

Ref: SECTL/2024 – 94

July 04, 2024

**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
MUMBAI – 400 001

**National Stock Exchange of India Limited**  
Exchange Plaza, 5th Floor, Plot No. C/1, G-Block,  
Bandra-Kurla Complex, Bandra (East)  
MUMBAI – 400 051

**Scrip Code: BSE – 532974**

**NSE – BIRLA MONEY**

**Sub: Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements),  
2015- Submission of 28<sup>th</sup> Annual Report for the Financial Year 2023-24.**

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Dear Sir / Madam,

In Compliance with the Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, please find enclosed herewith the Annual Report of the Company for the Financial Year 2023-24 including the Notice of 28<sup>th</sup> Annual General Meeting (“AGM”) of the Company to be held on Tuesday, July 30, 2024 at 12.30 PM (IST) through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”).

The said Annual Report including the Notice of 28<sup>th</sup> Annual General Meeting is also uploaded on the Company’s website <https://stocksandsecurities.adityabirlacapital.com/investor>

This is for your information and record.

Thanking you,

Yours faithfully,  
For **Aditya Birla Money Limited**

**Manisha Lakhotia**  
**Company Secretary and Compliance Officer**  
Encl: a/a

Aditya Birla Money Ltd.



STOCKS & SECURITIES

**INNOVATIVE AND  
SIMPLIFIED SOLUTIONS FOR  
INDIA'S**

**MMO**



**MONEY**

**NEEDS**

ANNUAL REPORT  
2023-24

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Innovative & Simplified

SELL

SELL

BUY

BUY





# Chairman's message



## Dear shareholders,

I am pleased to inform that your company reported highest ever revenue from operations at ₹390 Crore, up 48% y-o-y and net profit at ₹53 Crore, up 56% y-o-y for FY24. During the year, inflation in India (as also across the world) cooled down although it continued to remain higher than RBI comfort zone. Nevertheless, by March 2024, CPI inflation in India fell to 4.9% compared to highs of 7.4% seen in September 2022. Energy prices continued to remain high in FY24 as Brent crude oil price broadly remained firm (over \$80/bbl). Towards the end of FY24, crude oil prices were further supported by conflict between Israel and Hamas. The ongoing conflict in the Middle East region does impact the world economy in many ways, including

energy prices, trade, investments, geopolitical tensions and humanitarian impact. Despite these factors, India's real GDP growth in FY24 is estimated to have grown at 7.3% compared to 7.2% in FY23, as per the first advance estimates of national income released by the National Statistical Office. Aided by economic growth, the direct tax collection increased 18% y-o-y to ₹19.6 Trillion. As a result, India's Tax-GDP ratio stood around 11%, a sharp rise from the 8% levels during the pre-GST era. Overall, the Indian economy remained resilient through FY24, despite numerous domestic and global headwinds. While inflation has come off globally during FY24, the disruption caused by geopolitical conflicts has pushed up commodity prices which have delayed interest rate cuts. Looking ahead, higher commodity prices are likely to impact consumer demand and impact the profitability of manufacturing units.

One of the most significant pain points for most large global economies was the rising interest rates in the wake of decadal high inflation. Nevertheless, despite high inflation, the US real GDP remained resilient in 2023 growing at 2.5% on a y-o-y basis. However, tighter monetary policy may remain a drag on economic activity and employment in most major economies in 2024. World GDP is forecasted to have grown at 3.2% in 2023 and is expected to grow at 3.2% each during 2024 and 2025 as per IMF. Inflation, which was at the heart of the economic woes, moderated through the year, but a sustained decline to central bank targets does not seem imminent. For instance, inflation in the US has moderated from 9.0% in June 2022 to 3.5% by March 2024 but is still way above the 2% target of the US Fed. Consequently, the US central bank's policy rate is now in a target range of 5.25% - 5.50%, the highest level in 15 years, and more notably, it was near zero in early 2022. As far as China was concerned, it continues to face slowdown in its GDP growth. IMF projects China's economic growth would drop to 4.6% in 2024, down from its 5.2% growth in 2023, and fall further to 3.4% by 2028. Its real estate investment is likely to fall 30% to 60% in the next ten years relative to 2022 levels.

Reflecting on the resilience of the Indian economy, we can say that the Indian equity markets have managed to outperform most other large markets. For FY24, Nifty increased by 29% while midcap index was up 60% and small cap index jumped by staggering 70%.

Despite high inflation and upcoming central elections, the Indian market's resilience necessitates notice even as it came in the face of the ongoing Iran- Israel conflict, aggressive monetary policy, high inflation rate and high commodity prices. Regarding capital flows in the equity markets, FIIs and DIIs were net buyers to the tune of ₹2.0 lakh Crore and ₹2.1 lakh Crore, respectively. DII buying was led by sustained inflows into mutual funds from retail investors (Gross SIP flows stood at all time high at ₹19,271 Crore in March 2024). Retail investors held their nerves and have become a formidable force in the domestic equity markets. This has been a significant positive for the broking industry. The total number of demat accounts in India has reached a new high of 15.1 Crore as of 31<sup>st</sup> March 2024. During FY24, the number of demat account added stood at 3.7 Crore compared to ₹2.5 Crore in FY23. Banks' balance sheets have improved remarkably over the past two years and they are ready to fund the next leg of corporate capex over the coming years.

Between April 2023 and March 2024, the average daily turnover in the cash segment jumped over 98%, which showcases the strong demand for equity among investors. Overall, the monthly cash segment ADTO of NSE clocked ₹82,406 Crore in FY24 compared to ₹53,434 Crore in FY23, representing an increase of 54% on a y-o-y basis. Regarding the bond market, India's 10 year yield fell ~30bps to 7.1% by end of FY24, reflecting likely fall in interest rate over the coming one year. During H1FY24, the bond yields increased while it fell towards the end of the year. The outlook on global economic front is uncertain in FY25. While the geopolitical issues continue to keep the supply side tight, the global rate-tightening cycle is ending. Inflation has likely peaked out and is expected to moderate further during FY2024-25. However, the impact of ravaging

inflation and the stickiness of high interest rates must be gauged and remains one of the most critical uncertainties. As far as India is concerned, India's GDP growth is likely to grow by 7% in FY25 as per RBI.

During FY24, your Company recorded Total Revenue of ₹395 Crore compared to ₹279 Crore in FY23, an increase of 42% y-o-y mainly led by higher interest income, higher fees and commissions. The Profit Before Tax stood at ₹69 Crore for FY24 compared to ₹47 Crore for FY23, an increase of 48% y-o-y. Your Company constantly strives for product innovations to elevate customer experience and promote customer delight. During September 2022, your Company had launched the new trading app for seamless and faster execution and interactive charting tools and analysis – the benefits of which has accrued in FY24 and are likely to continue going forward. Also, we had launched Integrated third-party advisory platforms offering DIY assistance for customers to make informed decisions based on benchmark model portfolios for their equity-led wealth creation journey. In August 2023, Insurance Regulatory and Development Authority of India granted the license to your Company to venture into Corporate Agency business as corporate agent and to distribute products of Life Insurance, Health Insurance & General Insurance. Your Company continued its efforts to educate customers on the various aspects of investing/trading vide researched webinars and the creation of instructional videos. In this era of higher interest rates, global macroeconomic uncertainty and constant industry dynamics, your Company is committed to being a leader and role model in all facets of its business by striving to be the best in class. As we advance, the three key factors that shall drive your Company's growth and ensure sustainability are digital transformation, diversifying revenue streams and a wider reach and customer base.

**Yours Sincerely,**  
**GOPI KRISHNA TULSIAN**  
**Chairman**



# Boards of Directors

Led by experience  
and expertise



**Mr. Gopi Krishna Tulsian**  
Chairman and Non-Executive  
Non-Independent Director



**Mr. G. Vijayaraghavan**  
Non-Executive  
Independent Director



**Mr. P. Sudhir Rao**  
Non-Executive  
Independent Director



**Mr. Tushar Shah**  
Non-Executive  
Non-Independent Director



**Mrs. Pinky A Mehta**  
Non-Executive  
Non-Independent Director



**Mr. Shriram Jagetiya**  
Non-Executive  
Non-Independent Director

**100%** BOARD IS  
NON-EXECUTIVE

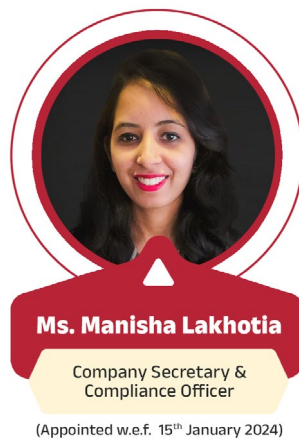
**30 YEARS+** AVERAGE EXPERIENCE  
OF THE BOARD

## Leadership team

Inspired by distinct leadership



## Key managerial personnel

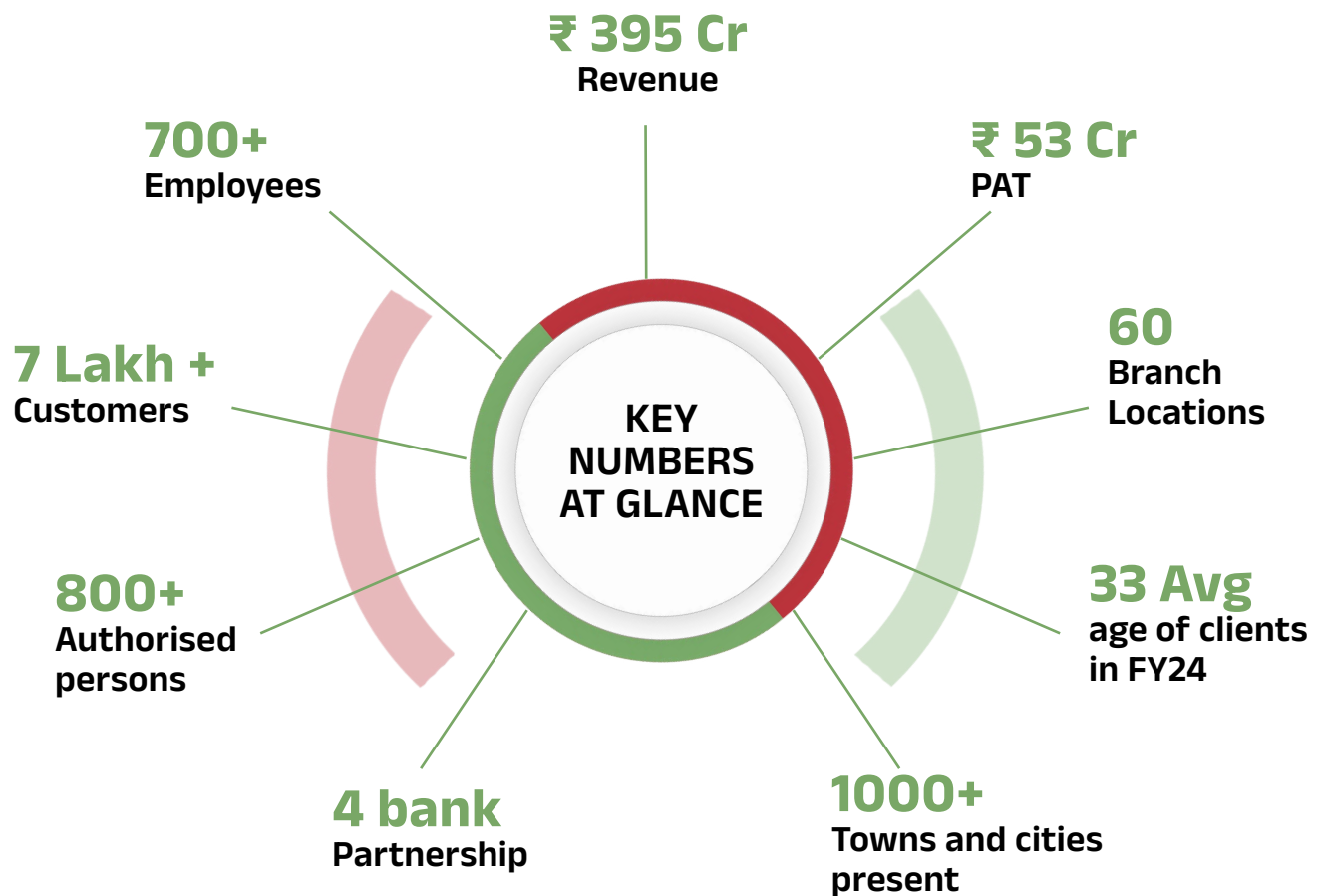






# Aditya Birla Money in brief

Aditya Birla Money Limited is servicing customers for more than **two decades** and built strong relationships, strong brand recall, and extensive value for all our customers. Our product offerings helps us cater to a wide set of customer needs, investment across asset classes and so on. Our customers belong to varied age groups and backgrounds-individuals who are salaried, self employed as well as businesses. Corporates, Ultra HNIs, and Domestic Institutional investors also form part of our customer base.



### Key player in India's financial services space

Having established ourselves through a combination of cutting-edge technology, diverse product offerings, management expertise and a wide network of branches across India.

### Full-service broking firm

Full-service broking houses in India, serving a spectrum of customers across retail and HNI, corporate and institutional segments with full product suite and services via an open architecture model.

### Developed long-term relationships

With our customers by sustaining high-quality performance and continue to be their preferred investment partner.

# Bouquet of offerings

## 360° Solutions for wealth creation





# Moving ahead with trust of customers for wealth creation

Aditya Birla Money is the listed full service broking house in India with more than 0.7 Million client. Leveraging the power of both digital and physical channels which offers best of both the worlds digital and physical model and distribution of financial products, your Company is offering unmatched services to its clients.

Since inception, Aditya Birla Money has been focusing on providing best-in-class customer experience through digital platforms and strong research for wealth creation needs. As we continue our journey to further expand our customer franchise with expanded footprint of branches, business partners and technological advancement to offer the best-in-class of both online and offline services to our customers.

Our 'Phygital' approach allows us to cater to the needs of customers seeking in-person servicing and relationship management as well as DIY customers who prefer to do everything on their own.



Aditya Birla Money is a one-stop platform for retail, HNI, corporate, and institution customers for their entire investment and trading needs providing a diverse range of products and services to our customers. We offer a full range of customer centric products and a full range of services to our customers relating to investment in stocks, mutual funds, IPOs, Margin funding, SGBs, etc. and trading in equity, commodity, and currency derivatives. Our Company has also tied up with banks to provide trading facilities in the capital market for their customers. New Financial Product distribution channel, an open architecture channel launched in FY23 to distribute products across Bharat for the customer in order to scale the distribution business. Our Company has expanded its partnerships in distribution of life insurance, health insurance, mutual funds, and loan products. Our Company is offering complete financial solutions to its customers in a personalised and digital form using data analytics to offer most suitable product and solution based on their life stage, risk profile and financial goals.

The business focus is to increase our scale and competitiveness through enhanced customer experience, high-quality advisory, digital initiatives, financial product distribution, Artificial intelligence and Machine learning led customer engagement and network expansion in strategic geographic locations.

We have a robust risk management framework that seeks to identify and proactively eliminate risk throughout the organisation to ensure seamless service to our customers.

We have dedicated in-house research teams with vast experience and expertise for technical and fundamental research providing comprehensive research on all asset classes and segments including Equity, Commodity & Currency

GDP growth, Favorable demographics, and Higher Gross Domestic Savings of India will result in higher participation of people entering the world of investing driven by increased incomes, digital adoption and financial literacy. We are well-equipped to capitalise the opportunity as a trusted brand, driven by robust tech platforms, widespread physical branch network and helmed by experienced team.

# Values that propel us



## **INTEGRITY**

Acting and taking decisions in a manner that is fair and honest. Following the highest standards of professionalism and being recognised for doing so. Integrity for us means not only financial and intellectual integrity, but encompasses all other forms as are generally understood.



## **COMMITMENT**

On the foundation of integrity, doing all that is needed to deliver value to all stakeholders. In the process, being accountable for our own actions and decisions, those of our team and those on the part of the organisation for which we are responsible.



## **PASSION**

An energetic, intuitive zeal that arises from emotional engagement with the organisation that makes work joyful and inspires each one to give his or her best. A voluntary, spontaneous and relentless pursuit of goals and objectives with the highest level of energy and enthusiasm.



## **SEAMLESSNESS**

Thinking and working together across functional groups, hierarchies, businesses and geographies. Leveraging diverse competencies and perspectives to garner the benefits of synergy while promoting organisational unity through sharing and collaborative efforts.



## **SPEED**

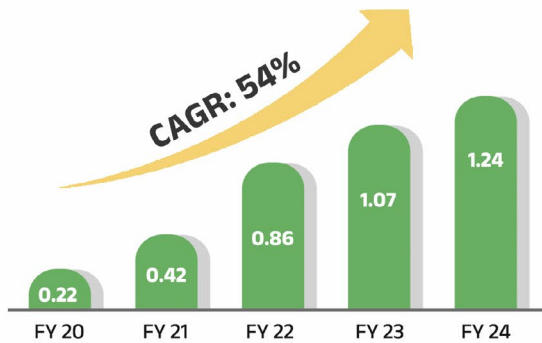
Responding to internal and external customers with a sense of urgency. Continuously striving to finish before deadlines and choosing the best rhythm to optimise organisational efficiencies.



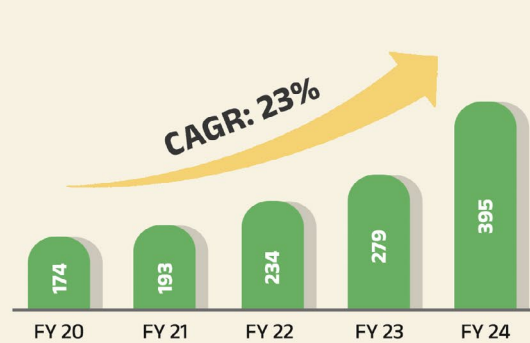
# Growing trajectory

## That makes us proud

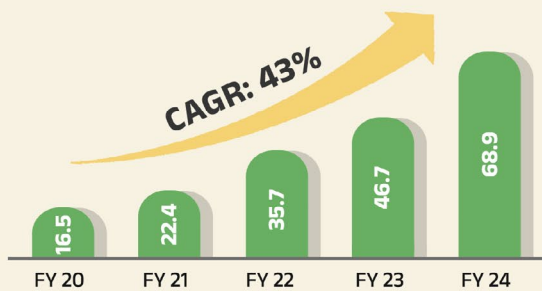
**New Client Acquisition (No in Lakh)**



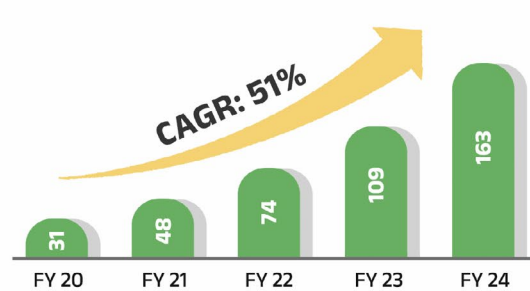
**Revenue (in ₹ Cr)**



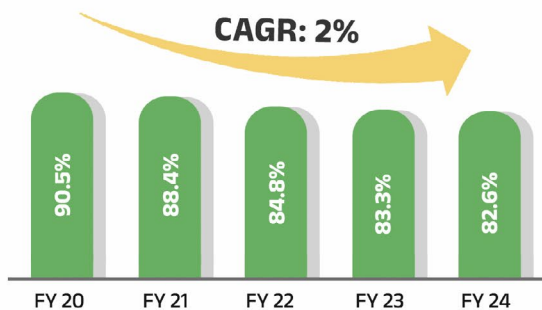
**PBT (in ₹ Cr)**



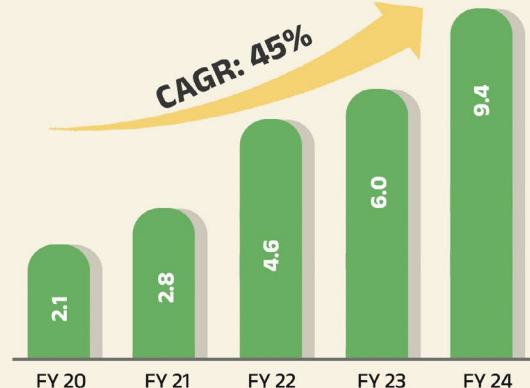
**Net-Worth (in ₹ Cr)**



**Cost to Income Ratio**



**Basic EPS (in ₹)**



# FY24 – Highlights



**₹ 395 Cr**

**Revenue**

42% YoY



**₹ 69 Cr**

**PBT**

48% YoY



**39%**

**RoE**

One of the highest  
in industry



**₹ 2100**

**ARPU/Month**

One of the highest  
in industry



**₹ 99600 Cr**

**DP ASSETS**





# Our Journey so far



**1995**

Incorporated as Apollo Sindhoori Capital Investments Ltd (Promoter Apollo Hospital Group)



**2009**

Aditya Birla Nuvo acquired Apollo Sindhoori Capital Investment Ltd

**2006**

Listed on BSE and NSE



**2015**

1. Launched Mobile Trading App
2. Launched Portfolio Management Services



**2018**

Launched Wholesale Debt business

**2023**

Launched Financial Product Distribution Channel



**2024**

Highest revenue and PBT of all time

# Our digital platforms



## Mobile Invest App:

One stop for all stock market enthusiasts. Investing or Trading, we've got it covered

- News & analytics
- Research screeners
- Basket investing
- Option Chain
- Advanced charting
- 1 Million+ Downloads



## AB Trade:

Advanced Trading web portal with fundamentals, charting, 15 mins built up and much more

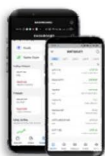
- Powerful Watchlist
- Access to rich data
- Advanced charting
- Option Chain
- Comprehensive Portfolio Tracker



## Mutual Funds Platform:

Discover the power of wealth creation with all new Mutual Funds interface

- User-friendly interface
- Simple transaction journeys
- One view dashboard
- Advanced reports
- Investment tools



## TradeLite App:

Clutter free app with 2 taps specifically designed for Traders

- Low Latency, High Performance
- Unique 2 Tap Navigation
- Simplistic & Intuitive User Journey
- 2 Lakhs+ Downloads



## Express Trade:

Flagship Desktop Trading application for highly active traders

- Advanced charting
- Market monitor
- Market movers
- Open Interest bar
- Option Chain
- Customisable interface



## Integrated WhatsApp:

Chat your Way to Monitor & Track your Portfolio

- 24\*7 availability
- Wide range of services
- No login required
- End to end encryption



## Open Store:

A super-store for all investment related products

- Access 3rd party research & advisory
- Seamless integration for execution & tracking
- Products suited for - investors, option traders, algo traders





# FY24

## Progress made during the year

### Continuous scaling up vide acquisition

Our seamless onboarding journey, robust processes, technology platforms, digital partnerships and focus enabled us to expand our customer base substantially. We are continuously expanding our customer reach and base through proactive measures to augment our delivery channel mix. We make all possible efforts to deliver to our customers in their preferred medium, be it digital mode, a physical channel, or a relationship-based mode of interaction. We focus on improving our channel mix, marked by our omnichannel presence and engagement. New customer acquisition grew 16% on a year-on-year basis.



Our efficient digital trading and investment ecosystem uses cutting-edge technology that has resulted in smooth customer experience and ultimately act as an one of the key catalyst to scale up the acquisition.



Launched new e-KYC, journey, account opening process which has been seamless journey and onboarding can be completed in few clicks with no human intervention.



We expanded our digital affiliate and partners base for sourcing digital leads, leading to digital client acquisition increase by 118% on y-o-y basis. Digital acquisition team focused not only to acquire new customers but also engaged with the customers to educate and guide them for trading.



We added new age investors into stock investing by creating user-friendly digital platforms, provide education content, DIY services at low cost options, etc. The average and median age of the customers acquired in FY24 stands at 33 years and 30 years respectively. 50% of customers acquired in FY24 were of less than 30 years of age. Strong momentum in our Company's acquisition rate from Tier II, III and beyond cities demonstrates the success of our digital marketing strategies, processes, and robust product and tech suite.



We also expanded our franchisee partner acquisition taking the total franchisee base to 800+.



Branch Physical presence has also contributed growth of 50% y-o-y in client acquisition. Focus is to expand reach in strategic geographic locations alongwith team expansion in key cities to leverage expanded capacity to garner more customers.

## Customer delight vide simplified customer experience and value

We are focused to create smooth customer experiences by empowering customers for a digital DIY approach and providing detailed handholding for more complex queries through our service desk.

Focus is to address customer's issues continually and keeping 'customer first' approach in mind for better customer experience and easily accessible services. Our product and service innovations enable us to provide best in class experiences to customers.



To continue the digital DIY quick resolution of customer queries or issues, exhaustive whatsapp services with over 50+ features are there which can be used with the registered mobile number.



WhatsApp services which includes Statement of Accounts, Research reports, Account modifications, Capital Gain Loss report, enabling Margin funding & unique features like Instant IPO bid, Instant fund transfer using UPI, etc.



The launch of Alpha e-KYC led on-boarding journey is more efficient by leveraging cutting-edge technologies like Digilocker-based KYC, Intelligent OCR, Onscreen signature, live face recognition, auto fetch of client's bank statement for segment activation, using Account Aggregator integration etc. This process not only reduced the steps and time taken for online account application but also eliminated the need for any physical document.



Launched revamped MF platform with intuitive UI and enhanced back-office processes. Also, launched Enhanced IPO journey with minimal scrolling, clutter free interface.



To make customer engagement more personalised and relevant we continued, hyper-personalised communication engine in partnership with Clevertap.



To empower clients and new business partners with knowledge on different aspects of trading/investing , 100+ webinars were conducted by our research team.



We launched the Open API initiative which allows our customers to access advisory services from multiple Fintechs. This is in line with our initiative to democratise access to partner platforms offering our customers a wide array of products and services to choose from. Added 3 new RIAs to our stock basket investing platform InvestPacks.



Focusing on adding differentiated varied digital products to provide diversified product bouquet relating to trading and wealth creation needs of the customer.



## Leveraging data analytics

Our data analytics approach encompasses technological upgrades, improvement in customer engagement, sharp shooting, and new client acquisition. It also helps in deeper mining of existing clients with enhanced propositions to improve the wallet share. This further leads to more personalisation in terms of the services we provide to our clients.



We continued to utilise Clevertap for hyper personalised customer communications and engagement for higher engagement with the customers to increase active client base of our Company.



We also consistently undertakes customer transaction behaviour analytics to identify road-blocks, pain points in the customer transaction journey and in turn to boost transaction revenue.



Focus on undertaking analytics on customers for business partners to help them to increase engagement with their customers.



Focusing on creating customer segmentation using analytics and offering them various products basis the profile of the customers.

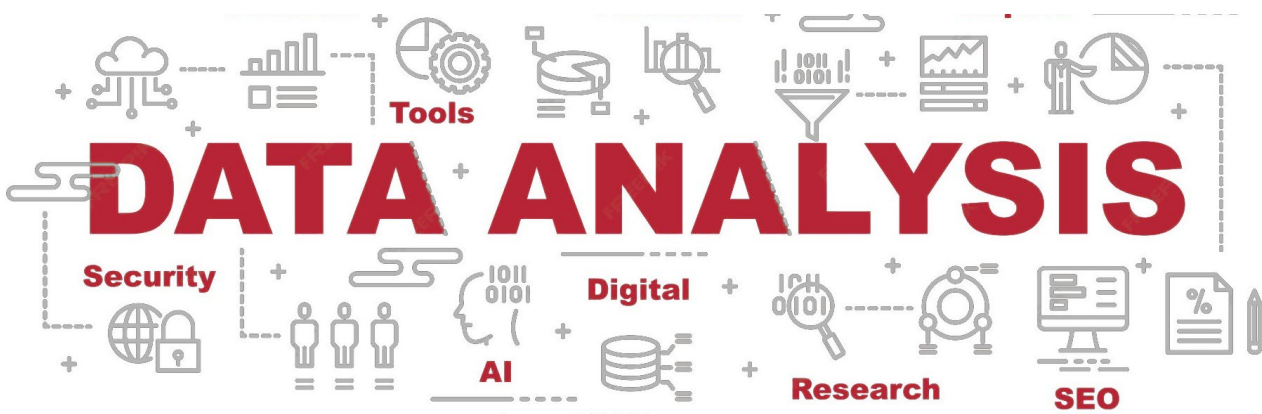


Focusing on upsell and cross sell to the existing customers basis analytics, addressing wealth creation needs and financial planning of the customer.



Leveraging analytics to gain insights into customer behaviour and preferences. Analysing data on customer trading patterns and investment preferences on our digital platforms and then offering personalised investment recommendations and improve customer retention.

We would keep our relentless focus on leveraging data analytics to improve our services and ensure high customer delight.



## Diversified strategic initiatives

### Focus on funding book yielding results



To facilitate customer investing in equity markets, we have increased our margin funding segment. Average funding book has grown 86% y-o-y in FY24.

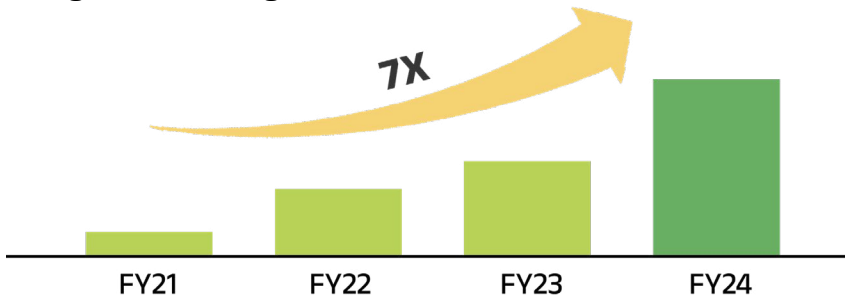


Overall book is well diversified amongst all funding clients reducing the concentration risk.



Scaled up Margin book by 7x in last 3 years with NIL credit loss in all market scenarios.

Avg client funding book (in ₹ Cr)



### Financial Products Distribution (FPD)

FPD channel, an open architecture framework to distribute all financial products across Bharat covering full financial needs of the customer.

**Will offer solutions to mass affluent customers in Tier 2, Tier 3 cities. List of products as follows:**

**Insurance:** Life and Health Insurance

**Investments:** Mutual Funds, Stocks, ETFs

**Loans:** Personal Loan, Home Loan, Business Loan

**We have an extensive distribution network collaboration with several insurance and loan providers:**

1. **Life Insurance:** In collaboration with Aditya Birla Sun Life, Star Union Dai-Ichi and HDFC life
2. **Health Insurance:** In collaboration with Aditya Birla Health Insurance and Care Health Insurance Company
3. **Loans:** In collaboration with Aditya Birla Finance and Aditya Birla Housing Finance



## CUSTOMER ONBOARDING

- Launched **Alpha eKYC** – revamped onboarding journey with reduced steps and faster UCC approval
- Streamlined KRA validation, enabling trading on a T+1 day basis in strict adherence to compliance
- Auto fetch of client's bank statement for segment activation, using **Account Aggregator** integration
- Fully digitalised **DDPI and MTF** activation processes
- Improved bank update process through WhatsApp to add both default and additional bank
- Improvements in bank verification rejections, reduced client blockings due to income updates



## CORE TRADING PLATFORMS

- **100%** migration to OmneNest latest trading systems
- Enhanced order and risk management with **3.19 OmneNest** upgrade
- Unlocked new features such as **Order slicing** in EXE based terminal
- Reduced margin updation time from **30 min to 5 min**
- Eliminated OTP step in login flow to allow **seamless login** with Biometric still complying 2FA mechanism
- Activated **BSE derivatives** contracts for clients
- Enhanced research calls section with deeplinked push notifications to buy/sell
- Achieved an all-time high rating **4.3** for **Tradelite** mobile app



## INVESTING AVENUES

- Enhanced IPO journey with minimal scrolling, clutter-free interface
- Expanded stock basket investing with total **24** live baskets from **6 RIA/RAs**
- Enabled **HNI** category and **NSE SME IPOs** resulting in more customer participation
- Enhanced SGB application flow with real-time margin check
- Improved transaction flow and user experience in stock basket investing
- Launched **revamped MF platform** with intuitive UI and enhanced back-office processes
- **RM assisted module** of Mutual funds to track AUM and transact for clients



## CUSTOMER ENGAGEMENT

- Redesigned WhatsApp journey from Text-to-Tap based resulting in more customer conversions
- Implemented **industry first** Instant **fund transfer** to ABML UPI through WhatsApp
- Launched **Chat with RM** feature for real-time query resolution via WhatsApp
- **GPT driven** virtual Assistant with research and support for enhanced engagement
- Improved UI/UX of the pre-login website chatbot
- Enhanced the Clevertap setup for deeper customer engagement and insights

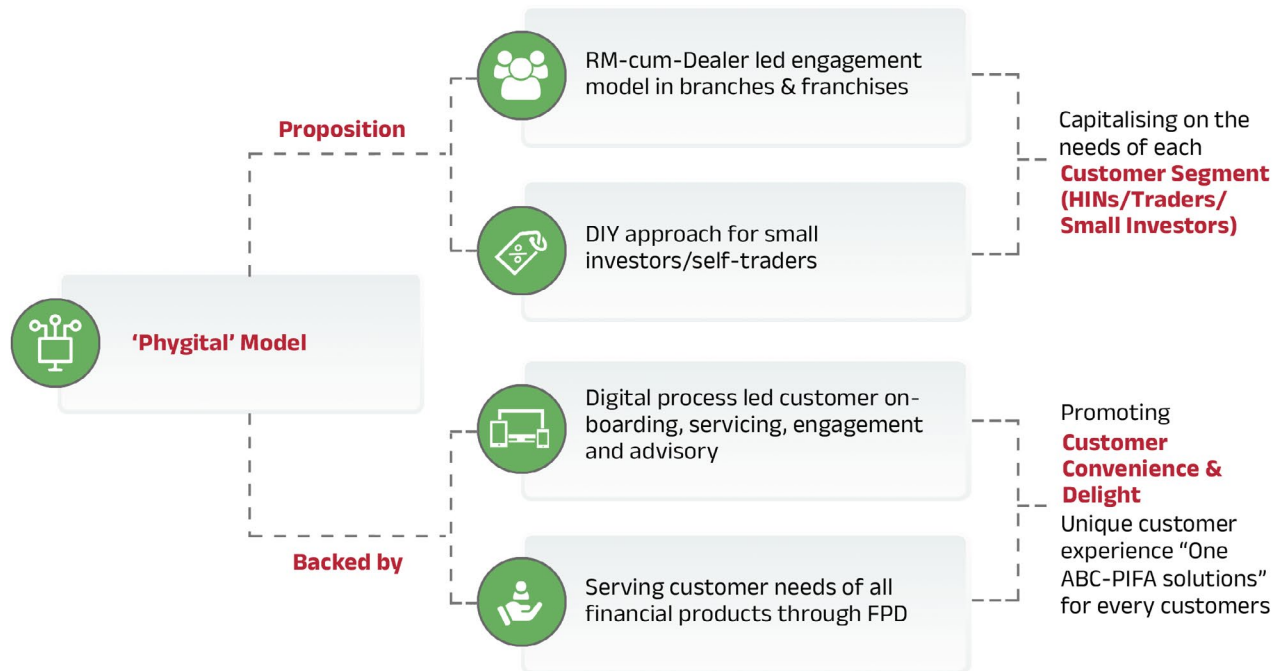




# Our vision

To become the platform of choice for the wealth creation needs of customers across their entire life cycle.

## Strategic framework



## Strategy pillars

Below are the pillars of our strategy framework to create enduring value for all stakeholders. All our initiatives are centred and driven by digital processes, products and innovations.



