Karwa
Raunak Karwa	Son of Krishna Kumar Karwa
Soumya Karwa	Daughter of Krishna Kumar Karwa
Nidhi Kacholia	Daughter of Prakash Kacholia
Divya Kacholia	Daughter of Prakash Kacholia
Krishna Kacholia	Mother of Prakash Kacholia
Ramgopal Agrawal	Father of Saket Agrawal
Vandana Agrawal	Wife of Saket Agrawal
Laxmi Agrawal	Mother of Saket Agrawal
Saksham Agrawal	Son of Saket Agrawal
Rekha Saboo	Wife of S.K.Saboo
Amit Saboo	Son of S.K.Saboo

VI Enterprises owned/controlled by key managerial personnel or their relatives

(Where transactions have taken place)

Cambridge Securities
Syntheric Fibres Trading Company
Emkay Corporate Services Pvt. Ltd.
Seven Hills Capital
Murlidhar Karwa HUF
Krishna Kumar Karwa HUF
Saket Agrawal HUF
Emkay Charitable Foundation
Krishna Investments

VII Directors and/or key managerial personnel (KMP) of Subsidiaries and their relatives

(Where transactions have taken place)

Rajesh Sharma	Director in Subsidiaries
Devang Desai	Director in Subsidiaries
Vikaas M Sachdeva (till 30/09/2022)	CEO of a Subsidiary till 30/09/2022
Dipti Modi	Company Secretary of a Subsidiary
Sonal Desai	Mother of Devang Desai
Devang Desai HUF	

VII Post employment benefits plan

Emkay Global Financial Services Limited Employees Group Gratuity Assurance Scheme (Trust)

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

42. RELATED PARTY DISCLOSURES

B. Related party transactions for the year ended 31 March, 2023

No.	Particulars	Nature of transaction	Transaction amount during		(Amount in ₹)	
			2022-23	2021-22	Amount Outstanding as on 31 March 2023	31 March 2022
Subsidiary Companies						
1	Emkay Fincap Limited	Brokerage income	77,868	435,258	-	-
		Dividend income	-	22,000,000	-	-
		Depository charges	8,140	10,970	-	-
		Rent recovery	388,322	436,920	-	-
		Reimbursement of expenses received	116,401	129,352	-	-
		Reimbursement of expenses paid	-	15,634	-	-
		Loan taken & repayment	-	830,000,000	-	-
		Interest paid on loan taken	-	654,794	-	-
		Interest received on loan given	-	10,959	-	-
		Trade payables	-	-	1,102,017	1,053,130
		Cash margin for securities trading	-	-	-	-
		Proceeds from investment - buyback of shares	54,978,000	-	-	-
		Investment in equity shares	-	-	165,022,000	220,000,000
		Loan granted & repayment received	-	40,000,000	-	-
		Interest paid on margin deposit received for securities trading	777,947	2,495,485	-	-
		Margin deposit received for securities trading & repayment	94,500,000	228,800,000	-	-
2	Emkay Comtrade Limited	Brokerage income	9,563,775	17,000,000	-	-
		Dividend income	1,175	1,480	-	-
		Depository charges	70,688	53,016	-	-
		Rent recovery	21,762	19,862,235	-	605,391
		Reimbursement of expenses received	190,000,000	40,000,000	-	-
		Loan taken & repayment	2,860,274	10,959	-	-
		Interest paid on loan taken	-	831,508	-	-
		Interest income on loan given	-	-	-	-
		Investment in equity shares	-	-	63,758,500	85,000,000
		Loan granted & repayment received	-	50,000,000	-	-
		Trade receivables	-	-	32	16,541
		Interest paid on margin deposit received for securities trading	-	5,091,188	-	-
		Margin deposit received for securities trading	-	1,139,300,000	-	-
		Repayment of margin deposit received for securities trading	-	1,156,800,000	-	-
		Gain on investment- buyback of shares	31,862,250	-	-	-
		Proceeds from investment - buyback of shares	21,241,500	-	-	-
3	Emkay Wealth Advisory Limited	Rent recovery	438,228	433,152	-	-
		Depository charges	875	860	-	-
		Reimbursement of expenses received	64,425	75,390	-	-
		Reimbursement of expenses paid	1,169,413	426,350	145,572	118,401
		Investment in equity shares	-	-	41,000,000	41,000,000
		Investment : ESOP granted to employees	188,477	191,379	698,335	509,858
		Trade receivables	-	-	32	16

Notes to the Standalone Financial Statements
For the year ended 31 March, 2023 (contd.)

B. Related party transactions for the year ended 31 March, 2023

No.	Particulars	Nature of transaction	Transaction amount during		(Amount in ₹)	
			2022-23	2021-22	Amount Outstanding as on 31 March 2023	31 March 2022
Directors and/or Key managerial personnel						
10	Krishna Kumar Kanwa	Salaries & other benefits	16,128,000	13,440,000	-	-
		Brokerage income	-	12,458	-	-
		Depository charges	65	145	-	-
		Dividend paid	6,153,125	4,922,500	-	-
		Interest paid on loan taken	3,260,274	-	-	-
		Loan taken & repayment	100,000,000	-	-	-
11	Prakash Kacholia	Salaries & other benefits	16,128,000	13,440,000	-	-
		Brokerage income	18,762	19,141	-	-
		Depository charges	715	2,020	-	-
		Trade payables	-	-	-	3,287
		Trade receivables	-	-	472	-
		Reimbursement of expenses received	13,837	19,240	-	-
		Dividend paid	5,937,500	4,750,000	-	-
		Interest paid on loan taken	986,301	-	-	-
		Loan taken & repayment	30,000,000	-	-	-
12	Saket Agrawal : Chief financial officer	Salaries & other benefits	6,818,322	5,631,600	-	-
		Brokerage income	125	94	-	-
		Depository charges	340	45	-	-
		Dividend paid	6,845	3,476	-	-
		Trade receivables	-	-	-	18
13	Bhalchandra Raul : Company secretary	Salaries & other benefits	3,457,585	3,102,280	-	-
		Brokerage income	116	357	-	-
		Depository charges	-	75	-	-
		Dividend paid	125	100	-	-
		Trade receivables	-	-	-	9
14	S.K.Saboo	Brokerage income	35,103	18,710	-	-
		Depository charges	360	405	-	-
		Sitting fees	70,000	80,000	-	-
		Trade receivables	-	-	-	354
		Reimbursement of expenses received	424	-	-	-
15	G.C.Vasudeo	Sitting fees	90,000	120,000	-	-
16	R.K.Krishnamurthi	Sitting fees	110,000	90,000	-	-
		Commission	200,000	-	200,000	-
17	Dr. Satish Ugrankar	Sitting fees	110,000	120,000	-	-
		Commission	350,000	350,000	350,000	350,000

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

B. Related party transactions for the year ended 31 March, 2023

No.	Particulars	Nature of transaction	Transaction amount during		(Amount in ₹)	
			2022-23	2021-22	31 March 2023	31 March 2022
18	Dr. Bharat Kumar Singh	Sitting fees	80,000	80,000	-	-
		Commission	350,000	350,000	350,000	350,000
19	Hutokshi Rohinton Wadia	Sitting fees	30,000	-	-	-
		Commission	200,000	-	200,000	-
Relatives of directors and/or key managerial personnel						
20	Prti Kacholia	Brokerage income	634,984	1,172,261	-	-
		Depository charges	13,215	16,165	-	-
		Trade payables	-	-	7,950,906	13,091,621
		Reimbursement of expenses received	2,576	12,655	-	-
		Dividend paid	2,350,000	1,880,000	-	-
21	Priti Karwa	Brokerage income	-	3,015	-	-
		Depository charges	315	770	-	-
22	Krishna Kacholia	Depository charges	-	1,095	-	-
		Trade receivables	-	-	-	1,292
23	Raunak Karwa	Brokerage Income	12,250	1,300	-	-
		Depository charges	390	390	-	-
		Trade receivables	-	-	372	425
		Dividend paid	2,187,500	1,750,000	-	-
24	Soumya K Karwa	Brokerage Income	-	26,864	-	-
		Depository charges	420	680	-	-
		Trade receivables	-	-	-	18
25	Nidhi Kacholia	Brokerage income	19	1,054	-	-
		Depository charges	375	420	-	-
		Trade receivables	-	-	-	-
26	Divya Kacholia	Brokerage income	19	1,182	-	-
		Depository charges	5	20	-	-
		Trade payables	-	-	-	959
27	Amit S Saboo	Brokerage income	-	31,708	-	-
		Depository charges	-	465	-	-
		Trade payables	-	-	-	-
		Trade receivables	-	-	-	18
28	Ramgopal Agrawal	Brokerage income	8	17	-	-
		Depository charges	570	600	-	-

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

B. Related party transactions for the year ended 31 March, 2023

No.	Particulars	Nature of transaction	Transaction amount during			Amount Outstanding as on	
			2022-23	2021-22	31 March 2023	31 March 2022	
(Amount in ₹)							
29	Laxmi Agrawal	Brokerage income	-	426	-	-	-
		Depository charges	645	630	-	-	-
		Trade receivables	-	-	-	77	-
30	Vandana Agrawal	Brokerage income	93	72	-	-	-
		Depository charges	80	50	-	-	-
		Trade receivables	-	-	-	-	6
31	Saksham Agrawal	Brokerage income	44	87	-	-	-
		Depository charges	55	25	-	-	-
		Trade receivables	-	-	-	18	6
Enterprises owned/controlled by KMP or their relatives							
32	Synthetic Fibres Trading Co	Brokerage income	225,035	1,452,644	-	-	-
		Depository charges	1,635	3,500	-	-	-
		Trade receivables	-	-	-	35	-
33	Emkay Corporate Services Private Limited	Brokerage income	-	-	-	-	-
		Depository charges	15	965	-	-	-
		Dividend paid	6,064,355	4,851,484	-	-	-
		Trade receivables	-	-	-	-	18
		Reimbursement of expenses paid	-	1,000,000	-	-	-
34	Krishna Investments	Brokerage and commission payment	-	13,776	-	-	-
		Trade payables	-	-	136,235	137,104	-
35	Seven Hills Capital	Brokerage income	1,149,152	1,475,999	-	-	-
		Depository charges	3,065	5,495	-	-	-
		Trade receivables	-	-	17,614	5,264,609	-
36	Emkay Charitable Foundation	Donation	-	100,000	-	-	-
37	Kitaab Design (Prop. Nidhi Kacholia)	Purchase of gifts and stationary items	583,750	651,158	-	-	-
38	Muridhar Karwa HUF	Brokerage income	9,740	-	-	-	-
		Depository charges	390	405	-	-	-
		Dividend paid	125,000	100,000	-	-	-
		Trade receivables	-	-	71	71	-
39	Krishna Kumar Karwa HUF	Brokerage income	10,340	-	-	-	-
		Depository charges	60	-	-	-	-
		Dividend paid	125,000	100,000	-	-	-
		Trade receivables	-	-	-	-	1,044
		Trade payables	-	-	-	929	-
		Reimbursement of expenses received	19,320	18,900	-	-	-

Notes to the Standalone Financial Statements
For the year ended 31 March, 2023 (contd.)

B. Related party transactions for the year ended 31 March, 2023

No.	Particulars	Nature of transaction	Transaction amount during		Amount Outstanding as on	
			2022-23	2021-22	31 March 2023	31 March 2022
40	Saket Agrawal HUF	Brokerage income	37	80	-	-
		Depository charges	270	495	-	-
		Dividend paid	4,500	3,600	-	-
		Trade receivables	-	-	-	389
		Key managerial personnel (KMP) of subsidiaries and their relatives				
41	Rajesh Sharma	Salaries & other benefits	8,614,880	7,500,516	-	-
		Depository charges	124	-	-	-
42	Devang Desai	Salaries & other benefits	7,106,491	5,748,984	-	-
		Brokerage income	529	2,106	-	-
		Depository charges	160	600	-	-
		Dividend paid	9,375	3,000	-	-
		Trade payables	-	-	-	30
43	Devang Desai Huf	Brokerage income	1,890	1,402	-	-
		Depository charges	960	710	-	-
		Delayed payment charges recovery	1,588	1,949	-	-
		Reimbursement of expenses received	45	15	-	-
		Trade receivables	-	-	537	192,463
44	Vikaas Mohan Sachdeva	Brokerage income	42,190	99,526	-	-
		Depository charges	1,520	3,480	-	-
		Dividend paid	6,250	5,000	-	-
		Delayed payment charges recovery	229	12,411	-	-
		Trade receivables	-	-	-	142
45	Dipti Modi	Brokerage income	8	63	-	-
		Depository charges	15	35	-	-
		Dividend paid	1	1	-	-
		Trade receivables	-	-	-	22
46	Sonal Desai	Brokerage income	5,675	10,493	-	-
		Depository charges	1,665	1,605	-	-
		Interest on margin trading funding (MTF)	7,547	10,686	-	-
		Delayed payment charges recovery	4,767	12,612	-	-
		Reimbursement of expenses received	331	572	-	-
		Loan granted on margin trading funding (MTF)	511,913	568,048	-	-
		Repayment of loan granted on margin trading funding (MTF)	641,554	814,396	-	129,641
		Trade receivables	-	-	-	189,426
		Trade payables	-	-	-	2,124
		Post employment benefits plan				
47	EGFSL Employees Group Gratuity Assurance Scheme (Trust)	Gratuity contribution	14,011,020	11,352,013	21,065,337	17,240,813

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

43. STATEMENT OF CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold needs to spend at least 2% of its average net profit for the immediately three preceding three financial years on Corporate Social Responsibility (CSR) activities. A CSR committee has been formed by the Company as per Act.

The provisions of Section 135(5) to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company.

44. CONTINGENT LIABILITIES

		(₹ in Lacs)	
Sr. No.	Particulars	As at 31 March 2023	As at 31 March 2022
1	Claims against the Company not acknowledged as debt	18.74	18.74
2	Guarantees issued by Banks	18,650.00	16,100.00
3	Service tax matters in appeal : net of amount deposited	847.81	847.81
4	Service tax matter pending appeal	-	179.46
5	GST matter before commissioner appeals : net of amount deposited	11.41	-

Company has provided bank guarantees for meeting margin requirements as under:-

		(₹ in Lacs)	
Sr. No.	Particulars	As at 31 March 2023	As at 31 March 2022
1	NSE Clearing Limited	14,150.00	13,250.00
2	BSE Limited	100.00	100.00
3	Multi Commodity Exchange of India Limited	4,075.00	2,425.00
4	National Commodity and Derivatives Exchange Limited	325.00	325.00
Total		18,650.00	16,100.00

45. CAPITAL COMMITMENTS

		(₹ in Lacs)	
Sr. No.	Particulars	As at 31 March 2023	As at 31 March 2022
1	Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances)	105.71	111.09

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

43. SHARE BASED PAYMENTS

NOTE: DISCLOSURE RELATING TO EMPLOYEE STOCK OPTION SCHEMES

Details of Employee Stock Options

- ESOP-2005** This scheme was approved by the shareholders at the Extra ordinary General meeting held on 28th January, 2006 for grant of 3,81,250 equity shares of Rs 10/- each.
- ESOP-2007** This scheme was approved by the shareholders at the Extra Ordinary General Meeting held on 11.01.2008 for grant of 24,26,575 equity shares of Rs 10/- each.
- ESOP-2010 Through Trust Route** - This scheme was approved by the shareholders at the Annual General Meeting held on 30.08.2010 for grant of 24,41,995 equity shares of Rs 10/- each.
- ESOP-2018** This scheme was approved by shareholders through postal ballot process on 21.03.2018 for grant of 24,53,403 equity shares of Rs 10/- each.

The activity in ESOP-2007, ESOP-2010 and ESOP-2018 during the year ended 31st March, 2023 and 31st March 2022 is set out below: -

Particulars	For the year ended 31 March, 2023		For the year ended 31 March, 2022	
	In Numbers	Weighted Average Exercise Price (in ₹)	In Numbers	Weighted Average Exercise Price (in ₹)
ESOP-2007 : (Face value of ₹ 10 each)				
Options outstanding at the beginning of the year	1,751,158	76.28	1,758,120	75.05
Add: Granted	291,125	76.04	1,31,738	90.50
Less:- Exercised	-	-	21,200	75.60
Less:- Forfeited	-	-	-	-
Less:- Lapsed	856,659	75.80	117,500	73.99
Options outstanding at the end of the year	1,185,624	76.56	1,751,158	76.28

Particulars	For the year ended 31 March, 2023		For the year ended 31 March, 2022	
	In Numbers	Weighted Average Exercise Price (in ₹)	In Numbers	Weighted Average Exercise Price (in ₹)
ESOP-2018 : (Face value of ₹ 10 each)				
Options outstanding at the beginning of the year	2,340,245	69.50	2,320,245	69.42
Add: Granted	153,917	72.95	100,000	72.40
Less:- Exercised	-	-	-	-
Less:- Forfeited	-	-	-	-
Less:- Lapsed	646,297	71.79	80,000	70.92
Options outstanding at the end of the year	1,847,865	68.98	2,340,245	69.50

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

Nature of Modification / Scheme / Year	Number of Options	Original Weighted Average Fair Value of Options	Revised Weighted Average Fair Value of Options
Change in vesting dates of Options			
ESOP-2007			
Current Year	115,310	37.02	37.08
Previous Year	345,397	33.42	45.49
ESOP-2018			
Current Year	153,916	37.74	40.83
Previous Year	700,200	16.80	38.35

During the current year, the Company has changed its estimate of number of Options which are expected to vest in future from 64% in the previous year to 67% in the current year in respect of ESOP Schemes – ESOP-2007 & ESOP-2018.

Employees' Stock Options Scheme (ESOP):

Particulars	ESOP-2007	ESOP-2010-Trust Route	ESOP-2018
Date of Grant	Various dates starting from 17.01.2008 till 07.11.2022	Various dates starting from 21.10.2010 till 21.01.2012	Various dates starting from 14.08.2018 till 08.08.2022
Date of Board Approval	01.12.2007	27.07.2010	29.01.2018
Date of Shareholder's Approval	11.01.2008	30.08.2010	21.03.2018
Number of Options granted to			
- Employees of the Company	57,10,461	6,47,000	36,02,543
- Employees of the Subsidiary Companies	5,70,000	---	86,167
Total Options Granted	62,80,461	6,47,000	36,88,710
Method of Settlement	Equity Shares	Equity Shares	Equity Shares
Vesting Period	Ranging from 1 year to 7 years and 10 months. Both time based and performance based	Graded vesting over a period of 5 years	Ranging from 1 year to 6 years and 3 months. Both time based and performance based

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

Weighted Average Remaining Contractual life:

Particulars	ESOP-2007	ESOP-2018
Current year		
- Granted but not vested	5.30 years	4.89 years
Current year		
- Vested but not exercised	1.04 years	1.13 years
Current year		
- Weighted Average Share Price at the date of exercise for Stock Options exercised during the year	N.A.	N.A.
Previous year		
- Granted but not vested	5.49 years	5.66 years
Previous year		
- Vested but not exercised	1.16 years	2.13 years
Previous year		
- Weighted Average Share Price at the date of exercise for Stock Options exercised during the year	₹ 121.11	N.A.
Exercise Period	Within 2 to 3 years from the date of vesting of Options	
Vesting Conditions	Vesting of Options would be subject to continued employment with the Company and / or its subsidiaries and thus the Options would vest on passage of time. In addition to this, the Nomination, Remuneration and Compensation Committee may also specify certain performance parameters subject to which the Options would vest. In case of performance based vesting, the Options would vest on achievement of those performance parameters.	
Weighted Average - Fair Value of Options as on grant date - Current Year	₹ 37.68	₹ 34.78
Weighted Average - Fair Value of Options as on grant date - Previous Year	₹ 64.71	₹ 39.35
Risk free interest rate	7.32% - 7.48%	7.32%
Dividend Yield	1.58% - 1.71%	1.71%
Expected Volatility	57% - 58%	57%

The exercise pricing formula for ESOP Schemes are as under:

ESOP-2007

The exercise price shall be equal to the latest available closing market price on the date prior to the date on which the Nomination, Remuneration and Compensation Committee finalizes the specific number of Options to be granted to the employees.

ESOP-2010

The exercise price shall be calculated on the basis of latest closing price of the Company's equity shares quoted on the Stock Exchange prior to the date of the grant of Options, which for this purpose shall be date on which the Nomination, Remuneration and Compensation Committee meets to make its recommendations for grant of Options.

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

ESOP-2018

The exercise price shall be the closing price of the Company's equity shares quoted on the Stock Exchange immediately prior to the date of grant of the Options, which for this purpose shall be the date on which the Nomination, Remuneration and Compensation Committee meets to make its recommendations for the grant of the Options. The Stock Exchange to be selected for determining the closing price shall be in accordance with the SEBI ESOP Regulations. The Committee may, at its sole discretion, consider a discount to such closing price.

Other information regarding Employee Share based payment plan is as below

(₹ in Lacs)		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Expenses arising from employees share based payment plans	32.18	301.35
Total carrying amount at the end of the year	287.28	512.79

47. EMPLOYEE BENEFITS

Disclosure pursuant to Ind AS 19 "Employee benefits" is given below:

- a) **Defined contribution plan** - Expenses recognized in Statement of Profit and Loss towards defined contribution plans are as under:

(₹ in Lacs)		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Provident fund	390.21	324.30
ESIC	1.24	1.72
National pension scheme	70.86	55.38
Other welfare fund	0.01	0.01
Total	462.32	381.41

- b) **Defined benefit plan**

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

The plan is funded with insurance companies in the form of qualifying insurance policy. The following table summarize the components of net benefit expense recognized in the statement of profit and loss, other comprehensive income and amount recognized in balance sheet which has been determined by an Actuary appointed for the purpose and relied upon by the Auditors.