# Corporate Information

## Board of Directors

### Mr. Gopi Krishna Tulsian

Chairman and Non-executive Director

### Mr. G. Vijayaraghavan

Independent Director

### Mr. P. Sudhir Rao

Independent Director

### Mrs. Pinky A Mehta

Non-executive Director

### Mr. Tushar Shah

Non-executive Director

### Mr. Shriram Jagetiya

Non-executive Director

## Key Managerial Personnel

**Mr. Pradeep Sharma** – Chief Financial Officer

**Mr. Murali Krishnan L.R.** – Manager

**Ms. Manisha Lakhotia** – Company Secretary  
(Appointed w.e.f. 15<sup>th</sup> January 2024)

## Details of Committees

### Audit Committee

**Mr. P. Sudhir Rao** – (Chairperson, Independent Director)

**Mr. G. Vijayaraghavan** – Independent Director

**Mr. Shriram Jagetiya** – Non-executive Director

### Corporate Social Responsibility

**Mr. G. Vijayaraghavan** – (Chairperson, Independent Director)

**Mr. Gopi Krishna Tulsian** – Non-executive Director

**Mrs. Pinky A Mehta** – Non-executive Director

### Risk Governance Committee

**Mr. P. Sudhir Rao** – (Chairperson, Independent Director)

**Mr. Gopi Krishna Tulsian** – Non-executive Director

**Mr. Tushar Shah** – Non-executive Director

## Auditors

### STATUTORY AUDITORS

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants

### INTERNAL AUDITORS

M/s. Sundaram and Srinivasan Associates, Chartered Accountants

### SECRETARIAL AUDITORS

M/s. BNP & Associates, Practicing Company Secretaries

### Nomination, Remuneration and Compensation

**Mr. P. Sudhir Rao** – (Chairperson, Independent Director)

**Mr. G. Vijayaraghavan** – Independent Director

**Mr. Shriram Jagetiya** – Non-executive Director

### Stakeholders' Relationship Committee

**Mr. P. Sudhir Rao** – (Chairperson, Independent Director)

**Mr. G. Vijayaraghavan** – Independent Director

**Mr. Shriram Jagetiya** – Non-executive Director

## Bankers

HDFC Bank

Axis Bank

Federal Bank

ICICI Bank

State Bank of India

IDFC First Bank

UCO Bank

Standard Chartered Bank

NSDL Payment Bank

Kotak Mahindra Bank



**ESG**

GOVERNANCE

## Equitable and sustainable future

At ABML, we recognise the imperative of environmental, social, and governance (ESG) practices in today's business landscape. By embracing ESG principles, companies can proactively address environmental and social challenges, safeguarding their long-term sustainability and minimising adverse impacts.

We are committed to play a pivotal role in shaping a more equitable and sustainable future. Our robust ESG framework underscores our unwavering commitment to environmental stewardship, social responsibility, and ethical governance. Across our organisation, we have implemented comprehensive initiatives to integrate ESG considerations into every aspect of our operations and decision-making processes.

At ABML, fulfilling our ESG parameters is not just a commitment; is a core value that drives our actions. Through diverse ESG-related initiatives, we strive to raise investor awareness, prioritise public health, and promote environmental conservation. We believe that aligning our efforts with ESG

principles can create positive impacts beyond our organisation, contributing to a better world for generations to come.

## Material topics aligned with environmental, social and governance (ESG) principles

Materiality assessment is crucial for identifying environmental, social, and governance risks and opportunities. At ABML, we conducted extensive research and engaged with internal stakeholders to determine the material topics that significantly impact our business operations. This identification process involved:

- Peer reviews
- Recommendations from global reporting standards and rating agencies
- Direct interactions with key internal stakeholders and analysis of local and international industry trends

Based on our research, we have compiled a comprehensive list of material topics grouped under environmental, social, and governance issues.

### Environmental

### Social

### Governance

Resource Efficiency	High-quality Products And Services	Ethical Business Practices
Energy Efficiency	Gender Equality	Integrity
Water Efficiency	Women's Empowerment	Customer-Centric Approach
Waste Management	Employee Well-being	Fraud Prevention
Climate Change	Social Contributions	Regulatory Compliance
	Customer Support and Satisfaction	Transparency
	Data Privacy and Security	

## Group material ESG areas

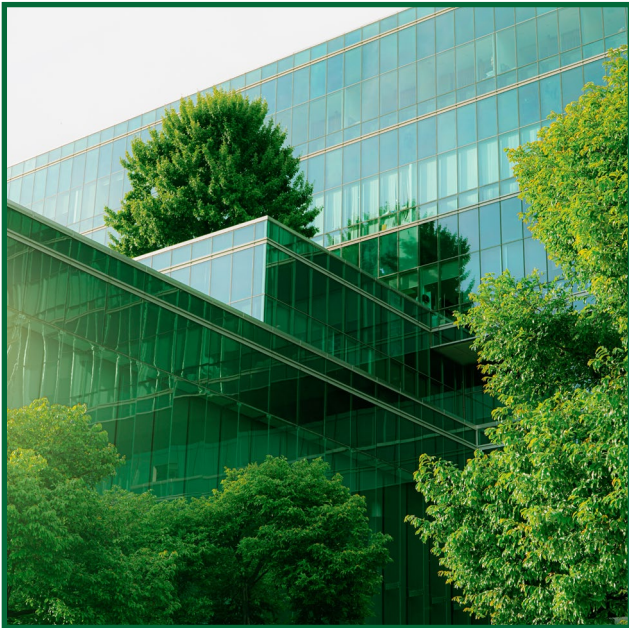
Environmental, Social and Governance is an integrated term used in the capital markets to evaluate corporate behaviour. We, at ABML, believe in promoting ESG as an underlying philosophy of the larger good without overlooking the financial or economic viability.





## Environment

At ABML, we prioritise responsible resource management and environmental stewardship. For example, the installation of solar panels at our corporate office, reducing our carbon footprint and electricity expenses by 15%, and etc. These initiatives, along with providing laptops to employees, conducting regular awareness programs on green energy transport options, and integrating plants throughout our office space, have significantly contributed to our sustainability efforts.



## Key initiatives

- Implemented solar panels at corporate office to minimise electricity expenses, which resulted in 15% cost savings.
- Conducted awareness programmes for employees on green energy transport options.
- Added plants at our office, which made it feel more like working within nature.
- Launched the reduce, reuse, recycle initiative.
- Upgraded to ultra-modern IT servers to lower carbon emissions and power usage.
- Provided laptops to employees to reduce power consumption.
- Performed regular inspections and serviced equipment to minimise losses and power usage.
- Implemented rainwater harvesting systems.
- Installed dual flush system/sensor taps for water conservation.

## Social

We highly value our nationwide presence, which has enabled us to cultivate enduring relationships with key stakeholders, including customers, shareholders, authorised persons, employees, and suppliers. Our dedicated and skilled workforce upholds our esteemed legacy and contributes to a branch that resonates with generations to come. We empower our employees to serve customers better, fostering a dynamic workplace culture that champions meritocracy, transparency, and fairness.

At the core of our operations lies a commitment to customer centricity. We strive to elevate our standards, from customer service to customer delight. Placing the interests of our customers above all is the cornerstone of our business model.



## Key initiatives

- Conducted two investor awareness and ESG awareness camps, reaching out to 250 students in Chennai and 500 in Mumbai.
- Implemented policies for women's empowerment, including mandatory replacement of female employees with female candidates.
- 14 business partner offices are under the management of female employees.
- Enhanced incentives for delivery-based business, prioritising equity delivery products.
- Organised five health camps, providing health check-ups to employees and their families.
- Incorporated ESG scores in our fundamental research reports, encouraging investments in ESG-compliant companies.
- Updated 50 fundamental reports to include an ESG scorecard.
- Promoted mutual fund investments in ESG schemes across all branches and business partners meetings.
- Facilitated investment in ESG schemes by 100 clients across all branches and business partners meetings.

- Emphasised employee engagement initiatives.
- Conducted 20 learning and development sessions, benefiting 300 employees.
- Conducted 23 skill development programs, enhancing the skills of 250 employees.
- Conducted an ABC Learning Week involving employees across all branches and offices.
- Offered senior leadership and management development programmes.
- Offered cross-functional training to 350 employees, demonstrating our commitment to professional development.
- Recognised and awarded 15 outstanding employees during ABML Day celebrations.

## Governance

ABML is deeply committed to upholding responsible business conduct and fostering transparent governance practices, underscoring its dedication to governance and ethical performance. Our company adheres to a robust internal governance framework led by a Board of Directors comprising experts from various fields. Their invaluable guidance enhances stakeholder value and reinforces our commitment to excellence.





## Key initiatives

- Conducted ethics and compliance training sessions for employees, resulting in 100% adherence to ethical and legal standards.
- Published 34 fundamental research reports with ESG scores, which were circulated to all our active clients via e-mail.
- Maintained a zero-tolerance policy toward fraud from both employees and business associates and regularly communicated with employees and clients.
- Established a Risk Governance Committee to oversee risk management processes.
- Ensured transparent management of related party transactions to ensure fairness and integrity.
- Implemented anti-bribery and anti-corruption measures to uphold ethical standards.
- Implemented a Whistleblower Policy to encourage reporting of unethical behaviour.
- Implemented Prevention of Sexual Harassment (POSH) policies to create a safe workplace by putting up posters and holding sessions to teach everyone about preventing sexual harassment.
- Reported zero cases of sexual harassment.
- Identified and trained potential employees for leadership roles, ensuring smooth succession and organisational continuity.
- Developed and executed annual strategic and operating plans to guide business operations.
- Conducted cybersecurity awareness programmes at ABML to mitigate cyber threats.
- Aligned employee performance metrics with customer satisfaction by incorporating NPS in KRA, resulting in improved customer service and loyalty.
- Conducted quarterly performance meetings, resulting in improved alignment of objectives and communication of goals, with 100% participation from senior management.
- Conducted five safety drills and protocol training sessions, improving safety awareness and ensuring zero workplace accidents.

## Future goals and outlook

Our Company understands the importance of integrating ESG initiatives with our business goals. We are fully committed for developing a comprehensive ESG strategy that promotes sustainability and generates lasting value for our stakeholders. Continuously enhancing our ESG practices and performance is a top priority, and we look forward to share our progress and achievements in the future.

Our Company is committed to deliver consistent updates on our performance in the years to come. As we forge ahead, we will ensure transparent communication of our achievements, financial outcomes, and strategic advancements to keep our stakeholders informed and engaged in our journey towards sustainable growth.

# Management's Discussion and Analysis

## OVERVIEW

India stands at a pivotal point in its growth journey, poised to become a US\$5tn economy within the next few years on the back of ambitious and pathbreaking reforms and a robust digital foundation. Reiterating India's economic momentum is the projection that its gross domestic product (GDP) is likely to be 7.3% in FY24, marking the third consecutive year of over 7% growth.

During FY24, central bankers across the world continued to face high inflation. The US Federal Reserve continued to remain hawkish through FY24 and has increased the rates by 500bps to combat inflation over the past two years. The high inflation, which began in CY 2022, was a global phenomenon and central bankers across the world remained hawkish with India's Reserve Bank of India (RBI) too maintaining Repo rate unchanged at 6.5% in FY24 after hiking its interest rate by 250bps in FY23. On a positive note, the hikes in interest rate has helped the CPI inflation to cool down (US inflation down 150bps during FY24). Notwithstanding macro challenges, Indian economy showed robust resilience in FY24. As per RBI's, Monetary Policy Report – April 24, India's real GDP is likely to grow 7.2% in FY24. For FY24, Gross GST collection grew 12% y-o-y, PV sales grew 8% y-o-y, rail cargo volume increased 5% y-o-y and crude steel production increased 13% y-o-y. However, foodgrain production is estimated to decline 6% y-o-y in 2023-24 crop year to 309 mn metric tonnes mainly due to decline in rice and pulses output.

The year FY24 started with a few headwinds although as the quarters passed the challenges eased and global environment improved. FY24 started with elevated oil prices, prolonged supply chain disruption, and increased global financial market volatility across countries clouding the outlook for growth. However, as the quarters passed the situation relieved for betterment of growth even though by the H2 of FY24 fresh geopolitical tensions erupted between Israel and Iran. This kept the crude oil prices firm over \$85/bbl. This, in turn is likely to lead to slower fall in inflation in 2024 and can possibly delay interest cuts by global central bankers, including India. Nevertheless, it is noteworthy that India Inc managed well and sailed through despite these concerns. FY24 had some global macro headwinds. However, India relatively was insulated aided by several inherent demographic advantage and governments policy support.

On the external front, India's exports (including merchandise and services) are estimated to have increased marginally to \$777 bn in FY24 despite geopolitical tensions such as the Russia Ukraine war and the Red Sea crisis and the tight monetary stance of central banks. Importantly, India's overall trade deficit improved by 36% y-o-y to \$78bn in FY24.

## GLOBAL ECONOMIC OUTLOOK

Although global economic growth outperformed expectations in 2023 with several large economies showing remarkable resilience, simmering geopolitical tensions and the growing intensity and frequency of extreme weather events have increased underlying risks and vulnerabilities. Furthermore, tight financial conditions also pose increasing risks to global trade and industrial production.

While the global GDP is expected to have grown by 2.7% in 2023, it is expected to fall slightly to 2.4% in 2024, signaling a continuation of sluggish growth trends. Some developing economies are struggling to recover from pandemic-induced losses, with many facing high debt and investment shortfalls. The United States, the world's largest economy, is expected to see a drop in GDP growth from 2.5% in 2023 to 1.4% in 2024. Consumer spending, a key driver of its economy, is likely to weaken primarily due to high interest rates and a softening labour market. Meanwhile China, amid domestic and international headwinds, is projected to experience a moderate slowdown, with growth estimated at 4.6% in 2024, down from 5.2% in 2023. Europe and Japan also face significant economic headwinds, with growth rates forecasted at ~1.2% for both regions in 2024.

Developing countries present a divergent picture, with Africa's growth projected to increase marginally from 3.3% in 2023 to 3.5% in 2024. As per United Nations report, the least developed countries are projected to grow by 5% in 2024. However, this falls short of the 7.0% growth target set in the Sustainable Development Goals. High debt and limited fiscal space remain pressing concerns for these nations.

## INDUSTRY STRUCTURE AND DEVELOPMENTS

After a flattish FY23, Indian stock market boomed in FY24 despite concerns of high inflation and global geopolitical issues. For FY24, Nifty increased by 29% while midcap index was up 60% and small cap index jumped by 70%. The outperformance was led by strong buying from both FIIs (Foreign Institutional Investors) and DIIs (Domestic Institutional Investors). FIIs and DIIs were net buyers to the tune of ₹2.0 Lakh Crore and ₹2.1 Lakh Crore, respectively in FY24. DII buying was led by sustained inflows into mutual funds from retail investors (Gross SIP flows stood at all time high at ₹19,271 Crore in March 2024).

Retail Broking businesses continue to improve their market share through digital initiatives. The rise of discount brokers has made it easy to invest in financial markets via zero brokerage, e-KYC and user-friendly mobile-based platforms which has made stock buying as seamless and intuitive as shopping online.



## Management Discussion and Analysis Report (Contd.)

Quick and paperless onboarding, UPI-based fund transfers, and a stable and scalable product have enabled equity participation for every Indian. Demat accounts in India have reached a new high of 15.1 Crore as of 31<sup>st</sup> March 2024. Penetration of demat accounts in India increased from 8.1% to 10.7% on a y-o-y basis (1.7% in 2011). More customers from Tier 2 & Tier 3 cities are choosing to participate in the capital market and wager on the India growth story.

Between April 2023 and March 2024, the average daily turnover jumped over 98%, which showcases the strong demand for equity among investors. Overall, the monthly cash segment ADTO of NSE clocked ₹82,406 Crore in FY24 compared to ₹53,434 Crore in FY23, representing an increase of 54% on a y-o-y basis.

For the retail broking industry, an increase in the high-margin delivery cash market ADTO remains the key but yields in this segment are also steadily getting hit owing to flat rates.

The industry has positioned itself broadly into 2 structures –

- i) **Discount/Flat Brokerage** - this business model is based on volume and creating a customer base with a limited focus on research services. These firms act as pure brokers between buyers and sellers. In addition, these firms aim to generate revenue through distributing other products including MF, Insurance, etc.
- ii) **Hybrid Strategy** - Here, a brokerage fee is charged, though it is getting competitive and in return a bouquet of research services is provided.

### FINANCIAL PERFORMANCE

The Company's Revenue from Operations grew to ₹390 Crore in the FY24 compared to ₹263 Crore in FY23, an increase of 48% y-o-y mainly led by higher interest income, higher fees and commissions.

The profit after tax stood at ₹53 Crore for the year ended 31<sup>st</sup> March 2024 as compared to ₹34 Crore in previous financial year, an increase of 56%.

### OUTLOOK

With the on-going global macro stability and a reasonable base of FY24, India's GDP growth is likely to grow by 7% in FY25 as per RBI, up from its previous prediction of 6.6%. RBI expects India's GDP growth to be strong in Q1 and then gradually taper for the balance of quarters. However, the moderate global growth, geopolitical tensions in the middle east and firm energy prices can weigh on the overall outlook. Inflation is likely to come down further in FY25 despite firm crude oil and commodity prices.

Nevertheless, the escalations in conflict between Iran and Israel can lead to further rises in crude oil prices and it remains biggest risk to inflation. This, in turn can lead to delays in interest rate cuts in the coming one year. Meteorological Department's initial southwest monsoon forecast suggests that 2024 rainfall is likely to be above normal. It's expected to be 106% of the long period average of 87 cm. This is positive for the kharif crop season, which was affected in FY23 by a below normal monsoon that was also erratic in terms of monthly rainfall.

RBI expects Inflation to average at 4.5% in FY25. Indian economy is expected to be amongst the fastest growing large economies in FY25, mainly backed by strong domestic drivers and strengthening macroeconomic fundamentals. With softening of the commodity prices, India Inc is likely to witness some relief on the input cost thereby driving its gross margins. Further, most of the companies have now adopted the risk of managing supply side challenges along with cost optimisation measures which can uplift their margin going forward. We believe that Indian economy which witnessed K-shape recovery in the past, will change, with all the sectors gradually recovering over the medium term. The government impetus on growth and capex ahead and the same will be amongst the key monitorable going forward.

India growth story remains one of the best over medium to long term in a world overflowing with structural and demographics challenges. The government's strong impetus on growth and continued focus on capital expenditure (expected to go up 11% y-o-y to ₹11.1 Lakh Crore in FY25, i.e. 3.4% of GDP and 4x over FY16), will have a multiplier effect on the economy. Apart from that, the strong policy initiatives 'Aatmanirbhar Bharat', 'Make in India' supported via 'Production linked Incentive' schemes and 'National Infrastructure Pipeline' supplemented by Gati Shakti Master plan will take India to the next level of growth in the coming years. Thus, we believe that Indian economy is on right track and is on its way to becoming \$5tn economy in coming two years. Further, according to Centre of Economics and Business Research (CEBR), the erstwhile growth momentum could see India add on average of \$1tn to its economy every 2 years for next 14-15 years, and thus, India will become a \$10tn economy by 2035 and 3<sup>rd</sup> largest economic superpower by 2037.

### OPPORTUNITY AND THREATS

The stock broking industry has witnessed significant transformations, marked by extensive digitisation, a shift towards value-added services, and the adoption of fee-based revenue models. Hybrid and subscription-based models have also emerged, offering comprehensive services under one-time

subscription fees. Post-pandemic, retail investor participation surged during bullish market phases; however, sustaining this momentum in a sideways or bear market remains a critical factor.

### Opportunities:

- a. **Structural Growth Potential:** Financialisation of savings and increasing equitisation of financial savings indicate a growing market potential, especially with demat account penetration at a nascent level of approx. 10%.
- b. **Technology Advancements:** Rapid technological advancements provide traders and investors with sophisticated tools, enhancing their ability to trade and invest effectively.
- c. **Extended Trading Hours:** Proposals to extend trading hours can attract offshore trading volumes, provided brokerages invest in infrastructure and technology to support extended operations.
- d. **ASBA Facility:** The ASBA facility for secondary market trading could streamline processes, fostering increased competition among brokers and enhancing client experience.
- e. **Value-added Services:** Focusing on technology, client acquisition, efficient trading tools, and value-added research can differentiate brokerages and attract a diverse client base.
- f. **Strategic Focus:** Emphasising product and service differentiators across all segments can help brokerages maintain a competitive edge.

### Threats:

- a. **Competition from Discount Brokerages:** Continued disruption from discount brokerages challenges the traditional broking model, necessitating innovation and cost management.
- b. **Regulatory Changes:** Regulations from SEBI regarding, options trading and ancillary transaction income could impact the retail broking industry's profitability and operations.
- c. **Infrastructure Investment:** Supporting extended trading hours requires substantial investments in technology, personnel, operations, and risk management, posing financial and operational challenges.

- d. **ASBA Implementation:** Managing separate procedures for ASBA and non-ASBA clients may increase operational complexity and costs for brokerages.
- e. **Market Volatility:** Uncertainty in market conditions, especially during bearish phases, can affect trading volumes and investor sentiment, impacting brokerages' revenue streams.

In navigating these opportunities and threats, strategic agility, technological innovation, regulatory compliance, and a client-centric approach will be pivotal for stock broking companies like us in FY 2024-25.

### RISK AND CONCERNS

The core operations of our Company inherently expose us to a range of risks. Market risk, Credit risk, and Operational risks are among the primary challenges encountered in our day-to-day business activities. To address these risks effectively, we have established a comprehensive Risk Management Policy.

This policy encompasses detailed processes and guidelines across various aspects of risk management. It provides a structured framework for managing risks and ensures that our risk management practices remain aligned with evolving market dynamics. The risk management review framework offers comprehensive oversight, constantly evaluating and adapting to meet the changing demands of the market.

In addition to the overarching Risk Management Policy, we have implemented a robust surveillance mechanism specifically tailored to mitigate trade-related risks. Our Surveillance Policy is designed in accordance with regulatory requirements, ensuring that we proactively identify and manage potential risks in trading activities.

For the FY 24-25, our focus remains on strengthening these risk management initiatives to safeguard our business interests and maintain resilience in a dynamic market environment.

### INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has in place an adequate risk based internal audit framework to monitor the efficacy of internal controls with the objective of providing the Audit Committee and the Board of Directors an independent and reasonable assurance on the adequacy and effectiveness of the Organisation's Risk Management, internal controls and governance processes. The framework is commensurate with the nature of the business and the size, scale, and complexity of its operations.





## Management Discussion and Analysis Report (Contd.)

In addition, the Company goes through periodic internal audits both through its internal team and external auditors, which includes branch and authorised person's audits as well as all operations control. All the audit and inspection reports are placed at the Audit Committee meetings. Key issues are specifically brought to the attention of the Audit Committee and deliberated in detail along with the action plan for closure.

### HUMAN RESOURCES

At Aditya Birla Money Ltd. (ABML), It's our endeavor to foster a positive business culture while enhancing employee engagement and productivity. Employees are a cornerstone of any successful organisation and Human Resources plays a crucial role in aligning people with the organisation's purpose, feeling connected to leaders, and having a sense of belonging. Our HR practices & interventions are designed to enable employees to be FAIR i.e. Focused, Agile, Innovative & Result Orientated, while Focused & Result-Oriented drives No-excuse execution; Agile & Innovative brings the customer obsession to life.

Our Employee Value Proposition (EVP) is structured around four strategic pillars: Enhancing Career, Rewards and Recognition, Learning and Development, and Enriching Life. These pillars provide a robust platform for employees to upskill, engage, grow, and achieve a positive work-life balance.

In line with our EVP, Employee Wellness be it physical or mental is given due significance, as we believe it plays a crucial role in enhancing overall well-being. Diversity and Inclusion (D&I) are integral aspects of our approach, and we bring it alive via programs, awareness sessions, activities & dialogues done with individuals from leadership to front lines. All our efforts have been conscious in creating a workplace that not only drives professional growth but also enrich the lives of our employees.

Our Talent Management Process & Practices like identifying, developing, engaging, nurturing, succession planning enables to build sustainability for future growth. We are actively focused on developing people manager capabilities to foster a culture of development, transparency, and meritocracy. To develop & nurture the talent, we provide different learning avenues like classroom, on the job, mentoring & digital.

At ABML, digital learning is a cultural norm, enabling faster, customised and convenient learning experiences with access to a vast knowledge base that includes, behavioural, technical & functional learning avenues. Our Functional learning avenues ensure our employees are learned on ABC products & ONE ABC initiatives while delivering One experience for all our customers.

As on 31<sup>st</sup> March 2024, the total employees on the Company's rolls stood at 718.

### KEY FINANCIAL RATIOS

The Key Financial Ratios are given below:

Particulars	FY24	FY23
a) Operating Profit Margin (%)	17.67	17.75
b) Net Profit Margin (%)	13.57	12.89
c) Return on Net Worth (%)	39.00	37.00
d) Interest Coverage Ratio	1.85	2.11
e) Current Ratio	0.96	0.80
f) Debt Equity Ratio	8.45	8.02

There has been an improvement in the ratios on account of the improved performance of the Company.

### CAUTIONARY NOTE

*Statements in this Report, describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events. These statements are subject to certain risks and uncertainties. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The actual results may be different from those expressed or implied since the Company's operations are affected by many external and internal factors, which are beyond the control of the management. Hence the Company assumes no responsibility in respect of forward-looking statements that may be amended or modified in future on the basis of subsequent developments, information or eve.*

# Board's Report

## Dear Members,

The Board of Directors of Aditya Birla Money Limited ("your Company" or "the Company" or "ABML") is pleased to present the **28<sup>th</sup> (Twenty Eighth)** Annual Report and the Audited Financial Statements of your Company for the financial year ended 31<sup>st</sup> March 2024 ("financial year under review").

## FINANCIAL SUMMARY AND HIGHLIGHTS

Your Company's financial performance for the financial year ended 31<sup>st</sup> March 2024 as compared to the previous financial year ended 31<sup>st</sup> March 2023 is summarised below:

Particulars	₹ in Crore)	
	FY24	FY23
Revenue from Operations	390.19	262.96
Other Income	4.82	15.83
<b>Total Income</b>	<b>395.01</b>	<b>278.79</b>
Expenses	326.08	232.11
Profit Before Tax	<b>68.93</b>	<b>46.68</b>
Tax Expenses	15.96	12.78
Profit for the year	<b>52.97</b>	<b>33.90</b>
Other Comprehensive Income	0.38	0.57
Total Comprehensive Income for the year	<b>53.34</b>	<b>34.47</b>
Earnings per Equity Share (in ₹): (Face Value of ₹1/- each)		
Basic	9.37	6.01
Diluted	9.37	6.01

The above figures are extracted from the Financial Statements prepared in accordance with Indian Accounting Standards ("IND AS") as notified under Sections 129 and 133 of the Companies Act, 2013 ("the Act") read with the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

## RESULTS OF OPERATIONS AND STATE OF THE COMPANY'S AFFAIRS

For the financial year ended 31<sup>st</sup> March 2024, the Company recorded Revenue from Operations of ₹390.19 Crore as compared to ₹262.96 Crore during the previous year, an increase of 48.38%.

## KEY HIGHLIGHTS OF THE COMPANY PERFORMANCE FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

The Profit after Tax stood at ₹52.97 Crore for the year ended 31<sup>st</sup> March 2024 as compared to ₹33.90 Crore in previous financial year, an increase of 56.25%.

## ACCOUNTING METHOD

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards as notified under Sections 129 and 133 of the Act read with the Companies (Accounts) Rules, 2014, as amended and other relevant provisions of the Act.

In accordance with the provisions of the Act, applicable Accounting Standards and the SEBI Listing Regulations, the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2024, together with the Auditors' Report forms part of this Annual Report.

The Audited Financial Statements of the Company as stated above are available on the Company's website at <https://stocksandsecurities.adityabirlacapital.com/investor>

## MATERIAL EVENTS DURING THE YEAR

There were no material changes and commitments, affecting the financial position of the Company during the financial year under review.



## Board's Report (Contd.)

### HOLDING/SUBSIDIARIES/JOINT VENTURES/ ASSOCIATES COMPANIES

During the financial year under review, Grasim Industries Limited remained the Ultimate Holding Company and Aditya Birla Capital Limited continued to be the Holding Company of our Company. Additionally, during this period, your Company did not have any Subsidiaries, Associates or Joint Venture Companies.

Grasim Industries Limited and Aditya Birla Capital Limited are listed at BSE Limited, National Stock Exchange of India Limited and Luxembourg Stock Exchange.

### TRANSFER TO RESERVES

During the financial year under review, the Company does not propose to transfer any amount to the reserves.

### DIVIDEND

In order to conserve cash for the Company's operations, the Directors do not recommend any dividend for the year under review.

### SHARE CAPITAL

As on 31<sup>st</sup> March 2024, the Company's Paid-up Equity Share Capital was ₹5.65 Crore divided into 5,65,09,201 Equity Shares of ₹1/- each. The Company has 16,00,000 4% Non-Cumulative Non-Convertible Redeemable Preference Shares of ₹100/- each outstanding as on 31<sup>st</sup> March 2024.

During the year under review, the following changes took place in the Share Capital of the Company:

- The Company has allotted 56,319 Equity Shares pursuant to exercise of ABML Employee Stock Option Scheme 2014. Pursuant to the allotment of Equity Shares under the said scheme, the Paid-up Share Capital of the Company increased from ₹5,64,52,882/- as on 31<sup>st</sup> March 2023 to ₹5,65,09,201/- as on 31<sup>st</sup> March 2024.

### DEPOSITORY

As on 31<sup>st</sup> March 2024, out of the Company's Paid-up Equity Share Capital comprising of 5,65,09,201 Equity Shares 5,56,14,170 Equity Shares (98.42%) were held in dematerialised mode.

The Company's Equity Shares are compulsorily tradable in electronic form.

### RESOURCE MOBILISATION

During the financial year under review, the Company mobilised funds by way of issue of short-term Commercial Paper as per Business needs.

### CREDIT RATING

During the financial year under review, the Credit Rating Agencies have assigned the following ratings for the Commercial Paper Programme of the Company for an amount of ₹1,750 Crore.

Sr. No.	Nature of the Instrument	Name of the Instrument	Name of Credit Rating Agency	Amount Rated (In Cr)	Current Rating
1	Short Term Instrument	Commercial Paper	CRISIL	1750	A1+
2	Short Term Instrument	Commercial Paper	IND Ra	1750	A1+

Further, during the financial year under review, India Ratings and Research (Ind-Ra) has assigned a Long-Term Issuer Rating of "AA+" to the Company.

### REMUNERATION POLICY

The salient features of the Remuneration Policy of the Company in accordance with the provisions of Section 178(3) of the Companies Act, 2013 is placed as **"Annexure A"** to this Report. The Remuneration Policy is also available on its website at the link: <https://stocksandsecurities.adityabirlacapital.com/investor>

### PUBLIC DEPOSITS

The Company has not accepted or renewed any deposit as covered under Section 73 of the Companies Act, 2013, from its members or the public during the financial year under review.

### PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details, as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in **"Annexure B"** to the Board's Report.

Details as required under Section 197(12) of the Act, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, with respect to information of employees of the Company will be provided upon request by a Member. In terms of the provisions of Section 136(1) of the Act, the Annual Report is being sent to all the Members of your Company whose email address(es) are registered with the Company/Depository Participants via electronic mode, excluding the aforesaid Annexure which shall be made available for inspection by the Members via electronic mode. If any Member is interested in obtaining a copy thereof, the Member may write to the Company Secretary at the

Registered Office of the Company in this regard or send an email to [abml.investorgrievance@adityabirlacapital.com](mailto:abml.investorgrievance@adityabirlacapital.com).

### EMPLOYEE STOCK OPTIONS

Employee Stock Options have been recognised as an effective instrument to attract talent and align the interest of employees with that of the Company, thereby providing an opportunity to the employees to share in the growth of the Company and to create long-term wealth in the hands of employees and thereby acting as a retention tool.

In view of the above, the Company had formulated the ABML Employee Stock Option Scheme 2014 (ABML ESOP Scheme 2014) with the approval of the shareholders at the Annual General Meeting held on 09<sup>th</sup> September 2014.

The aforesaid ESOP Schemes are in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

There has been no material change to the ESOP Scheme 2014 during the year and the Scheme is in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014.

The Disclosures as required under Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014 has been hosted on the Company's website at the link: <https://stocksandsecurities.adityabirlacapital.com/investor>

Certificates from the Secretarial Auditor on the implementation of your Company's Employee Stock Option Scheme(s) will be made available via electronic mode at the ensuing **28<sup>th</sup> (Twenty Eighth) Annual General Meeting ("AGM")** of the Company for inspection by the Members.

### ADITYA BIRLA CAPITAL LIMITED EMPLOYEE STOCK OPTION SCHEMES

- The shareholders of the Company, via a special resolution passed through a postal ballot on 25<sup>th</sup> September 2017, approved the extension of benefits under the Aditya Birla Capital Limited (Holding Company) Employee Stock Option Scheme 2017 to permanent employees in the Management Cadre, including Managing and Whole-time Directors of the Company. This approval also covered the payment of costs and charges by the Company related to the exercise of stock options or restricted stock units granted to these employees. Consequently, stock options were granted to the employees of the Company.
- The shareholders of Aditya Birla Capital Limited, via a special resolution passed through a Postal Ballot on 16<sup>th</sup> October

2022, approved the extension of benefits under the Aditya Birla Capital Limited Employee Stock Option and Performance Stock Unit Scheme 2022 to employees of Group Companies. This includes Holding, Subsidiary and Associate companies of the Company, such as Aditya Birla Money Limited, which is a Subsidiary Company.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

- a) **Conservation of Energy** – The Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible. The energy saving measures also include installation of LED lighting, selecting and designing offices to facilitate maximum natural light utilisation, video-conferencing facilities across all offices to reduce the need of employee travel, digital learning initiatives for employees, optimised usage of lights and continuous monitoring and control of the operations of the air conditioning equipment as well as elimination of non-recyclable plastic in offices.
- b) **Technology Absorption** – The minimum technology required for the business has been absorbed.
- c) **Foreign Exchange Earnings and Outgo** – The Company did not enter into any Foreign Currency Transactions during the current financial year and the previous year.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34(2) of the SEBI Listing Regulations, the Management Discussion and Analysis Report for the year under review is presented as a separate section, which forms part of this Annual Report.

### CORPORATE GOVERNANCE REPORT

The Company is committed to maintain the highest standards of Corporate Governance and adhering to the Corporate Governance requirements set out by the Securities and Exchange Board of India. Corporate Governance principles form an integral part of the core values of the Company. The Report on Corporate Governance as stipulated under Regulation 34(3) read with Schedule V of the SEBI Listing Regulations forms an integral part of this Annual Report. The Compliance Certificate from M/s. BNP & Associates, Practicing Company Secretaries, regarding compliance of conditions of Corporate Governance is annexed to this Report as "**Annexure C**".



## Board's Report (Contd.)

### CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the year under review, all contracts and arrangements with related parties have been entered into by the Company in its ordinary course of business and at arms' length and were not considered material as per the provisions of Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI Listing Regulations.

The disclosure in Form AOC-2 under Section 134(3)(h) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, is therefore not applicable.

Prior omnibus approval of the Audit Committee is obtained for Related Party Transactions (RPTs) which are of a repetitive nature and entered into the ordinary course of business and at arm's length. A statement on RPTs specifying the details of the transactions, pursuant to each omnibus approval granted, is placed on a quarterly basis for review by the Audit Committee. The particulars of such contracts and arrangements with related parties are given in notes to the Financial Statements, forming part of this Annual Report.