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

		(₹ in Lacs)	
Sr. No.	Particulars	As at 31 March 2023	As at 31 March 2022
i) Movement in defined benefit obligation			
	Present value of obligation as at the beginning	895.29	732.32
	Current service cost	129.60	110.44
	Interest expense or cost	54.57	40.98
	Remeasurement (or actuarial) (gain) / loss arising from :		
	- change in financial assumptions	6.06	37.88
	- change in demographic assumptions	-	-
	- experience variance (i.e. actual experience vs assumptions)	37.88	21.71
	Benefits paid	(66.17)	(57.14)
	Acquisition adjustment	-	9.10
	Present value of obligation as at the end	1,057.23	895.29
ii) Movement in plan assets			
	Fair value of plan assets as at the beginning	722.86	677.35
	Employer's contributions	172.41	54.95
	Investment income	44.06	37.90
	Return on plan assets, excluding amount recognized in net interest expense	(26.60)	0.70
	Benefits paid	(66.17)	(57.14)
	Acquisition adjustment	-	9.10
	Fair value of plan assets as at the end	846.56	722.86
iii) Reconciliation of net liability / asset			
	Net defined benefit liability / (asset) as at the beginning of the year	(172.41)	(54.97)
	Expenses charged to statement of profit and loss	(140.11)	(113.52)
	Amount recognized in other comprehensive income	(70.54)	(58.89)
	Employer contribution	172.41	54.97
	Net defined benefit liability / (asset) as at the end of the year	(210.65)	(172.41)
iv) Expenses charged to the statement of profit & loss			
	Current service cost	129.60	110.44
	Net Interest cost / (income) on the net defined benefit liability / (asset)	10.51	3.08
	Expenses recognized in the income statement	140.11	113.52
v) Movement in asset ceiling			
	Effect of asset ceiling at the beginning	-	-
	Interest on opening balance of asset ceiling	-	-
	Remeasurements due to change in surplus/deficit	-	-
	Value of asset ceiling as at the end of the year	-	-
vi) Remeasurement (gains) / losses in other comprehensive income			
	Actuarial (gains) / losses		
	Change in financial assumptions	6.06	37.88
	Change in demographic assumptions	-	-
	Experience adjustments	37.88	21.71
	Return on plan assets, excluding amount recognized in net interest expense	26.60	(0.70)
	Components of defined benefit costs recognized in other comprehensive income	70.54	58.89

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

Sr. No.	Particulars	(₹ in Lacs)	
		As at 31 March 2023	As at 31 March 2022
vii)	Amount recognized in balance sheet		
	Present value of obligation	1,057.22	895.27
	Fair value of plan assets	846.57	722.86
	Surplus / (deficit)	(210.65)	(172.41)
	Effects of asset ceiling, if any	-	-
	Net Asset / (Liability)	(210.65)	(172.41)
viii)	Key actuarial assumptions		
	Discount rate (p.a.)	7.25%	6.10%
	Salary growth rate (p.a.)	14.00%	12.00%
ix)	Category of plan assets		
	Funds managed by insurer	99.97%	99.98%
	Bank balance	0.03%	0.02%
x)	Quantitative sensitivity analysis		
	Impact on defined benefit obligation		
	Rate of discounting		
	1% increase	-4.70%	-4.90%
	1% decrease	5.10%	5.30%
	Rate of increase in salary		
	1% increase	3.00%	3.40%
	1% decrease	-3.00%	-3.30%
xi)	Maturity profile of defined benefit obligation		
	Weighted average duration (based on discounted cashflows)	5 years	5 years
	Expected cash flows over the next (valued on undiscounted basis):		
	Within next 12 months	188.57	150.56
	Between 2 and 5 years	610.36	513.88
	Between 6 and 10 years	452.58	344.68
	Beyond 10 years	349.19	266.08
xii)	Expected contribution during the next annual reporting period		
	The Company's best estimate of contribution during the next year	338.98	287.94

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

48. LEASE

The Company has entered into lease contracts for various properties across India for its office premises used in its operations. There are no variable lease payments, residual agreements, sale and leaseback arrangements and other restrictions. The Company also has certain leases with lease terms of 12 months or less. The Company applies the 'Short-term lease' recognition exemption for these leases.

a) Right of use assets

(₹ in Lacs)		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Carrying amount at the beginning of the year	382.90	473.97
Additions	653.13	250.43
Adjustments / Closure	(14.61)	(38.70)
Depreciation for the year	(298.99)	(302.82)
Carrying amount at the end of the year	722.42	382.90

b) Lease liabilities

(₹ in Lacs)		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at the beginning of the year	400.91	497.27
Additions	624.49	240.45
Interest expense on lease liabilities	52.30	48.46
Adjustments / Closure	(15.43)	(52.57)
Benefit on lease payment waiver	-	(3.44)
Lease payments	(331.11)	(329.26)
Balance at the end of the year	731.16	400.91
Current	278.01	211.88
Non-Current	453.15	189.03

c) Contractual maturities of lease liabilities on an undiscounted basis

(₹ in Lacs)		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Less than one year	339.26	237.27
One to five years	522.43	205.86
Five years and above	-	-
Total	861.69	443.13

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

The Company does not face a significant risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

d) Amount recognized in statement of profit and loss

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on Right-Of-Use (ROU) assets	299.00	302.82
Interest expense on lease liabilities	52.30	48.46
Expense relating to short term leases (included in other expenses)	0.82	0.97
Total	352.12	352.25

The total cash outflows for leases are ₹ 331.11 Lacs for the year ended 31 March 2023 (31 March 2022: ₹ 329.26 Lacs).

The effective interest rate of lease liabilities is 9.80% with maturities between one to five years.

49. RATINGS ASSIGNED BY CREDIT RATING AGENCY

ICRA Limited has reaffirmed rating of [ICRA]A2+ to the short term non fund based bank facilities of the Company of ₹ 27,500 lacs (Previous year: ₹ 20,000 lacs).

50. ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for borrowings are

Particulars	(₹ in Lacs)	
	As at 31 March 2023	As at 31 March 2022
Financial Assets		
Fixed deposit under lien with stock exchanges	18,225.05	19,984.00
Fixed deposit against bank guarantees	9,368.17	8,100.00
Fixed deposit against credit facilities of the Company	1,019.00	519.00
Investments pledged with bank for credit facilities		
- Units of Alternative investment funds	-	2,352.92
- Equity shares of Emkay Fincap Limited	-	885.00
Total	28,612.22	31,840.92
Non-Financial Assets		
Office premises mortgaged with bank for credit facilities	2,132.89	2,241.84

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

51. Trade payables includes ₹ 55.10 Lacs (P.Y. ₹ 27.59 Lacs) and other liabilities under other financial liabilities includes ₹ 0.17 Lacs (P.Y. Nil) being aggregate amount of deposits in Company's bank accounts made directly by clients whose details are awaited. Appropriate accounting treatment is given on regular basis on receipt of required information as and when received.

52. Income includes ₹ 2.43 Lacs (P.Y. ₹ 2.03 Lacs) and expenses includes ₹ 76.52 Lacs (P.Y. ₹ 20.12 lacs) pertaining to earlier year.

53. FINANCIAL RISK MANAGEMENT

The Company has established a comprehensive system for risk management and internal controls for all its businesses to manage the risks that it is exposed. 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 Company has exposure to the following risks arising from financial instruments:

- a) Credit risk
- b) Liquidity risk
- c) Market risk

The risk management system features three lines of defence approach.

1. The first line of defence comprises its operational departments, which assume primary responsibility for their own risks and operate within the limits stipulated in various policies approved by the Board or by committees constituted by the Board.
2. The second line of defence comprises specialized department such as risk management and compliance. They employ specialized methods to identify and assess risks faced by the operational departments and provide them with specialized risk management tools and methods, facilitate and monitor the implementation of effective risk management practices, develop monitoring tools for risk management, internal controls and compliances, report risk related information and promote the adoption of appropriate risk prevention measures.
3. The third line of defence comprise the internal audit and external audit functions. They monitor and conduct periodic evaluations of the risk management, internal controls and compliance activities to ensure the adequacy of risk controls and appropriate risk governance and provide the Board with comprehensive feedback.

a) Credit risk

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

The Company's financial assets comprises of cash and bank balances, trade receivables, loans, investments and other financial assets which comprise mainly of deposits, advances and other receivables.

The maximum exposure to credit risk at the reporting date is primarily from Company's trade receivable and loans.

Details of exposure to credit risks for trade receivables and loans:

(₹ in Lacs)		
Particulars	As at 31 March 2023	As at 31 March 2022
Trade and other receivables (net of impairment)	10,316.83	8,599.61
Loan (net of impairment)	448.13	91.42

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

Trade receivable:

The Company applies the Ind AS 109 simplified approach to measure expected credit losses (ECLs) for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables are calculated based on actual historic credit loss experience over the preceding three to five years on the total balance of non-credit impaired trade receivables. The Company considers a trade receivable to be credit impaired when one or more detrimental events have occurred, such as significant financial difficulty of the client or it becoming probable that the client will enter bankruptcy or other financial reorganization. When a trade receivable is credit impaired, it is written off against trade receivables and the amount of the loss is recognized in the income statement. Subsequent recoveries of amounts previously written off are credited to the income statement.

Loans:

Loans comprise of margin trading funding (MTF) for which staged approach is followed for determination of ECL.

Stage 1 : All standard loans in MTF loan book not due or upto 30 days past due (DPD) are considered as Stage 1 assets for computation of expected credit loss.

Stage 2 : Exposure under stage 2 include under-performing loans having 31 to 90 days past due (DPD).

Stage 3 : Exposures under stage 3 include non-performing loans with overdue more than 90 days past due (DPD).

Based on historical data, the company assigns PD to stage 1 and stage 2 and applies it to the EAD to compute the ECL. For Stage 3 assets PD is considered as 100%.

The company does not have any loan book which may fall under stage 2 or stage 3.

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

(₹ in Lacs)

Bucketing (Stage)	As at 31 March 2023		As at 31 March 2022	
	Carrying Value	ECL	Carrying Value	ECL
Stage 1	448.13	-	91.42	-
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Total	448.13	-	91.42	-

Movement in the allowances for impairment in respect of trade receivables and loans is as follows:

(₹ in Lacs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening Balance	21.35	14.99
Net re-measurement of loss allowance	1.24	6.36
Closing Balance	22.59	21.35

Other financial assets considered to have a low credit risk:

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies. Investments comprise of quoted equity instruments, mutual funds which are market tradable. Other financial assets include deposits for assets acquired on lease and with qualified clearing counterparties and exchanges as per the prescribed statutory limits.

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

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 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 close out market positions.

The Company has a view of maintaining liquidity with minimal risks while making investments. The Company invests its surplus funds in short term liquid assets in bank deposits. The Company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

Refer note 56 for analysis of maturities of financial assets and financial liabilities.

c) Market risk

Market risk arises when movements in market factors (foreign exchange rates, interest rates, credit spreads and equity prices) impact the Company's income or market value of its portfolios. The Company, in its course of business, is exposed to market risk due to change in equity prices, interest rates and foreign exchange rates. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximize returns.

(i) Equity Price

The Company's exposure to equity price risk arises primarily on account of its proprietary positions and on account of margin bases positions of its clients in equity cash and derivative segments.

The Company's equity price risk is managed in accordance with its Risk Policy approved by Board.

(ii) Interest rate risk

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

The Company's interest rate risk arises from interest bearing deposits with bank and loan given to customers. Such instrument exposes the Company to fair value interest rate risk. Management believes that the interest rate risk attached to these financial assets is not significant due to the nature of these financial assets

(iii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

Foreign currency risk management

In respect of foreign currency transactions, the Company does not hedge the exposures since the management believes that the same is insignificant in nature and will not have a material impact on the Company.

The Company's exposure to foreign currency risk at the end of reporting period is as shown as under:-

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

Receivables

(in Lacs)

Particulars	Currency	As At	
		31 March 2023	31 March 2022
Foreign Currency exposure outstanding	USD	0.24	0.15
	INR	19.99	11.69
	SGD	0.10	0.10
	INR	5.53	5.53
Foreign Currency receivable in next 5 years including interest	USD	0.24	0.15
	INR	19.99	11.69
Unhedged Foreign currency exposure	USD	0.24	0.15
	INR	19.99	11.69
	SGD	0.10	0.10
	INR	5.53	5.53

Payables

(in Lacs)

Particulars	Currency	As At	
		31 March 2023	31 March 2022
Foreign Currency exposure outstanding	USD	30.76	9.94
	INR	2,527.37	753.60
	SGD	0.61	0.18
	INR	37.39	10.11
Foreign Currency payable in next 5 years including interest	USD	3.26	0.44
	INR	267.69	33.57
	SGD	0.61	0.18
	INR	37.39	10.11
Unhedged Foreign currency exposure	USD	30.76	9.94
	INR	2,527.37	753.60
	SGD	0.61	0.18
	INR	37.39	10.11

The table below indicates the currencies to which the Company had significant exposure at the end of the reported periods for the non-traded component. The analysis calculates the effect of a reasonably possible movement of the currency rate against INR (all other variable being constant) on the statement of profit and loss.

(in Lacs)

Currency	Change in currency rate in %	Impact on statement of profit and loss	
		For the year ended 31 March 2023	For the year ended 31 March 2022
USD	Depreciation of 5%	125.37	37.10
	Appreciation of 5%	(125.37)	(37.10)
SGD	Depreciation of 5%	1.59	0.23
	Appreciation of 5%	(1.59)	(0.23)

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

54. TAX RECONCILIATION DISCLOSURE

A) Income tax expenses consists of the following:

Particulars	(₹ In Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Current income tax	-	285.29
Deferred tax	(362.90)	250.91
Total tax for the current year	(362.90)	536.20
Taxes for earlier years	(3.09)	(13.18)
Tax expenses for the year	(365.99)	523.02

B) Amount recognized in the other comprehensive income:

Particulars	(₹ In Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Items that will not be reclassified to profit or loss		
Actuarial gain / (loss) on defined benefit plans	(70.54)	(58.89)
Income tax relating to items that will not be reclassified to profit or loss	-	10.29
Total	(70.54)	(48.60)

C) The reconciliation of estimated current income tax expenses at statutory income tax rate to current income tax expense reported in statement of profit and loss is as follows:

Particulars	(₹ In Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	697.47	1,854.64
Enacted tax rate in India (%)	29.12%	29.12%
Expected income tax expenses	203.10	540.07
Tax effect of adjustments to reconcile expected income tax expenses to reported income tax expenses		
Income exempt from tax laws	(582.20)	(34.54)
Deductible expenses for tax purpose	(331.88)	(245.68)
Nondeductible expenses for tax purpose	222.69	165.80
Fair value changes of investments	(13.42)	(170.09)
Business loss and unabsorbed depreciation brought forward from earlier years is adjusted	-	(259.53)
Current year loss carry forwarded to subsequent year	377.72	-
Ind As adjustments	123.99	3.97
Total	(203.10)	(540.07)
Tax payable at normal rates (A)	-	-
Tax payable under section 115JB (MAT) (B)	-	285.29
Tax payable (higher of A and B)	-	285.29
Deferred Tax impact	(362.90)	250.91
Total Tax Expense	(362.90)	536.20
Current Tax Expense	-	285.29
Deferred Tax Expense / (Credit)	(362.90)	250.91

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

D) Deferred tax disclosure

Movement of deferred tax assets and liabilities

Current year			(₹ In Lacs)
Particulars	As at 1 April 2022	Credit/(Charge) in the statement of profit and loss	As at 31 March 2023
Financial assets at fair value through profit and loss	4.96	4.30	9.26
Lease liabilities	116.74	96.17	212.91
Provisions	6.71	0.36	7.07
Disallowances	25.46	2.37	27.83
Unabsorbed losses	126.76	375.75	502.51
Property, plant and equipment and other intangible assets	(106.52)	(17.18)	(123.70)
Right of use assets	(111.50)	(98.87)	(210.37)
Net deferred tax assets	62.61	362.90	425.51

Previous year			(₹ In Lacs)
Particulars	As at 1 April 2021	Credit/ (Charge) in the statement of profit and loss	As at 31 March 2022
Financial assets at fair value through profit and loss	6.47	(1.51)	4.96
Lease liabilities	144.80	(28.06)	116.74
Provisions	4.90	1.81	6.71
Disallowances	-	25.46	25.46
Unabsorbed losses	396.55	(269.79)	126.76
Property, plant and equipment and other intangible assets	(101.18)	(5.34)	(106.52)
Right of use assets	(138.02)	26.52	(111.50)
Net deferred tax assets	313.52	(250.91)	62.61

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

55. MATURITY ANALYSIS

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

Particulars	As at March 31, 2023		
	Total	Within 12 months	After 12 Months
	(₹ In Lacs)		
Current year			
Assets			
Financial Assets			
Cash and cash equivalents	1,264.02	1,264.02	-
Bank balance other than above	28,928.56	24,819.56	4,109.00
Derivative financial instruments	-	-	-
Securities held for trading	-	-	-
Trade receivables	10,316.83	10,316.83	-
Loans	448.13	448.13	-
Investments	5,401.99	-	5,401.99
Other financial assets	13,744.54	13,274.64	469.90
Total Financial Assets	60,104.07	50,123.18	9,980.89
Non Financial Assets			
Current tax assets (net)	407.16	-	407.16
Deferred tax assets (net)	425.51	-	425.51
Property, plant and equipment	2,962.04	-	2,962.04
Right of use assets	722.43	-	722.43
Capital work-in-progress	-	-	-
Intangible assets under development	-	-	-
Other Intangible assets	52.65	-	52.65
Other non-financial assets	454.76	301.42	153.34
Total Non Financial Assets	5,024.55	301.42	4,723.13
Total Assets	65,128.62	50,424.60	14,704.02
Liabilities			
Financial Liabilities			
Trade payable	11,726.86	11,726.86	-
Deposits	1,036.47	-	1,036.47
Lease liabilities	731.16	278.01	453.15
Other financial liabilities	33,166.27	33,166.27	-
Total Financial Liabilities	46,660.76	45,171.14	1,489.62
Non-financial Liabilities			
Provisions	1,988.22	1,988.22	-
Other non-financial liabilities	1,353.44	1,353.44	-
Total Non-financial Liabilities	3,341.66	3,341.66	-
Total Liabilities	50,002.42	48,512.80	1,489.62
Net Assets	15,126.20	1,911.80	13,214.40

Notes to the Standalone Financial Statements
For the year ended 31 March, 2023 (contd.)

Particulars	As at March 31, 2022		
	Total	Within 12 months	After 12 Months
Previous year			
			(₹ In Lacs)
Assets			
Financial Assets			
Cash and cash equivalents	5,745.05	5,745.05	-
Bank balance other than above	28,985.09	28,690.09	295.00
Derivative financial instruments	3.51	3.51	-
Securities held for trading	147.05	147.05	-
Trade receivables	8,599.61	8,599.61	-
Loans	91.42	91.42	-
Investments	7,346.04	-	7,346.04
Other financial assets	14,196.96	13,771.42	425.54
Total Financial Assets	65,114.73	57,048.15	8,066.58
Non Financial Assets			
Current tax assets (net)	96.97	-	96.97
Deferred tax assets (net)	62.61	-	62.61
Property, plant and equipment	2,722.26	-	2,722.26
Right of use assets	382.90	-	382.90
Capital work-in-progress	165.91	-	165.91
Intangible assets under development	12.00	-	12.00
Other Intangible assets	20.05	-	20.05
Other non-financial assets	251.57	167.00	84.57
Total Non Financial Assets	3,714.27	167.00	3,547.27
Total Assets	68,829.00	57,215.15	11,613.85
Liabilities			
Financial Liabilities			
Trade payable	13,577.61	13,577.61	-
Deposits	2,878.10	-	2,878.10
Lease liabilities	400.91	211.88	189.03
Other financial liabilities	34,128.80	34,128.80	-
Total Financial Liabilities	50,985.42	47,918.29	3,067.13
Non-financial Liabilities			
Provisions	2,130.45	2,130.45	-
Other non-financial liabilities	1,263.05	1,263.05	-
Total Non-financial Liabilities	3,393.50	3,393.50	-
Total Liabilities	54,378.92	51,311.79	3,067.13
Net Assets	14,450.08	5,903.36	8,546.72

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

56. FINANCIAL INSTRUMENTS

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

Particulars	Measured at			Total Carrying Value
	Amortised Cost	Fair value through P&L	Fair value through OCI	
(₹ In Lacs)				
Assets				
Financial assets				
Cash and cash equivalents	1,264.02	-	-	1,264.02
Bank balance other than above	28,928.56	-	-	28,928.56
Derivative financial instruments	-	-	-	-
Securities held for trading	-	-	-	-
Trade receivables	10,316.83	-	-	10,316.83
Loans	448.13	-	-	448.13
Investments *	-	1,608.71	-	1,608.71
Other financial assets	13,744.54	-	-	13,744.54
Total	54,702.08	1,608.71	-	56,310.79
Liabilities				
Financial liabilities				
Trade payables	11,726.86	-	-	11,726.86
Deposits	1,036.47	-	-	1,036.47
Lease liabilities	731.16	-	-	731.16
Other financial liabilities	33,166.27	-	-	33,166.27
Total	46,660.76	-	-	46,660.76

* excluding investments in subsidiaries and associate.

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

Particulars	Measured at			Total Carrying Value
	Amortised Cost	Fair value through P&L	Fair value through OCI	
(₹ In Lacs)				
Assets				
Financial assets				
Cash and cash equivalents	5,745.05	-	-	5,745.05
Bank balance other than above	28,985.09	-	-	28,985.09
Derivative financial instruments	-	3.51	-	3.51
Securities held for trading	-	147.05	-	147.05
Trade receivables	8,599.61	-	-	8,599.61
Loans	91.42	-	-	91.42
Investments *	-	2,934.59	-	2,934.59
Other financial assets	14,196.97	-	-	14,196.97
Total	57,618.14	3,085.15	-	60,703.29
Liabilities				
Financial liabilities				
Trade payables	13,577.61	-	-	13,577.61
Deposits	2,878.10	-	-	2,878.10
Lease liabilities	400.91	-	-	400.91
Other financial liabilities	34,128.80	-	-	34,128.80
Total	50,985.42	-	-	50,985.42

* excluding investments in subsidiaries and associate.

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

III) Fair value hierarchy:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimates using a valuation technique.

The investments included in level 1 of fair value hierarchy have been valued using quoted prices for instruments in an active market. The investments included in Level 2 of fair value hierarchy have been valued using valuation techniques based on observable market data. There were no transfers between level 1 and level 2.

(₹ In Lacs)				
As at March 31, 2023	Level 1	Level 2	Level 3	Total
Financial instruments				
Derivative financial instruments	-	-	-	-
Securities held for trading	-	-	-	-
Units of AIF	-	1,608.71	-	1,608.71
Total	-	1,608.71	-	1,608.71

(₹ In Lacs)				
As at March 31, 2022	Level 1	Level 2	Level 3	Total
Financial instruments				
Derivative financial instruments	3.51	-	-	3.51
Securities held for trading	-	147.05	-	147.05
Units of AIF	-	2,934.59	-	2,934.59
Total	3.51	3,081.64	-	3,085.15

IV) Valuation techniques used to determine fair value

- Quoted equity instruments – Quoted closing price on stock exchange.
- Alternative investment funds – Net asset value of the respective schemes.

V) Financial instruments not measured at fair value

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

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

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

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

57. REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company derives revenue primarily from share broking business. Its other major revenue sources are research and advisory fees.

Disaggregate information on revenue from contracts with customers:

(₹ In Lacs)		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Brokerage fees	14,043.52	14,776.69
Research and advisory fees	1,642.46	1,020.51
Depository operations	79.87	96.16
Total	15,765.84	15,893.36
India	15,689.04	15,704.14
Outside India	76.80	189.22
Total	15,765.84	15,893.36
Timing of revenue recognition		
Services transferred at a point in time	14,908.00	15,080.01
Services transferred over time	857.84	813.35
Total	15,765.84	15,893.36

Contract Balances

Trade receivables : The outstanding balance as on 31 March 2023: ₹ 10,316.83 Lacs, 31 March 2022: ₹ 8,599.61 Lacs. (Also refer note:11)

Information about Company's performance obligation

The performance obligation in regards of arrangement where fees is charged per transaction executed is recognized at point in time when trade is executed.

Income from advisory services is recognized upon rendering of the services.

58. EXCEPTIONAL ITEMS

(₹ In Lacs)		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Provision for diminution in value of investment *	115.00	-
Provision for diminution in value of investment written back **	-	(252.50)
Total	115.00	(252.50)

* As at 31st March, 2023, the company has an aggregate investment of ₹ 410.00 Lacs (Previous year ₹ 410.00 lacs) in equity shares of Emkay Wealth Advisory Limited (EWAL), a wholly owned subsidiary.

EWAL is presently engaged in Investment Advisory Services. As at 31 March 2023, it has accumulated losses of ₹ 218.99 Lacs (Previous year ₹ 190.10 Lacs) and hence an impairment provision of ₹ 10 Lacs (Previous year ₹ Nil) is made.

* As at 31st March, 2023, the company has an aggregate investment of Rs.500.00 Lacs (Previous year Rs.200.00 Lacs) in equity shares of Emkayglobal Financial Services IFSC Pvt. Ltd., a wholly owned subsidiary.

The Company has set up a unit in the "Gift Multi-Services Special Economic Zone" for providing financial services as capital market intermediary in International Financial Service Centre (IFSC). As at 31 March 2023, it has accumulated losses of Rs.104.45 Lacs (Previous year Rs.76.87 Lacs) and hence an impairment provision of Rs.105.00 Lacs (Previous year Rs.nil) is made.

For the year ended 31 March 2022, exceptional items represents write back of impairment provision of Rs.252.50 Lacs made in prior years for its investments in Emkay Commotrade Limited (ECL), a wholly owned subsidiary.

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

- 59.** The Board of Directors at their meeting held on May 15, 2023, have recommended a dividend of Rs.1.00 per share (on face value of Rs.10/- per equity share) for the year ended March 31, 2023, subject to the approval of the members at the ensuing annual general meeting. In terms of Ind AS 10 “Events after the Reporting Period”, the Company has not recognized dividend as a liability at the end of the reporting period.
- 60.** Previous year figures have been regrouped / reclassified / recasted / rearranged wherever necessary, to conform to this year’s classification.
- 61.** The Company’s financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lac, except when otherwise indicated.
- 62.** Disclosure of Capital to risk-weighted assets (CRAR), Tier I CRAR, Tier II CRAR and Liquidity coverage ratios required under para (WB)(xvi) of Division III of Schedule III to the Act are 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.

63. OTHER STATUTORY INFORMATION

- a) The Company is holding immovable property as disclosed in note no.17. Title deeds of the property are held in the name of the Company.
- b) The Company has complied with the requirements of the number of layers prescribed under Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- c) No proceeding has been initiated during the year or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- d) The Company has taken borrowings from Banks on the basis of security of current financial assets and all the quarterly returns filed by the Company with the Banks are in agreement with the financial statements.
- e) The Company is not a declared willful defaulter by any bank or financial institution or any other lender.
- f) There are no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- g) The Company does not have any charges or satisfaction which are yet to be registered with ROC beyond the statutory period.

Notes to the Standalone Financial Statements

For the year ended 31 March, 2023 (contd.)

63. OTHER STATUTORY INFORMATION

- h) The Company has not entered into any scheme or arrangement which has an accounting impact on current or previous financial year.
- i) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - I. 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
 - II. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- j) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - I. 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
 - II. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- k) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- l) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- m) Daily back up of books of accounts and accounting records is taken on servers physically located in India.

64. EVENTS AFTER REPORTING DATE

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

65. APPROVAL OF FINANCIAL STATEMENTS

The financial statements of the Company for the year ended 31 March, 2023 were approved for issue by the Board of Directors at their meeting held on 15 May 2023.

As per our report of even date
for **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number:
301003E/E300005

per **Viren H. Mehta**
Partner
Membership No.048749

Place : Mumbai
Date : May 15, 2023

For and on behalf of the Board of **Emkay Global Financial Services Limited**

S.K.Saboo
Chairman
DIN : 00373201

Saket Agrawal
Chief Financial Officer

Place : Mumbai
Date : May 15, 2023

Prakash Kacholia
Managing Director
DIN : 00002626

Bhalchandra Raul
Company Secretary
Membership No.FCS1800

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INDEPENDENT AUDITOR'S REPORT

To the Members of Emkay Global Financial Services Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Emkay Global Financial Services Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates comprising of the consolidated Balance sheet as at March 31 2023, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant 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 reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associates, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at March 31, 2023, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described

in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and its associates in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

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

We have determined the matter described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
<p>1. IT systems and controls</p> <p>The financial accounting and reporting systems of the Holding Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes.</p> <p>Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure accurate financial reporting.</p> <p>Therefore, due to the pervasive nature and complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.</p>	<p>We performed the following procedures assisted by specialized IT auditors on the IT infrastructure and applications relevant to financial reporting:</p> <ul style="list-style-type: none"> • Tested the design and operating effectiveness of IT access controls over the information systems that are important to financial reporting and various interfaces, configuration and other identified application controls. • Tested IT general controls (logical access, change management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized. • Tested the Holding Company's periodic review of access rights. We also inspected requests of changes to systems for appropriate approval and authorization. <p>In addition to the above, we tested the design and operating effectiveness of certain automated and IT dependent manual controls that were considered as key internal controls over financial reporting.</p>

INDEPENDENT AUDITOR'S REPORT (Contd.)

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated 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 identified above when it becomes available 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.

When we read such other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and to comply with the relevant applicable requirements of the standard on auditing for auditor's responsibility in relation to other information in documents containing audited financial statements. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity 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 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant

to the preparation and presentation of the consolidated 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 financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of their respective companies 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.

Those respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are

INDEPENDENT AUDITOR'S REPORT (Contd.)

appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates 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 consolidated 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 associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates of which we are the independent auditors, 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 included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by 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 of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information, in respect of six subsidiaries, whose financial statements include total assets of ₹ 12,476.31 lakhs as at March 31, 2023, and total revenues of ₹ 2,729.56 lakhs and net cash outflows of ₹ 2,044.64 lakhs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of ₹ 12.76 lakhs for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of three associates, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, and associates, is based solely on the reports of such other auditors.

Our opinion above on the consolidated financial statements, 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 and other financial information.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order,

INDEPENDENT AUDITOR'S REPORT (Contd.)

2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and associate companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associates, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
 - (a) We/the other auditors whose report we have relied upon 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 of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and associate companies, none of the directors of the Group's companies and its associates, incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies and associate companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and associates, the managerial remuneration for the year ended March 31, 2023 has been paid/ provided by the Holding Company, its subsidiaries and associates incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associates, as noted in the 'Other matter' paragraph:
 - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associates in its consolidated financial statements – Refer Note 47 to the consolidated financial statements;
 - ii. The Group and its associates did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2023;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associates, incorporated in India during the year ended March 31, 2023;
 - iv. a) The respective managements of the Holding Company and its subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associates respectively that, to the best of its knowledge and belief, other than as disclosed in the Note 70(ix) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from

borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and associates to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries and associate (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associates respectively that, to the best of its knowledge and belief, other than as disclosed in the Note 70(X) to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries and associates from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and associates shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor’s notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement;
- iv) The final dividend paid by the Holding Company, its subsidiaries and associate companies incorporated in India during the year in respect

of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 66 to the consolidated financial statements, the respective Board of Directors of the Holding Company, its subsidiaries and associate companies, incorporated in India have proposed final dividend for the year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend; and

- v) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. April 1, 2023 for the Holding Company, its subsidiaries and associate companies incorporated in India, hence reporting under this clause is not applicable.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Viren H. Mehta

Partner

Membership Number: 048749

UDIN: 23048749BGVGKH1772

Place of Signature: Mumbai

Date: May 15, 2023

Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our Report of even date

Re: Emkay Global Financial Services Limited

There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (“CARO”) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Viren H. Mehta**

Partner

Membership Number : 048749

UDIN : 23048749BGVGKH1772

Place of Signature : Mumbai

Date : May 15, 2023

Annexure 2 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Emkay Global Financial Services Limited

Report on the Internal Financial Controls 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 financial statements of Emkay Global Financial Services Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group and its associates, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 Holding Company's internal financial controls with reference to consolidated 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, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors 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 internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material

Annexure 2 to the independent auditor's report of even date on the standalone financial statements of Emkay Global Financial Services Limited (Contd.)

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 consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group and its associates, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these six subsidiaries and three associates, is based on the corresponding reports of the auditors of such subsidiaries and its associates.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Viren H. Mehta**

Partner

Membership Number : 048749

UDIN : 23048749BGVGKH1772

Place of Signature : Mumbai

Date : May 15, 2023

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH, 2023

Particulars	Note No.	₹ in Lacs)	
		As at 31 March 2023	As at 31 March 2022
ASSETS			
1 Financial assets			
Cash and cash equivalents	7	2,947.62	9,473.29
Bank balance other than cash and cash equivalents	8	31,910.91	31,812.46
Derivative financial instruments	9	-	3.51
Securities held for trading	10	71.50	147.05
Trade receivables	11	10,529.29	8,875.88
Loans	12	5,136.35	4,018.03
Investments	13	2,368.32	3,424.30
Other financial assets	14	13,919.80	14,337.45
Total financial assets		66,883.79	72,091.97
2 Non-financial assets			
Current tax assets (net)	15	509.71	151.47
Deferred tax assets (net)	16	501.45	138.55
Property, plant and equipment	17	2,999.35	2,771.91
Right-of-use-assets	51	747.07	411.97
Capital work-in-progress	18	-	165.91
Intangible assets under development	19	-	12.00
Other intangible assets	17	54.65	25.45
Other non financial assets	20	1,399.05	623.87
Total non-financial assets		6,211.28	4,301.13
TOTAL ASSETS (1 + 2)		73,095.07	76,393.10
LIABILITIES AND EQUITY			
1 Financial liabilities			
Derivative financial instruments	9	-	-
Trade payables	21	-	-
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		12,025.89	13,665.67
Borrowings (other than debt security)	22	1,496.91	1,099.08
Deposits	23	1,036.47	2,878.10
Lease Liabilities	51	763.22	435.02
Other financial liabilities	24	33,129.08	34,190.21
Total financial liabilities		48,451.57	52,268.08
2 Non-financial Liabilities			
Current tax liabilities (net)	25	3.56	44.47
Provisions	26	2,192.35	2,277.08
Other non-financial liabilities	27	1,408.63	1,740.62
Total non-financial Liabilities		3,604.54	4,062.17
3 Equity			
Equity share capital	28	2,464.02	2,464.02
Other equity	29	18,574.94	17,598.83
Total equity		21,038.96	20,062.85
TOTAL LIABILITIES AND EQUITY (1 + 2 + 3)		73,095.07	76,393.10

The accompanying notes are an integral part of the financial statements

As per our report of even date
for **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number:
301003E/E300005

per **Viren H. Mehta**
Partner
Membership No.048749

Place : Mumbai
Date : May 15, 2023

For and on behalf of the Board of **Emkay Global Financial Services Limited**

S.K.Saboo
Chairman
DIN : 00373201

Saket Agrawal
Chief Financial Officer

Place : Mumbai
Date : May 15, 2023

Prakash Kacholia
Managing Director
DIN : 00002626

Bhalchandra Raul
Company Secretary
Membership No.FCS1800

CONSOLIDATED STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED 31 MARCH, 2023

		(₹ in Lacs)	
Particulars	Note No.	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations			
(i) Interest Income	30	1,028.05	831.63
(ii) Dividend Income	31	1.84	0.28
(iii) Fees And Commission Income	32	16,931.35	16,892.67
(iv) Net Gain on Fair Value Changes	33	2,127.31	9,148.44
(v) Other Operating Income	34	212.03	247.41
Total revenue from operations (I)		20,300.58	27,120.43
Other income (II)	35	1,247.02	256.27
Total income (I + II = III)		21,547.60	27,376.70
Expenses			
(i) Finance costs	36	428.02	315.69
(II) Fees and Commission Expenses	37	2,682.29	2,448.04
(iii) Impairment on financial instruments	38	11.16	20.74
(iv) Employee benefits expenses	39	11,508.78	10,908.24
(v) Depreciation and amortization expenses	40	918.04	757.78
(vi) Other expenses	41	4,744.76	8,314.75
Total expenses (IV)		20,293.05	22,765.24
PROFIT / (LOSS) BEFORE TAX (III - IV = V)		1,254.55	4,611.46
Tax expense:			
(i) Current tax		219.29	908.21
(ii) Deferred tax charge / (credit)		(362.90)	260.21
(iii) Earlier years adjustments		(2.33)	(46.38)
Total tax expenses (VI)	57A	(145.94)	1,122.04
Profit / (loss) after tax (V - VI = VII)		1,400.49	3,489.42
Add: Share of profit / (loss) from associates (VIII)		12.76	(105.68)
Profit / (loss) after tax from continuing operations (VII + VIII = IX)	62	1,413.25	3,383.74
Add: Profit / (loss) from discontinued operations		(8.80)	(4.70)
Tax expense of discontinued operations		(3.16)	(1.33)
Profit / (loss) from discontinued operations (after tax) (X)		(5.64)	(3.37)
Profit / (loss) for the year (IX + X = XI)		1,407.61	3,380.37
Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
(i) Actuarial gain / (loss) on post retirement benefit plans		(66.90)	(62.61)
(ii) Share of actuarial gain / (loss) on defined benefit plan of associate		0.40	(0.95)
(iii) Tax impact on above		(1.28)	11.25
Subtotal (A)	57B	(67.78)	(52.31)
(B) Items that will be reclassified to profit or loss			
(i) Foreign exchange translation reserve		21.92	1.11
(ii) Tax impact on above		-	-
Subtotal (B)		21.92	1.11
Other comprehensive income / (loss) for the year (A+B) (XII)	57B	(45.86)	(51.20)
Total comprehensive income / (loss) for the year (XI + XII = XIII)		1,361.75	3,329.17
Earning per share (for continuing operations)	42		
(face value of ₹10 per Equity Share)			
Basic (in ₹)		5.74	13.74
Diluted (in ₹)		5.71	12.98
Earning per share (for discontinued operations)	42		
(face value ₹10 per Equity Share)			
Basic (in ₹)		(0.023)	(0.014)
Diluted (in ₹)		(0.023)	(0.013)
Earning per share (for continuing and discontinued operations)	42		
(face value ₹10 per Equity Share)			
Basic (in ₹)		5.71	13.72
Diluted (in ₹)		5.68	12.97

The accompanying notes are an integral part of the financial statements

As per our report of even date for **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number:
301003E/E300005

per **Viren H. Mehta**
Partner
Membership
No.048749

Place : Mumbai
Date : May 15, 2023

For and on behalf of the Board of **Emkay Global Financial Services Limited**

S.K.Saboo
Chairman
DIN : 00373201

Saket Agrawal
Chief Financial Officer

Prakash Kacholia
Managing Director
DIN : 00002626

Bhalchandra Raul
Company Secretary
Membership No.FCS1800

Place : Mumbai
Date : May 15, 2023

STATEMENT OF CHANGES IN EQUITY

AS AT 31 MARCH, 2023

1. EQUITY SHARE CAPITAL

Equity shares of ₹10/- each issued, subscribed and fully paid

Particulars	No of Shares	₹ in Lacs
As at 1 April 2021	24,619,030	2,461.90
Changes in equity share capital due to prior year errors	-	-
Restated balance at the beginning of the previous reporting year	24,619,030	2,461.90
Changes in equity share capital during the previous year	21,200	2.12
Balance as at 31 March 2022	24,640,230	2,464.02
Balance as at 1 April 2022	24,640,230	2,464.02
Changes in equity share capital due to prior year errors	-	-
Restated balance at the beginning of the current reporting year	24,640,230	2,464.02
Changes in equity share capital during the current year	-	-
Balance as at 31 March 2023	24,640,230	2,464.02

2. OTHER EQUITY

Particulars	Reserve and surplus				Other comprehensive income			Total other equity		
	Securities premium	Retained earnings	General reserve	Capital reserve on consolidation	Capital redemption reserve	Special reserve u/s 45-IC of the RBI Act 1934	Equity settled share based payment reserve		Actuarial gains/ (losses) on defined benefit plans	Foreign exchange translation reserve
Balance as at 1 April, 2021	6,994.94	3,633.44	1,803.65	1.03	-	725.14	576.22	(61.68)	5.26	14,178.01
Changes in accounting policy prior year errors	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the previous reporting year	6,994.94	3,633.44	1,803.65	1.03	500.00	725.14	576.22	(61.68)	5.26	14,178.01
Addition during the year on account of share issue	13.91	-	-	-	-	-	(16.71)	-	-	13.91
Transfer from equity settled share based premium reserve	16.71	-	-	-	-	-	323.86	-	-	323.86
Fair value of stock options - charge for the year	-	3,380.37	-	-	-	-	-	-	-	3,380.37
Profit after tax	-	-	-	-	-	164.22	-	-	-	-
Transfer to reserve fund in terms of section 45-IC(1) of the RBI Act, 1934	-	(164.22)	-	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-	-	-	-	1.19	(51.12)
Total	7,025.56	6,849.59	1,803.65	1.03	500.00	889.36	883.37	(113.99)	6.45	17,845.02
Dividend paid	-	(246.19)	-	-	-	-	-	-	-	(246.19)
Balance as at 31 March, 2022	7,025.56	6,603.40	1,803.65	1.03	500.00	889.36	883.37	(113.99)	6.45	17,598.83
Balance as at 1 April, 2022	7,025.56	6,603.40	1,803.65	1.03	500.00	889.36	883.37	(113.99)	6.45	17,598.83
Changes in accounting policy prior year errors	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting year	7,025.56	6,603.40	1,803.65	1.03	500.00	889.36	883.37	(113.99)	6.45	17,598.83
Addition during the year on account of share issue	-	-	-	-	-	-	(43.46)	-	-	-
Transfer from equity settled share based premium reserve	-	-	43.46	-	-	-	(8.97)	-	-	(8.97)
Fair value of stock options - charge for the year	-	-	-	-	-	-	-	-	-	-
Profit after tax	-	1,407.61	-	-	-	71.42	-	-	-	1,407.61
Transfer to reserve fund in terms of section 45-IC(1) of the RBI Act, 1934	-	(71.42)	-	-	-	-	-	-	-	-
Tax on distributed profits on buyback of shares by subsidiary	-	(70.91)	-	-	-	-	-	-	-	(70.91)
Transfer to capital redemption reserve on buyback of shares by subsidiary	-	(762.20)	-	-	762.20	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-	-	-	(67.78)	24.16	(43.62)
Total	7,025.56	7,106.48	1,847.11	1.03	1,262.20	960.78	830.94	(181.77)	30.61	18,862.93
Dividend paid	-	(308.00)	-	-	-	-	-	-	-	(308.00)
Balance as at 31 March 2023	7,025.56	6,798.48	1,847.11	1.03	1,262.20	960.78	830.94	(181.77)	30.61	18,574.94

The accompanying notes are an integral part of the financial statements

As per our report of even date for **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per **Viren H. Mehta**
Partner
Membership No.048749

Place : Mumbai
Date : May 15, 2023

For and on behalf of the Board of **Emkay Global Financial Services Limited**

S.K.Saboo
Chairman
DIN : 000373201

Saket Agrawal
Chief Financial Officer

Prakash Kacholia
Managing Director
DIN : 00002626

Bhalchandra Raul
Company Secretary
Membership No.FCS1800

Place : Mumbai
Date : May 15, 2023

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

(₹ in Lacs)

Particulars	For the year ended 31 March 2023		For the year ended 31 March 2022	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax, exceptional / extraordinary items				
Continuing operations	1,254.55		4,611.46	
Discontinued operations	(8.80)	1,245.75	(4.70)	4,606.76
Adjustment for :				
Interest Income	(153.84)		(86.30)	
Fair value (gain) on investments, stock held for trading and derivative trades	(47.43)		(635.87)	
Net (gain) / loss on disposal of property, plant and equipment (Net of loss on discard)	(9.42)		4.98	
Unrealised foreign exchange loss (Net)	59.48		11.85	
Fair valuation of security deposit	(14.09)		(15.38)	
Income on lease closure and rent waiver	(0.83)		(17.23)	
Dividend Income	(8.31)		(3.22)	
Finance costs	372.33		263.66	
Finance cost pertaining to lease liability	55.69		52.03	
Impairment on financial instruments (Gross)	2.71		12.85	
Share based payment to employees	(8.97)		323.86	
Depreciation and amortisation expenses	918.04	1,165.36	757.78	669.01
Operating profit before working capital changes		2,411.11		5,275.77
Add : (less) : Adjustment for changes in working capital:				
Increase / (decrease) in deposits with banks and other items	(98.45)		(2,862.31)	
Increase / (decrease) in derivative financial instruments (asset)	3.51		(3.27)	
Increase / (decrease) in securities held for trading	75.10		(140.00)	
Increase / (decrease) in trade receivables	(1,644.28)		(2,192.11)	
Increase / (decrease) in loans	(1,120.22)		(1,253.75)	
(Increase) / decrease in other financial assets	399.56		(8,698.67)	
(Increase) / decrease in other non financial assets	(708.99)		194.15	
(Increase) / decrease in trade payables	(1,639.78)		1,972.93	
Increase / (decrease) in deposits	(1,841.63)		2,708.92	
Increase / (decrease) in other financial liabilities	(1,095.27)		9,937.88	
Increase / (decrease) in provisions	(151.19)		1,026.71	
Increase / (decrease) in other non financial liabilities	(331.99)	(8,153.63)	786.24	1,476.72
Cash (used in) / generated from operations		(5,742.52)		6,752.49
Income tax paid (net)		(599.39)		(778.25)
Cash flow before exceptional / extraordinary items		(6,341.91)		5,974.24
Exceptional / extraordinary items		-		-
Net cash (used in) / generated from operating activities (A)		(6,341.91)		5,974.24
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment	(783.77)		(480.83)	
Proceeds from sale of property, plant and equipment	18.79		8.17	
Proceeds from investments measured at FVTPL	1,097.40		86.77	
Interest received	153.84		86.30	
Dividend received	8.31		3.22	
Share of gain / (loss) from associate	12.76	507.33	(105.68)	(402.05)
Net cash from/ (used in) investing activities (B)		507.33		(402.05)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Issue of equity share capital (including securities premium)	-		16.03	
Cash payment of lease liability and interest	(336.55)		(334.34)	
Addition / (repayment) of short-term borrowings	397.84		99.07	
Finance costs paid	(372.33)		(263.66)	
Dividends paid	(308.00)		(246.19)	
Tax on distributed profits on buyback of equity shares by subsidiary	(70.91)		-	
Increase / (decrease) in unpaid dividend	(0.05)	(690.00)	0.58	(728.51)
Net cash from / (used in) financing activities (C)		(690.00)		(728.51)
D. Net change due to foreign exchange translation differences				
		(1.09)		0.06
Net Increase / (decrease) in cash and cash equivalents (A+B+C+D)		(6,525.67)		4,843.74

Cash flow statement
For the year ended 31 March 2023 (contd.)

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Net increase in cash and cash equivalents (A+B+C+D)	(6,525.67)	4,843.74
Cash and cash equivalents at the beginning of the year	9,473.29	4,629.55
Cash and cash equivalents at the end of the year	2,947.62	9,473.29
Notes :		
1. Cash and cash equivalents comprise of :		
Balances with Scheduled Banks		
- In Current Accounts	2,920.25	9,471.02
- In Deposit Account	20.56	-
Cash on hand	2.17	1.99
Balances in Prepaid Cards	4.64	0.28
Total cash and cash equivalents (Note 7)	2,947.62	9,473.29

2. 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.

3. Also refer note 60 for change on liabilities arising from financing activities.

3. Cash and cash equivalent excludes deposit with banks towards margin / security for bank guarantees, borrowings and other commitments and balance in unclaimed dividend accounts.

4. Previous year's figures are re-grouped / recasted / re-arranged wherever considered necessary.

As per our report of even date
for **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number:
301003E/E300005

per **Viren H. Mehta**
Partner
Membership No.048749

Place : Mumbai
Date : May 15, 2023

For and on behalf of the Board of **Emkay Global Financial Services Limited**

S.K.Saboo
Chairman
DIN : 00373201

Saket Agrawal
Chief Financial Officer

Place : Mumbai
Date : May 15, 2023

Prakash Kacholia
Managing Director
DIN : 00002626

Bhalchandra Raul
Company Secretary
Membership No.FCS1800

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2023

1. Corporate Information

Emkay Global Financial Services Limited ('the Company') is a public limited company domiciled in India and was incorporated in 1995 and got listed in 2006.

The Company together with its subsidiaries, associate and associates of its subsidiaries (collectively, "the Group") is a diversified financial services Group and is primarily engaged in the business of providing stock broking, financing, investment banking, depository participant services, asset management services, wealth management services, distribution of financial products, investment advisory services, proprietary investments and trading in securities and exempt financial advisors as per Singapore laws.

The Group is a member of National Stock Exchange of India Limited (NSE), Bombay Stock Exchange Limited (BSE), National Commodities and Derivatives Exchange Limited (NCDEX), Multi Commodity Exchange of India Limited (MCX), Metropolitan Stock Exchange of India Limited (MSEI), NSE IFSC Limited, India International Bullion Exchange IFSC Ltd. and depository participant with Central Depository Services (India) Limited (CDSL).

The Group's registered office is at The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028. Emkay Global Financial Services Limited is the ultimate parent of the group.

2.1 Basis of preparation

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

Historical cost convention

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

- certain financial instruments which are measured at fair value
- defined benefit plan assets measured at fair value
- share-based payment obligations

Use of estimates and judgments

The preparation of consolidated financial statements requires the management to make judgments, accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based

on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Areas involving a higher degree of judgment or complexity, or areas where assumptions are significant to the Group are discussed in Note 6 - Significant accounting judgments, estimates and assumptions.

Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency except when otherwise indicated.

2.2 Basis of consolidation

• Basis of preparation:

The consolidated financial statements have been prepared by applying the principles laid down in the Indian Accounting Standard : Ind AS 110 "Consolidated Financial Statements" and Ind AS 28 "Accounting for Investments in Associates / Joint Venture in Consolidated Financial Statements", issued by the Institute of Chartered Accountants of India for the purpose of these Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Cash Flow together referred to in as "Consolidated Financial Statements". Reference in these notes to the Parent Company means Emkay Global Financial Services Limited, reference to Subsidiary Companies means six subsidiaries of Emkay Global Financial Services Limited, i.e Emkay Fincap Limited, Emkay Commtrade Limited, Emkay Wealth Advisory Limited, Emkay Investment Managers Limited, Emkayglobal Financial Services IFSC Pvt. Ltd. and Emkay Global Financial Services Pte. Ltd., reference to an Associate means Azalea Capital Partners LLP and reference to Associates of wholly owned subsidiaries means Finlearn Edutech Pvt. Ltd. and AES Trading & Consultants LLP and reference to the Group means the Parent Company, Subsidiary Companies, Associate of the Parent Company and Associate of a Subsidiary Companies.

• Principles of consolidation:

- I. The Consolidated Financial Statements of the Group comprises of the financial statements of the Parent Company and its subsidiaries and have been combined on a line-by-line basis by adding together the books values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions and resulting profits / loss in full.

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

- II. The Consolidated Financial Statements of the Group comprises of share of profit / losses of the associate and associates of its subsidiary companies.
- III. The Consolidated Financial Statements of the Group are presented, to the extent possible in the same format as that adopted by the Parent Company for its separate financial statement.

3. Presentation of financial statements

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

The financial statements of the Group are presented in order of liquidity and in accordance with Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA).

An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 58.

Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- i. The normal course of business
- ii. The event of default
- iii. The event of insolvency or bankruptcy of the Group and / or its counterparties

4. Statement of compliance

These consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.

5. Significant accounting policies

5.1 Revenue from operations

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable.

The Group recognizes revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or a service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognize revenue when (or as) the Group satisfies a performance obligation.

Revenue includes the following:

(i) Brokerage fee income

Revenue from contract with customer is recognized at a point in time when performance obligation is satisfied (when the trade is executed i.e. trade date). These include brokerage fees, which are charged per transaction executed on behalf of the customers.

(ii) Fees & commission income

This includes:

a) Income from investment banking activities, research and other fees

Income from investment banking activities and other fees is recognized as and when such services are completed / performed and as per terms of agreement with the client (i.e. when the performance obligation is completed). Research fees income is recognised when the entity satisfies the performance obligation by providing the service to the client.

b) Income from depository operations:

Revenue from depository services on account of annual maintenance charges have been accounted for over

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

the period of the performance obligation. Revenue from depository services on account of transaction charges is recognised at a point in time when the performance obligation is completed.

c) Income from wealth management services

Commission income (net of taxes and other statutory charges) from distribution of financial products is recognized based on mobilization and intimation received from clients / intermediaries or over the period of service after deducting claw back as per the agreed terms.

d) Portfolio management fees

Portfolio management fees is accounted on accrual basis based on completion of performance obligation as follows-

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

e) Alternate Investment Fund (AIF) management fees

AIF management fees is accounted on accrual basis and on the completion of performance obligations in accordance with Private Placement Memorandum and Contribution Agreements of respective schemes of AIF.

(iii) Interest income

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). The EIR is the rate that exactly discounts estimated future cash flows of the financial assets through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The internal rate of return on financial assets after netting off the fees received and cost incurred approximates the effective interest rate method of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for ECLs).

(iv) Dividend income

Dividend income is recognized when the right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

(v) Net gain on fair value changes

Any realised gain or loss on sale of financial assets (including investments, derivatives and stock in trade) being classified as fair value through profit or loss ("FVTPL") is recognised as "Net gain or loss on fair value changes" under "Revenue from operations" or "Expenses" respectively in the statement of profit and loss.

Similarly, any differences between the fair values of financial assets (including investments, derivatives and stock in trade) being classified as fair value through profit or loss ("FVTPL"), held by the Group on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised as "Net gain on fair value changes" under "Revenue from operations" and if there is a net loss the same is disclosed as "Net loss on fair value changes" under "Expenses" in the statement of Profit and Loss.

(vi) Delayed payment charges

The same are accounted at a point in time of default.

(vii) Other income

In respect of other heads of Income it is accounted to the extent it is probable that the economic benefits will flow and the revenue can be reliably measured, regardless of when the payment is being made. An entity shall recognise a refund liability if the entity receives consideration from a customer and expects to refund some or all of that consideration to the customer.

5.2 Financial instruments

(i) Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, as described in Note 6.1. Financial instruments are initially measured at their fair value (as defined in Note 6.3), except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount. Trade receivables are measured at the transaction price. When the fair value of financial instruments at initial recognition differs from the transaction price, the Group accounts for the Day 1 profit or loss, as described below.

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

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

(ii) Classification of financial instruments

The Group classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income (FVOCI)
3. Financial assets to be measured at fair value through statement of profit and loss (FVTPL)

The classification depends on the contractual terms of the financial assets' cash flows and the Group's business model for managing financial assets.

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The business model is assessed on the basis of aggregated portfolios based on observable factors. These factors include:

- Reports reviewed by the Group's key management personnel on the performance of the financial assets
- The risks impacting the performance of the business model (and the financial assets held within that business model) and its management thereof
- The compensation of the managing teams (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of trades.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account.

The Group also assesses the contractual terms of financial assets on the basis of its contractual cash flow characteristics that are solely for the payments of principal and interest on the principal amount outstanding.

'Principal' is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium / discount).

In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the

time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

iii) Financial Assets and Liabilities

(a) Financial assets measured at amortized cost

These financial assets comprise bank balances, loans, trade receivables and other financial assets.

Financial Assets with contractual terms that give rise to cash flows on specified dates, and represent solely payments of principal and interest (SPPI) on the principal amount outstanding and are held within a business model whose objective is achieved by holding to collect contractual cash flows are measured at amortized cost.

These financial assets are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or a financial liability.

(b) Financial assets measured at fair value through other comprehensive income

Debt instruments

Investments in debt instruments are measured at fair value through other comprehensive income where they have:

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

These debt instruments are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income (a separate component of equity). Impairment losses or reversals, interest revenue and foreign exchange gains and losses are recognized in statement of profit and loss. Upon disposal, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to the statement of profit and loss. As at the reporting date the Group does not have any financial instruments measured at fair value through other comprehensive income.

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

Equity instruments

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

Amounts presented in other comprehensive income for equity instruments are not subsequently transferred to statement of profit and loss. Dividends on such investments are recognized in statement of profit and loss.

(c) Financial assets measured through fair value through profit or loss

The financial assets are classified as FVTPL if these do not meet the criteria for classifying at amortized cost or FVOCI.

Items at fair value through profit or loss comprise:

- Investments (including equity shares) and stock in trade held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition;
- Debt instruments with contractual terms that do not represent solely payments of principal and interest; and
- Derivative transactions

Financial instruments held at fair value through profit or loss are initially recognized at fair value, with transaction costs recognized in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognized in the statement of profit and loss as they arise.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking, or it is a derivative not designated in a qualifying hedge relationship.

The profit / (loss) earned on sale of investments and securities held for trading are recognised on trade date basis. Profit or loss on sale of investments is determined on the basis of the weighted average cost method and securities held for trading on FIFO method. On disposal of an investment, the difference between carrying amount and net disposal proceeds is charged to or credited to statement of profit and loss.

Trading derivatives and trading securities are classified as held for trading and recognized at fair value.

d) Financial liabilities

The Group classifies its financial liabilities at amortized costs unless it has designated liabilities at fair value through the statement of profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

Debt securities and other borrowed funds

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

(e) Undrawn loan commitments

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Group is required to provide a loan with pre-specified terms to the customer. Undrawn loan commitments are in the scope of the ECL requirements.

The nominal contractual value of undrawn loan commitments, where the loan agreed to be provided is on market terms, are not recorded in the balance sheet. The nominal values of these instruments together with the corresponding ECLs are disclosed in Note 12.

(f) Derivatives

The Group enters into derivative transactions being equity derivative transactions in the nature of futures and options in equity stock / index and currency derivative transactions in the nature of futures and options in foreign currencies both entered into for trading purposes. Derivatives are recorded at fair value and carried as assets when their fair values are positive and as liabilities when their fair values are negative. The notional amount and fair value of such derivatives are disclosed separately. Changes in the fair value of derivatives are included in net gain / loss on fair value changes.

(g) Recognition and derecognition of financial assets and liabilities

A financial asset or financial liability is recognized in the balance sheet when the Group becomes a party to the contractual provisions of the instrument, which is generally on trade date. Loans and receivables are recognized when cash is advanced (or settled) to the borrowers. Financial assets at fair value through profit or loss are recognized initially at fair value. All other financial assets are recognized initially at fair value plus directly attributable transaction costs.

The Group derecognizes a financial asset when the contractual cash flows from the asset expire or it transfers

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its rights to receive contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognized as a separate asset or liability. A financial liability is derecognized from the balance sheet when the Group has discharged its obligation or the contract is cancelled or expires.

(h) Impairment of financial assets

Overview of the ECL principles

The Group recognizes loss allowances (provisions) for expected credit losses on its financial assets (including non-fund exposures) that are measured at amortized costs.

The Group applies a three-stage approach to measuring expected credit losses (ECLs) for the following categories of financial assets that are not measured at fair value through profit or loss:

- debt instruments measured at amortized cost
- loan commitments; and

Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months expected credit loss. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Group has classified its loan portfolio into Corporates / Firms, Individuals (HNIs) and Individuals (Retail).

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Group does the assessment of significant increase in credit risk at a borrower level. If a borrower has various facilities having different past due status, then the highest Days Past Due (

DPD) is considered to be applicable for all the facilities of that borrower.

Based on the above, the Group categorizes its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Group classifies all standard advances and advances upto 30 days default under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. 30 DPD is considered as significant increase in credit risk.

Stage 3

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognized and interest revenue is calculated by applying the effective interest rate to the amortized cost (net of provision) rather than the gross carrying amount. 90 DPD is considered as default for classifying a financial instrument as credit impaired.

Credit-impaired financial assets:

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- a) Significant financial difficulty of the borrower or issuer;
- b) A breach of contract such as a default or past due event;
- c) The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- e) The disappearance of an active market for a security because of financial difficulties.

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Loan commitments

When estimating lifetime ECL, for undrawn loan commitments, the Group estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down.

For margin funding facilities that include both a loan and an undrawn commitment, ECLs are calculated and presented together with the loan. For loan commitments, the ECL is recognized within Provisions.

The mechanics of ECL:

The Group calculates ECLs based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are as follows:

Probability of default (PD) - The Probability of default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio.

Exposure at default (EAD) - The Exposure at default is an estimate of the exposure at a future default date.

Loss given default (LGD) - The Loss given default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD.

Trade receivables

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates.

Group also writes off balances that are due generally for more than one year and are not likely to be recovered.

Forward looking information

While estimating the expected credit losses, the Group reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Group analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Group based on its internal data. While the internal estimates of PD, LGD rates by the Group may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

Collateral Valuation

To mitigate its credit risks on financial assets, the Group seeks to use collateral, wherever possible. The collateral comes in various forms, such as equity shares, fixed deposits, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Group uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models.

(i) Write-offs

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

(j) Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Group measures certain categories of financial instruments as explained in note 59 at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i. In the principal market for the asset or liability, or

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group has access to at the measurement date. The Group considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Group will classify the instruments as Level 3.

Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. No such instances of transfers between levels of the fair value hierarchy were recorded during the reporting period.

Difference between transaction price and fair value at initial recognition:

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the Group recognizes the difference between the transaction price and the fair value in profit or loss on initial recognition (i.e. on day one).

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

5.3 Expenses

(i) Borrowing / finance costs

Borrowing costs

Expenses related to borrowing cost are accounted using effective interest rate. Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Finance costs

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

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The EIR in case of a financial liability is computed

- a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability;
- b. By considering all the contractual terms of the financial instrument in estimating the cash flows; and
- c. Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in the statement of profit and loss with the corresponding adjustment to the carrying amount of the assets.

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, rating fee etc, provided these are incremental costs that are directly related to the issue of a financial liability.

(ii) Retirement and other employee benefits

Short term employee benefit

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

Post-employment employee benefits

a) Defined contribution schemes

Retirement / Employee benefits in the form of Provident Fund, Employees State Insurance and Labour Welfare are considered as defined contribution plan and contributions to the respective funds administered by the Government are charged to the statement of profit and loss of the year when the contribution to the respective funds are due.

b) Defined benefit schemes

Retirement benefits in the form of gratuity is considered as defined benefit obligation. The scheme is formed by the Group and fund is managed by insurers to which the Group makes periodic contributions. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent

actuary at each balance sheet date, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on government securities as at the balance sheet date.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

Other long term benefits

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

(iii) Share-based payments

Equity-settled share-based payments to employees that are granted are measured by reference to the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the vesting conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.

(iv) Other expenses

All other expense are recognized in the period they accrue / occur.

(v) Upfront commission

Upfront commission paid to distributors for procuring subscription to assets being managed (Managed Assets), is for services rendered by them over the life of Managed Assets. The same is treated as prepaid expense and is spread over the life of Managed Assets. In case such Managed Assets are prematurely withdrawn by the subscribers, the same is debited to the statement of profit and loss account on such withdrawal.

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(vi) Share issue expenses

Share issue expenses are recognised as an expense in the year in which it is incurred.

(vii) Impairment of non-financial assets

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

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

(viii) Taxes

Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Group companies operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities are realised simultaneously.

Minimum Alternate Tax (MAT)

MAT paid in a year is charged to the statement of profit and loss as current tax. MAT credit available is recognised as an asset only to the extent that it is probable that the Group Companies will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement.” The Group reviews the MAT Credit Entitlement asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

Goods and services tax / value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax / value added taxes paid, except:

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

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

5.4 Foreign currency translation

(i) Functional and presentational currency

The financial statements are presented in Indian Rupees which is also functional currency of the Group except for Emkayglobal Financial Services IFSC Pvt. Ltd. whose

functional currency is US Dollar and Emkay Global Financial Services Pte. Ltd. whose functional currency is Singapore Dollar. Reporting currency of the Group is Indian Rupees.

(ii) Transactions and balances

Initial recognition:

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

Conversion:

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the reporting date, are translated at the reporting date at the closing exchange rate and the resultant exchange differences are recognized in the statement of profit and loss.

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

5.5 Cash and cash equivalents

Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) and are subject to an insignificant risk of change in value, cheques on hand and balances with banks. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

For the purpose of the statement of cash flows, cash and cash equivalents are as defined above.

5.6 Property, plant and equipment

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Changes in the expected useful life are accounted for by changing the amortization period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent costs 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

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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 the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation :

Depreciation is calculated using the WDV method to write down the cost of property, plant and equipment to their residual values over their estimated useful lives which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013 except for Leasehold Improvements which are amortized on a straight-line basis over the period of lease or estimated period of useful life of such improvement, subject to a maximum period of 36 months. Leasehold improvements include all expenditure incurred on the leasehold premises that have future economic benefits.

The estimated useful lives are as follows:

Particulars	Useful life as prescribed by Schedule II of the Companies Act, 2013	Useful life estimated by Group
Office premises	60 years	60 years
Furniture and fixture	10 years	10 years
Air conditioner	15 years	15 years
Office equipment	5 years	5 years
Vehicles	8 years	8 years
Computer end user	3 years	3 years
Computer data centre and networking	6 years	6 years

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

Property plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in other income / expense in the statement of profit and loss in the year the asset is derecognized. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

5.7 Intangible assets

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

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

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the statement of profit and loss. Amortisation on assets acquired / sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from / upto the date of acquisition / sale.

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised on a straight-line basis over a period of 3 years from the start of the year of acquisition irrespective of the date of acquisition, unless it has a shorter useful life.

The Group's intangible assets consist of computer software with finite life.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

5.8 Leases (As a lessee)

(i) Identifying a lease

At the inception of the contract, the Group assesses whether a contract is, or contain, a lease. A contract is, or contains, a lease if the contract conveys the right to

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control the use of an identified asset for a period of time in exchange for consideration. The Group assesses whether:

- The contract involves the use of an identified asset, this may be specified explicitly or implicitly.
- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use, and
- The Group has right to direct the use of the asset.

(ii) Recognition of right of use asset (ROU)

The Group recognises a right of use asset at the lease commencement date of lease and comprises of the initial lease liability amount, plus any indirect costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

(iii) Subsequent measurement of right of use asset

The right of use asset is subsequently amortized using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term, whichever is lesser. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurement of the lease liability.

(iv) Recognition of lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments and lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option.

(v) Subsequent measurement of lease liability

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in rate. Whenever the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded in profit or loss if the carrying amount of the ROU asset has been reduced to zero.

The lease payments are apportioned between the finance charges and reduction of the lease liability using the incremental borrowing rate implicit in the lease to achieve

a constant rate of interest on the remaining balance of the liability.

(vi) Short-term leases and leases of low-value assets:

The Group has elected by class of underlying asset not to recognise right of use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases for which the underlying asset is of low value.

5.9 Provisions, Contingent Liabilities and Contingent Assets

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

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

5.10 Earning Per Share

The Group reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

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5.11 Dividend on ordinary shares

The Group recognises a liability to make cash distributions to its equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

5.12 Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from those of the rest of the Group and which represent a separate major line of business.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of profit and loss is represented as if the operation had been discontinued from the start of the comparative period.

5.13 Contingencies and 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.

5.14 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below-

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The Group has evaluated the amendment and there is no impact on its financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments requires the entities to provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after 1 April 2023. Consequential amendments have been made in Ind AS 107.

The Group has evaluated the amendment and there is no impact on its financial statements.

iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023.

The Group has evaluated the amendment and there is no impact on its financial statements.

6. Significant accounting judgments, estimates and assumptions

The preparation of the Group's financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

6.1 Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI (Solely Payments of Principal and Interest) and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the standalone statement of profit and loss in the period in which they arise.

6.2 Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. 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. All assumptions are reviewed annually.

6.3 Fair value measurement:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs

to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

6.4 Impairment of financial asset

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

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

The impairment loss on loans and advances is disclosed in more details in Note 5.2(iii)(h) overview of ECL principles.

6.5 Effective Interest Rate (EIR) method

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

This estimation, by nature, requires an element of judgment regarding the expected behavior and life-cycle of the instruments, as well expected changes to India's base rate and other fee income / expense that are integral parts of the instrument.

6.6 Contingent liabilities and provisions other than impairment on loan portfolio

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

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

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For the year ended 31 March, 2023 (contd.)

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

6.7 Share based payments

Estimating fair value for share based payment requires determination of the most appropriate valuation model. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them. The assumption and models used for estimating fair value for share based payments transactions are disclosed in Note 49 Employee stock option plan (ESOP).

6.8 Expected credit loss

When determining whether the risk of default on a financial instruments has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and credit assessment and including forward looking information.

6.9 Deferred tax

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or

substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences become deductible. The Group considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of the future taxable income during the carry-forward period are reduced.

6.10 Leases

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional period, when an entity is reasonable certain to exercise an option to extend (or not to terminate) a lease. The Group consider all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Group reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.

6.11 Other estimate

These include contingent liabilities, useful lives of tangible and intangible assets etc.

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For the year ended 31 March, 2023 (contd.)

7. CASH AND CASH EQUIVALENTS

Particulars	(₹ in Lacs)	
	As at 31 March, 2023	As at 31 March, 2022
Cash on hand	2.17	1.99
Balances with banks		
- in current accounts	2,920.25	9,471.02
- in deposit accounts with bank with original maturity of less than 3 months	20.56	-
Others		
- Balance in prepaid cards	4.64	0.28
Total	2,947.62	9,473.29

8. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	(₹ in Lacs)	
	As at 31 March, 2023	As at 31 March, 2022
Earmarked balances with banks towards unclaimed dividend	5.75	5.80
Fixed deposits with banks with original maturity of up to 12 months	16,361.79	24,192.91
Fixed deposits with banks with original maturity of more than 12 months	15,191.05	7,125.00
Accrued interest on fixed deposits with banks	352.32	488.75
Total	31,910.91	31,812.46
Breakup of deposits		
Fixed deposits under lien with stock exchanges and clearing corporations	18,225.05	19,984.00
Fixed deposits for bank guarantees	9,368.17	8,100.00
Fixed deposits for credit facilities	3,733.52	3,069.00
Fixed deposits - free from charges	226.10	164.91
Total	31,552.84	31,317.91

9. DERIVATIVE FINANCIAL INSTRUMENTS

Particulars	(₹ in Lacs)	
	As at 31 March, 2023	As at 31 March, 2022
Equity index / stock options premium	-	3.51
Total	-	3.51
Notional amounts - assets	-	262.50
Notional amounts - liabilities	-	-
Fair value - assets	-	3.51
Fair value - liabilities	-	-
Derivatives are used for the purpose of trading		
Refer note 56 for management of risks arising from derivatives		

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

10. SECURITIES HELD FOR TRADING

(₹ in Lacs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
At fair value through profit or loss		
Equity shares : unquoted fully paid	71.50	147.05
Total	71.50	147.05

11. TRADE RECEIVABLES

(₹ in Lacs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Receivables considered good - secured *	2,783.96	4,416.74
Receivables considered good - unsecured **	7,745.33	4,459.14
Receivables which have significant increase in credit risk	-	-
Receivables - credit impaired	22.59	24.88
	10,551.88	8,900.76
Less: Impairment loss allowance	(22.59)	(24.88)
Total	10,529.29	8,875.88
* Secured against securities given as a collateral by the clients		
** Above includes receivable from stock exchanges on account of trades executed by clients	1,466.08	276.03
** Above includes due from managing directors	0.48	0.30
** Above includes due from associates and other related parties	2.88	63.07

Trade receivables are net of margin

The Company applies the Ind AS 109 simplified approach to measuring expected credit losses (ECLs) for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables are calculated based on actual historic credit loss experience over the preceding three to five years on the total balance of non-credit impaired trade receivables. The Company considers a trade receivable to be credit impaired when one or more detrimental events have occurred, such as significant financial difficulty of the client or it becoming probable that the client will enter bankruptcy or other financial reorganization. When a trade receivable is credit impaired, it is written off against trade receivables and the amount of the loss is recognized in the statement of profit and loss. Subsequent recoveries of amounts previously written off are credited to the statement of profit and loss.

Trade receivables ageing schedule as at 31 March 2023

(₹ in Lacs)

Particulars	Outstanding for following year from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables - considered good	10,525.50	25.15	1.09	0.14	-	10,551.88

Trade receivables ageing schedule as at 31 March 2022

(₹ in Lacs)

Particulars	Outstanding for following year from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables - considered good	8,891.49	3.51	2.22	0.01	3.53	8,900.76

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For the year ended 31 March, 2023 (contd.)

12. LOANS

Particulars	(₹ in Lacs)	
	As at 31 March, 2023	As at 31 March, 2022
(A) At amortized cost		
Loan against securities and others	4,699.97	3,936.42
Margin trading facility (MTF)	448.13	91.42
Others	-	0.03
	5,148.10	4,027.87
Less: Impairment loss allowance	(11.75)	(9.84)
Total	5,136.35	4,018.03
(B) Secured / Unsecured		
Secured by tangible assets (Securities)	5,148.10	4,027.84
Unsecured	-	0.03
	5,148.10	4,027.87
Less: Impairment loss allowance	(11.75)	(9.84)
Total	5,136.35	4,018.03
(C) Loans in India		
Public sector	-	-
Others	5,148.10	4,027.87
Less: Impairment loss allowance	(11.75)	(9.84)
Total	5,136.35	4,018.03
(D) Stage wise break up of loans		
(i) Low credit risk (Stage 1)	5,136.35	4,018.03
(ii) Significant increase in credit risk (Stage 2)	-	-
(ii) Credit impaired (Stage 3)	-	-
Total	5,136.35	4,018.03

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For the year ended 31 March, 2023 (contd.)