In accordance with the provisions of the SEBI Listing Regulations, the Company has in place the Policy on dealing with Related Party Transactions which is available on its website at the link: <https://stocksandsecurities.adityabirlacapital.com/investor>

### RISK MANAGEMENT

Risk Management is at the core of our business and ensuring we have the right risk-return trade off in keeping with our risk appetite is the essence of our Risk Management practices while looking to optimise the returns that go with that risk.

The Risk Governance Committee of the Board has framed the Risk Management Policy of the Company and monitors its implementation. The objectives and scope of the Risk Governance Committee broadly include:

- Risk Identification
- Risk Assessment
- Risk Response and Risk Management Strategy; and
- Risk Monitoring, Communication and Reporting

Over the years, the Company has built a strong Risk Management Framework supported by well-established policies and procedures and a talented pool of Risk Professionals.

### The organisational structure to manage the risk consists of "Three lines of defense":

**First is:** Line Management (Functional Heads) to ensure that accountability and ownership is as close as possible to the activity that creates the risks;

**Second is:** Risk Oversight including the Risk and Compliance Function, Business Head and the Risk Governance Committee (RMC);

**Third is:** Independent Assurance through Internal Audit, conducted by Independent Internal Auditors, whose work is reviewed by the Audit Committee.

The robust Risk Management framework proactively addresses risks while looking to optimise the returns that go with that risk.

In view of the increased digitalisation, there was a continued focus on Cyber Security and the Company continued to invest in a strong Cyber Defense Programme.

### BUSINESS CONTINUITY

The Company have well-documented Business Continuity Management Programmes which have been designed to ensure continuity of critical processes during any disruption. A robust Disaster Recovery framework has been put in place to ensure uninterrupted operations and service to customers.

In view of the increased move to digital and adoption of new technologies, there was a continued focus on Cyber Security and the Company continued to invest in a strong Cyber Defense Programme.

The Risk Management teams of the Company is continuously scanning the internal and external environment to identify Risks and, to capitalise upon the opportunities presented in the environment.

### INTERNAL FINANCIAL CONTROLS

The Company has well-established internal control systems in place which are commensurate with the nature of its business and size, scale and complexity of its operations. Standard Operating Procedures (SOP) and Risk Control Matrices designed to provide a reasonable assurance are in place and are being continuously monitored and updated.

The controls comprise of policies and procedures for ensuring orderly and efficient conduct of the Company's business, including adherence to its 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.

## Board's Report (Contd.)

Assurance on the effectiveness of internal financial controls is obtained through management reviews, control self-assessment, continuous monitoring by functional experts as well as testing of the internal financial control systems by the Internal Auditors during the course of their audit.

### INTERNAL AUDIT

The Company has in place an adequate internal audit framework to monitor the efficacy of internal controls with the objective of providing to the Audit Committee and the Board of Directors, an independent and reasonable assurance on the adequacy and effectiveness of the Organisation's Risk Management, internal control and governance processes. The framework is commensurate with the nature of the business, size, scale and complexity of its operations.

The internal audit plan is developed based on the risk profile of the business activities of the Company. The audit plan covers process audits at the head office and across various branches of the Organisation. The Internal audit plan is approved by the Audit Committee and Internal audits are undertaken on a periodic basis to independently validate the existing controls. Internal Audit Reports are reviewed by the management and corrective action is initiated to strengthen controls and enhance the effectiveness of existing systems. The audits are carried out by an independent external firm and the in-house internal audit team of the Company.

M/s. Sundaram and Srinivasan Associates have been appointed as the Internal Auditors of the Company for a period of 3 (Three) years i.e.: 2023-24, 2024-25 and 2025-26.

The objective of the Internal Audit is to:

- Review adequacy and effectiveness of operating controls;
- Review the adequacy of the supervisory control mechanisms;
- Recommend improvements in policies and procedures;
- Report significant observations and recommendations for process improvements; and
- Review and report progress on implementation of the control improvements.

### BOARD OF DIRECTORS

As on 31<sup>st</sup> March 2024, the Board of Directors of the Company ("the Board") comprised 6 (Six) Directors out of which 2 (Two) are Independent Directors and 4 (Four) are Non-Executive Directors, including 1 (One) Woman Director. No Director was

appointed/has resigned from the Board during the financial year under review.

However, Dr. Sethurathnam Ravi (DIN: 00009790) and Mr. Sharadkumar Bhatia (DIN: 07327383) has been appointed as Additional Directors in the category of Non-Executive Independent Directors by the board of directors of the Company at their meeting held on 22<sup>nd</sup> April 2024 & 5<sup>th</sup> June 2024, respectively. Their appointments are effective from 1<sup>st</sup> July 2024 as Independent Directors of the Company for the term of (5) Five consecutive years, subject to the approval of the Members at the ensuing Annual General Meeting (AGM). The Resolutions for their appointments as Independent Directors are included in the Notice of AGM dated 5<sup>th</sup> June 2024, along with the required disclosures under Regulation 36(3) of the SEBI Listing Regulations regarding appointment/re-appointment.

### Retire by Rotation

Pursuant to Section 152(6) of the Act read with the Articles of Association of the Company, Mr. Tushar Shah, Non-Executive Director (DIN: 00239762), retires by rotation at the ensuing Annual General Meeting ("AGM") and being eligible, offers himself for re-appointment. The information as required to be disclosed under Regulation 36(3) of the SEBI Listing Regulations in case of re-appointment of Mr. Tushar Shah is provided in the Notice of the ensuing AGM.

### Declaration by Independent Directors

In accordance with the provisions of Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have given a declaration that they meet the criteria of independence as provided in Section 149(6) of the said Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and hold the highest standards of integrity.

All Independent Directors of the Company have registered their name in the data bank maintained with the Indian Institute of Corporate Affairs in terms of the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014.



## Board's Report (Contd.)

### KEY MANAGERIAL PERSONNEL

During the financial year under review, Ms. Divya Poojari, Company Secretary and Key Managerial Personnel (KMP) of the Company resigned from her position, effective from 15<sup>th</sup> January 2024, and ceased to be part of the KMP from that date. The Board accepted and noted Ms. Poojari's resignation at their meeting held on 12<sup>th</sup> January 2024.

Following Ms. Poojari's resignation as Company Secretary, and upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors considered and approved the appointment of Ms. Manisha Lakhotia as the new Company Secretary and Compliance Officer, designating her as Key Managerial Personnel of the Company. This decision was made at the Board meeting held on 12<sup>th</sup> January 2024, with the appointment effective from 15<sup>th</sup> January 2024, in compliance with the provisions of Section 203 of the Companies Act, 2013, and rules made thereunder, as well as Regulation 6 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Ms. Lakhotia's appointment was accompanied by her consent in Form DIR-2, disclosures pursuant to Section 184 of the Companies Act, 2013, and a declaration in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015. These documents were presented before the Board.

The Company has ensured that all necessary disclosures have been made to the Stock Exchange as required under the SEBI Listing Regulations and has also filed necessary e-forms with the Registrar of Companies to give effect to this appointment.

Further, in terms with the provisions of Sections 2(51) and 203 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Key Managerial Personnel of the Company as on 31<sup>st</sup> March 2024 are as follows:

Name of the KMP	Designation
Mr. Pradeep Sharma	Chief Financial Officer
Mr. Murali Krishnan L.R.	Manager
Ms. Manisha Lakhotia*	Company Secretary

(Note: \*Ms. Manisha Lakhotia was appointed w.e.f. 15<sup>th</sup> January 2024)

### FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Independent Directors are familiarised about the Company's operations and businesses. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations on important policies of the Company are also made to the Directors. Direct meetings with the Chairman are

further facilitated to familiarise the incumbent Director about the Company/its businesses and the group practices.

The details of the familiarisation program have been posted on the website of the Company <https://stocksandsecurities.adityabirlacapital.com/investor>

### DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with Section 134(5) of the Companies Act, 2013, the Directors state that:

- in the preparation of the annual accounts for the year ended 31<sup>st</sup> March 2024, the applicable accounting standards have been followed and there are no material departures from the same;
- they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March 2024 and of the profit of the Company for year ended on that date;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the annual accounts on a going concern basis;
- they have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and are operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### ANNUAL PERFORMANCE EVALUATION

The evaluation framework for assessing the performance of the Directors of the Company comprises contributions at the Meeting(s) and strategic perspective or inputs regarding the growth and performance of the Company provided by them, amongst others.

Pursuant to the provisions of the Act and SEBI Listing Regulations and in terms of the Framework of the Board Performance Evaluation, the Nomination & Remuneration Committee and the Board of Directors have carried out an annual performance evaluation of the Board, performance of various Committees of

## Board's Report (Contd.)

the Board, Individual Directors, and the Chairman. The manner in which the evaluation has been carried out has been set out in the Corporate Governance Report, which forms part of this Annual Report.

### OUTCOME OF THE EVALUATION

The Board of the Company was satisfied with the functioning of the Board and its Committees. The Committees are functioning well and besides covering the Committees' terms of reference, as mandated by applicable laws, important issues are brought up and discussed in the Committee Meetings. The Board was also satisfied with the contribution of Directors in their individual capacities. The Board has full faith in the Chairman leading the Board effectively and ensuring participation and contribution from all the Board Members.

### MEETINGS OF THE BOARD AND ITS COMMITTEES

The Board meets at regular intervals to discuss and decide on the Company's performance and strategies. During the Financial Year 2023-24, the Board met 5 (Five) times on 21<sup>st</sup> April 2023, 13<sup>th</sup> July 2023, 13<sup>th</sup> October 2023, 30<sup>th</sup> November 2023, and 12<sup>th</sup> January 2024.

Further details on the Board, its Meetings, composition, and attendance are provided in the Corporate Governance Report, which forms part of this Annual Report.

#### Audit Committee

The Company has constituted an Audit Committee with its composition, quorum, powers, role and scope in line with the applicable provisions of the Act and SEBI Listing Regulations.

The Audit Committee comprises of:

Mr. P. Sudhir Rao	Chairman, Independent Director
Mr. G. Vijayaraghavan	Independent Director
Mr. Shriram Jagetiya	Non-Executive Director

Further details on the Board, its Meetings, composition, and attendance are provided in the Corporate Governance Report, which forms part of this Annual Report.

During the year under review, all recommendations of the Audit Committee were accepted by the Board.

#### Other Committees

The Board of Directors has also constituted the following Committees:

- Stakeholders' Relationship Committee
- Nominations & Remuneration Committee
- Corporate Social Responsibility Committee
- Risk Governance Committee

More information on all of the above Committees including details of their Meetings, composition and attendance are provided in the Corporate Governance Report, which forms part of this Annual Report.

### ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, the Annual Return of the Company in Form MGT-7 for the financial year ended 31<sup>st</sup> March 2024 is available on the website of the Company and can be accessed at the link: <https://stocksandsecurities.adityabirlacapital.com/investor>

### STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Act and the Companies (Audit and Auditors) Rules, 2014, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (ICAI Firm Registration Number: 117366W/W-100018), were appointed as Statutory Auditors of the Company for a term of 5 (Five) years from the conclusion of 24<sup>th</sup> (Twenty Fourth) AGM till the conclusion of 29<sup>th</sup> (Twenty Nineth) AGM of the Company.

The Auditor's Report is self-explanatory and therefore does not call for any further comments under Section 134(3)(f) of the Act. The Report does not contain any qualification, reservation, adverse remark, or disclaimer.

The Auditors have not reported any fraud to the Audit Committee or the Board of Directors under Section 143(12) of the Companies Act, 2013 during the year under review.

### SECRETARIAL AUDITORS

Pursuant to the requirements of Section 204(1) of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. BNP & Associates, Practising Company Secretaries, to conduct the Secretarial Audit for the financial year under review. The Secretarial Audit Report in Form MR-3 for the financial year under review, as received from M/s. BNP & Associates, Company Secretaries, is attached as "**Annexure D**" to the Board's Report. The Secretarial Audit Report does not contain any qualification, reservation, or adverse remark.





## Board's Report (Contd.)

Pursuant to Regulation 24A of the SEBI Listing Regulations, the Annual Secretarial Compliance Report for the financial year under review is submitted to the Stock Exchanges and uploaded on the website of the Company at <https://stocksandsecurities.adityabirlacapital.com/investor>.

### COST RECORDS AND AUDITORS

The provisions of Cost Records and Cost Audit as prescribed under Section 148 of the Companies Act, 2013 are not applicable to the Company.

### REPORTING OF FRAUDS BY AUDITORS

None of the Auditors of your Company, i.e., the Statutory Auditors and Secretarial Auditors has reported any incident of fraud to the Audit Committee or the Board of Directors under Section 143(12) of the Act during the financial year under review.

### SECRETARIAL STANDARDS OF INSTITUTE OF COMPANY SECRETARIES OF INDIA

The Company has complied with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

## CORPORATE SOCIAL RESPONSIBILITY

In accordance with Section 135 of the Companies Act, 2013 the Company has a Corporate Social Responsibility (CSR) Committee consisting of the following Members:

Mr. G. Vijayaraghavan Chairman, Independent Director

Mr. Gopi Krishna Tulsian Non-Executive Director

Mrs. Pinky A Mehta Non-Executive Director

As a part of its initiatives under CSR, the Company has partnered with an NGO, Prashanthi Balamandira Trust (PBT). The trust is dedicated to the service of the poor and the downtrodden in rural India irrespective of caste, creed, color, race, religion or geography, through significant lifesaving & life-sustaining interventions in the areas of Rural Education and Rural Healthcare.

However, during the financial year under review, considering the on-going projects and other individual non-ongoing projects undertaken by the Company during the preceding years, the company has created CSR budget aggregating to ₹0.745 Crore and the Company has spent the same for financial year ended 31<sup>st</sup> March 2024.



The details of the CSR Policy/activities of the Company are provided as "Annexure E" to this Report and also available on its website at the link: <https://stocksandsecurities.adityabirlacapital.com/investor>

### **VIGIL MECHANISM (WHISTLE BLOWER POLICY)**

In accordance with Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI Listing Regulations, the Company has established a Vigil Mechanism (Whistle Blower Policy) for Directors and Employees to report concerns.

The Whistle Blower Policy has been hosted on the Company's website at the link: <https://stocksandsecurities.adityabirlacapital.com/investor>

### **CODE FOR PROHIBITION OF INSIDER TRADING**

Pursuant to SEBI (Prohibition of Insider Trading) Regulation 2015, as amended, the Company has a Board approved Code of Conduct to regulate, monitor and report trading by insiders and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

Further details on the same form part of the Corporate Governance Report.

### **POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

The Company has in place a policy which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Committee has been set up to redress complaints, if any, received regarding sexual harassment of women employees. The Company has complied with the provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the financial year under review, there were no complaints received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has complied with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### **OTHER DISCLOSURES**

In terms of applicable provisions of the Act and SEBI Listing Regulations, the Company discloses that during the financial year under review:

- i. there were no material changes and commitments affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e. 31<sup>st</sup> March 2024 and till the date of this Board's Report.
- ii. the Company has not given loans, made investments or provided guarantees or securities as covered under Section 186 of the Companies Act, 2013, except as disclosed in financial statements of the Company.
- iii. there was no change in the nature of business of the Company.
- iv. no significant or material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.
- v. no application has been made nor is any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year under review.
- vi. there was no transfer of unpaid or unclaimed amount to Investor Education and Protection Fund (IEPF).

### **ACKNOWLEDGEMENT**

The Board expresses its sincere appreciation for the support and cooperation extended by our various partners and business associates. We gratefully acknowledge the ongoing assistance and support provided by all statutory and regulatory authorities.

The Board also wishes to place on record its deep appreciation for the exemplary contributions made by the employees of the Company at all levels. Their dedication and enthusiasm have been pivotal to the Company's growth.

For and on behalf of the Board of Directors  
**Aditya Birla Money Limited**

**Gopi Krishna Tulsian**

Chairman

DIN: 00017786

Place: Mumbai

Date: 05<sup>th</sup> June 2024



## Annexure A to Board's Report

### REMUNERATION POLICY

#### Objectives of the Executive Remuneration Programme

Our executive remuneration programme is intended to:

1. Provide for monetary and non-monetary remuneration elements to our executives on a holistic basis.
2. Emphasise "Pay for Performance" by aligning incentives with business strategies to reward executives who achieve or exceed Group, business and individual goals.

#### Appointment Criteria and Qualifications

The Committee while making appointments to the Board assesses the approximate mix of diversity, skills, experience and expertise.

#### Business and Talent Competitors

We benchmark our executive pay practices and levels against peer companies in similar industries, geographies and of similar size.

#### Executive Pay Positioning

We aim to provide competitive remuneration opportunities to our executives by positioning target total remuneration (including perks and benefits, annual incentive pay-outs, long term incentive pay-outs at target performance) and target total cash compensation (including annual incentive pay-outs) at target performance directionally between median and top quartile of the primary talent market. We recognise the size and scope of the role and the market standing, skills and experience of incumbents while positioning our executives.

#### Executive Pay-Mix

Our executive pay-mix aims to strike the appropriate balance between key components:

- a) Fixed Cash Compensation (Basic Salary + Allowances)
- b) Annual Incentive Plan
- c) Long-Term Incentives
- d) Perks and Benefits

#### Performance Goal Setting

We aim to ensure that for both annual incentive plans and long-term incentive plans, the target performance goals shall be achievable and realistic.

#### Executive Benefits and Perquisites

Our executives are eligible to participate in our broad-based retirement, health and welfare, and other employee benefit plans. In addition to these broad-based plans, they are eligible for perquisites and benefits plans commensurate with their roles. These benefits are designed to encourage long-term careers with the Group.

## Annexure B to Board's Report

### Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- a) **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24:** During the financial year under review, Sitting Fees were paid to the Directors of the Company for attending the Meetings of the Board of Directors and of the Committees of which they are Members. This remuneration, by way of fees, is not related to the performance or profit of the Company. In view of this, the ratio of remuneration of each Director to the median employees' remuneration is not computed.
- b) The percentage increase in remuneration of Chief Financial Officer, Company Secretary or Manager (Key Managerial Personnel), in the financial year 2023-24 is as under:

S. No.	Name	Designation	% increase in remuneration in the financial year 2023-24
1.	Mr. Pradeep Sharma	Chief Financial Officer	5.00%
2.	Mr. Muralikrishnan L.R.	Manager	10.00%
	Ms. Divya Poojari	Company Secretary (Ceased w.e.f. 15 <sup>th</sup> January 2024)	9.70%
	Ms. Manisha Lakhotia	Company Secretary (appointed w.e.f. 15 <sup>th</sup> January 2024)	*NA

(Note: \*Ms. Manisha Lakhotia was appointed as the Company Secretary of the Company with effect from 15<sup>th</sup> January 2024 and due to her association with the Company only for a part of the year, the % increase in her remuneration during the financial year 2023-24 is not applicable and the same has not been mentioned.)

- c) The percentage increase in the median remuneration of employees in the financial year 2023-24 was 6.51%.
- d) There were 718 permanent employees on the rolls of the Company as on 31<sup>st</sup> March 2024.
- e) The average percentile increase made in the salaries of employees other than the Managerial Personnel in the financial year 2023-24 was 8.59%.

The remuneration of the employees of the Company is in line with the Human Resource Philosophy and Performance of the Company and in line with the market trends.

- f) It is hereby affirmed that the remuneration is as per the Remuneration Philosophy/Policy of the Company.

**Annexure C to Board's Report - Corporate Governance Report****CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,  
The Members of  
**Aditya Birla Money Limited**  
Indian Rayon Compound,  
Veraval Gujarat - 362266.

We, BNP & Associates have examined all relevant records of **Aditya Birla Money Limited** (hereinafter referred as "the Company") as provided through the virtual data room for the purpose of certifying the compliance ensured by the Company for disclosure requirements and Corporate Governance norms as specified for the Listed Companies, as prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'), for the Financial Year ended 31<sup>st</sup> March 2024. We have obtained all the information and explanations, which, to the best of our knowledge and belief, necessary for the purpose of this certification.

We state that completing compliance requirements of Corporate Governance is the responsibility of the Management of the Company, and our examination is limited to procedures and implementation thereof as adopted by the Company for ensuring the compliance. 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, we certify that the Company has complied with the conditions of Corporate Governance as specified for Listed Company in the LODR for Financial Year 2023-2024.

We further state that the above certification is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company during the Financial Year.

**For BNP & Associates**  
Company Secretaries  
[Firm Regn. No. P2014MH037400]

**Avinash Bagul**  
Partner  
FCS No. 5578  
CP No. 19862  
UDIN: F005578F000531466  
PR No. 637/2019

Place: Mumbai  
Date: 05<sup>th</sup> June 2024

## Annexure D to Board's Report (Secretarial Audit Report)

### FORM NO. MR-3

### SECRETARIAL AUDIT REPORT

For the Financial Year ended 31<sup>st</sup> March 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,

#### **Aditya Birla Money Limited**

Indian Rayon Compound, Veraval Junagadh,  
Gujarat 362266.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Aditya Birla Money Limited having CIN: L65993GJ1995PLC064810** (hereinafter called the 'the Company') for the financial year ended on 31<sup>st</sup> March 2024 (the "Audit Period").

We conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the Company's Corporate Conducts/Statutory Compliances and expressing our opinion thereon.

We are issuing this report based on:

- (i) Our verification of the Company's books, papers, minutes books, forms and returns filed, records provided through virtual data room and other records maintained by the Company;
- (ii) Compliance certificates confirming Compliance with Corporate Laws applicable to the Company given by the Key Managerial Personnel/Senior Managerial Personnel of the Company and taken on record by the Company's Audit Committee/Board of Directors; and
- (iii) Representations made, documents produced and information provided by the Company, its officers, agents and authorised representatives during our conduct of Secretarial Audit

We hereby report that, in our opinion, during the Audit Period covering the financial year ended on 31<sup>st</sup> March 2024, the Company has:

- (i) Complied with the Statutory provisions listed hereunder; and
- (ii) Board processes and Compliance Mechanisms are in place to the extent, in the manner and subject to the reporting made hereinafter.

The members are requested to read this report along with our letter of even date annexed to this report as Annexure-A.

## 1. COMPLIANCE WITH SPECIFIC STATUTORY PROVISIONS

We further report that:

1.1 We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company during the year in terms of the applicable provisions/clauses of:

- (i) The Companies Act, 2013 (the "Act") and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) 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 (Prohibition of Insider Trading) Regulations, 2015\*;
  - (b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; and
  - (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.

\*The Company has maintained a Structured Digital Database ("SDD") pursuant to the requirements of regulation 3 (5) and 3 (6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

- (v) Secretarial Standards relating to Board Meetings and General Meetings issued by The Institute of Company Secretaries of India (Secretarial Standards) and notified by the



## Annexure D to Board's Report (Secretarial Audit Report) (Contd.)

Central Government under Section 118(10) of the Act which have mandatory application.

### 1.2 During the period under review:

- (i) The Company has complied with the all the applicable provisions of all the aforesaid Acts, Rules, Regulations, Guidelines and Secretarial Standards as mentioned above.
- (ii) Generally complied with the applicable provisions/clauses of:
  - (a) The Secretarial Standards on meetings of Board of Directors and Committees thereof (SS-1) and on General Meetings (SS-2) mentioned under paragraph 1.1 (v) above, which are applicable to the meetings of the Board, Committees constituted by the Board held during the year, the 27<sup>th</sup> Annual General Meeting (AGM) held on 6<sup>th</sup> July 2023. The compliance of the provisions of the Rules made under the Act with regard to participation of Directors through video conference for the Board/ Committee meeting(s) held during the year, were verified based on the minutes of the meetings provided by the Company.

### 1.3 During the audit period under review, provisions of the following Acts/Regulations were not applicable to the Company

- (i) 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;
- (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (iii) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (iv) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

- (v) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

### 1.4 We have also examined, on test-check basis, the relevant documents and records maintained by the Company and provided to us with respect to the following Statute which is applicable to the Company:

- a) The Securities and Exchange Board of India (Stock Brokers) Regulations, 1992;
- b) The Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020;
- c) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; and
- d) The Securities and Exchange Board of India (Research Analysts) Regulations, 2014.

## 2. BOARD PROCESSES OF THE COMPANY:

We further report that:

### 2.1 The Board of Directors of the Company as on 31<sup>st</sup> March 2024 comprised of:

- (i) Mr. Gopi Krishna Tulsian (DIN: 00017786);  
Non-Executive Non-Independent Director
- (ii) Mr. Tushar Shah (DIN: 00239762);  
Non-Executive Non-Independent Director
- (iii) Mrs. Pinky Atul Mehta (DIN: 00020429);  
Non-Executive Non-Independent Woman Director
- (iv) Mr. Shriram Jagetiya (DIN: 01638250)  
Non-Executive Non-Independent Director
- (v) Mr. P. Sudhir Rao (DIN: 00018213);  
Non-Executive Independent Director
- (vi) Mr. G. Vijayaraghavan (DIN: 00894134)  
Non-Executive Independent Directors

### 2.2 The processes relating to the following changes in the composition of the Board of Directors and Key Managerial Personnel during the year were carried out in compliance with the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015:

- 1) Re-appointment of Mr. Shriram Jagetiya (DIN: 01638250), as a Director in the category of Non-Executive Non-Independent Director of the

## Annexure D to Board's Report (Secretarial Audit Report) (Contd.)

Company, liable to retire by rotation, approved by the Members at the Annual General Meeting held on 6<sup>th</sup> July 2023.

- 2) Cessation of office of Ms. Divya Poojari, as a Company Secretary of the Company w.e.f. 15<sup>th</sup> January 2024 due to resignation.
  - 3) Appointment of Ms. Manisha Lakhotia, as a Company Secretary of the Company w.e.f. 15<sup>th</sup> January 2024.
- 2.3 Adequate notice(s) with Agenda and the detailed notes to Agenda of at least seven days was given to all the Directors to enable them to plan their schedule for the meetings of the Board and the Committees constituted by the Board, due compliance was ensured, as required under the Act and the Secretarial Standard on meetings of the Board of Directors.
- 2.4 Agenda and detailed notes on agenda circulated to all the Directors at least seven days before the Board meetings, except for few meetings and in respect of certain matters considered to be price sensitive in nature at such meetings which were convened at a shorter Notice.
- 2.5 A system exists for Directors to seek and obtain further information and clarifications on the agenda items before the meetings and to ensure their meaningful participation at the meetings.
- 2.6 We note from the minutes examined that, at the Board Meetings held during the year:
- (i) Decisions were taken by the majority of the Board Members; and
  - (ii) No dissenting views were expressed by any Board Member on any of the subject matters discussed, which were required to be recorded as part of the minutes.

### 3. COMPLIANCE MECHANISM

There are reasonably adequate systems and processes prevalent in the Company, which are commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

- a) During the year few suspicious transactions were reported in minutes of Audit Committee w.r.t. Disparity in Funds pay-in and income and the same was reported to concerned authority.

b) At the end of the year there were 48 on going cases with various authorities which were related to the nature of business.

c) The Company has received Show Cause Notices (SCN) and the following is the status as on 31<sup>st</sup> March 2024.

- SEBI basis inspections conducted in the year 2018 & 2019 has issued an Adjudication Order dated 4<sup>th</sup> October 2021 alleging violations of the SEBI Act, SCRA Act and Regulations thereof and levied a penalty of ₹1.02 Crore. The Company has filed an appeal before SAT against the said Order. SAT has admitted the appeal and stayed the operations of the order till disposal of the appeal. The appeal has been posted for arguments.
- SEBI issued SCN dated 6<sup>th</sup> October 2022 to the Company under Regulation 27 of SEBI (Intermediaries) Regulations, basis an Investigation Report with respect to the transactions effected by Abbay Dattatray Javlekar (client) alleging that ABML did not file STR (Suspicious Transaction Report) for the mismatch in transaction value vs. income declared by the client to FIU. ABML submitted its detailed reply to the same vide its letter dt. 03<sup>rd</sup> November 2022 with supporting documents. ABML also appeared before the Designated Authority on 17<sup>th</sup> January 2023 and filed its written arguments on 01<sup>st</sup> February 2023 during the FY24 on basis of above the SCN which was issued was disposed off by the SEBI without issuance of any further Directions vide its Order dated 18<sup>th</sup> July 2023.
- SEBI issued Notice to ABCBL (Erstwhile subsidiary of ABML) under Regulation 27 of SEBI (Intermediaries) Regulations, alleging the participation/facilitating of "Pair Contracts" on the NSEL platform as a Trading Member during the period September 2009 to July 2013 and that ABCBL is no longer a 'fit and proper person'. In response a detailed reply was submitted vide Jetter dated 12<sup>th</sup> February 2020, In furtherance to the Company reply dated 12<sup>th</sup> February 2020, SEBI issued SCN dated 11<sup>th</sup> August 2020 stating that it has facilitated and have been closely associated with NSEL and sought to cancel the Commodities Broking Registration of ABCBL. The Company, vide letters dated 17<sup>th</sup> October 2020 and





## Annexure D to Board's Report (Secretarial Audit Report) (Contd.)

15<sup>th</sup> December 2020, has requested SEBI for inspection of documents basis which SEBI has issued the SCN. During the FY24 based on various replies and documents submitted and arguments advanced by the ABML, SEBI disposed with the SCN.

### 4. SPECIFIC EVENTS/ACTIONS

4.1 During the year under review, the following specific events/actions, having a major bearing on the Company's affairs took place:

1. The Company has received a License from the IRDAI (Insurance Regulatory and Development Authority of India) dated 9<sup>th</sup> August 2023, for venturing into Insurance Agency Business, the same has been noted by the Board at their meeting held on 13<sup>th</sup> October 2023.
2. Shareholders at their meeting held on 6<sup>th</sup> July 2023 has approved enhancement of Borrowing Limit of the Company up to ₹ 2,500 Crore by way of Special Resolution.

3. Pursuant to exercise of ESOPs, allotment of 56,319 (Fifty Six Thousand Three Hundred and Nineteen only) fully Paid-up Equity Shares of Face Value of ₹ 1/- each at Exercise Price of ₹34.25/- to Mr. Saurabh Shukla and the allotment was made on 31<sup>st</sup> May 2023.

4. Board of Directors at their meeting held on 21<sup>st</sup> April 2023 has approved issuance of Commercial Papers of ₹1,850 Crore and subsequently the allotments of the said Commercial Papers were made in various tranches during the year.

**For BNP & Associates**

Company Secretaries  
[Firm Regn. No. P2014MH037400]

**Avinash Bagul**

Partner

FCS No.: 5578

COP No.:19862

PR No.: 637/2019

UDIN: F005578F000531391

Place: Mumbai

Date: 05<sup>th</sup> June 2024

## **Annexure A to the Secretarial Audit Report**

for the financial year ended 31<sup>st</sup> March 2024

To

The Members,

**Aditya Birla Money Limited**

Indian Rayon Compound, Veraval Junagadh,

Gujarat - 362266.

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The Company's Management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. We have considered compliance related actions taken by the Company based on independent legal/professional opinion obtained as being in compliance with law.
4. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We have also examined the compliance procedures followed by the Company. We believe that the processes and practices we followed, provide a reasonable basis for our opinion.
5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
6. We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
7. Our 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 BNP & Associates**

Company Secretaries

[Firm Regn. No. P2014MH037400]

**Avinash Bagul**

Partner

FCS No.: 5578

COP No.:19862

PR No.: 637/2019

UDIN: F005578F000531391

Place: Mumbai

Date: 05<sup>th</sup> June 2024

**Annexure E to Board's Report****REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

[Pursuant to Section 135 of the Companies Act, 2013 and Rules made thereunder]

**1. CSR Policy of the Company:**

For us in the Aditya Birla Group, reaching out to underserved communities is part of our DNA. We believe in the trusteeship concept. This entails transcending business interests and grappling with the “quality of life” challenges that underserved communities face and working towards making a meaningful difference to them.

*Our vision is - “To actively contribute to the social and economic development of the communities in which we operate. In doing so, build a better, sustainable way of life for the weaker sections of society and raise the country's human development index” - Mrs. Rajashree Birla, Chairperson, Aditya Birla Centre for Community Initiatives and Rural Development.*

All projects are identified in consultation with the community in a participatory manner, literally sitting with them and gauging their basic needs. We recourse to the participatory rural appraisal mapping process. Subsequently, based on a consensus and in discussion with the village panchayats and other stakeholders, projects are prioritised.

Arising from this, the focus areas that have emerged are Education, Health Care, Sustainable Livelihood, Infrastructure Development, and espousing social causes. All our community projects/programmes are carried out under the aegis of The Aditya Birla Centre for Community Initiatives and Rural Development.

**2. Composition of the 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. Vijayaraghavan	Chairman - Non-Executive Independent Director	2	2
2.	Mr. Gopi Krishna Tulsian	Member - Non-Executive Director	2	2
3.	Mrs. Pinky A Mehta	Member - Non-Executive Director	2	2

**Permanent Invitees to all the CSR Committee Meetings:**

- Mrs. Rajashree Birla, Chairperson - Aditya Birla Centre for Community Initiatives and Rural Development
- Dr. (Mrs.) Pragnya Ram, Group Executive President, Corporate Communications and CSR - Aditya Birla Group

- 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://stocksandsecurities.adityabirlacapital.com/investor>
- Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014: Not applicable
- Average Net Profit of the Company as per Section 135(5): ₹37,24,96,720/-
  - Two percent of Average Net Profit of the Company as per Section 135(5): **₹ 74,49,934/-**
  - Surplus arising out of the CSR Projects or Programmes or Activities of the Previous Financial Years: Nil
  - Amount required to be set off for the Financial Year, if any: Nil
  - Total CSR obligation for the Financial Year (5b+7c-7d): ₹74,49,934/-

## Annexure E to Board's Report

6. (a) Amount spent on CSR Projects (both ongoing project and other than ongoing project): ₹74,49,934/-  
 (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): ₹74,49,934/-  
 (e) CSR amount spent or unspent for the Financial Year:

Total amount spent for the Financial Year (In ₹)	Amount Unspent (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
74,49,934/-	NIL	-	-	NIL	-

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

Sr. No.	Particular	Amount (In ₹)
(1)	(2)	(3)
(i)	Two percent of Average Net Profit of the Company as per sub-section (5) of Section 135	74,49,934/-
(ii)	Total amount spent for the Financial Year	74,49,934/-
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR Projects or Programmes or Activities of the Previous Financial Years, if any	-
(v)	Amount available for Set-off in succeeding Financial Years [(iii)-(iv)]	-

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

Sr. No.	Preceding Financial Years	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 a fund as specified under Schedule VII as per second proviso to Sub-section (5) of Section 135 (In ₹)	Amount remaining to be spent in the succeeding Financial Years (In ₹)	Deficiency, if any
							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

9. Specify the reason(s), if the Company has failed to spend Two percent of the Average Net Profit as per Section 135(5) – Not Applicable

**For Aditya Birla Money Limited**

Place: Mumbai  
 Date: 05<sup>th</sup> June 2024

**G. Vijayaraghavan**  
 Chairman - CSR Committee  
 DIN 00894134

**Tushar Shah**  
 Director  
 DIN 00239762



# Corporate Governance Report

## OUR VISION

**“To be a leader and role model in a broad-based and integrated financial service business”**

Our customers place a lot of trust when they choose us as a partner for fulfilment of their needs - be it or investing their hard-earned money through our platform in equities and mutual funds or for meeting their retirement or child's education or protection needs or taking a business loan for expansion. Our endeavor is to become a preferred financial services brand of choice for all our customers' needs across their life - a brand that customers will not only just trust but also happily endorse. Keeping this in mind, we have created a unique strategy & structure to present our spectrum of businesses and offerings under one brand. From a customer perspective, this offers simplicity and convenience. For our employees, we offer a world of opportunities across all our financial services businesses and to our shareholders, this gives the reassurance that we will attract and retain our customers, cost effectively, across their life cycle needs while driving as much synergy as we can across the platform.