13. INVESTMENTS

Particulars		(₹ in Lacs)	
		As at 31 March, 2023	As at 31 March, 2022
I	Unquoted investments at cost		
	Capital contribution in associates*		
	- Azalea Capital Partners LLP	4.50	4.50
	- AES Trading and Consultants LLP	0.13	0.63
	- Share in accumulated profit	113.14	20.02
	Total (A)	117.77	25.15
	Share Capital in associate*		
	- Finlearn Edutech Pvt Ltd : Equity shares	359.73	309.73
	- Finlearn Edutech Pvt Ltd : Preference shares	96.00	-
	- Share in accumulated (loss)	(317.39)	(237.63)
	Total (B)	138.34	72.10
	Total (A + B)	256.11	97.25
II	At fair value through profit or loss		
1	In Alternate investment funds (Category III)		
	- Emkay Emerging Stars Fund	-	1,504.38
	- Emkay Emerging Stars Fund-II	-	336.74
	- Emkay Emerging Stars Fund-III	-	511.80
	- Emkay Emerging Stars Fund-IV	765.26	581.67
	- Emkay Emerging Stars Fund-V	843.44	-
	Total	1,608.70	2,934.59
2	Equity instruments : Quoted, fully paid up		
	- Quoted, fully paid up	503.39	392.35
	Total	503.39	392.35
3	Investments in units of Mutual Funds : Quoted, fully paid up	0.12	0.11
	Total	2,368.32	3,424.30
	Investment in India	2,368.32	3,424.30
	Investment outside India	-	-

*The Group has elected to measure investment in associates at deemed cost as per Ind AS 101

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

14. OTHER FINANCIAL ASSETS (UNSECURED, CONSIDERED GOOD)

Particulars	(₹ in Lacs)	
	As at 31 March, 2023	As at 31 March, 2022
At amortised cost		
Deposits with stock exchanges / clearing corporations	13,544.45	14,044.10
Deposit lease premises	173.31	171.85
Less: Impairment loss allowance	(1.70)	(1.69)
	171.61	170.16
Deposits other	34.08	23.19
Recoverable from related parties	135.02	-
Other recoverable	34.64	100.00
Total	13,919.80	14,337.45

15. CURRENT TAX ASSETS (NET)

Particulars	(₹ in Lacs)	
	As at 31 March, 2023	As at 31 March, 2022
Income tax paid (net of provision for taxation of ₹260.19 Lacs) (Previous year ₹199.05 Lacs)	509.71	151.47
Total	509.71	151.47

16. DEFERRED TAX ASSETS (NET)

Particulars	(₹ in Lacs)	
	As at 31 March, 2023	As at 31 March, 2022
Deferred tax assets:		
Lease liabilities	221.24	125.61
Provisions	13.64	13.78
Disallowances	28.03	25.57
Carried forward tax losses	581.97	206.00
Total	844.88	370.96
Deferred tax liabilities		
Financial assets at fair value through profit and loss	4.27	8.58
Property, plant and equipment and other intangible assets	122.38	104.77
Right-of-use-assets	216.78	119.06
Total	343.43	232.41
Total	501.45	138.55

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

17. PROPERTY, PLANT AND EQUIPMENT

		Gross block			Accumulated depreciation / amortization			Net Block		
		Balance as at 01 April 2022	Additions	Disposals	Balance as at 31 March 2023	Balance as at 01 April 2022	Additions	Disposals	Balance as at 31 March 2023	Balance as at 01 April 2022
Current year (₹ in Lacs)										
Property, plant and equipment										
Office premises	2,736.19	-	-	2,736.19	494.35	108.95	-	603.30	2,241.84	2,132.89
Furniture & fixtures	97.18	9.68	2.25	104.61	61.06	6.60	1.43	66.23	36.12	38.38
Vehicles	105.38	103.70	25.78	183.30	56.28	41.33	20.37	77.24	49.10	106.06
Office equipment	95.50	28.17	3.23	120.44	62.97	17.36	2.66	77.67	32.53	42.77
Computers	1,010.10	633.57	2.71	1,640.96	631.19	349.88	0.43	980.64	378.91	660.32
Air conditioners	32.68	2.91	0.75	34.84	16.09	3.11	0.43	18.77	16.59	16.07
Leasehold improvement	223.79	35.53	-	259.32	206.97	49.49	-	256.46	16.82	2.86
Total (A)	4,300.82	813.56	34.72	5,079.66	1,528.91	576.72	25.32	2,080.31	2,771.91	2,999.35
Intangible assets										
Computer software	268.73	67.09	-	335.82	243.28	37.89	-	281.17	25.45	54.65
Total (B)	268.73	67.09	-	335.82	243.28	37.89	-	281.17	25.45	54.65
Total (A)+(B)	4,569.55	880.65	34.72	5,415.48	1,772.19	614.61	25.32	2,361.48	2,797.36	3,054.00

		Gross block			Accumulated depreciation / amortization			Net Block		
		Balance as at 01 April 2021	Additions	Disposals	Balance as at 31 March 2022	Balance as at 01 April 2021	Additions	Disposals	Balance as at 31 March 2022	Balance as at 01 April 2021
Previous year (₹ in Lacs)										
Property, plant and equipment										
Office premises	2,736.19	-	-	2,736.19	379.84	114.51	-	494.35	2,356.35	2,241.84
Furniture & fixtures	88.65	8.85	0.32	97.18	52.06	9.03	0.03	61.06	36.59	36.12
Vehicles	105.38	-	-	105.38	33.97	22.31	-	56.28	71.41	49.10
Office equipment	88.62	17.58	10.70	95.50	56.11	14.30	7.44	62.97	32.51	32.53
Computers	764.13	261.64	15.67	1,010.10	446.68	191.84	7.33	631.19	317.45	378.91
Air conditioners	29.12	4.74	1.18	32.68	13.58	3.14	0.63	16.09	15.54	16.59
Leasehold improvement	225.57	-	1.78	223.79	157.54	50.48	1.05	206.97	68.03	16.82
Total (A)	4,037.66	292.81	29.65	4,300.82	1,139.78	405.61	16.48	1,528.91	2,897.88	2,771.91
Intangible assets										
Computer software	238.95	29.78	-	268.73	198.44	44.84	-	243.28	40.51	25.45
Total (B)	238.95	29.78	-	268.73	198.44	44.84	-	243.28	40.51	25.45
Total (A)+(B)	4,276.61	322.59	29.65	4,569.55	1,338.22	450.45	16.48	1,772.19	2,938.39	2,797.36

Note: There is no (i) acquisition through business combinations (ii) revaluation of property, plant and equipment and (iii) impairment losses and its reversal during the current year / previous year.

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

18. CAPITAL WORK-IN-PROGRESS (CWIP)

(₹ in Lacs)

Particulars	Amount in CWIP for a year of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Ageing schedule as on 31 March 2023					
Projects in progress	-	-	-	-	-
Ageing schedule as on 31 March 2022					
Projects in progress	165.91	-	-	-	165.91

19. INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Lacs)

Particulars	Amount in CWIP for a year of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Ageing schedule as on 31 March 2023					
Projects in progress	-	-	-	-	-
Ageing schedule as on 31 March 2022					
Projects in progress	-	12.00	-	-	12.00

20. OTHER NON FINANCIAL ASSETS

(₹ in Lacs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Capital advances	99.03	18.00
Prepaid expenses	1,080.42	505.50
Fringe benefit tax refund receivable	-	14.85
Income tax refund receivable	0.88	0.88
Deposit against appeal	45.54	38.44
Advances to suppliers and others	19.83	11.32
Goods and service tax input credit available / receivable	153.35	34.88
Total	1,399.05	623.87

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

21. PAYABLES

		(₹ in Lacs)			
Particulars		As at 31 March, 2023	As at 31 March, 2022		
Trade payables					
(i) Total outstanding dues of micro enterprises and small enterprises		-	-		
(ii) Total outstanding dues of creditors other than micro and small enterprises*		12,025.89	13,665.67		
Total		12,025.89	13,665.67		
* Above includes payable to stock exchanges on account of trades executed by clients		1.96	343.23		
The details of amount outstanding to Micro, Small and Medium Enterprises defined under "Micro, Small and Medium Enterprises Development Act, 2006" (as identified based on information available with the Group and relied upon by the Auditors is as under)					
Principal amount due and remaining unpaid		-	-		
Interest due on above and the unpaid interest		-	-		
Interest paid		-	-		
Payment made beyond the appointed day during the year		-	-		
Interest due and payable for the year of delay		-	-		
Interest accrued and remaining unpaid		-	-		
Amount of further interest remaining due and payable in succeeding years		-	-		
Trade payable due for payment - ageing schedule as at 31 March 2023			(₹ in Lacs)		
Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME - undisputed	-	-	-	-	-
(ii) Others - undisputed	11,880.17	22.90	79.82	43.00	12,025.89
Trade payable due for payment - ageing schedule as at 31 March 2022			(₹ in Lacs)		
Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME - undisputed	-	-	-	-	-
(ii) Others - undisputed	13,608.94	20.65	12.65	23.43	13,665.67

22. BORROWINGS (OTHER THAN DEBT SECURITIES)

		(₹ in Lacs)	
Particulars		As at 31 March, 2023	As at 31 March, 2022
At amortized cost			
Loan repayable on demand			
- From Banks : Secured by lien on fixed deposits with bank		1,496.91	1,099.08
Total		1,496.91	1,099.08
Borrowings in India		1,496.91	1,099.08
Borrowings outside India		-	-
Total		1,496.91	1,099.08

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

23. DEPOSITS

(₹ in Lacs)		
Particulars	As at 31 March, 2023	As at 31 March, 2022
At amortized cost - unsecured		
- from intermediaries	121.87	133.30
- from others	914.60	2,744.80
Total	1,036.47	2,878.10

24. OTHER FINANCIAL LIABILITIES

(₹ in Lacs)		
Particulars	As at 31 March, 2023	As at 31 March, 2022
Interest accrued but not due on borrowings	10.00	-
Unpaid dividends	5.75	5.80
Margin from clients	32,588.28	33,719.48
Payable for expenses	378.85	356.72
Accrued salaries and benefits	104.26	64.14
Other liabilities	41.94	44.07
Total	33,129.08	34,190.21

25. CURRENT TAX LIABILITIES (NET)

(₹ in Lacs)		
Particulars	As at 31 March, 2023	As at 31 March, 2022
For taxation : net of advance payment of taxes and tax deducted at source ₹ 23.60 Lacs (Previous year ₹498.53 Lacs)	3.56	44.47
Total	3.56	44.47

26. PROVISIONS

(₹ in Lacs)		
Particulars	As at 31 March, 2023	As at 31 March, 2022
Provision for employee benefits		
- Gratuity (refer note 50)	218.54	183.46
- Bonus	1,561.17	1,637.95
- Compensated absences	100.35	93.58
- Incentives	305.00	354.36
Provision for non fund based exposure	7.29	7.73
Total	2,192.35	2,277.08

27. OTHER NON FINANCIAL LIABILITIES

(₹ in Lacs)		
Particulars	As at 31 March, 2023	As at 31 March, 2022
Statutory dues payable	1,367.67	1,711.17
Income received in advance	38.58	23.83
Advance received from clients	2.38	5.62
Total	1,408.63	1,740.62

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

28. EQUITY SHARE CAPITAL

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of Shares	₹ in Lacs	Number of Shares	₹ in Lacs
(A) Authorised:				
Equity Shares of ₹10/- each	50,000,000	5,000.00	50,000,000	5,000.00
	50,000,000	5,000.00	50,000,000	5,000.00
(B) Issued, subscribed and fully paid up				
Equity Shares of ₹10/- each	24,640,230	2,464.02	24,619,030	2,461.90
Issued during the year : ESOP	-	-	21,200	2.12
Total Equity	24,640,230	2,464.02	24,640,230	2,464.02

(C) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of Shares	₹ in Lacs	Number of Shares	₹ in Lacs
At the beginning of the reporting year	24,640,230	2,464.02	24,619,030	2,461.90
Shares issued during the reporting year : ESOP	-	-	21,200	2.12
Outstanding at the end of the reporting year	24,640,230	2,464.02	24,640,230	2,464.02

(D) Terms / rights / restrictions attached to equity shares

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

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

During the year ended 31 March 2023 dividend recognized as distribution to equity shareholders was ₹1.25 per share being final dividend for the year ended 31 March 2022. The total dividend appropriated amounts to ₹308.00 Lacs (Previous year ₹246.19 Lacs).

(E) Details of shareholders holding more than 5% shares in the Parent Company (Face value of ₹10 per share)

Name of Shareholder	As at 31 March 2023		As at 31 March 2022	
	No of Shares	% Held	No of Shares	% Held
Krishna Kumar Karwa	4,922,500	19.98%	4,922,500	19.98%
Prakash Kacholia	4,750,000	19.28%	4,750,000	19.28%
Emkay Corporate Services Private Limited	4,851,484	19.69%	4,851,484	19.69%
Preeti Kacholia	1,880,000	7.63%	1,880,000	7.63%
Raunak Karwa	1,750,000	7.10%	1,750,000	7.10%
Total	18,153,984	73.68%	18,153,984	73.68%

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

(F) Details of shares held by promoters/promoter group

As at 31 March 2023

Promoter name	No of shares	% of total shares	% Change during the year
Krishna Kumar Karwa	4,922,500	19.98%	0.00%
Prakash Kacholia	4,750,000	19.28%	0.00%
Emkay Corporate Services Pvt. Ltd	4,851,484	19.69%	0.00%
Priti Kacholia	1,880,000	7.63%	0.00%
Raunak Karwa	1,750,000	7.10%	0.00%
Murlidhar Karwa (HUF)	100,000	0.41%	0.00%
Krishna Kumar Karwa (HUF)	100,000	0.41%	0.00%
Total	18,353,984	74.50%	

As at 31 March 2022

Promoter name	No of shares	% of total shares	% Change during the year
Krishna Kumar Karwa	4,922,500	19.98%	-0.01%
Prakash Kacholia	4,750,000	19.28%	-0.01%
Emkay Corporate Services Pvt. Ltd	4,851,484	19.69%	-0.02%
Priti Kacholia	1,880,000	7.63%	-0.01%
Raunak Karwa	1,750,000	7.10%	-0.01%
Murlidhar Karwa (HUF)	100,000	0.41%	0.00%
Krishna Kumar Karwa (HUF)	100,000	0.41%	0.00%
Total	18,353,984	74.50%	

(G) Shares reserved for issue under employee stock option plans

Particulars	As at	As at
	31 March, 2023	31 March, 2022
No's		
ESOP's reserved for offering to eligible employees of the Group under ESOP scheme		
- ESOP's granted and are pending for vesting / exercise	3,033,489	4,091,403
- ESOP's not yet granted	1,583,759	525,845
Total	4,617,248	4,617,248

(H) During the preceding five years the Group has not:

- allotted fully paid up shares without payment being received in cash
- issued fully paid up bonus shares

(I) Capital management :

The Group's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Group. The Group determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity, operating cash flows generated and short term debt.

In addition to above the Group Companies are required to maintain a minimum networth as prescribed from time to time by the various regulators. The management ensures that this is complied at all times.

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

29. OTHER EQUITY

Particulars	(₹ in Lacs)	
	As at 31 March, 2023	As at 31 March, 2022
Reserves and surplus		
Security premium		
Balance at the beginning of the year	7,025.56	6,994.94
Add : Addition during the year	-	13.91
Add : Transfer from Employee stock option reserve	-	16.71
Balance at the end of the year	7,025.56	7,025.56
Retained earnings		
Balance at the beginning of the year	6,603.40	3,633.44
Profit for the year	1,407.61	3,380.37
Amount available for appropriation	8,011.01	7,013.81
Dividend paid to equity shareholders	(308.00)	(246.19)
Tax on distributed profits during the year	(70.91)	-
Transfer to special reserve u/s 45-IC of the RBI Act, 1934	(71.42)	(164.22)
Transfer to capital redemption reserve	(762.20)	-
Balance at the end of the year	6,798.48	6,603.40
General reserve	1,803.65	1,803.65
Add : Transfer from equity-settled share-based payment reserve	43.46	-
Balance at the end of the year	1,847.11	1,803.65
Capital reserve on consolidation	1.03	1.03
Capital redemption reserve	500.00	500.00
Add: Transferred from retained earnings during the year pursuant to buyback of equity shares in subsidiaries	762.20	-
Balance at the end of the year	1,262.20	500.00
Special reserve u/s 45-IC of the RBI Act 1934		
Balance at the beginning of the year	889.36	725.14
Add : Transfer from retained earnings	71.42	164.22
Balance at the end of the year	960.78	889.36
Equity-settled share-based payment reserve		
Balance at the beginning of the year	883.37	576.22
Add : Addition during the year	(8.97)	323.86
Less : Transfer to security premium	-	(16.71)
Less : Transfer to general reserve	(43.46)	-
Balance at the end of the year	830.94	883.37
Foreign exchange translation reserve		
Balance at the beginning of the year	6.45	5.26
Add : Additions during the year	24.16	1.19
Balance at the end of the year	30.61	6.45
Other comprehensive income		
Balance at the beginning of the year	(113.99)	(61.68)
Add : Movement in other comprehensive income(net) during the year	(67.78)	(52.31)
Balance at the end of the year	(181.77)	(113.99)
Total	18,574.94	17,598.83

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

Nature and purpose of reserve

a) Securities premium

Securities premium reserves is used to record the premium on issue of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares, writing off the preliminary expenses in accordance with the provisions of the Companies Act, 2013.

b) Retained earnings

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

c) General reserve

Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilized only in accordance with the specific requirements of Companies Act, 2013.

d) Capital reserve on consolidation

Capital reserve is the excess of net assets taken over cost of consideration paid.

e) Capital redemption reserve

Capital redemption reserve is created on redemption of preference shares in accordance with provisions of the Act and shall be utilised in accordance with the Act.

f) Special reserve under u/s 45-IC of the RBI Act 1934

In case of one of the subsidiary company carrying on Non-banking financial business, the Group creates a reserve fund in accordance with the provisions of section 45-IC of the Reserve Bank of India Act, 1934 and transfer therein an amount of equal to / more than twenty percent of that subsidiary company's net profit of the year.

g) Equity-settled share-based payment reserve

This reserve is created by debiting the statement of profit and loss account with value of share options granted to the employees. Once shares are issued by the Company, the amount in this reserve will be transferred to Share capital, Securities premium or retained earnings.

h) Exchange difference on translating the financial statement

Under Ind AS, in cases where the functional currency of the operations is different from the functional currency of the reporting entity, the translation differences are accounted in the Other comprehensive income and disclosed under Other equity.

i) Other comprehensive income

Other comprehensive income consist of re-measurement gains / losses on employees defined benefit plans.

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

30. INTEREST INCOME

(₹ in Lacs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
On financial assets measured at amortized cost		
Interest on loan and advances to customers	474.36	209.00
Interest on deposits with banks	514.38	612.68
Other interest income	0.89	0.20
Interest on margin trading funding (MTF)	38.42	9.75
Total	1,028.05	831.63

31. DIVIDEND INCOME

(₹ in Lacs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Dividend on investments	1.84	0.28
Total	1.84	0.28

32. FEES AND COMMISSION INCOME

(₹ in Lacs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Brokerage income	13,946.47	14,277.24
Portfolio management fees	596.75	688.99
Alternate investment fund management fees	618.26	725.27
Research and advisory fees	1,642.46	1,020.51
Depository operations	79.63	95.58
Other Fees	47.78	85.08
Total	16,931.35	16,892.67

33. NET GAIN / (LOSS) ON FAIR VALUE CHANGES

(₹ in Lacs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Net gain on financial instruments at fair value through profit or loss		
- Investments	1,938.83	875.80
- Securities held for trading	73.40	550.94
- Derivatives	115.08	7,721.70
Total net gain on fair value changes	2,127.31	9,148.44
Fair value changes:		
- Realized gain	2,079.88	8,512.57
- Unrealized gain	47.43	635.87
Total	2,127.31	9,148.44

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

34. OTHER OPERATING INCOME

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Delayed payment charges from clients	196.73	228.51
Others	15.30	18.90
Total	212.03	247.41

35. OTHER INCOME

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Dividend income	8.64	3.23
Net gain on disposal / discard of property, plant and equipment	9.42	-
Interest on deposits with banks	108.33	75.48
Other interest income	59.60	26.20
Foreign exchange rate fluctuation gain (Net)	-	15.17
Facility fees and other miscellaneous income	1,061.03	136.19
Total	1,247.02	256.27

36. FINANCE COSTS

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
On Instruments measured at amortized cost		
Interest on deposits	7.01	8.81
Interest on unsecured loans from related parties	42.47	-
Interest on borrowings	128.76	98.07
Interest on lease liabilities	55.69	52.03
Bank guarantee commission charges	169.59	146.78
Other borrowing costs	24.50	10.00
Total	428.02	315.69

37. FEES AND COMMISSION EXPENSES

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Brokerage sharing with intermediaries	2,174.71	1,800.27
Other fees	507.58	647.77
Total	2,682.29	2,448.04

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

38. IMPAIRMENT ON FINANCIAL INSTRUMENTS

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
On financial instruments measured at amortized cost :		
Receivables	1.24	6.36
Bad debts written off (net)	8.45	5.00
Other financial assets		
Deposits	0.01	2.76
Loans	1.46	6.62
Total	11.16	20.74

39. EMPLOYEE BENEFIT EXPENSE

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries and other benefits	10,809.62	10,027.79
Share based payments to employees (refer note 49)	(8.97)	323.86
Contribution to provident and other funds	485.94	396.38
Gratuity (refer note 50)	147.73	121.60
Staff welfare expenses	74.46	38.61
Total	11,508.78	10,908.24

40. DEPRECIATION AND AMORTIZATION

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on property, plant and equipment	576.72	405.61
Depreciation on right of use assets	303.43	307.33
Amortization on other intangible assets	37.89	44.84
Total	918.04	757.78

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

41. OTHER EXPENSES:

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Electricity	108.37	99.23
Repairs and maintenance		
- Building	66.64	58.31
- Others	380.71	307.55
Insurance	22.71	19.27
Rates and taxes	23.91	19.52
Communication, postage and courier	272.02	258.30
Travelling and conveyance	666.78	409.73
Printing and stationery	39.41	22.85
Advertisement and business promotion	265.85	67.17
Donations	0.86	4.50
Corporate social responsibility (refer note 46)	27.54	5.00
Legal and professional fees	489.28	1,380.68
Subscription	1,115.39	895.31
Royalty	-	3,911.81
Software expenses	150.96	77.81
Claims and compensation	1.14	21.65
Fees and stamps	33.88	22.69
Payments to stock exchanges	743.28	433.82
Registration fees	12.82	14.87
Depository and custodial charges	24.05	30.79
Training & development	8.48	13.63
Auditors 'remuneration #	67.45	58.89
Loss on disposal / discard of property, plant and equipment	-	4.98
Commission to independent directors	13.36	13.49
Share issue expenses	-	3.76
Foreign exchange rate fluctuation loss (net)	52.38	-
Miscellaneous expenses	157.49	159.14
Total	4,744.76	8,314.75

# Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
a) for audit fees	38.71	38.82
b) for tax audit fees	2.50	2.80
c) for other services including limited review and certificates	24.39	17.27
d) for reimbursement of expenses	1.85	-
Total	67.45	58.89

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

42. EARNINGS PER SHARE

Particulars		(₹ in Lacs)	
		For the year ended 31 March 2023	For the year ended 31 March 2022
Profit/(loss) after tax from continuing operations available for equity shareholders	₹ in Lacs	1,413.25	3,383.74
Profit/(loss) after tax from discontinued operations available for equity shareholders	₹ in Lacs	(5.64)	(3.37)
Profit/(loss) after tax from continuing and discontinued operations available for equity shareholders	₹ in Lacs	1,407.61	3,380.37
Weighted average number of shares used in computing basic earnings per share (FV of ₹ 10/- each)	Nos.	24,640,230	24,629,913
Add : Impact of diluted ESOPS	Nos.	131,355	1,432,776
Weighted average number of shares used in computing diluted earnings per share (FV of ₹ 10/- each)	Nos.	24,771,585	26,062,689
Earnings per share for continuing operations			
Basic earnings per share (FV of ₹ 10/- each)	₹	5.74	13.74
Diluted earnings per share (FV of ₹ 10/- each)	₹	5.71	12.98
Earnings per share for discontinued operations			
Basic earnings per share (FV of ₹ 10/- each)	₹	(0.023)	(0.014)
Diluted earnings per share (FV of ₹ 10/- each)	₹	(0.023)	(0.013)
Earnings per share for continuing and discontinued operations			
Basic earnings per share (FV of ₹ 10/- each)	₹	5.71	13.72
Diluted earnings per share (FV of ₹ 10/- each)	₹	5.68	12.97

43. SEGMENT INFORMATION

(A) Primary Segment

The Chief Operating Decision Maker monitors the operating results of the business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The operating segment has been identified considering the nature of services, the differing risks and returns, the organization structure and internal financial reporting system. Business segment has been considered as the primary segment for disclosure.

The primary business of the Group relate to two reportable business segments namely "Advisory and Transactional Services" comprising of broking and distribution of securities, investment banking and other related financial intermediation services and Financing and Investment Activities (hitherto referred as "Non-Banking Financing Activities").

(B) Geographical Segment

Business operations of the Group are primarily concentrated in India and hence there is no reportable geographical segment.

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

(C) Information about business segments

(₹ in Lacs)

Particulars	Advisory and Transactional Services		Financing & Investment Activities		Eliminations		Consolidated	
	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2023	For the year ended 31 March 2022
A. REVENUE								
1a Segment revenue	20,728.18	26,109.91	819.42	1,266.80	-	-	21,547.60	27,376.70
1b Intersegment revenue	93.51	229.44	(0.60)	28.50	(92.91)	(257.94)	-	-
Total revenue	20,821.69	26,339.35	818.82	1,295.30	(92.91)	(257.94)	21,547.60	27,376.70
B. RESULTS								
Segment results(PBIT)	663.50	3,531.91	591.05	1,079.00	-	(0.55)	1,254.55	4,611.46
Segment results(PBIT) - intersegment	-	(0.55)	-	-	-	-	-	-
Total segment results (PBIT)	663.50	3,532.46	591.05	1,079.00	-	(0.55)	1,254.55	4,611.46
2 Profit from ordinary activities	-	-	-	-	-	-	1,254.55	4,611.46
3 Exceptional items	-	-	-	-	-	-	-	-
4 Profit / (loss) from ordinary activities after exceptional item but before tax	-	-	-	-	-	-	1,254.55	4,611.46
5 Provision for current tax	-	-	-	-	-	-	219.29	908.21
6 Deferred tax (benefit) / charge	-	-	-	-	-	-	(362.90)	260.21
7 Tax provision of earlier years	-	-	-	-	-	-	(2.33)	(46.38)
8 Profit / (loss) after tax	-	-	-	-	-	-	1,400.49	3,489.42
9 Less:- Minority interest	-	-	-	-	-	-	-	-
10 Add:- Share of profit / (loss) from associates (net)	-	-	-	-	-	-	12.76	(105.68)
11 Add :- (Loss) from discontinued operations	-	-	-	-	-	-	(5.64)	(3.37)
12 Net profit / (loss) attributable to Owners of parent	-	-	-	-	-	-	1,407.61	3,380.37
C. OTHER INFORMATION:								
1 Segment assets	62,283.59	64,896.17	6,948.14	6,238.27	-	-	69,231.73	71,134.44
2 Unallocated corporate assets	-	-	-	-	-	-	3,863.34	5,258.66
3 Total assets	-	-	-	-	-	-	73,095.07	76,393.10
4 Segment liabilities	50,527.12	55,138.00	1,519.68	1,141.98	-	-	52,046.80	56,279.98
5 Unallocated corporate liabilities	-	-	-	-	-	-	9.31	50.27
6 Total liabilities	-	-	-	-	-	-	52,056.11	56,330.25
7 Capital expenditure (Including capital work in progress)	783.77	445.25	-	35.58	-	-	783.77	480.83
8 Depreciation and amortisation	906.44	751.03	11.60	6.75	-	-	918.04	757.78

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

44. RELATED PARTY DISCLOSURES

(A) As per Indian Accounting Standard on related party disclosure (Ind AS 24), the name of the related parties are as follows :

I Associate entity of parent company

Azalea Capital Partners LLP

II Associate entities of wholly owned subsidiary companies

Finlearn Edutech Private Limited
AES Trading and Consultants LLP

III Directors and/or key managerial personnel (KMP) of parent company

S.K.Saboo	Non Independent Non-Executive Director (Chairman of the Board)
Krishna Kumar Karwa	Managing Director and Director in subsidiaries
Prakash Kacholia	Managing Director and Director in subsidiaries
Saket Agrawal	Chief Financial Officer and Director in subsidiaries
Bhalchandra Raul	Company Secretary
G.C.Vasudeo	Independent Director and independent director in subsidiaries
R.K.Krishnamurthi	Independent Director and independent director in subsidiaries
Dr.Satish Ugrankar	Independent Director
Dr.Bharat Kumar Singh	Independent Director and independent director in a subsidiary
Hutokshi Rohinton Wadia	Independent Woman Director (w.e.f. 25/05/2022)

IV Relatives of directors and/or key managerial personnel of parent company

(Where transactions have taken place)

Priti Kacholia	Wife of Prakash Kacholia and Woman Director till 08/08/2022
Priti Karwa	Wife of Krishna Kumar Karwa
Raunak Karwa	Son of Krishna Kumar Karwa and Director in a subsidiary
Soumya Karwa	Daughter of Krishna Kumar Karwa
Nidhi Kacholia	Daughter of Prakash Kacholia
Divya Kacholia	Daughter of Prakash Kacholia
Krishna Kacholia	Mother of Prakash Kacholia
Ramgopal Agrawal	Father of Saket Agrawal
Vandana Agrawal	Wife of Saket Agrawal
Laxmi Agrawal	Mother of Saket Agrawal
Saksham Agrawal	Son of Saket Agrawal
Rekha Saboo	Wife of S.K.Saboo
Amit Saboo	Son of S.K.Saboo

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

V Enterprises owned/controlled by key managerial personnel or their relatives of parent company (Where transactions have taken place)

Cambridge Securities

Synthetic Fibres Trading Company

Emkay Corporate Services Pvt. Ltd.

Seven Hills Capital

Murlidhar Karwa HUF

Krishna Kumar Karwa HUF

Saket Agrawal HUF

Emkay Charitable Foundation

Krishna Investments

VI Directors and / or key managerial personnel (KMP) of subsidiary companies and their relatives and the enterprise owned/controlled by them (Where transactions have taken place)

Rajesh Sharma Director in subsidiaries

Devang Desai Director in subsidiaries

Anubhav Kanodia Director in a subsidiary

Vikaas M Sachdeva CEO of a subsidiary (till 30/09/2022)

Dipti Modi Company Secretary of a subsidiary

Sonal Desai Mother of Devang Desai

Devang Desai HUF

Abhishree Vaijapurkar Company Secretary of a subsidiary (till 30/06/2022)

Himanshu Katare Company Secretary of a subsidiary (w.e.f. 05/12/2022)

Siddharth Mehta Company Secretary of a subsidiary (till 31/12/2021)

Sufiyan Shaikh Company Secretary of a subsidiary (w.e.f. 09/01/2023)

VII Post employment benefits plan

Emkay Global Financial Services Limited Employees Group Gratuity Assurance Scheme (Trust)

Emkay Fincap Limited Employees Group Gratuity Assurance Fund

Emkay Investment Managers Limited Employees Group Gratuity Assurance Fund

Emkay Commotrade Limited Employees Group Gratuity Assurance Fund

Emkay Wealth Advisory Limited Employees Group Gratuity Assurance Fund

Notes to the Consolidated Financial Statements
For the year ended 31 March, 2023 (contd.)

44. RELATED PARTY DISCLOSURES

B. Related party transactions for the year ended 31 March, 2023

No.	Particulars	Nature of transaction	Transaction amount during		(Amount in ₹)	
			2022-23	2021-22	31 March 2023	31 March 2022
Associate of a parent company						
1	Azalea Capital Partners LLP	Depository charges	1,190	920	-	-
		Interest income on loan given	-	13,233	-	-
		Investment in equity shares	-	-	450,000	450,000
		Reimbursement of expenses received	66,621	57,243	2,276	-
		Trade receivables	-	-	142	89
		Loan granted & repayment received	-	1,000,000	-	-
Associate of wholly owned subsidiary companies						
2	AES Trading and Consultants LLP	Brokerage income	701,773	-	-	-
		Depository charges	815	600	-	-
		Interest paid on margin deposit received for securities trading	3,096,297	-	-	-
		Facility fees	35,000,000	-	13,500,000	-
		Reimbursement of expenses received	12,282	-	-	-
		Margin deposit received for securities trading & repayment	379,100,000	-	-	-
		Trade receivables	-	-	199,855	-
		Interest received	3,948,972	-	-	-
		Contribution towards fixed and current capital	-	62,500	8,432,003	42,853
		Share of profit / (loss)	8,419,503	(19,647)	-	-
		Loan granted & repayment received	100,000,000	-	-	-
		Payment made on behalf of	-	70,160	-	-
3	Finlearn Edutech Private Limited	Brokerage and commission payment	19,402	14,959	1,943	11,811
		Depository charges	1,160	1,100	-	-
		Trade receivables	-	-	35	53
		Payment made on behalf of	-	285,000	-	-
		Investment made in equity shares	5,000,000	10,000,000	35,972,500	30,972,500
		Investment made in preference shares	9,600,000	-	9,600,000	-
Directors and / or Key managerial personnel (KMP) of parent company						
4	Krishna Kumar Kanwa	Salaries & other benefits	16,128,000	13,440,000	-	-
		Brokerage income	-	12,458	-	-
		Depository charges	65	145	-	-
		Dividend paid	6,153,125	4,922,500	-	-
		Interest paid on loan taken	3,260,274	-	-	-
		Loan taken & repayment	100,000,000	-	-	-

Notes to the Consolidated Financial Statements
For the year ended 31 March, 2023 (contd.)

No.	Particulars	Nature of transaction	Transaction amount during		Amount outstanding as on		(Amount in ₹)
			2022-23	2021-22	31 March 2023	31 March 2022	
5	Prakash Kacholia	Salaries & other benefits	16,128,000	13,440,000	-	-	-
		Brokerage income	18,762	19,141	-	-	-
		Depository charges	715	2,020	-	-	-
		Trade payables	-	-	-	-	3,287
		Trade receivables	-	-	-	472	-
		Reimbursement of expenses received	13,837	19,240	-	-	-
		Dividend paid	5,937,500	4,750,000	-	-	-
		Interest paid on loan taken	986,301	-	-	-	-
		Loan taken & repayment	30,000,000	-	-	-	-
		Portfolio management fees	137,193	111,337	47,720	30,085	-
6	Saket Agrawal : Chief financial officer	Salaries & other benefits	6,818,322	5,631,600	-	-	-
		Brokerage income	125	94	-	-	-
		Depository charges	340	45	-	-	-
		Dividend paid	6,845	3,476	-	-	-
		Trade receivables	-	-	-	18	-
7	Bhailchandra Raul : Company secretary	Salaries & other benefits	3,457,585	3,102,280	-	-	-
		Brokerage income	116	357	-	-	-
		Depository charges	-	75	-	-	-
		Dividend paid	125	100	-	-	-
		Trade receivables	-	-	-	9	-
8	S.K.Saboo	Brokerage income	35,103	18,710	-	-	-
		Depository charges	360	405	-	-	-
		Sitting fees	70,000	80,000	-	-	-
		Trade receivables	-	-	-	354	-
		Reimbursement of expenses received	424	-	-	-	-
9	G.C.Vasudeo	Sitting fees	90,000	120,000	-	-	-
		Commission	236,000	413,000	236,000	413,000	-
10	R.K.Krishnamurthi	Sitting fees	110,000	90,000	-	-	-
		Commission	200,000	236,000	200,000	236,000	-
11	Dr.Satish Ugrankar	Sitting fees	110,000	120,000	-	-	-
		Commission	350,000	350,000	350,000	350,000	-
12	Dr.Bharat Kumar Singh	Sitting fees	80,000	80,000	-	-	-
		Commission	350,000	350,000	350,000	350,000	-
13	Hutokshi Rohinton Wadia	Sitting fees	30,000	-	-	-	-
		Commission	200,000	-	200,000	-	-

B. Related party transactions for the year ended 31 March, 2023

Notes to the Consolidated Financial Statements
For the year ended 31 March, 2023 (contd.)

B. Related party transactions for the year ended 31 March, 2023

No.	Particulars	Nature of transaction	Transaction amount during		Amount outstanding as on	
			2022-23	2021-22	31 March 2023	31 March 2022
(Amount in ₹)						
Relatives of directors and / or key managerial personnel of parent company						
14	Priti Kacholia	Brokerage income	634,984	1,172,261	-	-
		Depository charges	13,215	16,165	-	-
		Trade payables	-	-	7,950,906	13,091,621
		Reimbursement of expenses received	2,576	12,655	-	-
		Dividend paid	2,350,000	1,880,000	-	-
		Advisory fees	-	100,000	-	118,000
		Portfolio management fees	16,048	30,317	4,715	9,338
15	Priti Karwa	Brokerage income	-	3,015	-	-
		Depository charges	315	770	-	-
16	Krishna Kacholia	Depository charges	-	1,095	-	-
		Trade receivables	-	-	1,292	-
17	Raunak Karwa	Brokerage Income	12,250	1,300	-	-
		Depository charges	390	390	-	-
		Trade receivables	-	-	372	425
		Dividend paid	2,187,500	1,750,000	-	-
18	Soumya K Karwa	Brokerage Income	-	26,864	-	-
		Depository charges	420	680	-	-
		Trade receivables	-	-	18	-
19	Nidhi Kacholia	Brokerage income	19	1,054	-	-
		Depository charges	375	420	-	-
20	Divya Kacholia	Brokerage income	19	1,182	-	-
		Depository charges	5	20	-	-
		Trade payables	-	-	953	959
21	Amit S Saboo	Brokerage income	-	31,708	-	-
		Depository charges	-	465	-	-
		Trade receivables	-	-	-	18
22	Agrawal Ramgopal	Brokerage income	8	17	-	-
		Depository charges	570	600	-	-
23	Laxmi Agrawal	Brokerage income	-	426	-	-
		Depository charges	645	630	-	-
		Trade receivables	-	-	-	77

Notes to the Consolidated Financial Statements
For the year ended 31 March, 2023 (contd.)

B. Related party transactions for the year ended 31 March, 2023

No.	Particulars	Nature of transaction	Transaction amount during		Amount outstanding as on		(Amount in ₹)
			2022-23	2021-22	31 March 2023	31 March 2022	
24	Vandana Agrawal	Brokerage income	93	72	-	-	-
		Depository charges	80	50	-	-	-
		Trade receivables	-	-	-	-	6
25	Saksham Saket Agrawal	Brokerage income	44	87	-	-	-
		Depository charges	55	25	-	-	-
		Trade receivables	-	-	18	-	6
Enterprises owned / controlled by KMP or their relatives of parent company							
26	Synthetic Fibres Trading Co	Brokerage income	225,035	1,452,644	-	-	-
		Depository charges	1,635	3,500	-	-	-
		Trade receivables	-	-	35	-	-
		Advisory fees	-	400,000	-	-	472,000
27	Emkay Corporate Services Private Limited	Depository charges	15	965	-	-	-
		Dividend paid	6,064,355	4,851,484	-	-	-
		Trade receivables	-	-	-	-	18
		Reimbursement of expenses paid	-	1,000,000	-	-	-
		Portfolio management fees	201,002	187,984	63,173	-	58,699
28	Krishna Investments	Brokerage and commission payment	-	13,776	-	-	-
		Trade payables	-	-	136,235	-	137,104
29	Seven Hills Capital	Brokerage income	1,149,152	1,475,999	-	-	-
		Depository charges	3,065	5,495	-	-	-
		Trade receivables	-	-	17,614	-	5,264,609
30	Emkay Charitable Foundation	Donation	-	600,000	-	-	-
31	Kitaab Design (Prop. Nidhi Kacholia)	Purchase of gifts and stationary items	583,750	1,074,168	-	-	-
32	Muridhar Karwa HUF	Brokerage income	9,740	-	-	-	-
		Depository charges	390	405	-	-	-
		Dividend paid	125,000	100,000	-	-	-
		Trade receivables	-	-	71	-	71
33	Krishna Kumar Karwa HUF	Brokerage income	10,340	-	-	-	-
		Depository charges	60	-	-	-	-
		Dividend paid	125,000	100,000	-	-	-
		Trade receivables	-	-	-	-	1,044
		Trade payables	-	-	929	-	-
		Reimbursement of expenses received	19,320	18,900	-	-	-
34	Saket Agrawal HUF	Brokerage income	37	80	-	-	-
		Depository charges	270	495	-	-	-
		Dividend paid	4,500	3,600	-	-	-
		Trade receivables	-	-	-	-	389

Notes to the Consolidated Financial Statements
For the year ended 31 March, 2023 (contd.)

B. Related party transactions for the year ended 31 March, 2023

No.	Particulars	Nature of transaction	Transaction amount during		(Amount in ₹)
			2022-23	2021-22	
Key managerial personnel (KMP) of subsidiaries and their relatives and the enterprises owned / controlled by them					
35	Rajesh Sharma	Salaries & other benefits	8,614,880	7,500,516	-
		Depository charges	124	-	-
36	Devang Desai	Salaries & other benefits	7,106,491	5,748,984	-
		Brokerage income	529	2,106	-
		Depository charges	160	600	-
		Dividend paid	9,375	3,000	-
		Trade payables	-	-	30
37	Devang Desai Huf	Brokerage income	1,890	1,402	-
		Depository charges	960	710	-
		Delayed payment charges recovery	1,588	1,949	-
		Reimbursement of expenses received	45	15	-
		Trade receivables	-	-	537
38	Anubhav Kanodia	Salaries & other benefits	21,842,833	1,330,579	-
39	Vikaas Mohan Sachdeva	Salaries & other benefits	8,349,320	10,952,320	-
		Brokerage income	42,190	99,526	-
		Depository charges	1,520	3,480	-
		Dividend paid	6,250	5,000	-
		Delayed payment charges recovery	229	12,411	-
		Trade receivables	-	-	142
40	Dipti Modi	Salaries & other benefits	1,284,411	1,078,624	-
		Brokerage income	8	63	-
		Depository charges	15	35	-
		Dividend paid	1	1	-
		Trade receivables	-	-	22
41	Sonal Desai	Brokerage income	5,675	10,493	-
		Depository charges	1,665	1,605	-
		Interest on margin trading funding (MTF)	7,547	10,686	-
		Delayed payment charges recovery	4,767	12,612	-
		Reimbursement of expenses received	331	572	-
		Loan granted on margin trading funding (MTF)	511,913	568,048	-
		Repayment of loan granted on margin trading funding (MTF)	641,554	814,396	129,641
		Trade receivables	-	-	189,426
		Trade payables	-	-	2,124
42	Abhishree Vaijapurkar	Salaries & other benefits	201,529	176,410	-
43	Himanshu Katare	Salaries & other benefits	422,899	-	-

Notes to the Consolidated Financial Statements
For the year ended 31 March, 2023 (contd.)

B. Related party transactions for the year ended 31 March, 2023

No.	Particulars	Nature of transaction	Transaction amount during		Amount outstanding as on	
			2022-23	2021-22	31 March 2023	31 March 2022
44	Siddharth Mehta	Salaries & other benefits	-	662,712	-	-
45	Sufiyan Shaikh	Salaries & other benefits	123,460	-	-	-
Post employment benefits plan						
46	EGFSL Employees Group Gratuity Assurance Scheme (Trust)	Gratuity contribution	14,011,020	11,352,013	21,065,337	17,240,813
47	Emkay Fincap Ltd Employees Group Gratuity Assurance Fund	Gratuity contribution	34,787	84,536	(389,884)	52,008
48	Emkay Investment Managers Ltd Employees Group Gratuity Assurance Fund	Gratuity contribution	571,478	621,646	434,354	849,410
49	Emkay Commotrade Ltd, Employees Group Gratuity Assurance Fund	Gratuity contribution	29,338	22,520	83,760	62,920
50	Emkay Wealth Advisory Ltd Employees Group Gratuity Assurance Fund	Gratuity contribution	126,644	79,079	270,166	140,988

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

45. FOREIGN CURRENCY TRANSACTIONS

Particulars	(₹ in Lacs)	
	For the year ended 31 March, 2023	For the year ended 31 March, 2022
(a) Expenditure in foreign currency (accrual basis)		
Royalty	-	3,315.09
Fees and commission expenses	934.86	488.18
Subscription	143.87	147.52
Consultancy	20.00	664.69
Travelling expenses	24.71	0.62
Advertisement and business promotion	4.79	0.36
Software expenses	0.47	0.49
Miscellaneous expenses	1.13	-
	1,129.83	4,616.95
(b) Earning in foreign currency (accrual basis)		
Research and advisory fees	96.77	189.22

46. STATEMENT OF CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

As per Section 135 of the Companies Act, 2013, Companies under the Group, meeting the applicability threshold needs to spend at least 2% of their average net profit for the immediately three preceding three financial years on Corporate Social Responsibility (CSR) activities. A CSR committee has been formed by the Group as per Act.

a) Gross amount required to be spent by the Group during the year is ₹ 25.81 Lacs (P.Y. ₹ 6.29 Lacs)

b) Amount approved to be spent during the year ₹ 25.87 Lacs (P.Y. ₹ 6.29 Lac)

c) Details of amount spent:

Particulars	(₹ in Lacs)		
	Paid	Yet to be paid	Balance
During the year ending 31 March, 2023			
i) Construction/acquisition of any asset	-	-	-
ii) On purpose other than (i) above	27.54	-	-
During the year ending 31 March, 2022			
i) Construction/acquisition of any asset	-	-	-
ii) On purpose other than (i) above	5.00	-	1.29

d) Out of the amount spent ₹ Nil (P.Y. ₹ 5.00 Lacs) has been spent by Emkay Charitable Foundation, a section 8 Company as per the Companies Act, 2013 from the contribution made by the Group.

e) Details of unspent amount:

(₹ in Lacs)					
Opening balance	Amount deposited in specified fund of schedule VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Excess spent	Closing balance
1.29*	1.29	25.81	26.25	(0.44)	Nil

- Amount transferred to PMCARES fund on 23 May 2022.
- Excess spent not to be carried forward to succeeding financial year/s.

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

47. CONTINGENT LIABILITIES

(₹ in Lacs)

Sr.No.	Particulars	As at 31 March 2023	As at 31 March 2022
1	Claims against the Company not acknowledged as debt*	22.49	22.49
2	Guarantees issued by banks	18,650.00	16,100.00
3	Income tax matters : net of amount deposited	67.52	0.61
4	Service tax matters in appeal : net of amount deposited	847.81	847.81
5	Service tax matter pending appeal	-	179.46
5	GST matter before commissioner appeals : net of amount deposited	11.41	-
6	Bond cum legal undertakings executed	11.99	11.99

* Includes ₹3.75 Lacs (P.Y.₹ 3.75 Lacs) pertaining to discontinued operations of one of the subsidiary company.