Your Company continuously strives to achieve excellence in Corporate Governance through its values - Integrity, Commitment, Passion, Seamlessness and Speed.

## COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Aditya Birla Group is one of the pioneers in the field of Corporate Governance. As a part of the Group, your Company is committed to continuously adopt and adhere to the best governance practices, to achieve the goal of making the Company a value-driven Organisation.

The Company is committed to adopt the best Corporate Governance practices to manage the affairs of the Company in an ethical, accountable, transparent and fair way, with the blend of both legal and management practices, to imbed the same in the decision making process of the Company, and to communicate the same accurately and timely, in such a way that both stakeholders' expectations and legal standards are not only met, but the Company surpasses them.

At a macro level, the Company's Governance Philosophy rests on five basic tenets, viz., Board accountability to the Company and Members, strategic guidance and effective monitoring by the Board, protection of minority interests and rights, equitable treatment of all Members and transparency and timely disclosures.

## COMPLIANCE WITH CORPORATE GOVERNANCE GUIDELINES

The Company has complied with all the mandatory Corporate Governance requirements stipulated under Chapter IV read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations").

## BOARD OF DIRECTORS

The Board is at the core of our Corporate Governance framework which oversees and ensures that the Company serves and protects the long-term interest of all our stakeholders. We believe that an active, well-informed, diverse and independent Board is necessary to ensure the highest standards of Corporate Governance.

### Board Composition

As on 31<sup>st</sup> March 2024, the Board of Directors comprises of 6 (Six) Directors, which includes 2 (Two) Independent Directors and 4 (Four) Non-Executive Directors, of whom one is a Woman Director. The Chairman of the Board is a Non-Executive Director and is neither the promoter nor related to the promoter of the Company or a person occupying management position at the level of Board of Directors or at one level below the Board of Directors. The Directors do not have any relationship *inter-se* with each other. The composition of the Board is in conformity with the requirements of SEBI Listing Regulations as well as the Companies Act, 2013 ("the Act"). There was no change in the composition of the Board during the financial year under review.

All Directors have made Disclosures regarding their Directorships and Committee positions they occupy in other Companies.

On basis of such disclosures, it is confirmed that none of the Directors:

- a. holds Directorship in more than 10 (Ten) Public Companies;
- b. holds Directorship in more than 7 (Seven) Listed Entities;
- d. serves as an Independent Director in more than 7 (Seven) Listed Entities; and
- d. is a member of more than 10 (Ten) Committees or Chairperson of more than 5 (Five) Committees (i.e. Audit Committee & Stakeholder's Relationship Committee) across all Public Companies in which he/she is a Director.

The Company has obtained Certificate from Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being

## Report on Corporate Governance (Contd.)

appointed or continuing as Directors of Companies by SEBI, Ministry of Corporate Affairs or any such Statutory Authority.

### BOARD MEETINGS

The Board of Directors of the Company met 5 (Five) times during the financial year 2023-24 on 21<sup>st</sup> April 2023, 13<sup>th</sup> July 2023, 13<sup>th</sup> October 2023, 30<sup>th</sup> November 2023 and 12<sup>th</sup> January 2024. The time gap between any two Board Meetings did not exceed One Hundred and Twenty days.

The meetings conducted during the year were held via audio-visual means to facilitate convenience for the Directors.

The necessary quorum was present at all the meetings. The agenda papers along with the notes thereon, other supporting documents and all information as required under Regulation 17(7) of SEBI Listing Regulations 2015 were circulated in advance to the Board Members. The Company has also complied with the provisions of Secretarial Standards on Board Meetings (SS-1) issued by the Institute of Company Secretaries of India with respect to convening of Board Meetings during the year. The Board has accepted all the recommendations of the Committees of the Board made during the year under review.

During the financial year under review, the attendance of each Director at the meeting of the Board of Directors and the last Annual General Meeting of the Company and Directorships and Committee positions held by the Directors are given below:

Name of the Director	Category	Board Meetings		27 <sup>th</sup> Annual General Meeting	Directorship in other public limited companies*	Committee positions held **		Directorship in other listed entity (Category of Directorship)
		Held	Attended			Member	Chairman	
Mr. Gopi Krishna Tulsian	Chairman, Non-Executive Director	5	5	No	3	2	Nil	Nil
Mr. G. Vijayaraghavan	Independent Director	5	5	No	Nil	1	Nil	Nil
Mr. P. Sudhir Rao	Independent Director	5	4	Yes	3	Nil	2	Nil
Mr. Tushar Shah	Non-Executive Director	5	5	Yes	2	1	Nil	Nil
Mrs. Pinky A Mehta	Non-Executive Director	5	5	Yes	7	1	Nil	Nil
Mr. Shriram Jagetiya	Non-Executive Director	5	4	Yes	1	1	Nil	Nil

\* Excludes Private Limited, Foreign and Section 8 Companies

\*\* Includes only Chairmanship and Membership of Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies including Aditya Birla Money Limited

### INDEPENDENT DIRECTORS

A meeting of the Independent Directors of the Company was held on 13<sup>th</sup> March 2024 without the presence of Non-Independent Directors and the members of the management and all the Independent Directors were present at the meeting. The Independent Directors reviewed the performance of the Non-Independent Directors, the Board of Directors as a whole, the Chairman of the Company, taking into account the views of Non-Executive Directors and the flow of information between the Management and the Board of Directors.

The Company has in place a Directors and Officers Insurance Policy covering all the Directors including Independent Directors of the Company. The terms and conditions of appointment of Independent Directors and details of familiarisation programmes imparted to them are available on the Company's website: <https://stocksandsecurities.adityabirlacapital.com/investor>



## Report on Corporate Governance (Contd.)

The Independent Directors have submitted declarations that they meet the criteria of independence as provided in Regulation 16(1) (b) of the SEBI Listing Regulations and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

The evaluation of Independent Directors was done by the entire Board of Directors which included performance of the Directors and fulfillment of the independence criteria as specified in SEBI Listing Regulations and their independence from the management. The Board of Directors has confirmed that, in their opinion, the Independent Directors fulfill the conditions specified in the SEBI Listing Regulations and are independent of the management.

### SKILLS, EXPERTISE AND COMPETENCIES OF THE BOARD

The Directors on the Board of the Company are adequately skilled and have relevant expertise as per Industry norms and have rich experience in the relevant sectors/industries. The Board has identified expertise in Capital Markets, Strategic Planning, Financial Analysis, Risk Management and Macro-economic as the skills and competencies the Directors need to possess, in the context of the Company's business, for it to function effectively. The skills, expertise and competence of the Directors are given below:

Director	Profile
Mr. Gopi Krishna Tulsian	Mr. Tulsian (B.Sc., F.C.A, MBIM (London)) has expertise in handling manufacturing and service industry businesses.
Mr. G. Vijayaraghavan	Mr. Vijayaraghavan (B.Tech. (Honours) from IIT, PGDM-IIMA) has expertise in various sectors like ITES, Oil and Gas Manufacturing, Management, Banking, Consulting, Agro inputs and Investment.
Mr. P. Sudhir Rao	Mr. Rao (C.A., C.M.A.) has expertise in the financial service industry, with an incisive view of data while observing business models and enterprises and expertise in software and technology.
Mr. Tushar Shah	Mr. Shah (C.A., LLB) has expertise in Capital Markets, Investment Banking and Corporate Banking
Mrs. Pinky A Mehta	Ms. Mehta (C.A.) has expertise in Finance, Banking, Secretarial, Taxation, MIS, developing and monitoring control systems and corporate restructuring.
Mr. Shriram Jagetiya	Mr. Jagetiya (C.A., Cost Accountant) has expertise in fund mobilisation, investments, evaluation of mergers and acquisitions, strategic planning and capital structuring.

The Board Members collectively display the following personal qualities:

- Integrity - fulfilling a Director's duties and responsibilities
- Curiosity and courage - asking questions and persistence in challenging management and fellow board members where necessary
- Interpersonal skills - working well in a group, listening well, tact and ability to communicate their point of view frankly
- Interest - in the organisation, its business, and the people
- Instinct - good business instincts and acumen, ability to get to the crux of the issue quickly
- Belief in gender diversity
- Active participation - at deliberations in the Meeting

### CODE OF CONDUCT

The Board of Directors of the Company has laid down a Code of Conduct for all members of the Board of Directors and Senior

Management of the Company which also incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. The Code of Conduct is available on the Company's website. All members of the Board of Directors and Senior Management have affirmed compliance with the Code of Conduct as on 31<sup>st</sup> March 2024 and a declaration to that effect signed by Mr. Tushar Shah, Director of the Company, forms a part of this Annual Report as **CG Annexure I**.

### DIRECTOR'S SHAREHOLDING

The Directors of the Company do not hold any shares or convertible instruments in the Company. No stock options as on date have been granted to the Directors of the Company.

### DIRECTORS' REMUNERATION

No Remuneration or Commission was recommended/paid to any of the Directors during the Financial Year under review.

The Independent Directors of the Company are paid Sitting Fees for attending the meetings of the Board and Committees thereof. The details of Sitting Fees paid to the Independent Directors during Financial Year 2023-24 are as under:

## Report on Corporate Governance (Contd.)

Name of Director	Sitting Fees Paid
Mr. G. Vijayaraghavan	₹7,85,000/-
Mr. P. Sudhir Rao	₹7,10,000/-

No Sitting Fees or Remuneration are paid to the Non-Executive Directors. The details of transactions with Non-Executive Directors during the year are given below:

Name of Director	Particulars	Transaction Amount
Mr. Tushar Shah	PMS Management Fees and Brokerage Income	₹ 9,634/-

### AUDIT COMMITTEE

Pursuant to the provisions of Regulation 18 of the SEBI Listing Regulations and Section 177 of the Act, the Audit Committee was constituted. It comprises 3 (Three) Directors, including 2 (Two) Independent Directors and 1 (One) Non-Executive Director. All members of the Audit Committee are financially literate and possess accounting and related financial management expertise. The Company Secretary acts as the Secretary to the Committee.

During the year, the Audit Committee met 4 (Four) times i.e. on 21<sup>st</sup> April 2023, 13<sup>th</sup> July 2023, 13<sup>th</sup> October 2023 and 12<sup>th</sup> January 2024 and not more than One Hundred Twenty days elapsed between two meetings. The composition of the Committee and details of the attendance of the members at the Committee Meetings are as follows:

Name of the Member	Category	Meetings Held	Meetings Attended
Mr. P. Sudhir Rao	Chairman, Independent Director	4	4
Mr. G. Vijayaraghavan	Independent Director	4	4
Mr. Shriram Jagetiya	Non-Executive Director	4	3

The Chief Financial Officer, Statutory Auditors and Internal Auditors were present at the meetings. Respective functional heads were also invited to attend the Audit Committee meetings to respond to queries and observations pertaining to their functions, arising out of the audit reports.

The Audit Committee has powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary. The Internal Auditors directly report to the Audit Committee.

The terms of reference of the Audit Committee *inter-alia* includes:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment and remuneration of auditors.
- Approval of transactions with related parties.
- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
- Reviewing with the management, the financial statements and auditor's report thereon before submission to the board for approval.
- Scrutiny of inter-corporate loans and investments.
- Evaluation of internal financial controls and risk management systems, adequacy of internal control systems.
- Reviewing the adequacy and structure of the internal audit function, frequency of internal audit, discussion with internal auditors of any significant findings and follow up there on.
- Reviewing the functioning of the Whistle Blower mechanism.

### NOMINATION AND REMUNERATION COMMITTEE

Pursuant to the provisions of Regulation 19 of the SEBI Listing Regulations and Section 178 of the Act, the Nomination and Remuneration Committee was constituted. It comprises 3 (Three) Directors including 2 (Two) Independent Directors and 1 (One) Non-Executive Director. During the year, the Nomination and Remuneration Committee met 4 (Four) times i.e. 21<sup>st</sup> April 2023, 12<sup>th</sup> July 2023, 28<sup>th</sup> November 2023 and 12<sup>th</sup> January 2024. The Company Secretary acts as the Secretary to the Committee.

The composition of the Committee and details of the attendance of the members at the Committee Meeting are as follows:

Name of the Member	Category	Meetings Held	Meetings Attended
Mr. P. Sudhir Rao	Chairman, Independent Director	4	4
Mr. G. Vijayaraghavan	Independent Director	4	4
Mr. Shriram Jagetiya	Non-Executive Director	4	4





## Report on Corporate Governance (Contd.)

The terms of reference of the Committee *inter-alia* includes:

- Recommend to the Board the setup and composition of the Board and its Committees.
- Recommend to the Board the appointment/re-appointment of Directors and Key Managerial Personnel.
- Recommend to the Board the Remuneration Policy for Directors, executive team or Key Managerial Personnel as well as the rest of employees.
- Oversee familiarisation programs for Directors.
- Support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and individual Directors.

### Performance evaluation criteria for Independent Directors and entire Board

A formal evaluation mechanism has been adopted for evaluating the performance of the Board, the Committees thereof, individual Directors and the Chairman of the Board. The evaluation is based on criteria which include, amongst others, providing strategic perspective, Chairmanship of Board and Committees, attendance, time devoted and preparedness for the Meetings, quality, quantity and timeliness of the flow of information between the Board Members and the Management, contribution at the Meetings, effective decision-making ability, role and effectiveness of the Committees. Also, evaluation criteria and conducting the process of performance evaluation for Independent Directors has been formulated in a structured manner. The Directors were satisfied with the evaluation result.

### STAKEHOLDERS' RELATIONSHIP COMMITTEE

Pursuant to the provisions of Regulation 20 of the SEBI Listing Regulations and Section 178 of the Act, the Stakeholders' Relationship Committee was constituted. It comprises 3 (Three) Directors, including 1 (One) Independent Director and 2 (Two) Non-Executive Directors. During the year, the Committee met once on 12<sup>th</sup> January 2024. The composition of the Committee and details of the attendance of the Members at the Committee Meeting are as follows:

Name of the Member	Category	Meetings Held	Meetings Attended
Mr. P. Sudhir Rao	Chairman, Independent Director	1	1
Mr. Gopi Krishna Tulsian	Non-Executive Director	1	1
Mr. Tushar Shah	Non-Executive Director	1	1

The terms of reference of the Committee *inter-alia* includes:

- To review the redressal of Investors' complaints.
- To act on behalf of the Board, in the matters connected with allotment of shares, issuance of duplicate share certificates, split and consolidation of shares, etc.
- To oversee performance of the Registrar and Transfer Agents of the Company and recommend measures for overall improvement in the quality of investor services.

During the Financial year commencing from 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024, the Company received 3 (Three) investor complaints in accordance with Regulation 13(3) of SEBI Listing Regulations, 2015. It was reported that all 3 (Three) complaints were duly addressed and resolved within the stipulated time frame by the Company. Consequently, as of 31<sup>st</sup> March 2024, there were no outstanding complaints or investor grievances.

Mr. P. Sudhir Rao the Chairperson of the Committee attended the Annual General Meeting of the Company held on 6<sup>th</sup> July 2023. The Company Secretary acts as Secretary to the Committee and is the Compliance Officer of the Company and is also responsible for redressal of investor complaints.

### RISK GOVERNANCE COMMITTEE

The Company has a well-defined Risk Management Policy to assess and minimise risk. Risk Governance Committee comprises of 3 (Three) Directors, including 1 (One) Independent Director and 2 (Two) Non-Executive Directors. The Risk Governance Committee of the Company monitors and reviews the risk management plan. During the year, the Committee met once on 12<sup>th</sup> January 2024.

The composition of the Committee and details of the attendance of the members at the Committee Meeting are as follows:

Name of the Member	Category	Meetings Held	Meetings Attended
Mr. P. Sudhir Rao	Chairman, Independent Director	1	1
Mr. Gopi Krishna Tulsian	Non-Executive Director	1	1
Mr. Tushar Shah	Non-Executive Director	1	1

The terms of reference of the Committee *inter-alia* includes:

- Reviewing and approving the Risk Management Policy.
- Approving the product approval process and reviewing the product risk assessment over and above the threshold limit

## Report on Corporate Governance (Contd.)

- (iii) Evaluating significant risk exposure of the Company and assessing Management's action to mitigate the exposure in timely manner
- (iv) Reviewing the risk mitigation plan and assess its effectiveness at a periodic level
- (v) Approving the implementation of the Enterprise Risk Management Framework for the Company
- (vi) Reviewing Product and Operational Risk Management Strategies and meeting risk/reward objectives.

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee ("CSR") has been constituted pursuant to the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended. It comprises 3 (Three) Directors, including 1 (One) Independent Director and 2 (Two) Non-Executive Directors. The Company Secretary of the Company acts as the Secretary to the Committee.

During the financial year under review, the Committee met twice i.e. 21<sup>st</sup> June 2023, and 12<sup>th</sup> March 2024. The composition of the Committee and details of the attendance of the members at the Committee Meeting are as follows:

Name of the Member	Category	Meetings Held	Meetings Attended
Mr. G. Vijayaraghavan	Chairman, Independent Director	2	2
Mr. Gopi Krishna Tulsian	Non-Executive Director	2	2
Ms. Pinky A Mehta	Non-Executive Director	2	2

Mrs. Rajashree Birla, Chairperson of Aditya Birla Centre for Community Initiatives and Rural Development and Dr. (Mrs.) Pragnya Ram, Group Executive President, CSR - Aditya Birla Group are the Permanent Invitees to the Meetings of Corporate Social Responsibility Committee.

The terms of reference of the Committee *inter-alia* includes:

1. Formulation of CSR Policy indicating the activities to be undertaken by the Company as per regulatory requirements and recommending the same to the Board;
2. Recommending to the Board the annual action plan and the amount to be spent on CSR activities;

3. Reviewing and approving, the CSR projects/programs to be undertaken by the Company either directly or through any agency or through implementation partners as deemed suitable, during the financial year and specifying modalities for its execution and implementation schedules for the same, in terms of the CSR Policy of the Company;
4. Monitoring the implementation of the CSR Policy;
5. Monitoring and reporting mechanism for the projects or programmes;
6. Reviewing the need for impact assessment, if any, for the projects undertaken by the Company and undertaking the same if needed;
7. Reviewing implementation of the action plan; and
8. Carrying out/performing such other responsibilities, acts, deeds, and things as may be delegated to the Committee and as maybe entrusted by the Board of Directors/arising out of statutory provisions from time to time.

The composition of various Committees of the Board is also available on the Company's website at the link: <https://stocksandsecurities.adityabirlacapital.com/investor>

### SENIOR MANAGEMENT

According to the provisions of Regulation 16 (1) (d) of SEBI Listing Regulation 2015, as on 31<sup>st</sup> March 2024, the Core Senior Management Team are as follows:

Sr. No.	Names	Designation
1.	Mr. Pradeep Sharma	Chief Financial Officer
2.	Ms. Manisha Lakhota	Company Secretary
3.	Mr. Murali Krishnan L.R.	Manager
4.	Ms. Anju Jumde	Head - Human Resource
5.	Mr. Saurabh Shukla	Head - Broking & Retail Business

Changes since the close of the previous financial year:

During the financial year under review, Mr. Sivkumar B, Head-Human Resource of the Company tendered his Resignation from the post effective from 31<sup>st</sup> December 2023 and ceased to be Senior Management from the said date. Subsequent to his cessation, the Board of Directors considered and approved the appointment of Ms. Anju Jumde as the new Head - Human Resource of the Company at their meeting held on 28<sup>th</sup> November 2023 with effect from 22<sup>nd</sup> January 2024.



## Report on Corporate Governance (Contd.)

### PROHIBITION OF INSIDER TRADING

In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company adopted a Code of Conduct to Regulate, Monitor and Report trading by Connected Persons in listed securities ("the Insider Code"). The Insider Code aims at preserving and preventing misuse of unpublished price sensitive information.

All Designated Persons of the Company (as defined under the Insider Code) are covered under the Insider Code, which provides *inter-alia* for periodical disclosures and obtaining pre-clearances for trading in listed securities. The Company has in place a tracking mechanism for monitoring trade in the securities of the Company by the Designated Persons.

The Audit Committee reviews compliance with the provisions of the Insider Code, confirming that the systems for internal control for the purpose are adequate and are operating effectively.

### CEO/CFO CERTIFICATION

Mr. Tushar Shah, Director and Mr. Pradeep Sharma, Chief Financial Officer of the Company, have Certified to the Board on the requirements of the SEBI Listing Regulations with regard to Financial Statements for the year ended 31<sup>st</sup> March 2024 and the Certificate forms part of this Report as **CG Annexure I**.

### RELATED PARTY TRANSACTIONS

All transactions entered into with related parties as defined under the Act and Regulation 23 of the SEBI Listing Regulations, each as amended, during the year under review were on an arm's length price basis and in the ordinary course of business. These have been approved by the Audit Committee on quarterly basis. The Company has not entered into any materially significant Related Party Transaction.

The Company has formulated a Policy on materiality of Related Party Transactions and on dealing with such transactions which is available on the website of the Company at the link: <https://stocksandsecurities.adityabirlacapital.com/investor>

During the financial year ended 31<sup>st</sup> March 2024, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors apart from paying Director's Sitting Fees.

All Related Party Transactions were entered into after obtaining prior approval or omnibus approval of the Audit Committee. There have been no materially significant Related Party Transactions that would have potential conflict with the interests of the Company. All Material Related Party Transactions are approved by the Members of the Company.

During the period under review, no loans and advances were given to any Firms/Companies in which any of the Directors are interested.

Further, the Directors have not entered into any contracts with the Company which will be in material conflict with the interest of the Company. The Board has received disclosures from KMPs and Members of Senior Management confirming that there has been no material, financial and commercial transactions with the Company where they and/or their relatives have personal interest.

### OTHER DISCLOSURES

#### A. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) act 2013

The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 was enacted by the Parliament for protection of women against sexual harassment at workplace. In accordance with the provisions of Section 134 of the Act of para 10(1) of Para C of Schedule V to the SEBI Listing Regulations, the Company has formulated a policy on prevention of sexual harassment of women employees at workplace and has constituted an Internal Complaints Committee to consider and redress complaints on sexual harassment, if any.

The details of Complaints received and disposed off during the year is as follows:

Number of Complaints pending as on 1<sup>st</sup> April 2023 - NIL

Number of Complaints filed during the financial year - NIL

Number of Complaints disposed of during the financial year - NIL

Number of Complaints pending as on 31<sup>st</sup> March 2024- NIL

#### B. Vigil Mechanism

The Company has in place a Vigil Mechanism (Whistle Blower Policy) for Directors and Employees to report genuine concerns. The Policy provides for adequate safeguards against victimisation of Directors or Employees or any other person who avails the mechanism and also provides for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The Vigil Mechanism is available on the Company's website.

During the year, no personnel had been denied access to the Audit Committee.

**C. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities**

The Company is not exposed to commodity price risk and foreign exchange risk and does not have any hedging activities.

**D. Certificate from a Company Secretary in Practice**

The Company has received a Certificate from a Company Secretary in Practice stating 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 from the Company Secretary in Practice is annexed to this report as **CG Annexure II.**

**E. Compliance Certificate and Adoption of Mandatory and Discretionary requirements**

The Company has complied with all mandatory Corporate Governance requirements as specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 to the extent applicable. There has been no instance of non-compliance with any requirement of the Corporate Governance report. Additionally, the quarterly compliance report has been duly submitted to the Stock Exchanges where the Company's Equity Shares are listed, in the requisite format, duly signed by the Company Secretary.

The Company has obtained a Certificate from M/s. BNP & Associates, Practicing Company Secretaries, to this effect, and the same is annexed to this Report.

The Company has complied with non-mandatory/discretionary requirements of Listing Regulations are as follows:

1. The Board: The Chairman of the Company is a Non-Executive Chairman;
2. Shareholder Rights: The Quarterly, Half-Yearly and Annual Financial Results are published in Newspapers, uploaded on Company's website;
3. Modified Opinion(s) in Audit Report: The Auditor's opinion on the Financial Statements is unmodified;
4. Reporting of Internal Auditor: The Internal Auditor of the Company reports directly to the Audit Committee.

**F. Details of Non-Compliance by the Company, Penalties and Strictures Imposed on the Company by Stock Exchange(s) or SEBI or any other Statutory Authority, on any matter relating to Capital Markets, during the last Three Years**

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no strictures/penalties have been imposed on the Company by the Stock Exchanges or the SEBI or any other Statutory Authority except as already disclosed in Annual Secretarial Compliance Report.

**G. Proceeds from Public Issues, Right Issues, Private Placement, Preferential Issues, etc.**

During the year under review, the Company has not raised any funds through Public Issues, Right Issue, Private Placement, Preferential Issues during financial year 2023-24.

**H. Details of non-acceptance of recommendations of any Committee by the Board.**

During the financial year under review, the Board has accepted the recommendations of all the Committees.

**I. Fees paid to Statutory Auditors during the Financial Year 2023-24**

Pursuant to the provisions of Section 139 of the Act and the Companies (Audit and Auditors) Rules, 2014, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (ICAI Firm Registration Number: 117366W/W-100018), have been appointed as the Auditors of the Company to hold office till the conclusion of the 29<sup>th</sup> AGM to be held in 2025. The Company has paid ₹33 Lakh as remuneration to the Auditors which includes payment for Audit Fee, Limited Reviews, Tax Audit Fee and Certification Fee and reimbursement of expenses of ₹1.75 Lakh for all the services rendered to the Company for the financial year under review.

**J. As per Schedule V of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 the securities of the Company are not suspended from trading on any of the recognised Stock Exchange.**



## Report on Corporate Governance (Contd.)

**K.** As on 31<sup>st</sup> March 2024, your Company does not have any Material Subsidiary Company. Although, the Company has a Policy for determining 'material subsidiaries' which is disclosed on its website at the link: <https://stocksandsecurities.adityabirlacapital.com/investor>.

**L. Outstanding Debt/GDRS/ADRS/Warrants Or Any Convertible Instruments, Conversion Date and likely Impact on Equity**

The Company has not issued any GDRS/ADRS/Warrants or any convertible instruments as on date.

**M. Loans and Advances**

During the period under review, no loans and advances were given to any Firms/Companies in which any of the Directors are interested.

### GENERAL SHAREHOLDER INFORMATION

Annual General Meeting Date and Time	: 30 <sup>th</sup> July 2024 at 12:30 PM
Venue	: The requirement to have a venue for the AGM would not be applicable as the Company is conducting meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) pursuant to applicable MCA & SEBI Circulars.
Financial Year	: April 2023 to March 2024
Record Date/Cut-Off Date	: 23 <sup>rd</sup> July 2024 (for the purpose of e-Voting)
Dividend	: Nil
Payment of Listing Fees/Custodian Fees	: For Financial Year 2024-25, the Company has paid the Annual Listing Fees to NSE and BSE and Annual Custody Fee to National Securities Depository Limited and Central Depository Services Limited.
Compliance Officer	: Ms. Manisha Lakhotia, Company Secretary
Website	: <a href="https://stocksandsecurities.adityabirlacapital.com">https://stocksandsecurities.adityabirlacapital.com</a>
E-mail	: <a href="mailto:abml.investorgrievance@adityabirlacapital.com">abml.investorgrievance@adityabirlacapital.com</a>
ISIN for Equity Shares (NSDL and CDSL)	: INE865C01022

**REGISTRAR AND SHARE  
TRANSFER AGENTS**

: Cameo Corporate Services Limited  
SEBI Registration No. INR000003753  
Subramanian Building, No.1, Club House Road,  
Chennai – 600 002  
Tel: +91 044-4002 0700  
Email: <https://wisdom.cameoindia.com>

### LISTING ON STOCK EXCHANGES

**National Stock Exchange of India Limited**  
"Exchange Plaza", C-1, Block G, Bandra  
Kurla Complex, Bandra (E), Mumbai – 400 051  
Stock Code – BIRLAMONEY

**BSE Limited**  
Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai – 400 001  
Stock Code – 532974

## PLANT LOCATION

The Company is engaged in Financial Services business and does not have any plant.

## CREDIT RATINGS

During the financial year under review, CRISIL Limited and India Ratings and Research Private Limited have assigned the following ratings for the Commercial Paper Programme of the Company for an amount of ₹1,750 Crore.

Sr. No.	Nature of the Instrument	Name of the Instrument	Name of Credit Rating Agency	Amount Rated (in Cr)	Current Rating
1	Short Term Instrument	Commercial Paper	CRISIL	1,750	A1+
2	Short Term Instrument	Commercial Paper	IND-Ra	1,750	A1+

Further, during the financial year under review, India Ratings and Research (Ind-Ra) has assigned a Long-Term Issuer Rating of "AA+" to the Company.

## SHARE TRANSFER SYSTEM

The Securities of the Listed Companies can be transferred only in dematerialised form w.e.f. 01<sup>st</sup> April, 2019. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January 2022, mandated all Listed Companies to issue securities in dematerialised form only, while processing the service request of issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition. In view of the same, Members are advised to dematerialise the shares held by them in physical form.

In terms of Regulation 40(9) of the Listing Regulations 2015, certificates, on annual basis, have been issued by a M/s. BNP & Associates, Practicing Company Secretaries with respect to due compliance of share and security transfer formalities by the Company.

M/s. BNP & Associates, Practicing Company Secretaries carried out an Audit on quarterly basis to reconcile the total admitted Capital with National Securities Depository Limited and Central Depository Services (India) Limited and the Total Issued & Listed Capital. The Audit confirms that the total issued/listed capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form. The Reconciliation of Share Capital Audit

Report issued by the Company Secretaries in Practice in this regard is submitted to the Stock Exchanges on a quarterly basis.

## UNCLAIMED SUSPENSE ACCOUNT

- Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: NIL
- Number of shareholders who approached listed entity for transfer of shares from suspense account during the year: NIL
- Number of shareholders to whom shares were transferred from suspense account during the year: NIL
- Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: NIL
- That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: NIL

## DEMATERIALISATION OF SHARES AND LIQUIDITY

As on 31<sup>st</sup> March 2024, 5,65,09,201 Equity Shares representing 98.42% of the Issued Share Capital of the Company were held in dematerialised form. The shares of the Company are frequently traded on BSE and NSE.



## Report on Corporate Governance (Contd.)

**DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2024**

Equity Shares	Shareholders				Shares			
	Physical		Electronic		Physical		Electronic	
	Nos.	%	Nos.	%	Nos.	%	Nos.	%
1 - 5000	1230	2.83	49,940	96.42	7,30,767	1.29	86,47,343	15.30
5001 - 10000	9	0.02	182	0.42	70,460	0.12	13,58,961	2.40
10001 - 20000	5	0.01	66	0.15	71,004	0.13	9,62,668	1.70
20001 - 30000	1	0.00	22	0.05	22,800	0.04	5,50,636	0.97
30001 - 40000	0	0.00	15	0.03	0	0.00	5,47,640	0.97
40001 - 50000	0	0.00	5	0.01	0	0.00	2,27,614	0.40
50001 - 100000	0	0.00	14	0.03	0	0.00	9,62,607	1.70
100001 & above	0	0.00	6	0.01	0	0.00	4,23,56,701	74.96
<b>Total</b>	<b>1245</b>	<b>2.86</b>	<b>42,250</b>	<b>97.14</b>	<b>8,95,031</b>	<b>1.58</b>	<b>5,56,14,170</b>	<b>98.42</b>
<b>Grand Total</b>	<b>43,495</b>				<b>5,65,09,201</b>			

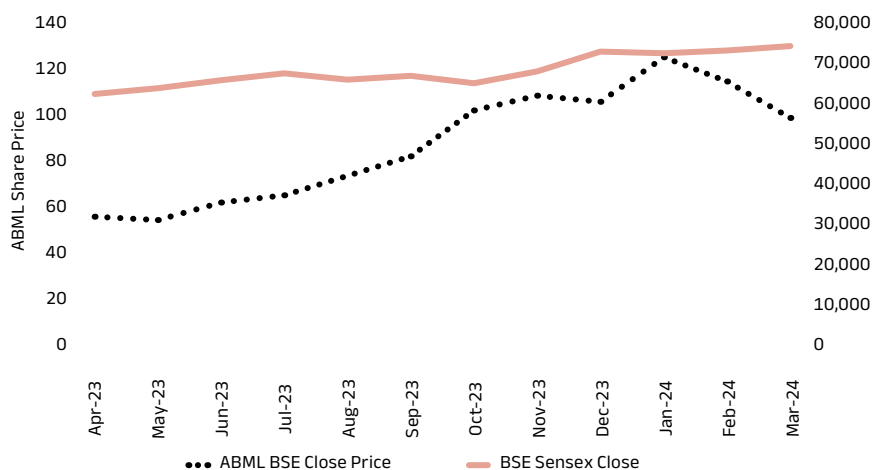
**SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> MARCH, 2024**

Sr. No.	Category	No. of Shares	% of holding
1.	Promoter/Promoter Group	4,15,50,000	73.53%
2.	Bodies Corporate	6,37,829	1.13%
3.	Individuals - holding up to ₹2 Lakh	1,30,06,752	23.02%
4.	Individuals - holding in excess of ₹2 Lakh	3,50,000	0.62%
5.	Clearing Members	363	0.00%
6.	HUF	5,54,048	0.98%
7.	FPI	16,113	0.03%
8.	NRIs	3,92,596	0.69%
9.	Trust	1,500	0.00%
<b>Total</b>		<b>5,65,09,201</b>	<b>100.00%</b>

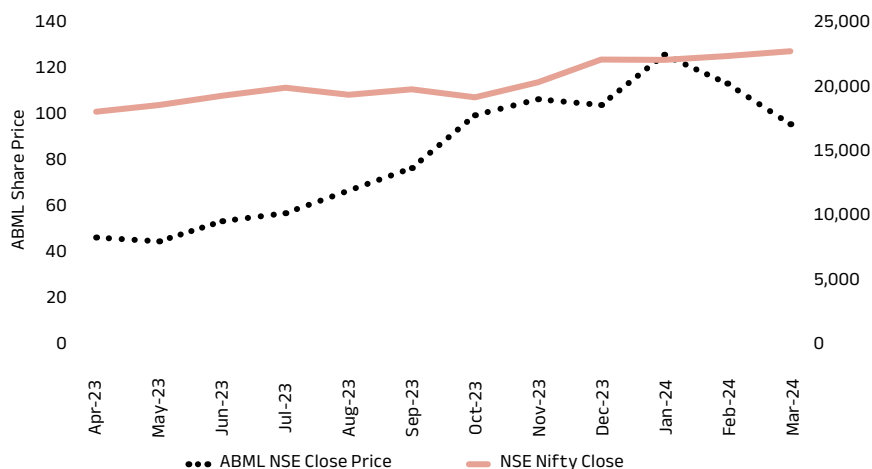
**MARKET PRICE DATA**

Month	(Price in ₹)			
	BSE Limited (BSE)		National Stock Exchange Limited (NSE)	
	High Price	Low Price	High Price	Low Price
April 2023	52.70	45.35	52.75	45.35
May 2023	54.99	48.50	52.85	49.00
June 2023	59.90	49.80	58.65	49.55
July 2023	68.95	57.30	69.00	57.55
August 2023	70.75	59.50	71.00	59.50
September 2023	80.98	67.15	80.95	66.80
October 2023	105.40	77.55	105.40	76.10
November 2023	125.30	98.45	125.25	98.50
December 2023	115.60	98.80	115.55	98.35
January 2024	148.35	104.25	148.35	104.00
February 2024	127.80	106.25	127.95	106.00
March 2024	116.00	88.05	114.85	87.95

## PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES I.E. BSE SENSEX AND NSE NIFTY SHARE PRICE MOVEMENT - BSE



## SHARE PRICE MOVEMENT - NSE



## GENERAL BODY MEETINGS

The last three Annual General Meetings were held as under:

Financial Year	Day and Date	Time	Location	Special Resolutions passed
2020-21	Friday, 30 <sup>th</sup> July 2021	11.00 AM	Through Video-Conferencing	1. Enhancement of Borrowing Limit of the Company up to ₹850 Crore 2. Creation of charge on movable and immovable properties of the Company up to ₹850 Crore
2021-22	Tuesday, 12 <sup>th</sup> July 2022	11.00 AM	Through Video-Conferencing	1. Enhancement of Borrowing Limit of the Company up to ₹1,600 Crore 2. Creation of charge on movable and immovable properties of the Company up to ₹1,600 Crore 3. Approval of Alteration of Object Clause of Memorandum of Association of the Company 4. Adoption of restated Memorandum of Association as per Companies Act, 2013
2022-23	Thursday 06 <sup>th</sup> July 2023	11.00 AM	Through Video-Conferencing	1. Enhancement of Borrowing Limit of the Company up to ₹2,500 Crore 2. Creation of charge on movable and immovable properties of the Company up to ₹2,500 Crore





## Report on Corporate Governance (Contd.)

### POSTAL BALLOT

During the year under review, Postal Ballot was conducted once by the Company to seek the approval of its Members as required under the provisions of Section 110 of the Companies Act, 2013 read with The Companies (Management and Administration) Rules, 2014.

At the Postal Ballot Voting which commenced on 11<sup>th</sup> August 2023 and ended on 09<sup>th</sup> September 2023 and the results of which were declared by the Company on 11<sup>th</sup> September 2023, the following Special Resolutions were passed:

#### **Resolution No. 1 – Enhancement of the existing limit under Section 186 of the Companies Act, 2013**

Summary of voting as per the Scrutiniser's Report is being provided below for the above Special Resolution passed through the Postal Ballot on 11<sup>th</sup> September 2023.

Total No. of Members	43,323	
Total No. of Equity Shares	5,65,09,201	
E-voting as per the Postal Ballot Notice	From 09.00 A.M. (IST) on Friday, 11 <sup>th</sup> August 2023 till 5.00 P.M. (IST) on Saturday, 09 <sup>th</sup> September 2023	
	Number of Votes	Number of Shares
Total votes cast through E-voting (A)	293	4,16,30,111
Less: Invalid E-voting (abstained/less voted) *refer to note below (B)	-	-
Net number of E-votes [A-B] considered valid	293	4,16,30,111

**Result of Voting:** The Special Resolution has been duly approved by the Shareholders with an overwhelming majority.

\*M/s. BNP & Associates, Practicing Company Secretaries who was appointed as Scrutiniser for the aforesaid Postal Ballot process submitted his report dated 09<sup>th</sup> September 2023. In accordance with the said report, the above results were declared at the Registered Office of the Company on 11<sup>th</sup> September 2023.

### MEANS OF COMMUNICATION

The results of the Company, official news releases and presentations to institutional investors or analysts, if any, are hosted on the Company's website: <https://stocksandsecurities.adityabirlacapital.com>. The results are also displayed on the website of the Stock Exchanges, [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com). The results are also published in all editions of Business Standard and Rajkot edition of Jai Hind.

#### **REGISTERED OFFICE**

Indian Rayon Compound  
Veraval - 362 266, Gujarat  
Tel: +91 2876 245711  
Fax: +91 2876 243257

#### **ADDRESS FOR CORRESPONDENCE**

Sai Sagar, 2<sup>nd</sup> & 3<sup>rd</sup> Floor, Plot No. M-7  
Thiru-Vi-Ka (SIDCO) Industrial Estate  
Guindy, Chennai - 600 032  
Tel: +91 44 4949 0000  
Fax: +91 44 2250 1095

## Annexure I to Corporate Governance Report

### CEO/CFO CERTIFICATE

To  
The Board of Directors  
**Aditya Birla Money Limited**

1. We have reviewed the financial statements and the cash flow statement of the Company for the year ended 31<sup>st</sup> March 2024 and that to the best of our knowledge and belief:
  - a) these statements do not contain any materially untrue statement or omit any material act or contain statements that might be misleading
  - b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of the internal controls.
4. We have indicated to the Auditors and the Audit Committee that:
  - a) there are no significant changes in the Company's internal control over financial reporting during the year;
  - b) there are no significant changes in accounting policies during the year; and
  - c) there are no instances of significant fraud of which we have become aware.

For **Aditya Birla Money Limited**

Place: Mumbai  
Date: 22<sup>nd</sup> April 2024

**Tushar Shah**  
Director  
DIN: 00239762

**Pradeep Sharma**  
Chief Financial Officer  
PAN: AHRPS6339L

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### Certificate on Compliance with Code of Conduct

I hereby confirm that the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended 31<sup>st</sup> March 2024.

For **Aditya Birla Money Limited**

Place: Mumbai  
Date: 22<sup>nd</sup> April 2024

**Tushar Shah**  
Director  
DIN: 00239762

**Annexure II to Corporate Governance Report****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,  
**Aditya Birla Money Limited**  
Indian Rayon Compound,  
Veraval Gujrat- 362266.

We, BNP & Associates have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Aditya Birla Money Limited having CIN L65993GJ1995PLC064810 and having its Registered Office at Indian Rayon Compound, Veraval Gujrat- 362266 (hereinafter referred to as 'the Company'), produced before us through the virtual data room by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the Securities 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 verification of Directors Identification Number (DIN) status] in terms of the portal of Ministry of Corporate Affairs Government of India (MCA) www.mca.gov.in as considered necessary and pursuant to explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below, for the financial year ended on 31<sup>st</sup> March 2024 have been debarred or disqualified from appointment or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or by any other Statutory Regulatory Authority.

Sr. No	DIN	Name of the Directors	Designation	Date of Appointment*
1	00017786	Mr. Gopi Krishna Tulsian	Chairperson, Non-Executive Non-Independent Director	25/03/2014
2	00018213	Mr. Palepu Sudhir Rao	Non-Executive, Independent Director	06/03/2009
3	00020429	Ms. Pinky Atul Mehta	Non-Executive, Non-Independent Director	30/03/2015
4	00239762	Mr. Tushar Harendra Shah	Non-Executive, Non-Independent Director	06/05/2016
5	00894134	Mr. Vijayaraghavan Ganesan	Non-Executive, Independent Director	06/03/2009
6	01638250	Mr. Shriram Jagetiya	Non-Executive, Non-Independent Director	25/03/2014

\*Date of appointment of Directors are as appearing on MCA Portal.

Ensuring the eligibility of every Director for appointment/continuity on the Board is the responsibility of the Management of the Company. We further state that this certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management of the Company has conducted the affairs of the Company.

For **BNP & Associates**  
Company Secretaries  
[Firm Regn. No. P2014MH037400]

**Avinash Bagul**

Partner

FCS No.: 5578

COP No.:19862

PR No.: 637/2019

UDIN: F005578F000531411

Place: Mumbai

Date: 05<sup>th</sup> June 2024

# Independent Auditor's Report

To The Members of Aditya Birla Money Limited

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying financial statements of **Aditya Birla Money Limited** (the "Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Information Technology and General Controls</p> <p>The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls to process significant volume of transactions.</p> <p>Due to the complexity, large volume of transactions processed daily and reliance on automated and IT dependent manual controls, matter pertaining to adequacy and effectiveness of IT control environment is considered as a Key Audit Matter.</p> <p>Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring, IT dependent and application-based controls are operating effectively.</p>	<p>We understood and assessed the overall IT control environment and the controls in place which included controls over access to systems and data, as well as system changes.</p> <p>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.</p> <p>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 authorised.</p> <p>Tested the Company's periodic review of access rights. We also inspected requests of changes to systems for appropriate approval and authorisation.</p> <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 financial controls with reference to financial statements.</p> <p>Tested the design and operating effectiveness compensating controls in case deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.</p>

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

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



## Independent Auditor's Report (Contd.)

- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to

## Independent Auditor's Report (Contd.)

the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, 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 except for not complying with the requirement of audit trail as stated in (i)(vi) below (refer Note 56 to the financial statements).
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.
- f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- i) 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:



## Independent Auditor's Report (Contd.)

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 50 to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 52 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the note 53 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that has been considered reasonable and appropriate in the circumstances, nothing
- has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31<sup>st</sup> March 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except audit trail feature was not enabled at the database level for accounting software to log any direct data changes.
- Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting software for the period for which the audit trail feature was operating.
- As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1<sup>st</sup> April 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended 31<sup>st</sup> March 2024.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For DELOITTE HASKINS & SELLS LLP**Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)**Mukesh Jain**

(Partner)

(Membership No. 108262)

UDIN: 24108262BKEWZU9440

Place: Mumbai

Date: 22<sup>nd</sup> April 2024

# Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

## REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (THE "ACT")

We have audited the internal financial controls with reference to financial statements of **Aditya Birla Money Limited** (the "Company") as at 31<sup>st</sup> March 2024 in conjunction with our audit of the Ind AS 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 with reference to financial statements based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 financial statements.

### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not





## Annexure A (Contd.)

be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31<sup>st</sup> March 2024, based on the criteria for internal financial control with reference to financial statements established by

the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Mukesh Jain**

(Partner)  
(Membership No. 108262)  
UDIN: 24108262BKEWZU9440

Place: Mumbai

Date: 22<sup>nd</sup> April 2024

## Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

- (i) In respect of the Company's Property, Plant and Equipment, right-of-use of asset and Intangible assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of the of Property, Plant and Equipment and relevant details of right-of-use asset.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) Some of the property, plant & equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant & equipment and right-of-use assets at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Based on our examination of the registered sale deed cum general power of attorney provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company), disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The Company does not have any inventory and hence reporting under clause (ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹5 Crore, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising book debt statements and statements on ageing analysis of the debtors filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters.
- (iii) The Company has made investments in securities and granted loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year in respect of which:
- a) The Company has provided loans during the year and details of which are given below:

₹ in Lakh	
Particulars	Loans
<b>Aggregate amount during the year</b>	
- Subsidiaries*	-
- Joint Ventures*	-
- Associates*	-
- Others#	31,806.85
<b>Balance outstanding as at balance sheet date</b>	
- Subsidiaries*	-
- Joint Ventures*	-
- Associates*	-
- Others	60,088.59

\* As per Companies Act, 2013

# The amount represents difference between loans amount outstanding at 31<sup>st</sup> March 2024 and 31<sup>st</sup> March 2023.

The Company has not provided any guarantee, security or advances in nature of loans to companies, firms, limited liability partnership or any other parties during the year.

- b) The investments made and the terms and conditions of the grant of loans provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has not been stipulated (given the nature of



## Annexure B (Contd.)

the loans – Margin Funding Facility) and in the absence of such schedule, we are unable to comment on the regularity of the repayments of principal amounts and payment of interest (Refer reporting under clause (iii)(f) below).

- d) According to information and explanation given to us, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at balance sheet date.
- e) No loans granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f) The Company has granted loans which are without specifying any terms or period of repayment details of which are given below:

Particulars	₹ in Lakh		
	All parties	Promoters	Related parties
Aggregate of loans			
Repayable on demand (A)	-	-	-
Agreement does not specify any terms or period of repayment or details (B)#	31,806.85	-	-
<b>Total (A+B)</b>	<b>31,806.85</b>		
<b>Percentage of loans to the total loans</b>	<b>100%</b>		

# The amount represents difference between loans amount outstanding at 31<sup>st</sup> March 2024 and 31<sup>st</sup> March 2023.

- (iv) The Company has not granted any loans, made investments or provided guarantees and securities under Section 185

of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of grant of loans and making investments. The Company has not provided any guarantees and securities during the year. Accordingly, para 3(iv) of the Order is not applicable to that extent.

- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under Section 148(1) of the Companies Act, 2013. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues:

- (a) Undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income-tax, cess and any other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues in arrears as at 31<sup>st</sup> March 2024 for a period of more than six months from the date they became payable other than stamp duties collected by the Company in respect of states wherein the manner of making the payment has not been notified from July 2011 onwards and remaining unpaid as on 31<sup>st</sup> March 2024 amounting to ₹164.90 Lakh as disclosed in Note 34 to the financial statements.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31<sup>st</sup> March 2024 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	₹ in Lakh		
				Demand Amount	Amount paid	Un-paid amount
Finance Act, 1994	Service tax	CESTAT	March 2009 – November 2009	13.65	11.16	2.49
Finance Act, 1994	Service tax	CESTAT	April 2006 - May 2008	7.94	7.62	0.32
Employee's Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund	EPFO	April 2009 - May 2011	438.59	140.37	298.22

## Annexure B (Contd.)

						₹ in Lakh
Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Demand Amount	Amount paid	Un-paid amount
Securities exchange board of India (SEBI) Act, 1992	Penalty for violation under the SEBI provisions	Securities Appellate Tribunal (SAT)	January 2014 – December 2016	102.00	50.00	52.00
Income Tax Act, 1961	Income Tax	High Court, Chennai	AY 2010-11	7.42	-	7.42
Tamil Nadu Value Added Tax, 2006	Value Added Tax	Appellate Assistant Commissioner of Commercial Taxes	April 2006 - March 2007	0.40	0.10	0.30
			April 2007-March 2008	10.20	2.55	7.65

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the 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 willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.
- (f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer/further public offer. In our opinion, moneys raised by way of debt instruments (commercial papers) during the year have been, prima facie, applied by the Company for the purposes for which they were raised.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year (and upto the date of this report).
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors



## Annexure B (Contd.)

or directors of its holding company or persons connected with such directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

- (xvi) (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, the Group more than one CIC as part of the group. There are two CIC forming part of the group.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities and other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year

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

- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Mukesh Jain**

(Partner)

(Membership No. 108262)  
UDIN: 24108262BKEWZU9440

Place: Mumbai  
Date: 22<sup>nd</sup> April 2024

# Balance Sheet

as at 31<sup>st</sup> March 2024

₹ in Lakh

Particulars	Note No.	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
<b>I ASSETS</b>			
<b>(1) Financial Assets</b>			
(a) Cash and Cash Equivalents	3	1,710.84	6,248.57
(b) Bank Balance other than (a) above	4	87,240.11	50,231.17
(c) Investment in Securities	5	42,997.20	40,358.98
(d) Trade and Other Receivables	6	6,065.95	1,832.87
(e) Loans	7	60,088.59	28,281.74
(f) Other Financial Assets	8	5,250.57	2,574.03
<b>Sub-Total</b>		<b>2,03,353.26</b>	<b>1,29,527.36</b>
<b>(2) Non-Financial Assets</b>			
(a) Current Tax Assets (Net)		1,021.88	820.83
(b) Deferred Tax Assets (Net)	9	1,061.98	696.03
(c) Property, Plant and Equipment	10	980.90	651.94
(d) Right to use of Assets	41	2,180.10	2,219.27
(e) Other Intangible assets	11	426.18	232.75
(f) Intangible assets under development	46	38.77	60.59
(g) Other Non-Financial assets	12	2,547.81	2,132.81
<b>Sub-Total</b>		<b>8,257.62</b>	<b>6,814.22</b>
<b>Total Assets</b>		<b>2,11,610.88</b>	<b>1,36,341.58</b>
<b>II LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(1) Financial Liabilities</b>			
(a) Trade Payables	13		
(i) total outstanding dues of micro enterprises and small enterprises		0.25	8.75
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2,380.06	1,940.33
(b) Debt Securities	14	1,28,266.14	78,940.78
(c) Subordinated Liabilities	15	9,197.11	8,648.97
(d) Lease Liability	41	2,399.51	2,376.25
(e) Other Financial Liabilities	16	47,658.88	28,949.75
<b>Sub-Total</b>		<b>1,89,901.95</b>	<b>1,20,864.83</b>
<b>(2) Non Financial Liabilities</b>			
(a) Provisions	17	4,059.23	3,347.80
(b) Other Non Financial Liabilities	18	1,378.89	1,211.73
<b>Sub-Total</b>		<b>5,438.12</b>	<b>4,559.53</b>
<b>(3) Equity</b>			
(a) Equity Share capital	19	565.09	564.53
(b) Other Equity	20	15,705.72	10,352.69
<b>Total Equity</b>		<b>16,270.81</b>	<b>10,917.22</b>
<b>Total Equity and Liabilities</b>		<b>2,11,610.88</b>	<b>1,36,341.58</b>

The accompanying Notes 1 to 56 form an integral part of the Financial Statements.

In terms of our report attached

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

ICAI Firm Registration Number: 117366W/W-100018

**Mukesh Jain**

Partner

Membership No. 108262

Place: Mumbai

Date: 22<sup>nd</sup> April 2024

For and on behalf of the Board of Directors of

**Aditya Birla Money Limited**

**Pinky A Mehta**

Director

DIN : 00020429

**Pradeep Sharma**

Chief Financial Officer

**Tushar Shah**

Director

DIN: 00239762

**Manisha Lakhotia**

Company Secretary

Mem. No: A46126



# Statement of Profit and Loss

for the year ended 31<sup>st</sup> March 2024

₹ in Lakh

Particulars	Note No.	Year Ended 31 <sup>st</sup> March 2024	Year Ended 31 <sup>st</sup> March 2023
<b>Revenue from operations</b>			
(i) Interest Income	21	16,508.39	10,296.56
(ii) Fees and Commission Income	22	20,734.87	14,465.19
(iii) Net Gain on Fair Value Changes	23	1,776.06	1,533.79
<b>Net Revenue from Operations</b>		<b>39,019.32</b>	<b>26,295.54</b>
Other Income	24	482.17	1,583.38
<b>Total Income</b>		<b>39,501.49</b>	<b>27,878.92</b>
<b>EXPENSES</b>			
(i) Finance Costs	25	9,222.15	4,957.06
(ii) Fees and Commission Expenses		8,466.56	5,859.26
(iii) Impairment on financial instruments	26	89.40	45.61
(iv) Employee benefits expense	27	8,888.62	6,998.73
(v) Depreciation and amortisation expenses	28	823.09	665.56
(vi) Other expenses	29	5,118.62	4,684.94
<b>Total Expenses</b>		<b>32,608.44</b>	<b>23,211.16</b>
<b>Profit Before Tax</b>		<b>6,893.05</b>	<b>4,667.76</b>
Tax Expenses			
Current Tax		1,908.80	1,261.00
Short provision related to earlier years		53.40	115.62
Deferred tax credit		(365.95)	(99.08)
<b>Total Tax Expenses</b>		<b>1,596.25</b>	<b>1,277.54</b>
<b>Profit for the year</b>		<b>5,296.80</b>	<b>3,390.22</b>
<b>Other Comprehensive Income</b>	30		
(i) Items that will not be reclassified to profit or loss			
Remeasurement of post-employment benefit Obligations		50.12	76.19
(ii) Income tax relating to items that will not be reclassified to profit or loss			
Income tax relating to Re-measurement of post-employment benefit Obligations		12.61	19.18
<b>Other Comprehensive Income for the year, net of Tax (i - ii)</b>		<b>37.51</b>	<b>57.01</b>
<b>Total Comprehensive Income for the year</b>		<b>5,334.31</b>	<b>3,447.23</b>
Earnings per equity share :			
Basic	31	9.37	6.01
Diluted		9.37	6.01

The accompanying Notes 1 to 56 form an integral part of the Financial Statements.

In terms of our report attached

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

ICAI Firm Registration Number: 117366W/W-100018

**Mukesh Jain**

Partner

Membership No. 108262

Place: Mumbai

Date: 22<sup>nd</sup> April 2024

For and on behalf of the Board of Directors of

**Aditya Birla Money Limited**

**Pinky A Mehta**

Director

DIN : 00020429

**Pradeep Sharma**

Chief Financial Officer

**Tushar Shah**

Director

DIN: 00239762

**Manisha Lakhotia**

Company Secretary

Mem. No: A46126

# Statement of Cash Flows

for the year ended 31<sup>st</sup> March 2024

₹ in Lakh

Particulars	Year Ended 31 <sup>st</sup> March 2024	Year Ended 31 <sup>st</sup> March 2023
<b>Cash flow from operating activities</b>		
Profit before tax	<b>6,893.05</b>	<b>4,667.76</b>
<b>Non-cash adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation/amortisation	823.09	665.56
Loss on sale of Property, plant and equipment	4.25	11.04
Impairment on Financial Instruments	89.40	45.61
Gain on Termination of Lease	(3.35)	(37.13)
Net Gain on sale of investments (Mutual fund)	(417.94)	(366.87)
Interest income on financial assets held at amortised cost (Security Deposits)	(19.31)	(13.24)
Finance cost	9,222.15	4,957.07
<b>Operating profit before working capital changes</b>	<b>16,591.34</b>	<b>9,929.80</b>
<b>Movements in working capital :</b>		
Increase/(Decrease) in trade payables & provisions	1,192.78	(580.02)
Increase/(Decrease) in other financial liabilities & non-financial liabilities	18,876.30	(9,289.73)
(Increase)/Decrease in trade and other receivables	(4,322.48)	2,657.16
Increase in loans	(31,806.85)	(3,760.35)
(Increase)/Decrease in Investment in Securities	(2,638.22)	3,241.87
Increase in other bank balance other than Cash & Cash Equivalents	(37,008.94)	(7,704.58)
Increase in other Financial assets & other non-Financial assets	(3,085.59)	(529.15)
<b>Cash used in operations</b>	<b>(42,201.66)</b>	<b>(6,035.00)</b>
<b>Direct taxes paid (net of refunds)</b>	<b>(2,175.86)</b>	<b>(1,615.72)</b>
<b>Net cash used in operating activities (A)</b>	<b>(44,377.52)</b>	<b>(7,650.72)</b>
<b>Cash flows from Investing activities</b>		
Purchase of Property, Plant and Equipment and other intangible assets and intangible assets under development	(909.85)	(748.96)
Proceeds from sale of Property, Plant and Equipment	81.52	5.97
Net Proceeds from Mutual Fund transactions	417.94	366.87
<b>Net cash used in investing activities (B)</b>	<b>(410.39)</b>	<b>(376.12)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of equity share capital	0.56	0.78
Premium on issue of equity share capital	19.20	25.90
Payments towards Lease liabilities (including interest thereon)	(593.26)	(484.99)
Net Short-term borrowings	49,325.37	15,363.27
Interest paid	(8,501.69)	(4,299.63)
<b>Net cash generated from financing activities (C)</b>	<b>40,250.18</b>	<b>10,605.33</b>
Net increase in cash and cash equivalents (A+B+C)	(4,537.73)	2,578.49
Cash and cash equivalents at the beginning of the year	6,248.57	3,670.08
Cash and cash equivalents as at the end of the year	1,710.84	6,248.57
<b>Components of cash and cash equivalents</b>		
Cash on hand	-	-
With banks - Current Accounts	1,710.84	6,248.57
<b>Total cash and cash equivalents (Note 3)</b>	<b>1,710.84</b>	<b>6,248.57</b>

The accompanying Notes 1 to 56 form an integral part of the Financial Statements.

In terms of our report attached

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

ICAI Firm Registration Number: 117366W/W-100018

**Mukesh Jain**

Partner

Membership No. 108262

Place: Mumbai

Date: 22<sup>nd</sup> April 2024

For and on behalf of the Board of Directors of

**Aditya Birla Money Limited**

**Pinky A Mehta**

Director

DIN : 00020429

**Pradeep Sharma**

Chief Financial Officer

**Tushar Shah**

Director

DIN: 00239762

**Manisha Lakhotia**

Company Secretary

Mem. No: A46126





# Statement of Changes in Equity

for the year ended 31<sup>st</sup> March 2024

## (A) EQUITY SHARE CAPITAL

₹ in Lakh

Particulars	As at 31 <sup>st</sup> March 2024		As at 31 <sup>st</sup> March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares of Face Value of ₹ 1/- each Issued, Subscribed and Fully Paid-up				
Balance at the beginning of the year	5,64,52,882	564.53	5,63,74,998	563.75
Changes in Equity Share Capital during the year				
Issue of Share on Employee Stock Options Plan (ESOP) (Refer Note 43)	56,319	0.56	77,884	0.78
<b>Balance at the end of the period</b>	<b>5,65,09,201</b>	<b>565.09</b>	<b>5,64,52,882</b>	<b>564.53</b>

## (B) OTHER EQUITY

For the year ended 31<sup>st</sup> March 2024

₹ in Lakh

Particulars	Reserve and Surplus					Total Other Equity
	Retained Earnings		Other Reserve			
	Surplus as per Statement of Profit and Loss	General Reserve	Capital Reserve	Securities Premium Reserve	Share Option Outstanding Account	
<b>Balance as at 1<sup>st</sup> April 2023</b>	6,932.93	2,757.82	115.39	536.17	10.38	10,352.69
Profit for the year	5,296.80	-	-	-	-	5,296.80
Other Comprehensive Income for the year (Refer Note 30)	37.51	-	-	-	-	37.51
Total Comprehensive income	5,334.31	-	-	-	-	5,334.31
Transfer from General Reserve on account of reinstatement of active options	-	(11.55)	-	-	11.55	-
Transfer to General Reserve on account of lapse of vested options	-	11.07	-	-	(11.07)	-
Exercise of ESOP (Refer Note 43)	-	-	-	29.58	(10.86)	18.72
<b>Balance as at 31<sup>st</sup> March 2024</b>	<b>12,267.24</b>	<b>2,757.34</b>	<b>115.39</b>	<b>565.75</b>	<b>-</b>	<b>15,705.72</b>

# Statement of Changes in Equity (Contd.)

for the year ended 31<sup>st</sup> March 2024

For the year ended 31<sup>st</sup> March 2023

₹ in Lakh

Particulars	Reserve and Surplus					Total Other Equity
	Retained Earnings		Other Reserve			
	Surplus as per Statement of Profit and Loss	General Reserve	Capital Reserve	Securities Premium Reserve	Share Option Outstanding Account	
<b>Balance as at 1<sup>st</sup> April 2022</b>	3,485.70	2,757.82	115.39	495.25	25.40	6,879.55
Profit for the year	3,390.22	-	-	-	-	3,390.22
Other Comprehensive Income for the year (Refer Note 30)	57.01	-	-	-	-	57.01
Total Comprehensive Income	3,447.23	-	-	-	-	3,447.23
Transfer to General Reserve on account of lapse of vested options	-	-	-	-	-	-
Exercise of ESOP (Refer Note 43)	-	-	-	40.92	(15.02)	25.90
<b>Balance as at 31<sup>st</sup> March 2023</b>	<b>6,932.93</b>	<b>2,757.82</b>	<b>115.39</b>	<b>536.17</b>	<b>10.38</b>	<b>10,352.69</b>

The accompanying Notes 1 to 56 form an integral part of the Financial Statements.

In terms of our report attached

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants  
ICAI Firm Registration Number: 117366W/W-100018

**Mukesh Jain**

Partner  
Membership No. 108262

Place: Mumbai  
Date: 22<sup>nd</sup> April 2024

For and on behalf of the Board of Directors of  
**Aditya Birla Money Limited**

**Pinky A Mehta**

Director  
DIN : 00020429

**Pradeep Sharma**

Chief Financial Officer

**Tushar Shah**

Director  
DIN: 00239762

**Manisha Lakhotia**

Company Secretary  
Mem. No: A46126



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## 1. GENERAL INFORMATION

Aditya Birla Money Limited ('ABML' or 'the Company') having Company Identification No: L65993GJ1995PLC064810 is a Listed Public Company having its Registered Office at Indian Rayon Compound, Veraval – 362 266, Gujarat, domiciled in India and is incorporated on 04<sup>th</sup> July 1995, in Chennai, Tamil Nadu under the provisions of erstwhile Companies Act, 1956 (now Companies Act, 2013).

Company's shares are listed in two recognised stock exchanges in India. The Company is a stock broking and capital market products distributor, offering Equity and Derivative trading through NSE and BSE and Currency Derivative on MCX-SX and Commodities Trading through MCX and NCDEX. It is registered as a Depository Participant with both NSDL and CDSL in terms of the Securities and Exchange Board of India (Depository Participants) Regulations, 1996. It also provides Portfolio Management Services and is involved in investment in securities.

## 2. MATERIAL ACCOUNTING POLICIES

### 2.1 Statement of Compliance

These financial statements are prepared and presented in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of the Companies Act, 2013, the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable. The financial statements are approved by the Board of Directors of the Company at their meeting held on 22<sup>nd</sup> April 2024.

#### 2.2.1 Basis of Preparation

The financial statements are prepared and presented on the going concern basis and at historical cost, except for the following assets and liabilities which have been measured at fair value:

- certain financial assets & liabilities at fair value (refer accounting policy 2.9 on financial Instruments).
- employee's Defined Benefit Plan as per actuarial valuation

Historical cost is generally based on the fair value of the consideration given in exchange for goods and

services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date 31<sup>st</sup> March 2024, and more than 12 months after the reporting date 31<sup>st</sup> March 2024, is presented in Note 32.

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

- The normal course of business
- The event of default

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## 2.2.2 Basis of Accounting

To provide more reliable and relevant information about the effect of certain items in the Balance Sheet and Statement of Profit and Loss, the Company has changed the classification of certain items. Previous Year's figures have been re-grouped or reclassified, to confirm to such current year's grouping/classifications. There is no impact on Equity or Net profit due to these regrouping/reclassifications.

## 2.3 Functional and Presentation Currency:

The financial statements are presented in Indian Rupees, which are the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

## 2.4 Property, Plant and Equipment (PPE) & Depreciation:

Property, plant and equipment are stated at acquisition or construction cost less accumulated depreciation and impairment loss. Cost comprises the purchase price and any attributable cost of bringing the asset to its location and working condition for its intended use, including relevant borrowing costs and any expected costs of decommissioning. If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

When significant parts of Property, Plant and Equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the Property, Plant and Equipment as a replacement if the recognition criteria are satisfied. Any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation on Property, Plant and Equipment is provided on Straight Line basis using the rates arrived at based on the useful lives as specified in the Schedule II of the Companies Act, 2013 or estimated by the management.

The Company has used the following useful life to provide depreciation on its Property, Plant and Equipment.

Assets where useful life is same as Schedule II:

Asset	Useful Life as Prescribed by Schedule II of the Companies Act, 2013
Computers (end user computers, Laptops)	3 years
Servers	6 years
Office Equipment (AC, UPS, Generator & Invertors)	5 years

The useful life of assets different from those prescribed in Schedule II has been estimated by management supported by the Internal Technical assessments and Policies.

Asset	Useful Life as Prescribed by Schedule II of the Companies Act, 2013	Estimated Useful Life
Batteries (included under office equipment's)	5 Years	4 Years
Furniture & Fixtures*	10 Years	7 years
Vehicles#	6 years	4 Years/5 Years

\*In the case of Furniture & Fixtures fitted within premises, Depreciation calculated based on lease period taking into account the secondary lease period or 7 years whichever is less.

#In the case of vehicles, depreciation calculated based on the period mentioned in the Group vehicle policy. As per policy, an employee has the choice to purchase the vehicle after 4 Years or 5 Years as per the applicable job band.

Property, Plant and Equipment, individually costing less than Rupees five thousand are fully depreciated in the year of purchase.

Depreciation on the Property, Plant and Equipment added/discharged off/discarded during the year is provided on pro-rata basis with reference to the month of addition/disposal/discarding.

Gains or losses arising from de-recognition of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

### 2.4.1 Capital work-in-progress and Capital advances

Cost of assets not yet ready for intended use, as on the Balance Sheet date, is shown as capital work-in-progress. Advances given towards acquisition of Fixed Assets outstanding at each Balance Sheet date are disclosed in Other Non Financial Assets.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## 2.5 Intangible Assets & Amortisation

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Capitalised costs include direct costs of implementation and expenses directly attributable to the development of the software. All other expenses on existing intangible assets, including day-to-day maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Computer software cost capitalised is amortised over the estimated useful life of 6 years on a straight-line basis.

### 2.5.1 Intangible Assets Under Development

Expenditure on software development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

## 2.6 Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax

discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

## 2.7 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the assets. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

## 2.8 Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets 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 generates cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment on exercise of an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## 2.9 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument to another entity.

### 2.9.1. Financial Asset

#### 2.9.1.1 Initial Recognition and Measurement

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, Transaction costs are added to, or subtracted from, the said fair value except in the case of financial assets and financial liabilities recorded at FVTPL. However, trade receivables are measured at the transaction price.

The purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognised on the trade date i.e. the date that the Company commits to purchase or sell the asset.

#### 2.9.1.2 Subsequent Measurement

For the purpose of subsequent measurement, financial assets are classified as below:

- i) Financial instruments at amortised cost
- ii) Financial instruments at fair value through other comprehensive income (FVTOCI)
- iii) Financial instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

#### (i) Financial assets measured at amortised cost

A 'Financial instrument' is measured at the amortised cost if both the following conditions are met:

The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

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

A 'Financial Instrument' is classified as at the FVTOCI if both of the following criteria are met:



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Financial Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L.

Interest earned whilst holding FVTOCI Financial Instrument is reported as interest income using the EIR method.

### (iii) Financial Instrument at FVTPL

FVTPL is a residual category for Financial Instruments. Any Financial Instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a Financial Instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such an election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has classified the current investments held as investment in securities (WDM portfolio) at FVTPL.

Financial Instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

### (iv) Equity Investments

All equity investments in scope of IND AS 109 are measured at fair value and the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amount from OCI to P&L, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

### 2.9.1.3. De-Recognition of Financial Assets

Financial assets are de-recognised when the contractual rights to the cashflows from the financial asset expire or the financial asset is transferred, and the transfer qualifies for de-recognition. On de-recognition of a financial asset in its entirety the difference between the carrying amount (measured at the date of de-recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognised in Statement of profit and loss.

### 2.9.1.4 Impairment of Financial Assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. In the case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments – for recognition of impairment loss allowance. The application of the simplified approach does not require the Company to track changes in credit risk of trade receivable.

The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

In this approach, assets are grouped on the basis of similar credit characteristics such as industry, customer segment, past due status and other factors which are relevant to estimate the expected cash loss from these assets.

### 2.9.1.5. Other Financial Assets

Other financial assets are tested for impairment based on significant change in credit risk since initial recognition and impairment is measured based on

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

probability of default over the lifetime when there is significant increase in credit risk.

## 2.9.2 Financial Liabilities

Financial liabilities are classified, at initial recognition,

- as financial liabilities at fair value through profit or loss,
- loans and borrowings,
- payables

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings & payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

### 2.9.2.1. Subsequent Measurement:

The measurement of financial liabilities depends on their classification, as described below:

#### 2.9.2.1.1. Financial liabilities at FVTPL:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk is recognised in OCI.

These gains/losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

#### 2.9.2.1.2. Loans & Borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at

amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss

#### 2.9.2.1.3. De-recognition of financial liabilities:

A financial liability shall be de-recognised when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

## 2.10 Investment in Securities

Securities acquired with the intention to trade are classified as Investment. Investments are valued at market/fair value. The profit or loss from the sale of investment is recognised on trade date or settlement date in the Statement of Profit and Loss according to the nature of investment.

## 2.11. Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

## 2.12. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or the liability; or in the absence of a principal market, in the most advantageous market for the asset or liability, the principal or the most advantageous market must be accessible by the Company.





# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

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 market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for disposal in discontinued operations.

## 2.13. Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists or when annual impairment testing

for any asset is required, the Company estimates the assets recoverable amount. An assets recoverable amount is the higher of an assets fair value less cost of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflow that is largely independent of those from other assets or group of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

## 2.14. Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at transaction price i.e. the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to the customer, excluding amounts collected on behalf of third parties. The Company considers the terms of the contract and its customary business practices to determine the transaction price.

Where the consideration promised is variable, the Company excludes the estimates of variable consideration that are constrained. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises 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 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.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

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 is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliability measured, regardless of when the payment is being made. Revenue is measured at the transaction price, considering contractually defined terms of payment and excluding taxes and duties collected on behalf of the government.

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognised.

The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably.
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred for the transaction or to be incurred in respect of the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable. The revenue recognition in respect of the various streams of revenue is described below:

Brokerage Income and related charges are recognised on the trade date of the transaction upon confirmation of the transactions by the exchanges. Account opening charges are recognised when right to receive the income is established.

Income from depository services, interest and finance charges on funding facility availed by the clients are recognised on the basis of agreements entered into with clients and when the right to receive the income is established.

Interest bearing instruments are measured either at amortised cost and interest income is recorded using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future receipts over the expected life of the financial instrument, to the gross carrying amount of the financial asset.

Interest earned from income bearing instruments is allocated between pre-acquisition and post- acquisition period and the accrued portion of the pre-acquisition portion is deducted from cost. The post- acquisition portion of interest is considered as revenue. The Profit/ Loss realised from sale of securities are recognised on trade date basis.

Other interest incomes are recognised on a time proportion basis taking into account the amount outstanding and the applicable rate of interest.

Portfolio management fees are recognised on an accrual basis in accordance with the Portfolio Management Agreements entered into with the respective clients.

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date.

## 2.15. Retirement and Other Employee Benefits

### 2.15.1 Employee benefits

Employee benefits are accrued in the period in which the associated services are rendered by employees of the Company, as detailed below:

#### 2.15.1.1 Defined contribution plan (Provident fund)

In accordance with Indian law, eligible employees receive benefits from provident fund, which is a defined contribution plan. Both the employee and employer make monthly contributions to the plan, each equal to a specified percentage of employee's basic salary.

The Company has no further obligations under the plan beyond its monthly contributions. The Company does not have any legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Obligation for contributions to the plan is recognised as an employee benefit expense in the Statement of Profit and Loss when incurred.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## 2.15.1.2 Defined Benefit Plans (Gratuity)

In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (the Gratuity Plan) covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company.

The Company's net obligation in respect of the gratuity plan is calculated by estimating the amount of future benefits that the employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service cost and the fair value of plan assets are deducted.

The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligations. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognised asset is limited to the total of any unrecognised past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

The Company recognises all re-measurements of net defined benefit liability/asset directly in other comprehensive income and presented within equity. The Company has employees' gratuity fund under Grasim Industries Limited Employees Gratuity Trust managed by the Grasim Industries Limited.

## 2.15.1.3 Short Term Benefit

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

## 2.15.1.4 Compensated Absences

The employees of the Company are entitled to Leave encashment benefit. The employees can carry forward a portion of the unutilised accrued absence and utilise it in future periods or receive cash compensation at retirement or termination of employment for the unutilised accrued compensated absence. The Company recognises an obligation for compensated absences in the period in which the employee renders the services.

The Company provides for the expected cost of compensated absence in the Statement of Profit and Loss as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated based on actuarial valuations carried out by an independent actuary at the balance sheet date.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Statement of Profit & Loss in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

## 2.15.1.5 Share-Based Payment Transactions

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments whereby employees render services as consideration for equity instruments (equity-settled transactions).

## 2.15.1.6 Equity – Settled Transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

## 2.16. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

## 2.17. Taxes

### 2.17.1 Current income tax

Current tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961, and the rules framed thereunder.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

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 established provisions where appropriate.

### 2.17.2. Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

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.

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 assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## 2.18. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split, if any.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## 2.19. Use of Estimates

The preparation of financial statements in conformity with IND AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities 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.

## 2.20. Segment Reporting

The Company's business is to provide Brokerage service, further, the Company also invests in security as a part of the business activity and portfolio management services ('PMS') to its clients within India and the reportable segment is basis the above business segments.

Segment Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the Business segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated expenses/income". Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment. The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company.

## 2.21. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31<sup>st</sup> March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## NOTE: 3 CASH AND CASH EQUIVALENTS

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Balances with banks - Current accounts	1,710.84	6,248.57
	<b>1,710.84</b>	<b>6,248.57</b>

## NOTE: 4 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Fixed deposit accounts*	87,240.11	50,231.17
	<b>87,240.11</b>	<b>50,231.17</b>
* Fixed deposits placed with banks towards:		
a) Margin with exchange (under lien)	67,960.70	34,208.60
b) Issue of bank guarantee (under lien)	14,902.75	14,075.07
c) Others	53.06	52.06
	<b>82,916.51</b>	<b>48,335.73</b>
Interest accrued on fixed deposits	4,323.60	1,895.44
	<b>87,240.11</b>	<b>50,231.17</b>

## NOTE: 5 INVESTMENT IN SECURITIES

(Carried at fair value through profit or loss)

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Investment in securities (Quoted)	42,997.20	40,358.98
	<b>42,997.20</b>	<b>40,358.98</b>
(a) Opening	40,358.98	43,600.85
(b) Purchases	11,75,032.95	14,52,794.22
(c) Cost of sales	(11,71,775.41)	(14,55,444.17)
(d) Fair value changes	(619.32)	(591.92)
	<b>42,997.20</b>	<b>40,358.98</b>

## NOTE: 6 TRADE AND OTHER RECEIVABLES

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Secured, considered good	5,886.89	1,795.01
Unsecured, considered good	179.06	37.86
Unsecured, credit impaired	722.34	815.56
	<b>6,788.29</b>	<b>2,648.43</b>
Less: Allowance for impairment loss	(722.34)	(815.56)
	<b>6,065.95</b>	<b>1,832.87</b>



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

(₹ in Lakh)

As at 31 <sup>st</sup> March 2024	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	6.85	5,784.89	34.44	206.88	20.67	12.22	6,065.95
(ii) Undisputed Trade Receivables – credit impaired	-	63.46	27.88	155.24	25.91	150.17	422.66
(iii) Disputed Trade Receivables – credit impaired	-	0.46	0.42	0.72	0.59	297.49	299.68
	<b>6.85</b>	<b>5,848.81</b>	<b>62.74</b>	<b>362.84</b>	<b>47.17</b>	<b>459.88</b>	<b>6,788.29</b>
Less: Allowance for impairment loss							<b>(722.34)</b>
<b>Total Trade Receivables</b>							<b>6,065.95</b>

(₹ in Lakh)

As at 31 <sup>st</sup> March 2023	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	697.24	846.64	24.62	242.64	7.67	14.06	1,832.87
(ii) Undisputed Trade Receivables – credit impaired	-	28.93	41.96	172.14	29.09	229.80	501.92
(iii) Disputed Trade Receivables – credit impaired	-	0.37	0.34	0.59	2.48	309.86	313.64
	<b>697.24</b>	<b>875.94</b>	<b>66.92</b>	<b>415.37</b>	<b>39.24</b>	<b>553.72</b>	<b>2,648.43</b>
Less: Allowance for impairment loss							<b>(815.56)</b>
<b>Total Trade Receivables</b>							<b>1,832.87</b>

## NOTE: 7 LOANS

(Unsecured, except otherwise stated)  
(carried at amortised cost)

(₹ in Lakh)

Particulars	As at	As at
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Loans and advances to employees*	6.07	1.36
Margin trading facility (Secured)	60,081.02	28,280.10
Others	17.77	16.55
Less: Impairment Loss allowances	(16.27)	(16.27)
	<b>60,088.59</b>	<b>28,281.74</b>

\*Advances towards expenses

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## NOTE: 8 OTHER FINANCIAL ASSETS

(Carried at amortised cost, except otherwise stated)

(₹ in Lakh)

Particulars	As at	
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Interest Accrued on Investment in Securities	1,383.43	324.02
Security Deposits	520.83	1,246.32
Receivable from Exchange	650.15	650.15
Margin with Exchange	2,692.83	304.18
Less: Impairment Loss allowances on Margin with exchange	(18.75)	(18.75)
Other Receivables	22.08	68.11
	<b>5,250.57</b>	<b>2,574.03</b>

## NOTE: 9 DEFERRED TAX ASSETS (NET)\*

(₹ in Lakh)

Particulars	As at	
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Property, Plant and Equipment's and Ind AS 116 adjustments	98.94	122.74
Provision for doubtful debts and doubtful margin deposits	196.46	210.02
Employee related payables	429.24	57.65
Provision for claims	296.80	265.08
Others-Stamp duty payable	40.54	40.54
	<b>1,061.98</b>	<b>696.03</b>

\*Refer Note 40 for movement in deferred tax balances.

## NOTE: 10 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakh)

Particulars	Freehold Land	Furniture & Fixtures	Office Equipment	Computers	Vehicles	Total
<b>Gross Block</b>						
<b>As at 1<sup>st</sup> April 2022</b>	15.00	72.27	52.89	748.24	89.04	<b>977.44</b>
Additions during the year	-	54.96	8.16	353.66	144.53	<b>561.31</b>
Deletions during the year	-	11.68	22.34	66.23	47.35	<b>147.60</b>
<b>As at 31<sup>st</sup> March 2023</b>	<b>15.00</b>	<b>115.55</b>	<b>38.71</b>	<b>1,035.67</b>	<b>186.22</b>	<b>1,391.15</b>
Additions during the year	-	82.20	47.70	421.99	111.30	<b>663.19</b>
Deletions during the year	-	0.91	7.50	30.79	121.79	<b>160.99</b>
<b>As at 31<sup>st</sup> March 2024</b>	<b>15.00</b>	<b>196.84</b>	<b>78.91</b>	<b>1,426.87</b>	<b>175.73</b>	<b>1,893.35</b>
<b>Accumulated Depreciation</b>						
<b>As at 1<sup>st</sup> April 2022</b>	-	25.44	32.14	599.26	30.22	<b>687.06</b>
Depreciation for the year	-	19.58	9.03	122.38	31.74	<b>182.73</b>
Deletions during the year	-	11.68	22.27	65.63	31.01	<b>130.59</b>
<b>As at 31<sup>st</sup> March 2023</b>	-	<b>33.34</b>	<b>18.90</b>	<b>656.01</b>	<b>30.95</b>	<b>739.20</b>
Depreciation for the year	-	23.00	13.43	166.21	45.83	<b>248.47</b>
Deletions during the year	-	0.91	7.47	30.79	36.05	<b>75.22</b>
<b>As at 31<sup>st</sup> March 2024</b>	-	<b>55.43</b>	<b>24.86</b>	<b>791.43</b>	<b>40.73</b>	<b>912.45</b>
<b>Net Carrying Value</b>						
<b>As at 31<sup>st</sup> March 2023</b>	<b>15.00</b>	<b>82.21</b>	<b>19.80</b>	<b>379.66</b>	<b>155.27</b>	<b>651.94</b>
<b>As at 31<sup>st</sup> March 2024</b>	<b>15.00</b>	<b>141.41</b>	<b>54.05</b>	<b>635.44</b>	<b>135.00</b>	<b>980.90</b>





# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## NOTE: 11 OTHER INTANGIBLE ASSETS

Particulars	(₹ in Lakh)	
	Computer Software	Total
<b>Gross Block</b>		
<b>As at 1<sup>st</sup> April 2022</b>	542.91	542.91
Additions during the year	139.06	139.06
Deletions during the year	-	-
<b>As at 31<sup>st</sup> March 2023</b>	<b>681.97</b>	<b>681.97</b>
Additions during the year	267.98	267.98
Deletions during the year	2.28	2.28
<b>As at 31<sup>st</sup> March 2024</b>	<b>947.67</b>	<b>947.67</b>
<b>Accumulated Amortisation</b>		
<b>As at 1<sup>st</sup> April 2022</b>	383.41	383.41
Amortisation for the year	65.80	65.80
Deletions during the year	-	-
<b>As at 31<sup>st</sup> March 2023</b>	<b>449.22</b>	<b>449.22</b>
Amortisation for the year	74.55	74.55
Deletions during the year	2.28	2.28
<b>As at 31<sup>st</sup> March 2024</b>	<b>521.49</b>	<b>521.49</b>
<b>Net Carrying Value</b>		
<b>As at 31<sup>st</sup> March 2023</b>	<b>232.75</b>	<b>232.75</b>
<b>As at 31<sup>st</sup> March 2024</b>	<b>426.18</b>	<b>426.18</b>

## NOTE: 12 OTHER NON-FINANCIAL ASSETS

(Unsecured, except otherwise stated)

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Unbilled Revenue	64.71	17.00
Balances held with Government Authorities	257.40	407.12
Advance for Expenses	656.98	447.34
Capital Advances	71.53	20.78
Prepaid expenses	390.30	259.60
Gratuity Assets Receivables	1,104.35	968.48
Others	2.54	12.49
	<b>2,547.81</b>	<b>2,132.81</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## NOTE: 13 TRADE PAYABLES

(Carried at Amortised Cost, except otherwise stated)

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
(i) total outstanding dues of Micro Enterprises and Small Enterprises	0.25	8.75
(ii) total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	2,380.06	1,940.33
	<b>2,380.31</b>	<b>1,949.08</b>

### Note:

There are no Micro, Small and Medium Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31<sup>st</sup> March 2024 and no interest payment made during the year to any Micro, Small and Medium Enterprises (MSME). (Previous Year MSME Interest: NIL), This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties has been identified on the basis of information available with the Company.

### For Trade Payable outstanding following is the ageing schedule

As at 31 <sup>st</sup> March 2024	Outstanding for following periods from date of invoices					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) Undisputed dues - MSME	0.25	-	-	-	0.25	
(ii) Undisputed dues - Others*	2,314.86	36.19	3.88	25.13	2,380.06	
	<b>2,515.11</b>	<b>36.19</b>	<b>3.88</b>	<b>25.13</b>	<b>2,380.31</b>	

As at 31 <sup>st</sup> March 2023	Outstanding for following periods from date of invoices					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) Undisputed dues - MSME	8.75	-	-	-	8.75	
(ii) Undisputed dues - Others*	1,820.31	45.22	8.50	66.30	1,940.33	
	<b>1,829.06</b>	<b>45.22</b>	<b>8.50</b>	<b>66.30</b>	<b>1,949.08</b>	

\* Including accrual for expenses

## NOTE: 14 DEBT SECURITIES

(At Amortised Cost)

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
<b>Unsecured</b>		
Commercial Papers	1,28,266.14	78,940.78
	<b>1,28,266.14</b>	<b>78,940.78</b>
i) Maximum balance outstanding during the year	1,53,500.00	93,239.00
ii) Commercial Papers are shown net of unamortised discounting charges.		
iii) Repayable in 21 to 92 days (Previous Year : 59 days to 91 days) from the date of draw down. The interest on this loan ranges from 7.27% to 9.10% (Previous Year ranged from 4.45% to 8.40%)		



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## NOTE: 15 SUBORDINATED LIABILITIES\*

(At Amortised Cost)

Description	(₹ in Lakh)	
	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Preference Shares - 4% Redeemable Non-Convertible Non-Cumulative of ₹100/- each fully paid	9,197.11	8,648.97
	<b>9,197.11</b>	<b>8,648.97</b>

\* Includes accrual of redemption premium as on 31<sup>st</sup> March 2024 of ₹1,197.11 Lakh (As on 31<sup>st</sup> March 2023 ₹648.97 Lakh)

## Reconciliation of the number of Preference Shares outstanding at the beginning and at the end of the period

Description	As at 31 <sup>st</sup> March 2024		As at 31 <sup>st</sup> March 2023	
	Number of shares	₹ in Lakh	Number of shares	₹ in Lakh
a) Preference Shares - 4% Redeemable Non-Convertible Non-Cumulative of ₹100/- each fully paid				
At the beginning of the year	16,00,000	1,600.00	16,00,000	1,600.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	16,00,000	1,600.00	16,00,000	1,600.00

## Terms/Rights attached to Preference Shares

### a) Preference Shares - 4% Redeemable Non-Convertible Non-Cumulative of ₹100/- each fully paid

The Company has issued 16,00,000 4% Non-Cumulative Non-Convertible Redeemable Preference Shares of ₹100/- each for cash, at an issue price of ₹500/- per share including premium of ₹400/- per share aggregating to ₹80/- Crore on 24<sup>th</sup> December 2021 redeemable on 23<sup>rd</sup> December 2025 at ₹639/- per share.

### b) Shares held by Holding Company

Shares held by Holding Company Aditya Birla Capital Limited :

31<sup>st</sup> March 2024 16,00,000 (Previous Year : 16,00,000) 4% Redeemable Non-Convertible Non-Cumulative Preference Shares of ₹100/- each fully paid-up.

## NOTE: 16 OTHER FINANCIAL LIABILITIES

(Carried at amortised cost, except otherwise stated)

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Amount Payable to customers*	44,209.52	26,074.73
Other Payables		
Deposits	695.73	759.37
Payable Related to Employees	2,103.65	1,465.67
Other Obligation	649.98	649.98
	<b>47,658.88</b>	<b>28,949.75</b>

\* It includes amount payable of ₹ NIL Lakh (Previous Year ₹384.98 Lakh) towards expected reversal for brokerage and interest.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## NOTE: 17 PROVISIONS

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Provision for employee benefits		
Provision for compensated absences	207.47	201.18
Provision for Gratuity	902.99	800.04
Provision for Others	1,071.74	656.23
Provision for claims*	1,877.03	1,690.35
	<b>4,059.23</b>	<b>3,347.80</b>
*Movement of provision for claims		
Opening balance	1,690.35	1,188.35
Additions during the year	186.68	502.00
Utilise/Reversal during the year	-	-
Closing balance	1,877.03	1690.35

## NOTE: 18 OTHER NON-FINANCIAL LIABILITIES

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Income received in advance	317.21	279.35
Statutory dues	985.94	885.28
Others	75.74	47.10
	<b>1,378.89</b>	<b>1,211.73</b>

## NOTE: 19 SHARE CAPITAL

Description	(₹ in Lakh)	
	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
<b>Authorised:</b>		
700,00,000 (Previous Year: 700,00,000) Equity Shares of ₹1/-each (Previous Year: ₹1/- each)	700.00	700.00
26,00,000 4% Preference Shares of ₹100/- each (Previous Year: 26,00,000 4% Preference Shares of ₹100/- each) (Refer Note : 15)	2,600.00	2,600.00
	<b>3,300.00</b>	<b>3,300.00</b>
<b>Issued, Subscribed and Paid-up:</b>		
<b>Equity Share Capital</b>		
5,65,09,201 Equity Shares of ₹1/- each Fully paid as on 31 <sup>st</sup> March 2024	565.09	-
5,64,52,882 Equity Shares of ₹1/- each Fully paid as on 31 <sup>st</sup> March 2023	-	564.53
	<b>565.09</b>	<b>564.53</b>



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## 1) Reconciliation of the number of Shares outstanding at the beginning and at the end of the year

Sr. No.	Description	As at 31 <sup>st</sup> March 2024		As at 31 <sup>st</sup> March 2023	
		Number of Shares	₹ in Lakh	Number of Shares	₹ in Lakh
1	Number of Shares Outstanding at the beginning of the Year	5,64,52,882	564.53	5,63,74,998	563.75
2	Allotment of fully paid-up Shares during the Year a) Employee Stock Option Plan (Refer Note No.43)	56,319	0.56	77,884	0.78
3	Number of Shares Outstanding at the end of the Year	5,65,09,201	565.09	5,64,52,882	564.53

## 2) Term/Right Attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹1/- per share. Each holder of Equity Shares is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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 to all preferential holders. The distribution will be in proportion to the number of the Equity Shares held by the shareholders.

## 3) Shares held by Holding Company

4,15,50,000 (Previous Year: 4,15,50,000) Equity Shares of ₹1/- each fully paid-up are held by Aditya Birla Capital Limited, the Holding Company.

## 4) Equity Shares in the Company held by each shareholder holding more than 5% shares and number of Equity Shares held are as under:

Sr. No.	Name of Shareholder	As at 31 <sup>st</sup> March 2024		As at 31 <sup>st</sup> March 2023	
		No. of Shares Held	% of Total Paid-up Equity Share Capital	No. of Shares Held	% of Total Paid-up Equity Share Capital
1	Aditya Birla Capital Limited	4,15,50,000	73.53%	4,15,50,000	73.60%

5) The Shares reserved for issue under Employee Stock Option Plan (ESOP) of the Company (Refer Note No. 43).

## 6) Shares held by Promoter at the end of the year

Sr. No.	Name of Promoter	As at 31 <sup>st</sup> March 2024		As at 31 <sup>st</sup> March 2023		% Change during the year
		No. of Shares Held	% of Total Paid-up Equity Share Capital	No. of Shares Held	% of Total Paid-up Equity Share Capital	
1	Aditya Birla Capital Limited	4,15,50,000	73.53%	4,15,50,000	73.60%	0.00

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## NOTE: 20 OTHER EQUITY

Particulars	(₹ in Lakh)	
	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
<b>1) Capital Reserve</b>		
Opening Balance	115.39	115.39
Adjustments:	-	-
<b>Closing Balance</b>	<b>115.39</b>	<b>115.39</b>
<b>2) Securities Premium</b>		
Opening Balance	536.17	495.25
Adjustments:		
ESOP Exercised	29.58	25.90
Transfer from Stock Options Outstanding Account on Exercise of Options	-	15.02
<b>Closing Balance</b>	<b>565.75</b>	<b>536.17</b>
<b>3) Share Option Outstanding Account</b>		
Opening Balance	10.38	25.40
Adjustments:		
Transfer from General Reserve on account of reinstatement of active options	11.55	-
Transfer to Securities Premium Account on Exercise of Options	(10.86)	(15.02)
Transfer to General Reserve on account of lapse of vested options	(11.07)	-
<b>Closing Balance</b>	<b>-</b>	<b>10.38</b>
<b>4) General Reserve</b>		
Opening Balance	2,757.82	2,757.82
Adjustments:		
Transfer to Share Option Outstanding Account on account of reinstatement of active options	(11.55)	-
Transfer from Share Option Outstanding Account on account of lapse of vested options	11.07	-
<b>Closing Balance</b>	<b>2,757.34</b>	<b>2,757.82</b>
<b>5) Surplus in Profit and loss accounts</b>		
Opening Balance	6,932.93	3,485.70
Addition:		
Profit for the Year	5,296.80	3,390.22
Other Comprehensive Income/(loss) for the year arising from re-measurement gains/(loss) on defined benefit plans	37.51	57.01
<b>Closing Balance</b>	<b>12,267.24</b>	<b>6,932.93</b>
<b>Total Other Equity</b>	<b>15,705.72</b>	<b>10,352.69</b>



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## NOTE: 21 INTEREST INCOME

Particulars	(₹ in Lakh)	
	Year Ended 31 <sup>st</sup> March 2024	Year Ended 31 <sup>st</sup> March 2023
<b>Other Interest Income</b>		
On financial assets measured at amortised cost	9,306.36	5,371.43
On financial assets classified at fair value through profit or loss	3,247.33	2,808.96
<b>Interest on Deposits with Banks</b>		
On financial assets measured at amortised cost	3,954.70	2,116.17
	<b>16,508.39</b>	<b>10,296.56</b>

## NOTE: 22 FEES AND COMMISSION INCOME

Particulars	(₹ in Lakh)	
	Year Ended 31 <sup>st</sup> March 2024	Year Ended 31 <sup>st</sup> March 2023
Brokerage Income	19,130.82	13,314.05
Income from Depository Services	1,108.19	704.61
Setup and Management Fee	419.08	402.27
Miscellaneous other Operating Income	76.78	44.25
	<b>20,734.87</b>	<b>14,465.19</b>

## NOTE: 23 NET GAIN ON FAIR VALUE CHANGES

Net Gain/(Loss) on Financial Instruments at Fair Value through Profit or Loss (FVTPL)

Particulars	(₹ in Lakh)	
	Year Ended 31 <sup>st</sup> March 2024	Year Ended 31 <sup>st</sup> March 2023
<b>On WDM Portfolio</b>		
Debt Instrument at FVTPL	1,776.06	1,533.79
	<b>1,776.06</b>	<b>1,533.79</b>
Fair Value Change on Financial Instrument at FVTPL		
Realised	2,395.38	2,125.71
Unrealised	(619.32)	(591.92)
	<b>1,776.06</b>	<b>1,533.79</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## NOTE: 24 OTHER INCOME

Particulars	(₹ in Lakh)	
	Year Ended 31 <sup>st</sup> March 2024	Year Ended 31 <sup>st</sup> March 2023
Interest Income on financial assets held at amortised cost	19.31	13.24
Net Gain on financial instruments at FVTPL (Mutual Fund)	417.94	366.87
Gain on termination of lease	3.35	37.13
Miscellaneous Income (net)*	41.57	1,166.14
	<b>482.17</b>	<b>1,583.38</b>
*Includes ₹ Nil (Previous Year ₹1,121.08 Lakh) pertaining to provisions no longer required, written back.		
Fair Value Change on Financial Instrument at FVTPL:		
Realised	417.94	366.87
Unrealised	-	-
	<b>417.94</b>	<b>366.87</b>

## NOTE: 25 FINANCE COSTS

Particulars	(₹ in Lakh)	
	Year Ended 31 <sup>st</sup> March 2024	Year Ended 31 <sup>st</sup> March 2023
Interest on fair value measured at amortised cost		
Debt Securities	8,165.68	4,185.44
Borrowing other than Debt Securities	159.91	85.41
Subordinated liabilities	548.13	513.50
Other borrowing costs	176.10	28.77
Finance cost - lease liabilities	172.33	143.94
	<b>9,222.15</b>	<b>4,957.06</b>

## NOTE: 26 IMPAIRMENT ON FINANCIAL INSTRUMENTS

Particulars	(₹ in Lakh)	
	Year Ended 31 <sup>st</sup> March 2024	Year Ended 31 <sup>st</sup> March 2023
On Trade Receivables	89.40	45.61
	<b>89.40</b>	<b>45.61</b>

## NOTE: 27 EMPLOYEE BENEFITS EXPENSES

Particulars	(₹ in Lakh)	
	Year Ended 31 <sup>st</sup> March 2024	Year Ended 31 <sup>st</sup> March 2023
Salaries and Wages	8,253.42	6,480.35
Contribution to Provident and other funds (refer Note 42)	337.84	289.55
Contribution to Gratuity Fund (refer Note 42)	78.35	83.97
Expense on Employee Stock Options Scheme (refer Note 43.1(ii))	12.40	1.17
Staff Welfare Expenses	206.61	143.69
	<b>8,888.62</b>	<b>6,998.73</b>





# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## NOTE: 28 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakh)

Particulars	Year Ended 31 <sup>st</sup> March 2024	Year Ended 31 <sup>st</sup> March 2023
Depreciation of Property, Plant and Equipment	248.47	182.73
Amortisation of Intangible Assets	74.55	65.80
Amortisation on Lease Assets	500.07	417.03
	<b>823.09</b>	<b>665.56</b>

## NOTE: 29 OTHER EXPENSES

(₹ in Lakh)

Particulars	Year Ended 31 <sup>st</sup> March 2024	Year Ended 31 <sup>st</sup> March 2023
Rent	67.47	62.08
Repairs and maintenance - Building	8.31	6.11
Repairs and maintenance - Others	660.53	528.04
Insurance	305.19	173.98
Rates and taxes	435.85	237.20
Advertisement and sales promotion expenses	19.99	21.51
Legal and professional expenses	1,000.12	1,061.56
Auditor's Remuneration*	34.75	35.05
Travelling and conveyance	273.67	225.49
Printing and Stationery	56.02	47.54
Communication expenses	365.90	356.19
Electricity charges	107.75	72.06
Information Technology expenses	1,271.28	914.62
Corporate Social Responsibility (CSR) expenses (Refer Note-48)	74.50	56.51
Director's Fees	18.15	19.45
Postage expenses	65.09	46.74
Bank charges	84.57	111.93
Loss on sale of property, plant & equipment	4.25	11.04
Provision against legal claims	-	502.00
Miscellaneous expenses	265.23	195.83
	<b>5,118.62</b>	<b>4,684.94</b>
* Auditor's Remuneration includes payment to auditors as under:		
Audit Fee	23.50	17.50
Limited reviews	6.00	7.00
Tax Audit Fee	3.00	3.50
Certification Fee	0.50	2.60
Reimbursement of expenses	1.75	4.45
	<b>34.75</b>	<b>35.05</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## NOTE: 30 OTHER COMPREHENSIVE INCOME

Particulars	(₹ in Lakh)	
	Year Ended 31 <sup>st</sup> March 2024	Year Ended 31 <sup>st</sup> March 2023
<b>(i) Items that will not be reclassified to profit or loss</b>		
Re-measurement of post-employment benefit obligations	50.12	76.19
	<b>50.12</b>	<b>76.19</b>
<b>(ii) Income tax relating to items that will not be reclassified to profit or loss</b>		
Income tax relating to Re-measurement of post-employment benefit obligations	12.61	19.18
<b>Other Comprehensive Income</b>	<b>37.51</b>	<b>57.01</b>

## NOTE: 31 EARNINGS PER EQUITY SHARE

Particulars		(₹ in Lakh)	
		Year Ended 31 <sup>st</sup> March 2024	Year Ended 31 <sup>st</sup> March 2023
Profit attributable to Equity Holder (in ₹)	(A)	52,96,80,000	33,90,22,111
Weighted average number of Equity Shares:			
Basic	(B)	5,64,99,968	5,63,97,988
Diluted	(C)	5,64,99,968	5,64,20,481
Earnings per Share (in ₹) :			
Basic	(A/B)	9.37	6.01
Diluted	(A/C)	9.37	6.01
Nominal Value of Equity Share (in ₹)		₹1/-	₹1/-

## NOTE: 32 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

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

Particulars	(₹ in Lakh)					
	31 <sup>st</sup> March 2024			31 <sup>st</sup> March 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>I ASSETS</b>						
<b>(1) Financial Assets</b>						
(a) Cash and Cash Equivalents	1,710.84	-	1,710.84	6,248.57	-	6,248.57
(b) Bank Balance other than (a) above	55,116.54	32,123.57	87,240.11	10,620.23	39,610.94	50,231.17
(c) Investment in Securities	42,997.20	-	42,997.20	40,358.98	-	40,358.98
(d) Trade and Other Receivables	6,065.95	-	6,065.95	1,832.87	-	1,832.87
(e) Loans	60,088.59	-	60,088.59	28,281.74	-	28,281.74
(f) Other Financial Assets	3,864.09	1,386.48	5,250.57	324.02	2,250.01	2,574.03
<b>Sub-Total</b>	<b>1,69,843.21</b>	<b>33,510.05</b>	<b>2,03,353.26</b>	<b>87,666.41</b>	<b>41,860.95</b>	<b>1,29,527.36</b>
<b>(2) Non-Financial Assets</b>						
(a) Current Tax Assets (Net)	-	1,021.88	1,021.88	-	820.83	820.83
(b) Deferred tax assets (Net)	-	1,061.98	1,061.98	-	696.03	696.03
(c) Property, Plant and Equipment	-	980.90	980.90	-	651.94	651.94
(d) Right-to-use of Assets	-	2,180.10	2,180.10	-	2,219.27	2,219.27



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

(₹ in Lakh)

Particulars	31 <sup>st</sup> March 2024			31 <sup>st</sup> March 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
(e) Other Intangible assets	-	426.18	426.18	-	232.75	232.75
(f) Intangible assets under development	-	38.77	38.77	-	60.59	60.59
(g) Other non-financial assets	1,443.46	1,104.35	2,547.81	1,143.55	989.26	2,132.80
<b>Sub-Total</b>	<b>1,443.46</b>	<b>6,814.16</b>	<b>8,257.62</b>	<b>1,143.55</b>	<b>5,670.67</b>	<b>6,814.22</b>
<b>Total Assets</b>	<b>1,71,286.67</b>	<b>40,324.21</b>	<b>2,11,610.88</b>	<b>88,809.96</b>	<b>47,531.62</b>	<b>1,36,341.58</b>
<b>II LIABILITIES AND EQUITY LIABILITIES</b>						
<b>(1) Financial Liabilities</b>						
(a) Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises	0.25	-	0.25	8.75	-	8.75
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,380.06	-	2,380.06	1,940.33	-	1,940.33
(b) Debt Securities	1,28,266.14	-	1,28,266.14	78,940.78	-	78,940.78
(c) Subordinated Liabilities	-	9,197.11	9,197.11	-	8,648.97	8,648.97
(d) Lease Liability	575.55	1,823.96	2,399.51	520.99	1,855.26	2,376.25
(e) Other Financial Liabilities	46,963.15	695.73	47,658.88	28,949.75	-	28,949.75
<b>Sub-Total</b>	<b>1,78,185.15</b>	<b>11,716.80</b>	<b>1,89,901.95</b>	<b>1,10,360.60</b>	<b>10,504.23</b>	<b>1,20,864.83</b>
<b>(2) Non-Financial Liabilities</b>						
(a) Provisions	361.47	3,697.76	4,059.23	2,547.76	800.04	3,347.80
(b) Other Non-Financial Liabilities	1,061.68	317.21	1,378.89	932.38	279.35	1,211.73
<b>Sub-Total</b>	<b>1,423.15</b>	<b>4,014.97</b>	<b>5,438.12</b>	<b>3,480.14</b>	<b>1,079.39</b>	<b>4,559.53</b>
<b>(3) Equity</b>						
(a) Equity Share Capital	-	565.09	565.09	-	564.53	564.53
(b) Other Equity	-	15,705.72	15,705.72	-	10,352.69	10,352.69
<b>Total equity</b>	<b>-</b>	<b>16,270.81</b>	<b>16,270.81</b>	<b>-</b>	<b>10,917.22</b>	<b>10,917.22</b>
<b>Total Equity and Liabilities</b>	<b>1,79,608.30</b>	<b>32,002.58</b>	<b>2,11,610.88</b>	<b>1,13,840.74</b>	<b>22,500.84</b>	<b>1,36,341.58</b>

## NOTE: 33 A. FINANCIAL INSTRUMENTS-ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The management assessed that the fair value of cash and cash equivalents, Security deposits, Staff Advances, Subordinate Liabilities, Debt securities, trade receivables, margin with exchanges, trade payables, bank balances and other current liabilities approximate their carrying amount.

With respect to Investments Refer Note 5 are fair valued based on quoted price available in the active market (Level 1).

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## NOTE: 33 B. FINANCIAL RISK

The following table provides the Liquidity risk of Company's Liabilities as on 31<sup>st</sup> March 2024 & 31<sup>st</sup> March 2023 and the liquidity risk of Company's financial assets are analysed and disclosed under Note 32 of maturity analysis of Assets.