Note: The Group has provided bank guarantees for meeting margin requirements as under:

(₹ in Lacs)

Sr. No.	Particulars	As at 31 March 2023	As at 31 March 2022
1	NSE Clearing Ltd	14,150.00	13,250.00
2	BSE Limited	100.00	100.00
3	Multi Commodity Exchange of India Limited	4,075.00	2,425.00
4	National Commodity and Derivatives Exchange Limited	325.00	325.00
	Total	18,650.00	16,100.00

48. CAPITAL COMMITMENTS

(₹ in Lacs)

Sr. No.	Particulars	As at 31 March 2023	As at 31 March 2022
1	Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances)	105.71	113.66
2	Uncalled liability on investment in partly paid-up preference shares	96.00	-
	Total	201.71	113.66

49. SHARE BASED PAYMENTS

Note : Disclosure relating to Employee Stock Option Scheme

Details of Employee Stock Options

- ESOP-2005** This scheme was approved by the shareholders of the Parent Company at the Extra ordinary General meeting held on 28th January, 2006 for grant of 3,81,250 equity shares of ₹ 10/- each.
- ESOP-2007** This scheme was approved by the shareholders of the Parent Company at the Extra Ordinary General Meeting held on 11.01.2008 for grant of 24,26,575 equity shares of ₹ 10/- each.
- ESOP-2010** Through Trust Route - This scheme was approved by the shareholders of the Parent Company at the Annual General Meeting held on 30.08.2010 for grant of 24,41,995 equity shares of ₹ 10/- each.
- ESOP-2018** This scheme was approved by shareholders of the Parent Company through postal ballot process on 21.03.2018 for grant of 24,53,403 equity shares of ₹ 10/- each.

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

The activity in ESOP-2007, ESOP-2010 and ESOP-2018 during the year ended 31 March, 2023 and 31 March 2022 is set out below: -

Particulars	For the year ended 31 March, 2023		For the year ended 31 March, 2022	
	In Numbers	Weighted Average Exercise Price (in ₹)	In Numbers	Weighted Average Exercise Price (in ₹)
ESOP-2007 : (Face value of ₹ 10 each)				
Options outstanding at the beginning of the year	1,751,158	76.28	1,758,120	75.05
Add:- Granted	291,125	76.04	1,31,738	90.50
Less:- Exercised	-	-	21,200	75.60
Less:- Forfeited	-	-	-	-
Less:- Lapsed	856,659	75.80	117,500	73.99
Options outstanding at the end of the year	1,185,624	76.56	1,751,158	76.28

Particulars	For the year ended 31 March, 2023		For the year ended 31 March, 2022	
	In Numbers	Weighted Average Exercise Price (in ₹)	In Numbers	Weighted Average Exercise Price (in ₹)
ESOP-2018 : (Face value of ₹ 10 each)				
Options outstanding at the beginning of the year	2,340,245	69.50	2,320,245	69.42
Add:- Granted	153,917	72.95	100,000	72.40
Less:- Exercised	-	-	-	-
Less:- Forfeited	-	-	-	-
Less:- Lapsed	646,297	71.79	80,000	70.92
Options outstanding at the end of the year	1,847,865	68.98	2,340,245	69.50

The Parent Company has done following modifications in Options during current year

Nature of Modification / Scheme / Year	Number of Options	Original Weighted Average Fair Value of Options	Revised Weighted Average Fair Value of Options
Change in vesting dates of Options			
ESOP-2007			
Current Year	115,310	37.02	37.08
Previous Year	345,397	33.42	45.49
ESOP-2018			
Current Year	153,916	37.74	40.83
Previous Year	700,200	16.80	38.35

During the current year, the Parent Company has changed its estimate of number of Options which are expected to vest in future from 64% in the previous year to 67% in the current year in respect of ESOP Schemes – ESOP-2007 & ESOP-2018.

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

Employees' Stock Options Scheme (ESOP):

Particulars	ESOP-2007	ESOP-2010-Trust Route	ESOP-2018
Date of Grant	Various dates starting from 17.01.2008 till 07.11.2022	Various dates starting from 21.10.2010 till 21.01.2012	Various dates starting from 14.08.2018 till 08.08.2022
Date of Board Approval	01.12.2007	27.07.2010	29.01.2018
Date of Shareholder's Approval	11.01.2008	30.08.2010	21.03.2018
Number of Options granted to			
- Employees of the Company	57,10,461	6,47,000	36,02,543
- Employees of the Subsidiary Companies	5,70,000	---	86,167
Total Options Granted	62,80,461	6,47,000	36,88,710
Method of Settlement	Equity Shares	Equity Shares	Equity Shares
Vesting Period	Ranging from 1 year to 7 years and 10 months. Both time based and performance based	Graded vesting over a period of 5 years	Ranging from 1 year to 6 years and 3 months. Both time based and performance based

Weighted Average Remaining Contractual life:

Particulars	ESOP-2007	ESOP-2018
Current year		
- Granted but not vested	5.30 years	4.89 years
Current year		
- Vested but not exercised	1.04 years	1.13 years
Current year		
- Weighted Average Share Price at the date of exercise for Stock Options exercised during the year	N.A.	N.A.
Previous year		
- Granted but not vested	5.49 years	5.66 years
Previous year		
- Vested but not exercised	1.16 years	2.13 years
Previous year		
- Weighted Average Share Price at the date of exercise for Stock Options exercised during the year	₹ 121.11	N.A.
Exercise Period	Within 2 to 3 years from the date of vesting of Options	
Vesting Conditions	Vesting of Options would be subject to continued employment with the Company and / or its subsidiaries and thus the Options would vest on passage of time. In addition to this, the Nomination, Remuneration and Compensation Committee may also specify certain performance parameters subject to which the Options would vest. In case of performance based vesting, the Options would vest on achievement of those performance parameters.	
Weighted Average - Fair Value of Options as on grant date - Current Year	₹ 37.68	₹ 34.78
Weighted Average - Fair Value of Options as on grant date - Previous Year	₹ 64.71	₹ 39.35
Risk free interest rate	7.32% - 7.48%	7.32%
Dividend Yield	1.58% - 1.71%	1.71%
Expected Volatility	57% - 58%	57%

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

The exercise pricing formula for ESOP Schemes are as under:

ESOP-2007

The exercise price shall be equal to the latest available closing market price of the Parent Company's share on the date prior to the date on which the Nomination, Remuneration and Compensation Committee of the Parent Company finalizes the specific number of Options to be granted to the employees.

ESOP-2010

The exercise price shall be calculated on the basis of latest closing price of the Parent Company's equity shares quoted on the Stock Exchange prior to the date of the grant of Options, which for this purpose shall be date on which the Nomination, Remuneration and Compensation Committee of the Parent Company meets to make its recommendations for grant of Options.

ESOP-2018

The exercise price shall be the closing price of the Parent Company's equity shares quoted on the Stock Exchange immediately prior to the date of grant of the Options, which for this purpose shall be the date on which the Nomination, Remuneration and Compensation Committee of the Parent Company meets to make its recommendations for the grant of the Options. The Stock Exchange to be selected for determining the closing price shall be in accordance with the SEBI ESOP Regulations. The Committee may, at its sole discretion, consider a discount to such closing price.

Other information regarding Employee Share based payment plan is as below

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Expenses arising from employees share based payment plans	(8.97)	323.86
Total carrying amount at the end of the year	311.87	538.49

47. EMPLOYEE BENEFITS

Disclosure pursuant to Ind AS 19 "Employee benefits" is given below:

- a) **Defined contribution plan** - Expenses recognized in statement of profit and Loss towards defined contribution plans are as under:

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Provident fund	413.68	339.20
ESIC	1.31	1.78
National pension scheme	70.86	55.38
Other welfare fund	0.09	0.02
Total	485.94	396.38

- b) **Defined benefit plan**

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

The plan is funded with insurance companies in the form of qualifying insurance policy. The following table summarize the components of net benefit expense recognized in the statement of profit and loss, other comprehensive income and amount recognized in balance sheet which has been determined by an Actuary appointed for the purpose and relied upon by the Auditors.

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

Sr. No.	Particulars	(₹ in Lacs)	
		As at 31 March 2023	As at 31 March 2022
i)	Movement in defined benefit obligation		
	Present value of obligation as at the beginning	941.09	777.85
	Current service cost	136.53	118.08
	Interest expense or cost	57.43	43.51
	Remeasurements due to :		
	- Actuarial loss / (gain) arising from change in financial assumptions	6.53	39.74
	- Actuarial loss / (gain) arising from change in demographic assumptions	0.00	0.00
	- Actuarial loss / (gain) arising on account of experience changes	33.19	23.25
	Benefits paid	(66.17)	(61.34)
	Acquisition adjustment	-	-
	Present value of obligation as at the end	1108.60	941.09
ii)	Movement in plant assets		
	Fair value of plan asset as at the beginning	757.62	715.22
	Employer contributions	183.46	63.35
	Investment income	46.23	40.02
	Return on plan assets, excluding amount recognised in net interest expense	(27.18)	0.37
	Benefits paid	(66.17)	(61.34)
	Acquisition adjustment	-	-
	Fair value of plan asset as at the end	893.96	757.62
iii)	Reconciliation of net liability / asset		
	Net defined benefit (liability) / asset as at the beginning of the year	(183.46)	(62.63)
	Expenses charged to statement of profit and loss	(147.73)	(121.57)
	Amount recognized in other comprehensive income	(66.90)	(62.61)
	Employer contribution	183.46	63.35
	Net defined benefit liability / (asset) as at the end of the year	(214.63)	(183.46)
iv)	Expenses charged to the Statement of Profit & Loss		
	Current service cost	136.53	118.08
	Net interest cost / (income) on the net defined benefit liability / (asset)	11.20	3.50
	Expenses recognised in the income statement	147.73	121.58
v)	Movement in asset ceiling		
	Effect of asset ceiling at the beginning	-	-
	Interest on opening balance of asset ceiling	-	-
	Remeasurements due to change in surplus/deficit	-	-
	Value of asset ceiling as at the end of the year	-	-
vi)	Remeasurement (gains)/losses in other comprehensive income		
	Actuarial (gains) / losses		
	Change in financial assumptions	6.53	39.74
	Change in demographic assumptions	-	-
	Experience adjustments	33.19	23.24
	Return on plan assets, excluding amount recognised in net interest expense	27.18	(0.37)
	Components of defined benefit costs recognised in other comprehensive income	66.90	62.61

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

		(₹ in Lacs)	
Sr. No.	Particulars	As at 31 March 2023	As at 31 March 2022
vii)	Amount recognised in Balance Sheet		
	Present value of obligation	1108.60	941.08
	Fair value of plan assets	893.96	757.62
	Surplus/(Deficit)	(214.64)	(183.46)
	Effects of asset ceiling, if any	-	-
	Net asset / (liability)	(214.64)	(183.46)
viii)	Key actuarial assumptions		
	Discount Rate (p.a.)	7.25%	6.05% to 6.30%
	Salary growth rate (p.a.)	14.00%	12.00%
ix)	Category of plan assets		
	Insurer managed funds	94.25% to 99.97%	90.72% to 99.98%
	Bank balance	0.03% to 5.75%	0.02% to 9.28%
x)	Quantitative sensitivity analysis		
	Rate of discounting		
	1% increase	-4.60% to -5.20%	-4.80% to -5.70%
	1% decrease	5.10% to 5.70%	5.30% to 6.20%
	Rate of increase in salary		
	1% increase	3.00% to 5.20%	3.40% to 5.80%
	1% decrease	-2.60% to -4.90%	-3.30% to -5.40%
xi)	Maturity profile of defined benefit obligation		
	Weighted average duration (based on discounted cash flows)	5 to 6 Years	5 to 6 Years
	Expected cash flows over the next (valued on undiscounted basis)		
	Expected benefit for 1 year	198.21	157.02
	Expected benefit for 2 to 5 years	639.11	539.09
	Expected benefit for 6 to 10 years	473.50	364.86
	Expected benefit for more than 10 years	368.74	281.24
xii)	Expected contribution to fund in next year		
	The Company's best estimate of contribution during the next year	352.56	307.53

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

51. LEASE

The Group has entered into lease contracts for various properties across India for its office premises used in its operations. There are no variable lease payments, residual agreements, sale and leaseback arrangements and other restrictions. The Group also has certain leases with lease terms of 12 months or less. The Group applies the 'Short-term lease' recognition exemption for these leases.

Information about leases for which Group is lessee are prescribed below:

a) Right of use assets

(₹ in Lacs)		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Carrying amount at the beginning of the year	411.97	507.54
Additions	653.13	250.44
Closure / other adjustments	(14.60)	(38.68)
Depreciation for the year	(303.43)	(307.33)
Carrying amount at the end of the year	747.07	411.97

b) Lease liabilities

(₹ in Lacs)		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at the beginning of the year	435.02	532.78
Additions	624.49	240.45
Interest expense on lease liabilities	55.69	52.03
Other adjustments	(15.43)	(52.46)
Benefit on lease payment waiver	-	(3.44)
Lease payments	(336.55)	(334.34)
Balance at the end of the year	763.22	435.02
Current	280.85	213.93
Non-Current	482.37	221.09

c) Contractual maturities of lease liabilities on an undiscounted basis

(₹ in Lacs)		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Less than one year	345.24	242.71
One to five years	554.69	234.33
Five years and above	5.87	15.65
Total	905.80	492.69

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

d) Amount recognized in statement of profit and loss

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on Right-Of-Use (ROU) assets	303.43	307.33
Interest expense on lease liabilities	55.69	52.03
Expense relating to short term leases included in other expenses	0.82	1.05
Total	359.94	360.41

The effective interest rate of lease liabilities is 9.80% with maturities between one to five years.

52. RATINGS ASSIGNED BY CREDIT RATING AGENCY

ICRA Limited has reaffirmed rating of [ICRA]A2+ to the short term non fund based bank facilities of the Parent Company of ₹ 27,500 lacs (Previous year : ₹ 20,000 lacs).

53. ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for borrowings are as under:

Particulars	(₹ in Lacs)	
	As at 31 March 2023	As at 31 March 2022
Financial Assets		
Fixed deposit under lien with stock exchanges	18,225.05	19,984.00
Fixed deposit against bank guarantees	9,368.17	8,100.00
Fixed deposit against credit facilities	3,733.52	3,069.00
Investments pledged with bank for credit facilities		
- Units of Alternative investment funds	-	2,352.92
- Equity shares of Emkay Fincap Limited (88.50 Lac shares of ₹ 10/- each)	-	885.00
Total	31,326.75	34,390.92
Non-Financial Assets		
Office premises mortgaged with bank for credit facilities	2,132.89	2,241.84

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

54. Trade Payable includes ₹ 55.10 Lacs (P.Y. ₹ 27.59 Lacs) and other liabilities under other financial liabilities includes ₹ 0.17 Lacs (P.Y. Nil) being aggregate amount of deposits in bank accounts made directly by clients whose details are awaited. Appropriate accounting treatment is given on regular basis on receipt of required information as and when received.

52. Income includes ₹ 2.43 Lacs (P.Y. ₹ 2.03 Lacs) and expenses includes ₹ 76.52 Lacs (P.Y. ₹ 24.39 Lacs) pertaining to earlier year.

53. FINANCIAL RISK MANAGEMENT

The Group has established a comprehensive system for risk management and internal controls for all its businesses to manage the risks that it is exposed. 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 Group has exposure to the following risks arising from financial instruments:

- a) Credit risk
- b) Liquidity risk
- c) Market risk

The risk management system features 'three lines of defence approach.

1. The first line of defence comprises its operational departments, which assume primary responsibility for their own risks and operate within the limits stipulated in various policies approved by the Board or by committees constituted by the Board.
2. The second line of defence comprises specialized department such as risk management and compliance. They employ specialized methods to identify and assess risks faced by the operational departments and provide them with specialized risk management tools and methods, facilitate and monitor the implementation of effective risk management practices, develop monitoring tools for risk management, internal controls and compliances, report risk related information and promote the adoption of appropriate risk prevention measures.
3. The third line of defence comprise the internal audit and external audit functions. They monitor and conduct periodic evaluations of the risk management, internal controls and compliance activities to ensure the adequacy of risk controls and appropriate risk governance and provide the Board with comprehensive feedback.

a) Credit risk

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

The Group's financial assets comprises of cash and bank balances, trade receivables, loans, investments and other financial assets which comprise mainly of deposits, advances and other receivables.

The maximum exposure to credit risk at the reporting date is primarily from Group's trade receivable and loans.

Following provides exposure to credit risks for trade receivables and loans:

Particulars	(₹ in Lacs)	
	As at 31 March 2023	As at 31 March 2022
Trade and other receivables (net of impairment)	10,529.29	8,875.88
Loan (net of impairment)	5,136.35	4,018.03

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

Trade receivable:

The Group applies the Ind AS 109 simplified approach to measuring expected credit losses (ECLs) for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables are calculated based on actual historic credit loss experience over the preceding three to five years on the total balance of non-credit impaired trade receivables. The Group considers a trade receivable to be credit impaired when one or more detrimental events have occurred, such as significant financial difficulty of the client or it becoming probable that the client will enter bankruptcy or other financial reorganization. When a trade receivable is credit impaired, it is written off against trade receivables and the amount of the loss is recognized in the income statement. Subsequent recoveries of amounts previously written off are credited to the income statement.

Loans: Loans comprise of margin trading funding (MTF) and loan against securities (LAS) for which staged approach is followed for determination of ECL.

Stage 1 : All standard loans in MTF and LAS loan book up to 30 days past due (DPD) are considered as Stage 1 assets for computation of expected credit loss.

Stage 2 : Exposure under stage 2 include under-performing loans having 31 to 90 days past due (DPD).

Stage 3 : Exposures under stage 3 include non-performing loans with overdue more than 90 days past due (DPD).

Based on historical data, the GROUP assigns PD to stage 1 and stage 2 and applies it to the EAD to compute the ECL. For Stage 3 assets PD is considered as 100%

The Group does not have any loan book which may fall under stage 2 or stage 3.

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

Bucketing (Stage)	(₹ in Lacs)			
	As at 31 March 2023		As at 31 March 2022	
	Carrying Value	ECL	Carrying Value	ECL
Stage 1	5,148.10	11.75	4,027.87	9.84
Stage 2	-	-	-	-
Stage 3	-	-	-	-
Total	5,148.10	11.75	4,027.87	9.84

Movement in the allowances for impairment in respect of trade receivables and loans is as follows:

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance	34.72	25.42
Net remeasurement of loss allowance	(0.38)	9.30
Closing Balance	34.34	34.72

Other financial assets considered to have a low credit risk:

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies. Investments comprise of quoted equity instruments, mutual funds which are market tradable. Other financial assets include deposits for assets acquired on lease and with qualified clearing counterparties and exchanges as per the prescribed statutory limits.

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

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 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 close out market positions.

The Group has a view of maintaining liquidity with minimal risks while making investments. The Group invests its surplus funds in short term liquid assets in bank deposits. The Group monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

Refer note no.58 for analysis of maturities of financial assets and financial liabilities.

c) Market risk

Market risk arises when movements in market factors (foreign exchange rates, interest rates, credit spreads and equity prices) impact the Group's income or market value of its portfolios. The Group, in its course of business, is exposed to market risk due to change in equity prices, interest rates and foreign exchange rates. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximize returns.

(i) Equity price risk

The Group's exposure to equity price risk arises primarily on account of its proprietary positions and on account of margin bases positions of its clients in equity cash and derivative segments.

The Group's equity price risk is managed in accordance with its Risk Policy approved by Board.

(ii) Interest rate risk

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

The Group's interest rate risk arises from interest bearing deposits with bank and loan given to customers. Such instrument exposes the Group to fair value interest rate risk. Management believes that the interest rate risk attached to these financial assets is not significant due to the nature of these financial assets.

(iii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

Foreign currency risk management

In respect of foreign currency transactions, the Group does not hedge the exposures since the management believes that the same is insignificant in nature and will not have a material impact on the Group.

The Group's exposure to foreign currency risk at the end of reporting period is as shown as under:-

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

Receivables

(in Lacs)

Particulars	Currency	As at 31 March 2023	As at 31 March 2022
Foreign Currency exposure outstanding	USD	0.24	0.33
	INR	19.99	24.90
Foreign Currency receivable in next 5 years including interest	USD	0.24	0.33
	INR	19.99	24.90
Unhedged Foreign currency exposure	USD	0.24	0.33
	INR	19.99	24.90

Payables

(in Lacs)

Particulars	Currency	As At 31 March 2023	As At 31 March 2022
Foreign Currency exposure outstanding	USD	30.76	9.94
	INR	2,527.37	753.60
	SGD	0.04	0.02
	INR	2.62	1.29
Foreign Currency payable in next 5 years including interest	USD	3.26	0.44
	INR	267.69	33.57
	SGD	0.04	0.02
	INR	2.62	1.29
Unhedged Foreign currency exposure	USD	30.76	9.94
	INR	2,527.37	753.60
	SGD	0.04	0.02
	INR	2.62	1.29

The table below indicates the currencies to which the Group had significant exposure at the end of the reported periods for the non-traded component. The analysis calculates the effect of a reasonably possible movement of the currency rate against INR (all other variable being constant) on the statement of profit and loss.