(₹ in Lakh)

Liquidity Risk	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
<b>Year ended 31<sup>st</sup> March 2024</b>						
(a) Trade Payable	-	2,380.31	-	-	-	2,380.31
(b) Debt Securities	-	1,28,266.14	-	-	-	1,28,266.14
(c) Subordinated Liabilities	-	-	-	9,197.11	-	9,197.11
(d) Other Financial Liabilities	44,859.50	-	2,103.65	695.73	-	47,658.88
(e) Lease Liability	-	143.89	431.66	1,549.69	274.27	2,399.51
<b>Total</b>						<b>1,89,901.95</b>
<b>Year ended 31<sup>st</sup> March 2023</b>						
(a) Trade Payable	-	1,949.08	-	-	-	1,949.08
(b) Debt Securities	-	78,940.78	-	-	-	78,940.78
(c) Subordinated Liabilities	-	-	-	8,648.97	-	8,648.97
(d) Other Financial Liabilities	26,724.71	-	1,465.67	759.37	-	28,949.75
(e) Lease Liability	-	132.18	388.81	1,373.11	482.15	2,376.25
<b>Total</b>						<b>1,20,864.83</b>

## NOTE: 34 STAMP DUTY

Hitherto, the Company had been collecting and remitting stamp duties with respect to states wherein the manner of payment of the same has been prescribed by the respective state governments. From July 2011, the Company had started collecting stamp duty on contract notes for all states, including the states wherein the manner of payment has not yet been notified. The Company is evaluating various options of remitting the same, including remitting those amounts in the State of Tamil Nadu, as all the contract notes are executed at Tamil Nadu. Pending, the final determination of the manner of remittance, amount of ₹ 164.90 Lakh (PY: ₹ 164.90 Lakh) collected till 30<sup>th</sup> June 2020 has been disclosed under statutory dues in other Non-Financial liabilities.

## NOTE: 35 MANAGERIAL REMUNERATION

During the earlier years the Company had made an application to the Central Government under Section 309 (5B) of the Companies Act, 1956 for seeking waiver of excess managerial remuneration amounting to ₹ 30.95 Lakh (Previous Year: ₹ 30.95 Lakh) (excluding statutory contribution to provident fund, gratuity and leave encashment which are exempted under Schedule VI) paid to Mr. P.B. Subramaniyan, the erstwhile whole time director ('Erstwhile Director') of the Company for the period from 1<sup>st</sup> April 2008 to 6<sup>th</sup> March 2009.

During the earlier years, the Company has received an order from the Central Government (CG) whereby the CG has rejected excess remuneration of ₹ 16.27 Lakh (Previous Year: ₹ 16.27 Lakh) and directed the Company to collect the same from the Erstwhile Director. Further the Company has filed a Civil Suit in the High Court of Judicature at Madras vide C.S. No. 53/2016 seeking recovery of the excess remuneration paid to Mr. P.B. Subramaniyan. Pending the recovery of the same, it has been shown as advances recoverable by the Company in the Balance Sheet.

## NOTE: 36 FOREIGN CURRENCY TRANSACTIONS

The Company did not enter into any foreign currency transactions in the current year and previous year.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## NOTE: 37 CAPITAL MANAGEMENT

For the purpose of the Company's Capital management, Capital includes issued equity capital, subordinated liabilities and other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value, comply to the regulatory requirements and maintain an optimal capital structure to reduce the cost of capital to the Company. The Company makes adjustments in light of changes in economic conditions and the requirements of the applicable financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents net of amount payable to customer.

Particulars	(₹ in Lakh)	
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
<b>Debt</b>		
Debt Securities	1,28,266.14	78,940.78
Trade Payable	2,380.31	1,949.08
Less: Cash & Cash Equivalents net of amount payable to customer	44,741.43	30,405.01
<b>Net Debt (A)</b>	<b>85,905.02</b>	<b>50,484.85</b>
Reserves	15,705.72	10,352.69
Subordinated Liabilities	9,197.11	8,648.97
Equity Capital	565.09	564.53
<b>Total Capital (B)*</b>	<b>25,467.92</b>	<b>19,566.19</b>
<b>Capital + Net Debt C = (A+B)</b>	<b>1,11,372.94</b>	<b>70,051.04</b>
<b>Gearing Ratio (A/C)</b>	<b>77.13%</b>	<b>72.07%</b>

\*Definition of total capital has been redefined during the year to include long-term borrowings (Subordinated Liabilities).

In order to achieve the overall objective, the Company's Capital Management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

## NOTE: 38 CREDIT RISK

Credit Risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract leading to a financial loss. The Company's exposure to credit risk is very minimal as the trade receivables are covered by collateral.

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and based on the evaluation, credit limit of each customer is defined. Wherever the Company assesses the credit risk as high, the exposure is backed by either stocks comfort or margin money

Total Trade Receivables as on 31<sup>st</sup> March 2024 is ₹6,065.95 Lakh (Previous Year ₹1,832.87 Lakh).

As at 31 <sup>st</sup> March 2024	Neither past due nor impaired	Past due but not impaired				Total
		< 30 Days	30 -90 Days	90 -180 Days	> 180 Days	
Trade Receivables	6.85	5,736.69	28.27	21.09	273.05	6,065.95

As at 31 <sup>st</sup> March 2023	Neither past due nor impaired	Past due but not impaired				Total
		< 30 Days	30 -90 Days	90 -180 Days	> 180 Days	
Trade Receivables	697.24	692.72	106.88	47.04	288.99	1,832.87

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

## Movement of Loss Allowance:

(₹ in Lakh)		
Particulars	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
<b>Opening Provision</b>	815.56	770.13
Add: Provided during the year	89.40	45.61
Less: Expected Credit Loss impact due to Write-offs	182.62	0.18
<b>Closing Provision</b>	<b>722.34</b>	<b>815.56</b>

## NOTE: 39 CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

The Company does not recognise a contingent liability in the financial statements except when the management decides to recognise basis the probability of the contingent liability devolving on the Company.

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

(₹ in Lakh)		
Particulars	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
<b>Disputed tax and other statutory liabilities not provided for:</b>		
Income tax & interest on tax - for various assessment years in respect of which Company has gone on appeal. Based on judicial pronouncements, the claim of the Company is likely to be accepted by the judicial authorities.	7.42	7.42
<b>Claims against the Company not acknowledged as debts &amp; not provided for:</b>		
The Company expects a potential claim from a customer based on ongoing litigation with another customer related to alleging unauthorised trades, loss of profits etc. Accordingly, it has disclosed as contingent liability to the extent the expected outflow of resources is not likely.	1,544.00	1,544.00
<b>Grand Total</b>	<b>1,551.42</b>	<b>1,551.42</b>

## NOTE: 40 INCOME TAX

The Company offsets tax assets and liabilities if it has legally enforceable right to set off current taxes assets and current taxed liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

## Deferred Tax:

Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

(₹ in Lakh)

Particulars	Year Ended 31 <sup>st</sup> March 2024	Year Ended 31 <sup>st</sup> March 2023
<b>Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate</b>		
<b>Current income tax:</b>		
Current income tax expenses	1,908.80	1,261.00
Short tax provision for earlier years	53.40	115.62
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	(365.95)	(99.08)
<b>Income tax expense reported in the statement of profit or loss</b>	<b>1,596.25</b>	<b>1,277.54</b>
<b>Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate</b>		
<b>Accounting profit before income tax</b>		
At India's statutory income tax rate	6,893.05	4,667.76
At India's statutory income tax rate	1,734.85	1,174.78
%	25.17%	25.17%
Short tax provision for earlier years	53.40	115.62
<b>Permanent disallowance</b>		
Interest on Preference shares and CSR Expenses	156.70	116.56
Tax benefit on disallowance of earlier years	(29.86)	-
Employee benefits	(318.84)	-
<b>Income tax expense reported in the statement of profit and loss</b>	<b>1,596.25</b>	<b>1,277.54</b>

## Movement in deferred tax balances

(₹ in Lakh)

Particulars	Year Ended 31 <sup>st</sup> March 2024			
	Net Balance 1 <sup>st</sup> April 2023	Recognised in profit or loss	Recognised in OCI	Net Balance 1 <sup>st</sup> April 2024
Property, Plant and Equipments and Ind AS 116 adjustments	122.74	(23.80)	-	98.94
Provision for doubtful debts and doubtful margin deposits	210.02	(13.56)	-	196.46
Provision for employee related payables	57.65	371.59	-	429.24
Provision for claims	265.08	31.73	-	296.81
Other-Stamp duty payable	40.54	(0.01)	-	40.53
<b>Total</b>	<b>696.03</b>	<b>365.95</b>	<b>-</b>	<b>1,061.98</b>

(₹ in Lakh)

Particulars	Year Ended 31 <sup>st</sup> March 2023			
	Net Balance 1 <sup>st</sup> April 2022	Recognised in profit or loss	Recognised in OCI	Net Balance 1 <sup>st</sup> April 2023
Property, Plant and Equipments and Ind AS 116 adjustments	147.15	(24.41)	-	122.74
Provision for doubtful debts and doubtful margin deposits	212.14	(2.12)	-	210.02
Provision for employee related payables	58.39	(0.74)	-	57.65
Provision for claims	138.74	126.34	-	265.08
Other-Stamp duty payable	40.54	(0.00)	-	40.54
<b>Total</b>	<b>596.95</b>	<b>99.08</b>	<b>-</b>	<b>696.03</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## NOTE 41: LEASE DISCLOSURES

### Disclosure Pursuant to Indian Accounting Standard 116 - Leases is as under:

#### Transition:

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly for all contracts as on 1<sup>st</sup> April 2019, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The weighted average incremental borrowing rate applied to lease liabilities as at 31<sup>st</sup> March 2024 is between the ranges of 6.29% to 8.39% for a period varying from 1 to 10 years.

#### Critical accounting judgments and key sources of estimation uncertainty

Critical judgments required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in-substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.





# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

Following are the changes in the carrying value of right of use assets (ROU) for the year ended 31<sup>st</sup> March 2024:

Particulars	(₹ in Lakh)	
	Category of ROU Asset	
	Leasehold premises	
Gross Carrying Value		
<b>Balance as at 1<sup>st</sup> April 2022</b>		3,177.95
Additions		898.95
Deletions		(219.31)
<b>Balance as at 31<sup>st</sup> March 2023</b>		<b>3,857.59</b>
Additions		525.23
Deletions		(146.26)
<b>Balance as at 31<sup>st</sup> March 2024</b>		<b>4,236.56</b>
Accumulated Amortisation		
<b>Balance as at 1<sup>st</sup> April 2022</b>		<b>(1,221.29)</b>
Additions		(417.03)
<b>Balance as at 31<sup>st</sup> March 2023</b>		<b>(1,638.32)</b>
Additions		(500.07)
Deletions		81.93
<b>Balance as at 31<sup>st</sup> March 2024</b>		<b>(2,056.46)</b>
Net Carrying Value		
<b>As at 31<sup>st</sup> March 2023</b>		<b>2,219.27</b>
<b>As at 31<sup>st</sup> March 2024</b>		<b>2,180.10</b>

## Amounts recognised in Profit and Loss

Particulars	(₹ in Lakh)	
	Year Ended 31 <sup>st</sup> March 2024	Year Ended 31 <sup>st</sup> March 2023
Depreciation expense on right-of-use assets	500.07	417.03
Interest expense on lease liabilities	172.33	143.94
Expense relating to short-term leases	67.47	62.08
Expense relating to leases of low value assets	-	-
Gains or losses arising from Modification of Lease Agreements	(3.35)	(37.13)

## The following is the break-up of Current and Non-Current Lease Liabilities

Particulars	(₹ in Lakh)	
	Year Ended 31 <sup>st</sup> March 2024	Year Ended 31 <sup>st</sup> March 2023
Current Lease Liabilities	575.55	520.99
Non-Current Lease Liabilities	1,823.96	1,855.26
<b>Total</b>	<b>2,399.51</b>	<b>2,376.25</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## The following is the movement in lease liabilities during the year ended 31<sup>st</sup> March 2024:

(₹ in Lakh)	
Particulars	Year Ended 31 <sup>st</sup> March 2024
Balance as at 1 <sup>st</sup> April 2023	2,376.25
Additions	511.88
Deletions	(67.69)
Finance Cost accrued during the period	172.33
Payment of Lease Liabilities	(593.26)
Rent Waiver Reduction	-
<b>Balance as at 31<sup>st</sup> March 2024</b>	<b>2,399.51</b>

## The following is the movement in lease liabilities during the year ended 31<sup>st</sup> March 2023:

(₹ in Lakh)	
Particulars	Year Ended 31 <sup>st</sup> March 2023
Balance as at 1 <sup>st</sup> April 2022	2,148.77
Additions	825.81
Deletions	(257.28)
Finance Cost accrued during the period	143.94
Payment of Lease Liabilities	(484.99)
Rent Waiver Reduction	-
<b>Balance as at 31<sup>st</sup> March 2023</b>	<b>2,376.25</b>

## The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in Lakh)		
Particulars	Year Ended 31 <sup>st</sup> March 2024	Year Ended 31 <sup>st</sup> March 2023
Less than One year	621.79	536.45
One to Five years	2,189.92	1,716.68
More than Five years	74.12	671.03
<b>Total</b>	<b>2,885.83</b>	<b>2,924.16</b>

The Company does not face a significant liquidity 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.

## NOTE: 42 EMPLOYMENT BENEFIT DISCLOSURES

### Defined Contribution Plan

The amounts charged to the Statement of Profit and Loss during the year for Provident fund contribution aggregates to ₹313.65 Lakh (Previous Year: ₹272.40 Lakh), NPS contribution fund contribution aggregates to ₹23.35 Lakh, (Previous Year: ₹15.25 Lakh) and employees' state insurance contribution aggregates to ₹0.84 Lakh (Previous Year: ₹1.90 Lakh).



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## Defined Benefit Plan

### General Description of the Plan:

The Company operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Company's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972.

### Nature of Benefits

The Company operates a defined benefit final salary gratuity plan which is open to new entrants. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company.

### Regulatory Framework:

There are no minimum funding requirements for a gratuity plan in India. The trustees of the gratuity fund have a fiduciary responsibility to act according to the provisions of the trust deed and rules. Since the fund is income tax approved, the Company and the trustees have to ensure that they are at all times fully compliant with the relevant provisions of the income tax and rules. Besides this if the Company is covered by the Payment of Gratuity Act, 1972 then the Company is bound to pay the statutory minimum gratuity as prescribed under this Act.

### Governance of The Plan:

The Group has setup an income tax approved irrevocable trust fund to finance the plan liability. The trustees of the trust fund are responsible for the overall governance of the plan.

### Inherent Risks:

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

### Amounts recognised in the Balance Sheet in respect of Gratuity:

Particulars	₹ in Lakh	
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Present Value of the funded Defined Benefit Obligations at the end of the period	902.99	800.04
Fair Value of Plan Assets	1,104.35	968.48

### Amounts recognised in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity

Particulars	₹ in Lakh	
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
In Statement of Profit and Loss	78.35	83.97
In Other Comprehensive Income	(50.12)	(76.19)
<b>Total Expenses Recognised for the period</b>	<b>28.23</b>	<b>7.78</b>

The above note is a disclosure that covers both the obligation value & employee benefit expense debited to Profit and Loss.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## Other Comprehensive Income:

Particulars	(₹ in Lakh)	
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Actuarial (gains)/losses		
- change in demographic assumptions	(0.72)	(44.40)
- change in financial assumptions	3.52	(52.25)
- experience variance	12.59	26.24
Return on plan assets, excluding amount recognised in net interest expense	(65.51)	(5.78)
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
<b>Components of defined benefit costs recognised in OCI</b>	<b>(50.12)</b>	<b>(76.19)</b>

## Reconciliation of Present Value of the Obligation and the Fair Value of the Plan Assets:

### Change in Present Value of the Obligations:

Particulars	(₹ in Lakh)	
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Opening Defined Benefit Obligations	800.04	753.68
Current Service Cost	90.59	93.28
Interest Expenses or Cost	58.13	45.57
Re-measurement (or Actuarial) (gain)/loss arising from :		
- change in demographic assumptions	(0.73)	(44.40)
- change in financial assumptions	3.52	(52.25)
- experience variance	12.59	26.24
- others		
Benefits Paid including Transfer In/(Out)	(61.15)	(22.08)
<b>Closing Defined Benefit Obligations</b>	<b>902.99</b>	<b>800.04</b>

### Change in Fair Value of the Plan Assets:

Particulars	(₹ in Lakh)	
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Opening Fair Value of the Plan Assets	968.48	907.81
Interest Income on plan assets	70.36	54.88
Actual return on plan assets less interest on plan assets	65.51	5.78
Contributions by the Employer	61.15	22.08
Benefits Paid	(61.15)	(22.08)
<b>Closing Fair Value of the Plan Assets</b>	<b>1,104.35</b>	<b>968.48</b>

## Funding Arrangement and Policy

The money contributed by the Company to the fund to finance the liabilities of the plan has to be invested.

The trustees of the plan are required to invest the funds as per the prescribed pattern of investments laid out in the income tax rules for such approved schemes. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset-liability matching strategy to manage risk actively.

There is no compulsion on the part of the Company to fully pre fund the liability of the Plan. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of underfunding of the plan.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

Effect of Plan on Entity's Future Cash Flows:

- Expected Contribution during the next annual reporting period
- The Company's best estimate of Contribution during the next year- Nil
- Maturity Profile of Defined Benefit Obligation

Particulars	₹ in Lakh	
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
The weighted-average duration (Based on discounted cash flows)	4 years	4 years
Expected cash flows over the next (valued on undiscounted basis):		
Within the next 12 months (next annual reporting period)	211.78	193.52
More than 1 and up to 5 years	573.72	509.69
More than 5 and up to 10 years	332.35	285.52
Above 10 Years	124.54	119.70

## Sensitivity Analysis

Particulars	₹ in Lakh			
	31 <sup>st</sup> March 2024		31 <sup>st</sup> March 2023	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 0.5%)	921.01	885.62	816.02	784.63
(% change compared to base due to sensitivity)	2.00%	-1.90%	2.00%	-1.90%
Salary Growth (-/+ 0.5%)	885.89	920.55	784.86	815.63
(% change compared to base due to sensitivity)	-1.90%	1.90%	-1.90%	1.90%
Attrition Rate (-/+ 50%)	1,095.82	838.98	961.32	748.27
(% change compared to base due to sensitivity)	21.40%	-7.10%	20.20%	-6.50%
Mortality Rate (-/+ 10%)	902.20	903.78	799.37	800.71
(% change compared to base due to sensitivity)	-0.10%	0.10%	-0.10%	0.10%

## Sensitivity Analysis Method

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation, and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

## Details of plan assets

The plan assets represent Company's proportionate share in the Grasim Industries Limited Employees Gratuity Trust managed by the Ultimate Parent Company for the employees of the Company. The details of plan assets are as under:

Particulars	₹ in Lakh	
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Government of India Securities	2.15%	3.03%
State Government Securities	3.18%	3.90%
Corporate Bonds	0.54%	0.64%
Insurer Managed Funds	41.58%	41.32%
Deposit Scheme	0.00%	0.00%
Others	52.55%	51.11%
	<b>100%</b>	<b>100%</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The Company does not expect to contribute additional amount to the fund in the next year.

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

	(₹ in Lakh)	
Principal Actuarial Assumptions at the Balance Sheet Date	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Discount Rate	7.15%	7.25%
Salary escalation	10.00%	10.00%

The estimate of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market

Note: Salaries and Wages includes share of ABFSSL allocation of Salaries, PF, Gratuity of ₹107.98 Lakh of FY24 and ₹88.64 Lakh of FY23.

## NOTE 43.1. STOCK OPTIONS GRANTED

### i) ABML – EMPLOYEE STOCK OPTION SCHEME – 2014

The objective of the Employee Stock Option Scheme is to attract and retain talent and align the interest of employees with the Company as well as to motivate them to contribute to its growth and profitability.

The Company adopts Senior Executive Plan in granting Stock options to its Senior Employees. (Employee Stock Option Scheme – 2014)

During 2014 the Company had formulated the ABML Employee Stock Option Scheme – 2014 (ABML ESOP Scheme – 2014) with the approval of the shareholders at the Annual General Meeting dated 09<sup>th</sup> September 2014. The Scheme provides that the total number of options granted there under will be 27,70,000 Shares and to follow the Market Value Method (Intrinsic Value) for valuation of the Options.

Each option, on exercise, is convertible into one Equity Share of the Company having Face Value of ₹1/- each. Subsequently, the Nomination and Remuneration Committee of the Board of Directors on 2<sup>nd</sup> December 2014 has granted 25,09,341 stock options to its eligible employees under the ABML ESOP Scheme – 2014 at an exercise price of ₹34.25. The Exercise Price was based on the latest available closing price, prior to the 2<sup>nd</sup> December 2014 (the date of grant by the Nomination & Remuneration Committee) on the recognised stock exchanges on which the shares of the Company are listed with the highest trading volume.

Summary of Stock Options granted under ABML ESOP Scheme – 2014 is as under

The vesting period in respect of the options granted under ABML ESOP Scheme – 2014 is as follows:

Sr. No	Vesting Dates	% of options that shall vest
1	12 months from the date of grant	25% of the grant
2	24 months from the date of grant	25% of the grant
3	36 months from the date of grant	25% of the grant
4	48 months from the date of grant	25% of the grant



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

Particulars	As on 31 <sup>st</sup> March 2024
Options granted on 02 <sup>nd</sup> December 2015	25,09,341
Options outstanding as on 01 <sup>st</sup> April 2023	53,845
No. of options granted during the year	NIL
Method of Accounting	Intrinsic Value
Vesting Plan	25% every year
Exercise period	Within 5 years from the date of vesting of respective options
Grant/Exercise price (₹ per share)	34.25
Market price as on the date of the grant	34.25 (previous day closing price on the recognised stock exchange)
Options reinstated during the year	59,892
Options forfeited/lapsed during the year	(57,418)
Options exercised during the year	(56,319)
<b>Options outstanding as on 31<sup>st</sup> March 2024</b>	-

The Company has granted options to the eligible employees at an exercise price of ₹34.25 per share being the latest market price as per SEBI ESOP Regulations. In view of this, there being no intrinsic value (being the excess of the market price of share under ESOP over the exercise price of the option), on the date of grant, the Company is not required to account the accounting value of option as per SEBI ESOP Regulations.

Particulars	As on 31 <sup>st</sup> March 2023
Options granted on 02 <sup>nd</sup> December 2015	25,09,341
Options outstanding as on 01 <sup>st</sup> April 2022	1,31,729
No. of options granted during the year	NIL
Method of Accounting	Intrinsic Value
Vesting Plan	25% every year
Exercise period	Within 5 years from the date of vesting of respective options
Grant/Exercise price (₹ per share)	34.25
Market price as on the date of the grant	34.25 (previous day closing price on the recognised stock exchange)
Options forfeited/lapsed during the year	-
Options exercised during the year	(77,884)
<b>Options outstanding as on 31<sup>st</sup> March 2023</b>	53,845

## ii) ABCL – Employee Stock Option Scheme – 2017

Pursuant to ESOP Plan being established by the Holding Company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Company during the financial year. Total cost incurred by the Holding Company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹12,40,000/- (Previous Year: ₹1,17,371/-) has been recovered from the Company during the year, which has been charged to the Statement of Profit and Loss.

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## 43.2 Fair Valuation

The fair Value of the option on the date of grant has been done by an independent valuer using Black Scholes Formula. The key assumption are as under

Risk-free interest rate (%)	8.13%
Expected life (No. of years)	5 Years
Expected volatility (%)	54.26%
Dividend yield (%)	0.00%
The price of the underlying share in market at the time of option grant	₹34.25

## NOTE : 44 SEGMENT REPORTING

The Company's business is to provide brokerage service, wholesale debt market and others ('PMS') to its clients in the capital markets within India. All other activities of the Company revolve around these activities.

		(₹ in Lakh)	
1	Segment Revenue	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
	Broking	33,399.96	21,547.11
	Wholesale Debt Market	5,198.30	4,342.75
	Others	421.06	405.68
	<b>Total Segment Revenue from Operations (Net)</b>	<b>39,019.32</b>	<b>26,295.54</b>

		(₹ in Lakh)	
2	Particulars	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
	<b>Segment Results</b>		
	Broking	5,002.23	1,361.23
	Wholesale Debt Market	1,554.55	2,036.56
	Others	(145.90)	(313.41)
	<b>Total Segment Result</b>	<b>6,410.88</b>	<b>3,084.38</b>
	Less: Finance Costs	0.00	0.00
	Add: Other Income	482.17	1,583.38
	<b>Profit Before Tax</b>	<b>6,893.05</b>	<b>4,667.76</b>
	Income tax expenses	1,596.25	1,277.54
	<b>Profit after tax</b>	<b>5,296.80</b>	<b>3,390.22</b>
	<b>Other information as per Ind AS 108:</b>		
	<b>Interest Revenue</b>		
	Broking	13,261.06	7,487.60
	Wholesale Debt Market	3,247.33	2,808.96
	Others	-	-
	<b>Total</b>	<b>16,508.39</b>	<b>10,296.56</b>
	<b>Interest expense</b>		
	Broking	5,968.14	2,928.52
	Wholesale Debt Market	3,254.01	2,028.54
	Others	-	-
	Unallocated	-	-
	<b>Total</b>	<b>9,222.15</b>	<b>4,957.06</b>





# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

(₹ in Lakh)

2	Particulars	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
	<b>Depreciation and amortisation</b>		
	Broking	823.09	665.56
	Wholesale Debt Market	-	-
	Others	-	-
	<b>Total</b>	<b>823.09</b>	<b>665.56</b>
	<b>Material non-cash expenses other than depreciation and amortisation</b>		
	Broking	-	-
	Wholesale Debt Market	-	-
	Others	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>

(₹ in Lakh)

3	Segment Assets	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
	Broking	1,64,993.17	94,054.52
	Wholesale Debt Market	44,380.63	40,733.71
	Others	153.22	36.49
	<b>Total Segment Assets</b>	<b>2,09,527.02</b>	<b>1,34,824.72</b>
	Add: Unallocated Corporate Assets	2,083.86	1,516.86
	<b>Total Assets</b>	<b>2,11,610.88</b>	<b>1,36,341.58</b>

(₹ in Lakh)

4	Segment Liabilities	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
	Broking	1,50,334.78	84,032.09
	Wholesale Debt Market	44,886.36	41,244.11
	Others	118.93	148.16
	<b>Total Segment Liabilities</b>	<b>1,95,340.07</b>	<b>1,25,424.36</b>
	Add: Unallocated Corporate Liabilities	0.00	0.00
	<b>Total Liabilities</b>	<b>1,95,340.07</b>	<b>1,25,424.36</b>

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## NOTE 45. RELATED PARTY TRANSACTIONS

List of Related Parties with whom the Company has transactions

Ultimate Holding Company	Grasim Industries Limited
Holding Company	Aditya Birla Capital Limited

Related parties under Ind AS 24 with whom transactions have taken place during the year

	Aditya Birla Finance Limited
	Aditya Birla Financial Shared Services Limited
	Aditya Birla Sun Life Insurance Company Limited
	Aditya Birla Insurance Brokers Limited
Fellow Subsidiaries	Aditya Birla Capital Technology Services Limited
	Aditya Birla Housing Finance Limited
	Aditya Birla ARC Limited
	Aditya Birla Sun Life AMC Limited
	Aditya Birla Health Insurance company Limited
	Aditya Birla Wellness Private Limited
	Aditya Birla Capital Digital Limited
Key Management Personnel and Directors	Divya Poojari (Company Secretary) Resigned w.e.f. 15.01.2024
	Manisha Lakhotia (Company Secretary) Appointed w.e.f. 15.01.2024
	Pradeep Sharma (Chief Financial Officer)
	Murali Krishnan L R (Manager)
	Tushar Harendra Shah (Non-Executive Director)
	G Vijayaraghavan (Non-Executive Independent Director)
	P Sudhir Rao (Non-Executive Independent Director)

		(₹ in Lakh)			
Sr. No.	Particulars	Closing balance as on 31 <sup>st</sup> March 2024	Transactions 2023 - 24*	Closing balance as on 31 <sup>st</sup> March 2023	Transactions 2022 - 23*
<b>I</b>	<b>Grasim Industries Limited</b>				
1	Brokerage Income		(28.36)		-
2	Outstanding balances				
	- Gratuity Asset receivable	1,104.35		968.48	
<b>II</b>	<b>Aditya Birla Capital Limited</b>				
1	ESOP expenses		12.40		1.17
2	IND AS - Interest on Preference shares		548.13		513.50
3	Reimbursement of expenses		39.93		36.47
4	Custodian - Fee recoverable		(0.11)		-
5	Outstanding balances				
	- Preference Share Capital	(8,000.00)		(8,000.00)	
	- IND AS - Interest Payable on Preference Shares	(1,197.11)		(648.97)	
	- Trade Payable	(7.88)		(6.61)	
<b>III</b>	<b>Aditya Birla Finance Limited</b>				
1	Recovery of Manpower cost		(356.07)		(283.43)
2	Reimbursement - Rent & other expenses		23.61		20.40



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

(₹ in Lakh)

Sr. No.	Particulars	Closing balance as on 31 <sup>st</sup> March 2024	Transactions 2023 - 24*	Closing balance as on 31 <sup>st</sup> March 2023	Transactions 2022 - 23*
3	Custodian - Fee recoverable		(5.16)		(3.88)
4	Brokerage Income		(38.08)		(22.29)
5	Reimbursement of cost		-		0.50
6	Referral Fee expense		26.34		20.19
7	Expenses Recovery		(12.03)		-
8	Expenses - Commission, Management Fees		558.21		383.55
9	Employee Liability Transfer-In		(0.46)		(6.96)
10	V Pay Recovery		(115.49)		-
11	Incentive Recovery		-		(19.11)
12	Recovery of Cost - LTIP		-		(41.58)
13	Employee Liability Transfer-out		-		5.63
14	Security Deposit Paid		-		9.93
15	Security Deposit Received		-		(5.24)
16	Outstanding Balances:				
	- Advances Receivable	1.20		1.10	
	- Trade Payable	(124.46)		(44.56)	
	- Security Deposit (asset)	9.93		9.93	
	- Security Deposit (liability)	(5.24)		(5.24)	
<b>IV</b>	<b>Aditya Birla Financial Shared Services Limited</b>				
1	Reimbursement of Cost - Manpower expenses		107.98		88.64
2	Reimbursement of Cost - Electricity, Staff welfare and other expenses		227.82		237.21
3	Prepaid Amortisation		58.27		104.56
4	Employee Liability Transfer-out		-		0.16
5	Employee Liability Transfer-In		(0.34)		(11.93)
6	Recovery of Cost - V Pay		(3.99)		-
7	Outstanding balances				
	- Trade Payable	(90.56)		(75.75)	
	- Prepaid Expenses	18.86		32.25	
<b>V</b>	<b>Aditya Birla Sun Life Insurance Company Limited</b>				
1	Brokerage Income		(92.84)		(63.90)
2	Reimbursement of Rent expenses		122.62		107.81
3	Commission Income		(3.87)		-
4	Recovery of Rent & other expenses		(7.48)		(0.34)
5	Employee Liability Transfer-In		(33.37)		(23.81)
6	Reimbursement of other expenses		-		8.72
7	Recovery of Cost - V Pay		(6.85)		-
8	Recovery of expenses		-		(0.52)
9	Security Deposit Paid		4.32		21.15
10	Security Deposit Received		(2.41)		-

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

(₹ in Lakh)

Sr. No.	Particulars	Closing balance as on 31 <sup>st</sup> March 2024	Transactions 2023 - 24*	Closing balance as on 31 <sup>st</sup> March 2023	Transactions 2022 - 23*
11	Outstanding Balances:				
	- Trade Payable	(68.00)		(29.19)	
	- Security Deposit (asset)	35.24		29.25	
	- Security Deposit (liability)	(4.09)		-	
<b>VI</b>	<b>Aditya Birla Insurance Brokers Limited</b>				
1	Reimbursement of Cost - Rent & other expenses		19.68		20.54
2	Outstanding Balances:				
	- Trade Payable	(3.96)		(11.81)	
<b>VII</b>	<b>Aditya Birla Capital Technology Services Ltd</b>				
1	Reimbursement of Cost - IT & other expenses		60.50		16.84
2	Reimbursement of Cost - IT expenses		-		8.17
3	Reimbursement of Space sharing expenses		-		10.38
4	Recovery of Expenses		-		(0.31)
5	Security Deposit Paid		-		57.50
6	Security Deposit Received		(57.50)		-
7	Prepaid Amortisation		15.33		8.19
8	Outstanding Balances:				
	- Trade Payable	(9.43)		(1.28)	
	- Prepaid Expenses	0.89		0.22	
	- Security Deposit (asset)	-		57.50	
<b>VIII</b>	<b>Aditya Birla Housing Finance Limited</b>				
1	Asset transfer		-		3.77
2	Commission received		(2.97)		-
3	Recovery of expenses		-		(7.51)
<b>IX</b>	<b>Aditya Birla ARC Limited</b>				
1	Custodian - Fee recoverable		(0.07)		(2.05)
2	Employee Liability Transfer-out		-		0.99
3	Recovery of expenses		-		(0.21)
<b>X</b>	<b>Aditya Birla Sun Life AMC Limited</b>				
1	Incentive reimbursement		0.29		-
2	Liability transfer		(3.37)		(7.92)
3	Recovery of Rent and other expenses		(8.04)		(1.08)
4	Reimbursement of expenses		8.69		10.57
5	Brokerage Income		(1.32)		-
6	Recovery of Cost - V Pay		(2.00)		-
7	Security Deposit Received		(2.57)		-
8	Outstanding Balances:				
	- Trade Payable	-		(2.70)	
	- Trade Receivable	5.46		-	
	- Security Deposit (asset)	2.33		2.33	
	- Security Deposit (liability)	(2.57)		-	



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

(₹ in Lakh)

Sr. No.	Particulars	Closing balance as on 31 <sup>st</sup> March 2024	Transactions 2023 - 24*	Closing balance as on 31 <sup>st</sup> March 2023	Transactions 2022 - 23*
<b>XI</b>	<b>Aditya Birla Health Insurance Company Limited</b>				
1	Reimbursement of Expenses		-		0.25
2	Recovery of Rent Expenses		(12.50)		-
3	Commission received		(3.19)		-
4	Security Deposit Received		(3.88)		-
5	Outstanding Balances:				
-	Trade Receivable	13.37		-	
-	Security Deposit ( liability)	(3.88)		-	
<b>XII</b>	<b>Aditya Birla Wellness Private Limited</b>				
1	Reimbursement of expenses		2.14		3.19
2	Outstanding Balances:				
-	Trade Payable	-		(0.19)	
<b>XIII</b>	<b>Aditya Birla Capital Digital Limited</b>				
1	Recovery of Rent expenses		(59.92)		-
2	Security Deposit Received		(28.75)		-
3	Expenses - Commission		13.78		-
4	Outstanding Balances:				
-	Trade Receivable	14.79		-	
-	Security Deposit (Liability)	(28.75)		-	
<b>XIV</b>	<b>Mr. P Sudhir Rao</b>				
1	Sitting Fees		7.10		7.55
<b>XV</b>	<b>Mr. G Vijayaraghavan</b>				
1	Sitting Fees		7.85		9.40
<b>XVI</b>	<b>Mr. Tushar Harendra Shah</b>				
1	Brokerage Income		(0.10)		(0.01)
<b>XVII</b>	<b>Mr. Pradeep Sharma</b>				
1	Remuneration		145.85		179.04
2	Reimbursement of Cost		1.99		0.80
<b>XVIII</b>	<b>Mr. Murali Krishnan L R</b>				
1	Remuneration		50.16		65.22
2	Brokerage Income		-		-
<b>XIX</b>	<b>Ms. Divya Poojari</b>				
1	Remuneration		27.74		30.38
2	Reimbursement of Cost		-		-
<b>XX</b>	<b>Ms. Manisha Lakhotia</b>				
1	Remuneration		3.80		-

\* Amounts excluding GST

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## NOTE: 46 INTANGIBLE ASSETS UNDER DEVELOPMENT

Following is the ageing schedule of Intangible Assets Under Development

(₹ in Lakh)

As at 31 <sup>st</sup> March 2024	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	15.96	17.81	5.00	38.77
Projects temporarily suspended	-	-	-	-	-

(₹ in Lakh)

As at 31 <sup>st</sup> March 2023	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	27.76	27.83	5.00	-	60.59
Projects temporarily suspended	-	-	-	-	-

## NOTE: 47 DISPUTED IMMOVABLE PROPERTY HELD IN NAME OF THE COMPANY

The Company has a land of ₹15 Lakh in the name of Apollo Sindhoori Capital Investments Limited (Currently known as Aditya Birla Money Limited) and the title is under dispute and the matter is in sub judice.