(in Lacs)

Currency	Change in currency rate in %	Impact on statement of profit and loss	
		For the year ended 31 March 2023	For the year ended 31 March 2022
USD	Depreciation of 5%	125.37	36.43
	Appreciation of 5%	(125.37)	(36.43)
SGD	Depreciation of 5%	0.13	0.06
	Appreciation of 5%	(0.13)	(0.06)

57. TAX EXPENSE

A) The major components of income tax expense for the year are as under:-

(₹ In Lacs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current income tax		
- Continuing operations	219.29	908.21
- Discontinuing operations	(3.16)	(1.33)
Total	216.13	906.88
Deferred tax	(362.90)	260.21
Total tax for the current year	(146.77)	1,167.09
Taxes for earlier years	(2.33)	(46.38)
Tax expenses for the year	(149.10)	1,120.71

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

B) Amount recognized in the other comprehensive income:

Particulars	(₹ In Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Items that will not be reclassified to profit or loss		
Actuarial gain / (loss) on defined benefit plans	(66.90)	(62.61)
Share of actuarial (loss) on defined benefit plan of associate	0.40	(0.95)
Income tax relating to items that will not be reclassified to profit or loss	(1.28)	11.25
Total	(67.78)	(52.31)
Items that will be reclassified to profit or loss		
Foreign exchange translation reserve	21.92	1.11
Total other comprehensive income	(45.86)	(51.20)

C) Reconciliation of tax expense and the accounting profit for the year is as under:-

Particulars	(₹ In Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	1,254.55	4,611.46
Indian statutory income tax rate (%)	29.12%	29.12%
Expected income tax expenses	365.32	1,342.86
Tax effect of adjustments to reconcile expected income tax expenses to reported income tax expenses		
Income exempt from tax laws	(489.42)	(34.54)
Deductible expenses for tax purpose	(347.48)	(252.19)
Nondeductible expenses for tax purpose	238.68	176.19
Fair value changes of investments	(14.41)	(204.70)
Loss from discontinued operations	(3.16)	(1.33)
Others (Net)	25.34	114.83
Foreign exchange translation gain	5.41	0.80
Impact of differential tax rate	(38.04)	(134.87)
IND-AS adjustments	81.96	86.76
Business loss and unabsorbed depreciation brought forward from earlier years is adjusted	(0.01)	(481.62)
Current year losses carry forwarded to subsequent year	391.94	7.60
Total	(149.19)	(723.07)
Tax payable at normal rate	216.13	619.79
Tax payable under section 115JB (MAT)	-	287.09
Deferred tax impact	(362.90)	260.21
Total income tax expenses	(146.77)	1,167.09
Current Tax Expenses		
Continuing operations	219.29	908.21
Discontinuing operations	(3.16)	(1.33)
Deferred Tax Expenses	(362.90)	260.21
Total income tax expenses	(146.77)	1,167.09

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

D) Movement of deferred tax assets and liabilities

Current year		(₹ In Lacs)	
Particulars	As at 1 April 2022	Credit/(Charge) in the statement of profit and loss	As at 31 March 2023
Lease liabilities	125.61	95.63	221.24
Provisions	13.78	(0.14)	13.64
Disallowances	25.57	2.46	28.03
Carried forward tax losses	206.00	375.97	581.97
Financial assets at fair value through profit and loss	(8.58)	4.31	(4.27)
Property, plant and equipment and other intangible assets	(104.77)	(17.61)	(122.38)
Right of use assets	(119.06)	(97.72)	(216.78)
Net deferred tax assets	138.55	362.90	501.45

Previous year		(₹ In Lacs)	
Particulars	As at 1 April 2021	Credit/ (Charge) in the statement of profit and loss	As at 31 March 2022
Financial assets at fair value through profit and loss	22.43	(22.43)	-
Lease liabilities	154.61	(29.00)	125.61
Provisions	8.08	5.70	13.78
Disallowances	-	25.57	25.57
Carried forward tax losses	459.85	(253.85)	206.00
Financial assets at fair value through profit and loss	-	(8.58)	(8.58)
Property, plant and equipment and other intangible assets	(99.46)	(5.31)	(104.77)
Right of use assets	(146.75)	27.69	(119.06)
Net deferred tax assets	398.76	(260.21)	138.55

E) Unrecognized deferred tax assets

One subsidiary company of the Group have not recognized the deferred tax assets in respect of the following items, because it is not probable that the future taxable profit will be available against which they can use the benefits therefrom :-

Current year		(₹ In Lacs)	
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022	
Provisions	0.17	0.08	
Carried forward tax losses	8.72	1.26	
Property, plant and equipment and other intangible assets	0.04	0.08	
Total	8.94	1.42	

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

55. MATURITY ANALYSIS

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

Particulars	As at March 31, 2023		
	Total	Within 12 months	After 12 Months
(₹ In Lacs)			
Current year			
Assets			
Financial assets			
Cash and cash equivalents	2,947.62	2,947.62	-
Bank balance other than above	31,910.91	25,703.10	6,207.81
Derivative financial instruments	-	-	-
Securities held for trading	71.50	71.50	-
Trade receivables	10,529.29	10,529.29	-
Loans	5,136.35	5,136.35	-
Investments	2,368.32	84.31	2,284.01
Other financial assets	13,919.80	13,294.30	625.50
Total financial assets	66,883.79	57,766.47	9,117.32
Non-financial assets			
Current tax assets (net)	509.71	-	509.71
Deferred tax assets (net)	501.45	-	501.45
Property, plant and equipment	2,999.35	-	2,999.35
Right of use assets	747.07	-	747.07
Capital work-in-progress	-	-	-
Intangible assets under development	-	-	-
Other Intangible assets	54.65	-	54.65
Other non-financial assets	1,399.05	618.00	781.05
Total non-financial assets	6,211.28	618.00	5,593.28
Total Assets	73,095.07	58,384.47	14,710.60
Liabilities			
Financial Liabilities			
Trade payable	12,025.89	12,025.89	-
Borrowings (Other than debt security)	1,496.91	1,496.91	-
Deposits	1,036.47	-	1,036.47
Lease liabilities	763.22	280.85	482.37
Other financial liabilities	33,129.08	33,129.08	-
Total financial liabilities	48,451.57	46,932.73	1,518.84
Non-financial Liabilities			
Current tax liabilities (net)	3.56	3.56	-
Provisions	2,192.35	2,192.35	-
Other non-financial liabilities	1,408.63	1,408.63	-
Total non-financial liabilities	3,604.54	3,604.54	-
Total liabilities	52,056.11	50,537.27	1,518.84
Net Assets	21,038.96	7,847.20	13,191.76

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For the year ended 31 March, 2023 (contd.)

Previous year

(₹ In Lacs)

Particulars	As at March 31, 2022		
	Total	Within 12 months	After 12 Months
Assets			
Financial assets			
Cash and cash equivalents	9,473.29	9,473.29	-
Bank balance other than above	31,812.46	29,426.31	2,386.15
Derivative financial instruments	3.51	3.51	-
Securities held for trading	147.05	147.05	-
Trade receivables	8,875.88	8,875.88	-
Loans	4,018.03	4,018.03	-
Investments	3,424.30	0.41	3,423.89
Other financial assets	14,337.45	13,792.62	544.83
Total financial assets	72,091.97	65,737.10	6,354.87
Non-financial assets			
Current tax assets (net)	151.47	-	151.47
Deferred tax assets (net)	138.55	-	138.55
Property, plant and equipment	2,771.91	-	2,771.91
Right of use assets	411.97	-	411.97
Capital work-in-progress	165.91	-	165.91
Intangible assets under development	12.00	-	12.00
Other Intangible assets	25.45	-	25.45
Other non-financial assets	623.87	405.28	218.59
Total non-financial assets	4,301.13	405.28	3,895.85
Total Assets	76,393.10	66,142.38	10,250.72
Liabilities			
Financial Liabilities			
Trade payable	13,665.67	13,665.67	-
Borrowings (Other than debt security)	1,099.08	1,099.08	-
Deposits	2,878.10	-	2,878.10
Lease liabilities	435.02	213.93	221.09
Other financial liabilities	34,190.21	34,190.21	-
Total financial liabilities	52,268.08	49,168.89	3,099.19
Non-financial Liabilities			
Current tax liabilities (net)	44.47	44.47	-
Provisions	2,277.08	2,277.08	-
Other non-financial liabilities	1,740.62	1,740.62	-
Total non-financial liabilities	4,062.17	4,062.17	-
Total liabilities	56,330.25	53,231.06	3,099.19
Net Assets	20,062.85	12,911.32	7,151.53

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

59. FINANCIAL INSTRUMENTS

Refer to financial instruments by category table below for the disclosure on carrying value and fair value of financial assets and liabilities.

Current year					(₹ In Lacs)
Particulars	Measured at				
	Amortised Cost	Fair value through P&L	Fair value through OCI	Total Carrying Value	
Assets					
Financial assets					
Cash and cash equivalents	2,947.62	-	-	2,947.62	
Bank balance other than above	31,910.91	-	-	31,910.91	
Derivative financial instruments	-	-	-	-	
Securities held for trading	71.50	-	-	71.50	
Trade receivables	10,529.29	-	-	10,529.29	
Loans	5,136.35	-	-	5,136.35	
Investments (excluding associates)	-	2,112.21	-	2,112.21	
Other financial assets	13,919.80	-	-	13,919.80	
Total	64,515.47	2,112.21	-	66,627.68	
Liabilities					
Financial liabilities					
Trade payables	12,025.89	-	-	12,025.89	
Borrowings (other than debt security)	1,496.91	-	-	1,496.91	
Deposits	1,036.47	-	-	1,036.47	
Lease liabilities	763.22	-	-	763.22	
Other financial liabilities	33,129.08	-	-	33,129.08	
Total	48,451.57	-	-	48,451.57	

Previous year					(₹ In Lacs)
Particulars	Measured at				
	Amortised Cost	Fair value through P&L	Fair value through OCI	Total Carrying Value	
Assets					
Financial assets					
Cash and cash equivalents	9,473.29	-	-	9,473.29	
Bank balance other than above	31,812.46	-	-	31,812.46	
Derivative financial instruments	-	3.51	-	3.51	
Securities held for trading	-	147.05	-	147.05	
Trade receivables	8,875.88	-	-	8,875.88	
Loans	4,018.03	-	-	4,018.03	
Investments (excluding associates)	-	3,327.05	-	3,327.05	
Other financial assets	14,337.45	-	-	14,337.45	
Total	68,517.11	3,477.61	-	71,994.72	
Liabilities					
Financial liabilities					
Trade payables	13,665.67	-	-	13,665.67	
Borrowings (other than debt security)	1,099.08	-	-	1,099.08	
Deposits	2,878.10	-	-	2,878.10	
Lease liabilities	435.02	-	-	435.02	
Other financial liabilities	34,190.21	-	-	34,190.21	
Total	52,268.08	-	-	52,268.08	

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

Fair value hierarchy:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimates using a valuation technique.

The investments included in level 1 of fair value hierarchy have been valued using quoted prices for instruments in an active market. The investments included in Level 2 of fair value hierarchy have been valued using valuation techniques based on observable market data. The investments included in Level 3 of fair value hierarchy have been valued using the income approach and break-up value to arrive at their fair value. There were no transfers between level 1 and level 2.

Current year

(₹ In Lacs)

Particulars	Level 1	Level 2	Level 3	Total
Financial instruments				
Investment in				
Equity shares *	503.39	-	-	03.39
MF units	0.12	-	-	0.12
Units of AIF	-	1,608.70	-	1,608.70
Total	503.51	1,608.70	-	2,112.21

Previous year

(₹ In Lacs)

Particulars	Level 1	Level 2	Level 3	Total
Financial instruments				
Derivative financial instruments	3.51	-	-	3.51
Securities held for trading	-	147.05	-	147.05
Investment in				
Equity shares *	392.35	-	-	392.35
MF units	0.11	-	-	0.11
Units of AIF	-	2,934.59	-	2,934.59
Total	395.97	3,081.64	-	3,477.61

* Investments under level 3 above include investment in unquoted equity shares of ₹ 50.05 Lacs (P.Y. ₹ 50.05 Lacs) whose fair value is considered as ₹ Nil based on the financial health of the investee Company.

I. Valuation techniques used to determine fair value

- Quoted equity investments – Quoted closing price on stock exchange
- Unquoted equity investments – Based on financial health of the investee Company.
- Quoted mutual fund investments – Quoted closing NAV of respective schemes
- Alternative Investment funds – net asset value of the scheme

II. Financial instruments not measured at fair value

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

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

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

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

60. CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Current year					(₹ In Lacs)
Particulars	1 April 2022	Cash flows	Change in fair values	Others	31 March 2023
Borrowings	1,099.08	397.83	-	-	1,496.91

Previous year					(₹ In Lacs)
Particulars	1 April 2021	Cash flows	Change in fair values	Others	31 March 2022
Borrowings	1,000.01	99.07	-	-	1,099.08

61. REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group derives revenue primarily from share broking business. Its other major revenue sources are fees from research and advisory services, alternate investment fund management services and portfolio management services.

Particulars	(₹ In Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Brokerage fees	13,946.47	14,277.24
Research and advisory fees	1,690.24	1,105.59
Depository operations	79.63	95.58
Portfolio management fees	596.75	688.99
Alternate investment management fees	618.26	725.27
Total	16,931.35	16,892.67
India	16,854.55	16,703.45
Outside India	76.80	189.22
Total	16,931.35	16,892.67
Timing of revenue recognition		
Services transferred at a point in time	16,073.51	16,079.32
Services transferred over time	857.84	813.35
Total	16,931.35	16,892.67

Contract Balances

Trade receivables outstanding balance as on 31 March 2023 is ₹ 10,529.29 Lacs and as on 31 March 2022 is ₹ 8,875.88 Lacs. (Also refer note : 11)

Information about the Group's performance obligation

The performance obligation in regards of arrangement where fees is charged per transaction executed is recognized at point in time when trade is executed.

Income from Portfolio management and alternate investment management fees is recognized as per the terms and conditions of the respective agreements.

Income from research, advisory and other services is recognized upon rendering of the services.

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

63. DISCONTINUED OPERATIONS

Profit / (loss) from discontinued operations consists of following two discontinued operations:

Emkay Wealth Advisory Limited which was engaged in the business of Direct Insurance Broking in terms of the provisions of the Insurance Regulatory and Development Authority Act, 1999 and the said business has been discontinued on and with effect from 22nd March, 2019.

Emkay Commotrade Limited which was engaged in the business of Commodity Exchanges Broking and the said business has been discontinued from 13th February 2019.

a) Financial performance

Particulars	(₹ in Lacs)	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Income	4.33	6.39
Expenses	13.13	11.08
Profit / (loss) before tax from discontinued operations	(8.80)	(4.70)
Tax expenses	(3.16)	(1.33)
Profit / (loss) after tax from discontinued operations	(5.64)	(3.37)

b) Book value of assets and liabilities

Particulars	(₹ in Lacs)	
	As at 31 March 2023	As at 31 March 2022
Assets	37.25	37.25
Liabilities	0.82	1.62

c) Cash out flow from discontinued operations ₹ 11.50 Lacs (P.Y. ₹ 8.10 Lacs)

d) Emkay Commotrade Limited, a subsidiary Company has received a Show Cause Notice dated 17 September 2019 under Regulation 28(1) of the SEBI(Intermediaries) Regulations, 2008 in the matter of paired contacts transacted at National Spot Exchange Limited (NSE) in which it had acted as broker asking as to why appropriate action should not be taken as per Regulation 28(2) of the SEBI Intermediaries Regulations, 2008 concerning not treating it as a fit and proper person and cancelling certificate of registration granted to it . Emkay Commotrade Limited submitted a detailed reply in the matter denying all allegations and requested to grant an opportunity for personal hearing which is awaited and matter is pending for disposal. The Management do not expect any impact of the same on the subsidiary Company since it has already discontinued its business of commodity broking during 2018-19.

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

63. The list of entities consolidated as subsidiary in accordance with the Ind AS 110 - Consolidated financial statements and as associate in accordance with Ind AS 28 - Investments in associates and joint ventures.

Name of entities	Country of Incorporation	Proportion of ownership as at reporting date	Consolidated as
Emkay Fincap Limited	India	100%	Subsidiary
Emkay Investment Managers Limited	India	100%	Subsidiary
Emkay Wealth Advisory Limited	India	100%	Subsidiary
Emkay Commotrade Limited	India	100%	Subsidiary
Emkayglobal Financial Services IFSC Private Limited	India	100%	Subsidiary
Emkay Global Financial Services Pte.Ltd.	Singapore	100%	Subsidiary
Azalea Capital Partners LLP	India	45%	Associate of parent
Finlearn Edutech Private Limited	India	44.97%	Associate of a wholly owned subsidiary
AES Trading and Consultants LLP	India	25%	Associate of a wholly owned subsidiary

64. Additional disclosure pertaining to Subsidiaries / Associates required under part III of division III of Schedule III to the Companies Act, 2013.

a) Net assets

(₹ In Lacs)

Name of the entity	As at 31 March 2023		As at 31 March 2022	
	% of consolidated net assets	Amount	% of consolidated net assets	Amount
Parent				
Emkay Global Financial Services Ltd.	71.90%	15,126.20	72.02%	14,450.08
Subsidiaries				
Emkay Fincap Ltd.	23.78%	5,003.41	25.88%	5,192.53
Emkay Commotrade Ltd.	8.02%	1,686.47	11.15%	2,237.99
Emkay Investment Managers Ltd.	11.18%	2,351.32	11.06%	2,218.31
Emkay Wealth Advisory Ltd.	0.91%	191.01	1.10%	219.89
Emkayglobal Financial Services IFSC Pvt. Ltd.	1.88%	395.54	0.61%	123.13
Emkay Global Financial Services Pte. Ltd.	0.16%	34.58	0.04%	7.20
Associate				
Azalea Capital Partners LLP	0.14%	28.95	0.10%	20.23
Sub-total	117.96%	24,817.48	121.96%	24,469.36
Adjustment arising out of consolidation	-17.96%	(3,778.52)	-21.96%	(4,406.51)
Total	100.00%	21,038.96	100.00%	20,062.85

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

b) Share in profit or loss

(₹ In Lacs)

Name of the entity	As at 31 March 2023		As at 31 March 2022	
	% of consolidated profit or loss	Amount	% of consolidated profit or loss	Amount
Parent				
Emkay Global Financial Services Ltd.	75.55%	1,063.46	39.39%	1,331.62
Subsidiaries				
Emkay Fincap Ltd.	25.37%	357.08	20.76%	701.81
Emkay Commotrade Ltd.	10.41%	146.47	51.33%	1,735.25
Emkay Investment Managers Ltd.	12.67%	178.31	7.69%	260.11
Emkay Wealth Advisory Ltd.	-2.08%	(29.34)	0.50%	16.76
Emkayglobal Financial Services IFSC Pvt. Ltd.	-3.52%	(49.51)	-1.18%	(39.73)
Emkay Global Financial Services Pte. Ltd.	1.55%	21.84	0.05%	1.59
Associate				
Azalea Capital Partners LLP	0.62%	8.72	0.41%	13.82
Sub-total	120.57%	1,697.03	118.95%	4,021.23
Adjustment arising out of consolidation	-20.57%	(289.42)	-18.95%	(640.86)
Total	100.00%	1,407.61	100.00%	3,380.37

c) Share in other comprehensive income

(₹ In Lacs)

Name of the entity	As at 31 March 2023		As at 31 March 2022	
	% of consolidated other comprehensive income	Amount	% of consolidated other comprehensive income	Amount
Parent				
Emkay Global Financial Services Ltd.	153.81%	(70.54)	94.92%	(48.61)
Subsidiaries				
Emkay Fincap Ltd.	-7.80%	3.58	1.37%	(0.70)
Emkay Commotrade Ltd.	0.89%	(0.41)	1.52%	(0.78)
Emkay Investment Managers Ltd.	-2.24%	1.03	3.33%	(1.70)
Emkay Wealth Advisory Ltd.	3.13%	(1.44)	1.02%	(0.52)
Emkayglobal Financial Services IFSC Pvt. Ltd.	-47.79%	21.92	-2.16%	1.11
Emkay Global Financial Services Pte. Ltd.	-	-	-	-
Associate				
Azalea Capital Partners LLP	-	-	-	-
Total	100.00%	(45.86)	100.00%	(51.20)

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

d) Share in total comprehensive income

(₹ In Lacs)

Name of the entity	As at 31 March 2023		As at 31 March 2022	
	% of consolidated total comprehensive income	Amount	% of consolidated total comprehensive income	Amount
Parent				
Emkay Global Financial Services Ltd.	72.92%	992.92	38.54%	1,283.02
Subsidiaries				
Emkay Fincap Ltd.	26.48%	360.65	21.06%	701.10
Emkay Commtrade Ltd.	10.73%	146.07	52.10%	1,734.47
Emkay Investment Managers Ltd.	13.17%	179.34	7.76%	258.41
Emkay Wealth Advisory Ltd.	-2.26%	(30.77)	0.49%	16.24
Emkayglobal Financial Services IFSC Pvt. Ltd.	-2.03%	(27.59)	-1.16%	(38.63)
Emkay Global Financial Services Pte. Ltd.	1.60%	21.84	0.05%	1.59
Associate				
Azalea Capital Partners LLP	0.64%	8.72	0.42%	13.82
Sub-total	121.25%	1,651.18	119.25%	3,970.02
Adjustment arising out of consolidation	-21.25%	(289.43)	-19.25%	(640.85)
Total	100.00%	1,361.75	100.00%	3,329.17

60. SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES/ ASSOCIATES/ JOINT VENTURES AS PER COMPANIES ACT, 2013 (AOC-1)

Part - A : SUBSIDIARIES

(₹ In Lacs)

1	Serial number	1	2	3	4	5	6
2	Name of subsidiary	Emkay Fincap Ltd	Emkay Commtrade Ltd.	Emkay Wealth Advisory Ltd.	Emkay Investment Managers Ltd.	Emkayglobal Financial Services IFSC Pvt. Ltd.	Emkay Global Financial Services Pte. Ltd.
3	Reporting period	31/03/2023	31/03/2023	31/03/2023	31/03/2023	31/03/2023	31/03/2023
4	Reporting currency	INR	INR	INR	INR	INR	1 SGD = ₹ 61.79
5	Date from which became subsidiary	16/05/2005	05/01/2006	08/03/2007	08/06/2010	21/06/2018	10/02/2021
6	Share capital	1,650.22	637.59	410.00	900.00	500.00	5.53
7	Other equity	3,353.19	1,048.89	(218.99)	1,451.32	(104.46)	29.05
8	Total assets	7,123.09	1,696.39	214.77	2,919.48	430.80	81.06
9	Total liabilities	2,119.68	9.92	23.77	568.16	35.26	46.49
10	Investments	246.81	84.32	-	395.48	-	-
11	Turnover / Total income	818.81	143.39	49.35	1,381.06	1.93	332.73
12	Profit before tax	591.05	97.07	(29.55)	213.83	(50.07)	24.19
13	Provision for taxation	153.82	28.93	-	35.51	(0.56)	2.34
14	Profit after tax	437.23	68.14	(29.55)	178.31	(49.51)	21.84
15	Share of profit / (loss) from associate	(80.15)	84.20	-	-	-	-
16	Profit / (loss) from discontinued operations	-	(5.86)	0.22	-	-	-
17	Other comprehensive income	3.58	(0.41)	(1.44)	1.03	21.92	-
18	Total comprehensive income	360.65	146.07	(30.77)	179.34	(27.59)	21.84
19	Proposed dividend	Nil	Nil	Nil	Nil	Nil	Nil
20	% of shareholding	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

Part - B : ASSOCIATE (only company)

Name of associate	Latest audited balance sheet date	The date on which the associate was acquired or was associated	Equity shares of the associate held by the Company on the year end			Networth attributable to shareholding as per latest audited balance sheet (in Lacs)	Profit/(loss) for the year Considered in consolidation (in Lacs)
			Nos.	Amount of investment in associate (in Lacs)	Extent of holding %		
Finlearn Edutech Private Limited	31/03/2023	31/12/2019	3,597,250	359.73	44.97%	42.34	(80.15)

There has been a significant influence due to percentage (%) of voting power.

Note - Disclosure is given only in case of associate company and not in case of other enterprise. The Group consolidates Azalea Capital Partners LLP and AES Trading & Consultants LLP as associates by following equity accounting.

- 66.** The Board of Directors of the Parent Company at their meeting held on May 15, 2023, have recommended a dividend of ₹ 1.00 per share (on face value of ₹ 10/- per equity share) for the year ended March 31, 2023, subject to the approval of its members at the ensuing annual general meeting. In terms of Ind AS 10 "Events after the Reporting Period", the Group has not recognized dividend as a liability at the end of the reporting period.
- 67.** Previous year figures have been regrouped / reclassified / recasted / rearranged wherever necessary, to conform to this year's classification.
- 68.** The Group's financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lac, except when otherwise indicated.
- 69.** Disclosure of Capital to risk-weighted assets (CRAR), Tier I CRAR, Tier II CRAR and Liquidity coverage ratios required under para (WB)(xvi) of Division III of Schedule III to the Act are 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.

70. OTHER STATUTORY INFORMATION

- The Group is holding immovable property as disclosed in note no.17. Title deeds of the property are held in the name of the Company.
- The Group has complied with the requirements of the number of layers prescribed under Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- No proceeding has been initiated during the year or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- The Group has taken borrowings from Banks on the basis of security of current financial assets and all the quarterly returns filed by the Company with the Banks are in agreement with the financial statements.
- The Group is not a declared willful defaulter by any bank or financial institution or other lender.
- There are no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Notes to the Consolidated Financial Statements

For the year ended 31 March, 2023 (contd.)

- (vii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (viii) The Group has not entered into any scheme or arrangement which has an accounting impact on current or previous financial year.
- (ix) The Group has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (x) The Group has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (xi) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (xii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (xiii) Daily back up of books of accounts and accounting records is taken on servers physically located in India.

71. EVENTS AFTER REPORTING DATE

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

72. The financial statements of the Group for the year ended 31 March 2023 were approved for issue by the Board of Directors at their meeting held on 15 May 2023.

As per our report of even date
for **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm registration number:
301003E/E300005

per **Viren H. Mehta**
Partner
Membership No.048749

Place : Mumbai
Date : May 15, 2023

For and on behalf of the Board of **Emkay Global Financial Services Limited**

S.K.Saboo
Chairman
DIN : 00373201

Saket Agrawal
Chief Financial Officer

Place : Mumbai
Date : May 15, 2023

Prakash Kacholia
Managing Director
DIN : 00002626

Bhalchandra Raul
Company Secretary
Membership No.FCS1800

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Emkay[®]

Your success is our success

Emkay Global Financial Services Ltd

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Dadar West, Mumbai 400 028.

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