The land could not be registered or transferred onto the Company due to pendency at District Court at Sangareddy. As per the court order, the parties (including Company) were required to maintain status quo with respect to schedule property until further orders.

## NOTE: 48 CORPORATE SOCIAL RESPONSIBILITY

(₹ in Lakh)

Particulars	For the Year Ended 31 <sup>st</sup> March 2024	For the Year Ended 31 <sup>st</sup> March 2023
Shortfall at the beginning of the year	-	33.77
Amount required to be spent by the Company during the year (Refer Note 29)	74.50	56.51
Amount of expenditure incurred (including shortfall at the beginning of the year)	74.50	90.28
Shortfall at the end of the year	-	-
Nature of CSR activities	Health Care, Education, Setting up homes for orphans	Health Care, Education, Setting up homes for orphans
Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	NA	NA
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	-	-

**NOTE: 49** The Company has a process whereby periodically all long term contracts, if any, are assessed for material foreseeable losses. As at the Balance Sheet date, there were no long term contracts (including derivative contracts).

**NOTE: 50** The Company's pending litigations comprise of claims against the Company primarily by the customers and proceedings pending with Income Tax and other statutory authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results. Refer Note 39 for details on contingent liabilities.



# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

**NOTE: 51** Disclosure Pursuant to Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956, the Company disclose the following details of struck off Companies.

(₹ in Lakh)

Name of the struck off Company	Nature of transactions	Transactions for the year 31 <sup>st</sup> March 2024	Transactions for the year 31 <sup>st</sup> March 2023	Balance outstanding as at 31 <sup>st</sup> March 2024	Balance outstanding as at 31 <sup>st</sup> March 2023	Relationship with the struck off Company
Savinan Enterprises Private Limited	Commission Charges	(0.000)	(0.243)	(0.293)	(0.293)	Creditor
Orion Media Private Limited	AMC Charges	(0.022)	-	(0.022)	-	Customer
Doniv Enterprises Private Limited	AMC Charges	(0.012)	-	(0.010)	-	Customer
Gurukul Commosales Private Limited	AMC Charges	(0.010)	-	(0.010)	-	Customer
Virtual Securities Private Limited	AMC Charges	(0.023)	-	0.000	-	Customer
Pusha Steels Limited	AMC Charges	(0.003)	-	(0.003)	-	Customer
JMM Nine Stocks Private Limited	AMC Charges	0.001	-	0.048	-	Customer
Makshi Multitrading Private Limited	AMC Charges	0.001	-	0.099	-	Customer
Chaturbhujia Securities Private Limited	AMC Charges	(0.005)	-	(0.005)	-	Customer
Moneyspider Investment Services Private Limited	Commission Charges	1.054	-	(1.054)	-	Creditor
Gangour Distributors Private Limited	AMC Charges	0.002	-	0.028	-	Customer
Ceeplast Trading Company Private Limited	AMC Charges	(0.062)	-	0.003	-	Customer
Indo Austro Corporation Private Limited	AMC Charges	0.001	-	0.008	-	Customer
Ayyappan Capital Services Private Limited	AMC Charges	0.000	-	0.000	-	Customer
Katman Finbiz Services Private Limited	AMC Charges	(0.020)	-	0.000	-	Customer

**NOTE: 52** No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, 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 on behalf of the Ultimate Beneficiaries.

**NOTE: 53** No funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.

## NOTE: 54 CAPITAL COMMITMENT

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) ₹60.88 Lakh (Previous Year: ₹8.81 Lakh).

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> March 2024

## NOTE: 55 OTHER STATUTORY INFORMATION

- (a) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (b) The Company is not holding any benami property under the Benami Transactions (Prohibition) Act, 1988.
- (c) The Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (d) The Company has no charges or satisfaction to be registered which is yet to be registered with the Register of Companies beyond the statutory period.
- (e) The Company has not entered into any scheme of arrangement under Section 230 to 237 of the Companies Act 2013.
- (f) The Company does not have any 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.
- (g) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.
- (h) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- (i) No loans or advances in the nature of loans are granted to promoters, Directors, Key Managerial Personnel and the related parties (as defined under the Companies Act, 2013) either severally or jointly with any other person.
- (j) The Company is required to submit gross debit balance (excluding credit balance) as at period end after making an adjustment for transactions for which settlement is not due. Post these adjustments, the amount reported are in agreement with unaudited books of accounts.
- (k) The Company has utilised the funds for the purposes for which the loans were obtained.

## NOTE: 56 AUDIT TRAIL

As per the Rule 3(1) of Companies (Accounts) Rules, 2022, as amended, requires the companies for the financial year commencing on or after 01<sup>st</sup> April 2023, which uses accounting software for maintaining their books of account, to use only such accounting software which has audit trail feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

For the purpose of this Rule, accounting software Sun Infor and Lidha Didha (LD) have been identified as books of accounts. These accounting software have the feature of recording audit trail (edit log) facility except audit trail feature was not enabled at the database level for the above mentioned accounting software.

For and on behalf of the Board of Directors of Aditya Birla Money Limited

**Pinky A Mehta**

Director  
DIN: 00020429

**Pradeep Sharma**

Chief Financial Officer

**Tushar Shah**

Director  
DIN: 00239762

**Manisha Lakhotia**

Company Secretary  
Mem. No: A46126

Place: Mumbai  
Date: 22<sup>nd</sup> April 2024





## Notice of 28<sup>th</sup> Annual General Meeting

### Aditya Birla Money Limited

**Registered Office:** Indian Rayon Compound, Veraval - 362266, Gujarat

**Corporate Office:** Sai Sagar, 2<sup>nd</sup> & 3<sup>rd</sup> Floor, Plot No. M-7,

Thiru-Vi-Ka (SIDCO) Industrial Estate, Guindy, Chennai - 600032

Tel: +91 44 4949 0000; Fax: +91 44 2250 1095; Email: [abml.investorgrievance@adityabirlacapital.com](mailto:abml.investorgrievance@adityabirlacapital.com)

CIN: L65993GJ1995PLC064810; Website: <https://stocksandsecurities.adityabirlacapital.com>

**NOTICE** is hereby given that the **28<sup>th</sup> (Twenty Eighth) Annual General Meeting ("AGM")** of the Members of ADITYA BIRLA MONEY LIMITED ("the Company" or "your Company") will be held on **Tuesday, 30<sup>th</sup> July 2024 at 12.30 P.M.** through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") to transact the following business:

#### ORDINARY BUSINESS:

- To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2024, together with the Reports of the Board of Directors and the Auditors thereon and in this regard, to consider and if thought fit, pass the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2024 and the Reports of the Board of Directors and Auditors, thereon as circulated to the Members, be and are hereby considered and adopted."

- To appoint Director in place of Mr. Tushar Shah (DIN: 00239762) who retires by rotation and being eligible, offers himself for re-appointment and in this regard, to consider and if thought fit, pass the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Tushar Shah (DIN: 00239762), who retires by rotation at this Annual General Meeting and, being eligible, has offered himself for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

#### SPECIAL BUSINESS:

#### 3. Appointment of Dr. Sethurathnam Ravi (DIN: 00009790) as an Independent Director of the Company

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions, if any of the Companies Act, 2013 ("the Act") read with the Rules framed thereunder, and applicable

provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations") [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and Articles of Association of the Company, approval and recommendation of the Nomination and Remuneration Committee and that of the Board, Dr. Sethurathnam Ravi (DIN: 00009790), who was appointed as an Additional Director in the category of an Independent Director with effect from 1<sup>st</sup> July 2024, holds the office upto the date of this Annual General Meeting and submitted the declaration that he meets the criteria for independence under Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) and 17(1C) of the SEBI Listing Regulations and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for the term of upto 5 (Five) consecutive years with effect from 1<sup>st</sup> July 2024 to 30<sup>th</sup> June 2029 and that he shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors or the Company Secretary, be and are hereby authorised to do all such acts, deeds and things as may be necessary, expedient, and desirable for the purpose of giving effect to this Resolution."

#### 4. Appointment of Mr. Sharadkumar Bhatia (DIN: 07327383) as an Independent Director of the Company

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions, if any of the Companies Act, 2013 ("the Act") read with the Rules framed thereunder, and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations") [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and Articles of Association of the Company, approval and recommendation of the Nomination and Remuneration Committee and that of the Board, Mr. Sharadkumar Bhatia

(DIN: 07327383), who was appointed as an Additional Director in the category of an Independent Director with effect from 1<sup>st</sup> July 2024, holds the office upto the date of this Annual General Meeting and submitted the declaration that he meets the criteria for independence under Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) and 17(1C) of the SEBI Listing Regulations and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for the term of upto 5 (Five) consecutive years with effect from 1<sup>st</sup> July 2024 to 30<sup>th</sup> June 2029 and that he shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors or the Company Secretary, be and are hereby authorised to do all such acts, deeds and things as may be necessary, expedient, and desirable for the purpose of giving effect to this Resolution.”

#### 5. Re-appointment of Mr. Murali Krishnan L.R. as the Manager of the Company

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Rules issued in this regard, as recommended by the Nomination and Remuneration Committee and the Board of Directors Mr. Murali Krishnan L.R. be and is hereby re-appointed as the Manager and Key Managerial Personnel of the Company for another period of 5 (Five) years with effect from 6<sup>th</sup> May 2024 to 5<sup>th</sup> May 2029, at a remuneration of ₹50.16 Lakh per annum plus performance based variable pay based on the performance of the Company & individual to the maximum extent of 25% of fixed remuneration and such increments/bonus/long term incentive plans during his tenure as per the Remuneration Policy of the Company.

**RESOLVED FURTHER THAT** where in any Financial Year during the tenure of Mr. Murali Krishnan L.R. as the Manager, the Company has no profits or the profits are inadequate, approval of the Members of the Company be and is hereby accorded to pay the aforesaid remuneration in accordance with the provisions of the Act.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to vary the terms of re-appointment and

remuneration and to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary and with the power on behalf of the Company to settle questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the Members of the Company.”

#### 6. Enhancement of Borrowing Limit of the Company up to ₹3,000 Crore

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

“**RESOLVED THAT** in supersession of the earlier resolution passed at the Annual General Meeting held on 6<sup>th</sup> July 2023 and pursuant to Section 180(1)(c) and other applicable provisions of the Companies Act, 2013 and rules framed thereunder, consent of the Members be and is hereby accorded, to borrow for and on behalf of the Company, from time to time, any sum or sums of money, in any manner and without prejudice to the generality thereof, by way of Loans, Advances, Credits, Issuance of Commercial Papers, Acceptance of Deposits, Overdraft Facilities, Lines of Credit, Bank Guarantee, Commercial Borrowings, Bill Discounting, Debentures, Bonds, Inter-Corporate Deposits and/or other instruments, Fund/Non-Fund Based facilities or otherwise in any other form (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business) or otherwise in Indian Rupees or any other Foreign Currency, from Banks, Financial Institutions, Non-Banking Financial Companies, Mutual Funds, Bodies Corporate, Insurance Companies, Business Associates, Firms or any other Lender including by way of availing Credit Limits through Non-Fund based limits i.e. Bank Guarantee, Letter of Credit, etc. or by any other means as deemed fit by it, against the security of term deposits, movables, immovable or such other assets as may be required or as, and if secured, whether by way of mortgage, charge, hypothecation, pledge or otherwise in any way whatsoever on or in respect of all or any of the Company's assets, properties or undertakings including uncalled capital, stock-in-trade, notwithstanding that the monies so borrowed together with the monies already borrowed, if any, by the Company (apart from temporary loans and credits obtained from the Company's Bankers in the ordinary course of business), may exceed the aggregate of the Company's Paid-up Share Capital, Free Reserves (i.e. Reserves not set apart for any specific purpose) and Securities Premium, provided that the total amount so borrowed and outstanding at any time shall not



## Notice

exceed ₹3,000 Crore (Rupees Three Thousand Crore only) over and above the aggregate of the Paid-up Share Capital, Free Reserves, and Securities Premium.

**RESOLVED FURTHER THAT** any of the Directors or the Chief Financial Officer or the Company Secretary of the Company be and is hereby authorised to do and perform all such acts, deeds and things and to take all steps as may be considered necessary, proper and expedient to carry on the purpose of this Resolution."

## 7. Creation of Charge on Movable & Immovable properties of the Company upto ₹3,000 Crore

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

**"RESOLVED THAT** in supersession of the earlier Resolution passed at the Annual General Meeting held on 6<sup>th</sup> July 2023 and pursuant to Section 180(1)(a) and other applicable provisions of the Companies Act, 2013 and rules framed thereunder, consent of the Members be and is hereby accorded to the Board of Directors of the Company to create charges, mortgages, pledges and hypothecations on the movable and immovable properties or assets or undertakings of the Company, whether tangible or otherwise, situated in or outside India, both present and future, in favour of the Banks, Financial Institutions, Non-Banking Financial Companies, Mutual Funds, Bodies Corporate, Business Associates, Firms or any other Lenders or Debenture Trustees to secure the amount borrowed by the Company or any third party from time to time for the due payment of the Principal together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the maximum extent of the indebtedness secured by the properties of the Company does not exceed ₹3,000 Crore (Rupees Three Thousand Crore only) at any time.

**RESOLVED FURTHER THAT** any of the directors, or the Chief Financial Officer, or the Company Secretary of the Company be and is hereby authorised to do and perform all such acts, deeds and things and to take all steps as may be considered necessary, proper and expedient to carry on the purpose of this Resolution."

## 8. Enhancement of the existing limit under Section 186 of the Companies Act, 2013;

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

**"RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 ('the Act') read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Members be and is hereby accorded to the Board of Directors of the Company to grant Loans and Advances or make investments in the securities of any other body corporate or provide securities or guarantees for such an amount that the aggregate of such loans and investments made or to be made, the amounts for which guarantee or security so far provided in connection with a loan to any other body corporate or person, along with the Investment, Loan, Guarantee or Security proposed to be made or given by the Company in excess of the limits prescribed under Section 186 of the Act, viz., 60% of the Company's Paid-up Share Capital, Free Reserves and Securities Premium Account or 100% of the Company's Free Reserves and Securities Premium, whichever is more, upon such terms and conditions as the Board may think fit, provided that the amount of such total Loans or Investments made, guarantees given and securities provided shall not at any time exceed ₹3,000 Crore.

**RESOLVED FURTHER THAT** any of the Directors or the Chief Financial Officer or the Company Secretary of the Company be and is hereby authorised to do and perform all such acts, deeds and things and to take all steps as may be considered necessary, proper and expedient to carry on the purpose of this Resolution."

## 9. Approval of Material Related Party Transactions with Grasim Industries Limited:

To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Regulation 23 of the SEBI Listing Regulations as amended till date and in accordance with the provisions of Section 188 and all other applicable provisions of the Companies Act, 2013 ("the Act"), if any, the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time

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being in force) read with the Company's Related Party Transaction Policy and as per the recommendation/approval of the Audit Committee and the Board of Directors of the Company ("Board"), the consent of the Members of the Company be and is hereby accorded to the Board, for entering into and/or carrying out and/or continuing with existing contracts/arrangements/transactions or modification(s) of earlier/arrangements/transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), with Grasim Industries Limited, a Related Party within the meaning of Section 2(76) of the Act, and Regulation 2(1)(zb) of the SEBI Listing Regulation for the nature of transactions as per the details set out in the Explanatory Statement Annexed to this Notice, for a period of three years commencing from the Financial Year 2024-25 to 2026-27, individually and/or in aggregate upto an amount not exceeding ₹ 750 Crore (Rupees Seven Hundred Fifty Crore) per Financial Year, provided however, that the said contract(s)/arrangement(s)/transaction(s) shall be carried out at an arm's length basis and in the Ordinary Course of business of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby severally authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts/arrangements/transactions, settle all questions, difficulties or doubts that may arise in this regard."

### 10. Approval of Material Related Party Transactions with Hindalco Industries Limited:

To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Regulation 23 of the SEBI Listing Regulations as amended till date and in accordance with the provisions of Section 188 and all other applicable provisions of the Companies Act, 2013 ("the Act"), if any, the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with the Company's Related Party Transaction Policy and as per the recommendation/approval of the Audit Committee and the Board of Directors of the Company ("Board"), the consent of the Members of the Company be and is hereby accorded to the Board, for entering into and/or carrying out and/or continuing

with existing contracts/arrangements/transactions or modification(s) of earlier/arrangements/transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), with Hindalco Industries Limited, a Related Party within the meaning of Section 2(76) of the Act, and Regulation 2(1)(zb) of the SEBI Listing Regulation for the nature of transactions as per the details set out in the Explanatory Statement Annexed to this Notice, for a period of three years commencing from the Financial Year 2024-25 to 2026-27, individually and/or in aggregate upto an amount not exceeding ₹ 750 Crore (Rupees Seven Hundred Fifty Crore) per Financial Year, provided however, that the said contract(s)/arrangement(s)/transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby severally authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts/arrangements/transactions, settle all questions, difficulties or doubts that may arise in this regard."

By Order of the Board of Directors  
**For Aditya Birla Money Limited**

**Manisha Lakhotia**  
Company Secretary

Place: Mumbai

Date: 5<sup>th</sup> June 2024

### NOTES:

#### A] CONDUCT OF ANNUAL GENERAL MEETING AND ATTENDANCE

1. The Ministry of Corporate Affairs ("MCA") has vide its General Circular Nos. 14/2020 dated 8<sup>th</sup> April 2020 and 17/2020 dated 13<sup>th</sup> April 2020, in relation to "Clarification on passing of Ordinary and Special Resolutions by Companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by "COVID-19", General Circular Nos. 20/2020 dated 5<sup>th</sup> May 2020, 10/2022 dated 28<sup>th</sup> December 2022 and Subsequent Circulars issued in this regard, the latest being 09/2023 dated 25<sup>th</sup> September 2023 in relation to "Clarification on holding of Annual General Meeting ("AGM") through Video Conferencing (VC) or Other Audio Visual Means (OAVM)",



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(collectively referred to as "MCA Circulars") permitted the holding of the AGM through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC/OAVM.

The deemed venue for the AGM shall be the Registered Office of the Company i.e., Indian Rayon Compound, Veraval - 362 266, Gujarat.

### 2. Since this AGM is being held through VC/OAVM, pursuant to the MCA Circulars:

- a) Members can attend the AGM through Login Credentials provided to them for this purpose. Physical attendance of the Members at the AGM venue is not required and accordingly attendance slip is not Annexed to this Notice.
  - b) Appointment of Proxy to attend and cast vote on behalf of the Member is not available and hence the Proxy Form is also not annexed to this Notice.
  - c) However, Body Corporates are entitled to appoint Authorised Representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-Voting.
3. A Corporate Member intending to attend the AGM through its Authorised Representatives is requested to send to the Scrutiniser and the Company at [abml.investorgrievance@adityabirlacapital.com](mailto:abml.investorgrievance@adityabirlacapital.com) a certified copy of the Board Resolution authorising such representative to attend and vote on its behalf at the Meeting.
  4. Further, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the Members who are attending the AGM through VC/OAVM and can cast their votes through e-Voting.
  5. The Attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the Quorum under Section 103 of the Companies Act, 2013.
  6. The details pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), in respect of Director seeking Appointment and Re-appointment is Annexed herewith.
  7. Since the AGM will be held through VC/OAVM, the route map of the venue of the AGM is not Annexed to this Notice.
  8. In this Notice, the term Member(s) or Shareholder(s) are used interchangeably.
  9. In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and any amendments thereto, Secretarial Standard on General Meetings ("SS-2"), Regulation 44 of the SEBI Listing Regulations and applicable circulars, the Company is pleased to provide to its Members the facility to exercise their right to vote on Resolutions proposed to be considered at the AGM by electronic means ("e-Voting") and the business may be transacted through e-Voting services facilitated by CDSL. Members shall have the option to vote electronically either before the AGM ("remote e-Voting") or during the AGM.
  10. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, relating to Special Businesses to be transacted at the Meeting is also Annexed.
  11. In compliance with the aforesaid MCA Circulars and applicable SEBI Circular(s) and other relevant circulars [and notifications issued in this regard, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories.
  12. Members may note that the Notice and Annual Report 2023-24 has been made available on the website of the Company at <https://stocksandsecurities.adityabirlacapital.com/investor> as well as on the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at <https://www.bseindia.com> and <https://www.nseindia.com> respectively and also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
  13. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January 2022 has mandated the Listed Companies to issue Securities in dematerialised form only while Processing Service Requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; subdivision/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. It may be noted that

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any service request can be processed only after the folio is KYC Compliant. Physical Shareholders are requested to register the Specimen Signature for their corresponding Folio Numbers. To register/update the Specimen Signature, the Members are requested to make service requests by submitting a duly filled and signed Form ISR-2. The formats of applicable forms are available on the website of the Company's RTA, Cameo Corporate Services Limited at <https://wisdom.cameoindia.com>.

14. In terms of Regulation 40 of SEBI Listing Regulations 2015, the securities of the Listed Companies can only be transferred in dematerialised form with effect from 1<sup>st</sup> April 2019. In view of the same, Members are advised to dematerialise shares held by them in Physical Form. SEBI has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in Physical Form. Members can contact the Company or the Registrar & Share Transfer Agent of the Company, Cameo Corporate Services Limited, for assistance in this regard.
15. Members can avail the nomination facility in respect of shares held by them in physical form pursuant to Section 72 of the Act read with relevant rules. Members desiring to avail this facility may send their nomination in the prescribed Form SH-13 duly filled in, signed, and send to the Company or RTA.
16. Equity Shares of the Company are traded under the compulsory demat mode on the Stock Exchange. Considering the advantages of scrip less/demat trading, Shareholders are advised to get their shares dematerialised to avail the benefits of scrip less trading.
17. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for Consolidating their holdings in one folio. Requests for consolidation of Share Certificates shall be processed in dematerialised form.
18. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on the Cut-off Date will be entitled to vote during the AGM.
19. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/131 dated 31<sup>st</sup> July 2023, and SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/135 dated 04 August 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/145 dated 31<sup>st</sup> July 2023 (updated as on 11<sup>th</sup> August 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).

### **B] SPEAKERS**

1. Shareholders who would like to express their views/ask Questions during the Meeting may register themselves as a speaker by sending their request in advance at least 10 days prior to meeting mentioning their Name, Demat Account Number/Folio Number, email Id, Mobile Number at [abml.investorgrievance@adityabirlacapital.com](mailto:abml.investorgrievance@adityabirlacapital.com).
2. The Shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their Name, Demat Account Number/Folio Number, email Id, Mobile Number at [abml.investorgrievance@adityabirlacapital.com](mailto:abml.investorgrievance@adityabirlacapital.com)  
These queries will be replied to by the Company suitably by email or during the AGM.
3. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask Questions during the Meeting.

### **C] REMOTE E-VOTING FACILITY**

1. In Compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI Listing Regulations, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM.
2. The Board of Directors has appointed Mr. Avinash Bagul, Partner at M/s. BNP & Associates, Practicing Company Secretaries, as the Scrutiniser for scrutinising the e-Voting process in a fair and transparent manner.
3. The Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating



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voting through electronic means, as the authorised 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 Register of Members will remain closed from **23<sup>rd</sup> July 2024 to 30<sup>th</sup> July 2024 (both days inclusive)**.
- 23<sup>rd</sup> July 2024** shall be the **Cut-off Date** as on which the right of voting of the Members shall be reckoned and a person who is not a Member as on the Cut-Off date should treat this Notice for information purposes only.
- The e-Voting period begins on **Saturday, 27<sup>th</sup> July 2024 at 9.00 a.m. and will end on Monday, 29<sup>th</sup> July 2024 at 5.00 p.m.**

During this period, Shareholders of the Company holding shares either in physical or dematerialised form, as on the cut-off date (record date) of 23<sup>rd</sup> July 2024 may cast their vote electronically.

The e-Voting module shall be disabled by CDSL for voting thereafter.

### D] REGISTRATION OF EMAIL ID AND MOBILE NUMBER

Process for those Shareholders whose email id/mobile number are not registered with the Company/Depositories:

- For Physical Shareholders** - Please provide necessary details like folio number, name of Shareholder, scanned copy of the Share Certificate (front and back), PAN (self- attested scanned copy of PAN Card), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to [abml.investorgrievance@adityabirlacapital.com](mailto:abml.investorgrievance@adityabirlacapital.com).
- For Demat Shareholders** - Please update your email id and mobile number with your respective Depository Participant (DP).
- For Individual Demat Shareholders** - Please update your email id and mobile number with your respective Depository Participant (DP) which is mandatory while e-Voting and joining virtual meetings through Depository.

### E] E-VOTING BY INDIVIDUAL SHAREHOLDERS HOLDING SHARES IN DEMAT MODE

In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for e-Voting 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 <b>CDSL</b>	<p><b>If registered for CDSL Easi/Easiest facility</b></p> <ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication.</li> <li>The URL for users to login to Easi/Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by the Company.</li> <li>On clicking the e-Voting 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 and voting during the meeting.</li> <li>Additionally, links are also provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> </ol>

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Type of Shareholders	Login Method
	<p><b>If not registered for CDSL Easi/Easiest facility</b></p> <ul style="list-style-type: none"><li>a) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li><li>b) Alternatively, the user can directly access e-Voting page by providing demat account number and PAN number from e-Voting link available on www.cdslindia.com home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a></li><li>c) The system will authenticate the user by sending OTP on registered mobile number and email id as recorded in the demat account.</li><li>d) After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li></ul>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<p><b>If registered for NSDL IDeAS facility</b></p> <ul style="list-style-type: none"><li>a) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL.</li><li>b) Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a personal computer or on a mobile.</li><li>c) Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section.</li><li>d) A new screen will open.</li><li>e) You will have to enter your User ID and Password.</li><li>f) After successful authentication, you will be able to see e-Voting services.</li><li>g) Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page.</li><li>h) 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 and voting during the meeting.</li></ul> <p><b>If not registered for NSDL IDeAS facility</b></p> <ul style="list-style-type: none"><li>a) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li><li>b) Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li><li>c) Visit the e-Voting website of NSDL.</li><li>d) Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a> either on a personal computer or on a mobile.</li><li>e) Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.</li><li>f) A new screen will open.</li><li>g) You will have to enter your User ID (i.e. your 16 digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</li></ul>





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Type of Shareholders	Login Method
	<ul style="list-style-type: none"> <li>h) After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.</li> <li>i) 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 and voting during the meeting.</li> </ul>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	<ul style="list-style-type: none"> <li>a) You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>b) After Successful login, you will be able to see e-Voting option.</li> <li>c) 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.</li> <li>d) 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 and voting during the meeting.</li> </ul>

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 is given below:

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: <ul style="list-style-type: none"> <li>• sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or</li> <li>• call at Toll Free No.: 1800 22 55 33</li> </ul>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by: <ul style="list-style-type: none"> <li>• sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or</li> <li>• call at Toll Free No.: 022 - 4886 7000 and 022 - 2499 7000</li> </ul>

## F] E-VOTING BY

- (i) INDIVIDUAL SHAREHOLDERS HOLDING SHARES IN PHYSICAL MODE AND
- (ii) SHAREHOLDERS OTHER THAN INDIVIDUALS VIZ. INSTITUTIONS/CORPORATE SHAREHOLDERS
  - i) The Shareholders should log on to the e-Voting website [www.evotingindia.com](http://www.evotingindia.com)
  - ii) Click on "Shareholders" module.
  - iii) 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.
  - iv) Next enter the Image Verification as displayed and Click on Login.
  - v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-Voting of any Company, then your existing password is to be used.

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vi) If you are a first time user, follow the steps given below:

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"><li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by RTA/Company or contact RTA/Company.</li></ul>
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"><li>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.</li></ul>

vii) After entering these details appropriately, click on **"SUBMIT"** tab.

- viii) 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.
- ix) For Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x) Click on the EVSN for the Aditya Birla Money Limited on which you choose to vote.
- xi) 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.
- xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii) 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.
- xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xvi) 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.
- 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](http://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](mailto: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 should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - 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 Scrutiniser to verify the same.
  - Alternatively Non Individual Shareholders are required to send the relevant Board Resolution/Authority letter



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etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutiniser and to the Company at the email address viz; [abml.investorgrievance@adityabirlacapital.com](mailto:abml.investorgrievance@adityabirlacapital.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the Scrutiniser to verify the same.

### G] INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC/OAVM AND VOTING AT THE AGM

1. The procedure for Attending Meeting and e-Voting on the day of the AGM is same as the instructions mentioned above for e-Voting.
2. Shareholders may access the same at <https://www.evotingindia.com> under Shareholders/Members login by using the remote e-Voting credentials.
3. 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.
4. **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.**
5. Members may note that the VC/OAVM Facility, provided by CDSL, allows participation of at least 1,000 Members on a first-come-first-served basis. The large shareholders (i.e., Shareholders holding 2% or more Shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the AGM without any restriction on account of first-come-first-served principle. Institutional Members are encouraged to participate at the AGM through VC/OAVM and vote thereat.
6. Members may join the AGM through Laptops, Smartphones, Tablets or iPads for a better experience. Further, Members will be required to use internet with a good speed to avoid any disturbance during the AGM. Members will need the latest version of their Web Browser.
7. Please note that participants connecting from Mobile Devices or Tablets or through Laptops 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 glitches.
8. Members will be required to grant access to the web-cam to enable two-way video conferencing.
9. Only those Shareholders, who are present in the AGM through VC/OAVM facility and have not cast 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.
10. 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 shall be considered invalid as the facility of e-Voting during the meeting is available only to the Shareholders attending the meeting.
11. Shareholders who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be able to eligible to vote at the AGM.

### H] GENERAL INSTRUCTIONS

1. Statutory Registers and all documents referred to in the Notice and the Explanatory Statement will be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [abml.investorgrievance@adityabirlacapital.com](mailto:abml.investorgrievance@adityabirlacapital.com) with the subject line "Aditya Birla Money Limited - AGM".
2. If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can: email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on +91 22 2305 8738/+91 22 2305 8542/43
3. All grievances connected with the facility for voting by electronic means may be addressed to:  
Mr. Rakesh Dalvi, Sr. Manager  
Central Depository Services (India) Limited  
A Wing, 25<sup>th</sup> Floor, Marathon Futorex  
Mafatlal Mill Compounds, N. M. Joshi Marg,  
Lower Parel (East), Mumbai – 400013.  
or email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on +91 22 2305 8542/43.

## Notice

4. The Special Resolution(s) shall be declared as passed if the number of votes cast in favour of the Special Resolution(s) are not less than three times the number of votes cast against the Special Resolution(s) and the Ordinary Resolution(s) shall be declared as passed if the number of votes cast in favour of the Ordinary Resolution(s) are not less than half of the number of votes cast against the said Resolution(s).
  5. The Scrutiniser shall, after the Conclusion of e-voting at the AGM, scrutinise the votes cast at the AGM and votes cast through remote-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairperson or the Company Secretary, who shall counter-sign the same and declare the result of the voting forthwith.
  6. The result of e-voting will be declared within two working days of the conclusion of the AGM and the same, along with the consolidated Scrutiniser's Report, will be placed on the website of the Company: <https://stocksandsecurities.adityabirlacapital.com/investor> and on the website of CDSL at: [www.evotingindia.com](http://www.evotingindia.com) and shall be communicated to BSE Limited and National Stock Exchange of India Limited, where the equity shares of the Company are listed.
- The Scrutiniser's decision on the validity of the vote shall be Final & Binding.
7. Subject to receipt of requisite number of votes, the **Resolutions proposed in the Notice shall be deemed to be passed on the date of the AGM, i.e., Tuesday, 30<sup>th</sup> July 2024.**
  8. Members may also write to the Company Secretary in case of grievances connected with voting by electronic means at the mail id: [abml.investorgrievance@adityabirlacapital.com](mailto:abml.investorgrievance@adityabirlacapital.com)
  9. Members desirous of getting any information in respect of the contents of the Annual Report are requested to forward the same to the Company Secretary at least 10 days prior to the AGM so that required information can be available.

By Order of the Board of Directors  
**For Aditya Birla Money Limited**

**Manisha Lakhotia**  
Company Secretary

Place: Mumbai  
Date: 5<sup>th</sup> June 2024



## EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under the following items of the accompanying Notice dated 5<sup>th</sup> June 2024.

### Item No. 3 and 4:

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company appointed Dr. Sethurathnam Ravi (DIN: 00009790) and Mr. Sharadkumar Bhatia (DIN: 07327383) as Additional Directors in the category of Non-Executive Independent Director of the Company with effect from 1<sup>st</sup> July 2024.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act"), Dr. Sethurathnam Ravi (DIN: 00009790) and Mr. Sharadkumar Bhatia (DIN: 07327383) holds office as Additional Directors till the date of this 28<sup>th</sup> Annual General Meeting ("AGM").

Further, pursuant to the provisions of Regulation 17(1C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Company is required to obtain approval of Shareholders for the appointment of an Independent Director at the next General Meeting or within a time period of 3 (Three) months from the date of appointment, whichever is earlier.

The Company has received a Notice in writing pursuant to Section 160 of the Act from a Member signifying their intention to propose the Candidature of Dr. Sethurathnam Ravi and Mr. Sharadkumar Bhatia as Independent Directors of the Company.

Accordingly, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company recommended the appointment of Dr. Sethurathnam Ravi and Mr. Sharadkumar Bhatia as Independent Directors on the Board of the Company, not liable to retire by rotation, for a term of 5 (Five) consecutive years commencing from 1<sup>st</sup> July 2024 to 30<sup>th</sup> June 2029 (both days inclusive subject to the approval of the Shareholders through a Special resolution.

The Company has received the following from Dr. Sethurathnam Ravi and Mr. Sharadkumar Bhatia:

- (i) Consent in writing to act as Directors in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules");
- (ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that they are not disqualified under sub-section (2) of Section 164 of the Act;
- (iii) A declaration to the effect that they meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under the LODR Regulations.
- (iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated 20<sup>th</sup> June 2018, and NSE Circular No. NSE/CML/2018/24 dated 20<sup>th</sup> June 2018, that both has not been debarred from holding office of a Director by virtue of any order passed by SEBI or any other such authority;
- (v) Confirmation that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties as Independent Directors of the Company;
- (vi) A declaration that both the Directors are in Compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to their registration with the Data Bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ("IICA").
- (vii) The Nomination and Remuneration Committee (NRC) had previously finalised the desired attributes for the selection of the Independent Director(s). Based on those attributes, the NRC recommended the Candidature of Dr. Sethurathnam Ravi and Mr. Sharadkumar Bhatia. In the opinion of the Board, both the Directors fulfils the conditions for independence specified in the Act, the Rules made thereunder, the SEBI Listing Regulations and such other laws/regulations for the time being in force, to the extent applicable to the Company. The Board noted that skills, background and experience of Dr. Sethurathnam Ravi and Mr. Sharadkumar Bhatia are aligned to the role and capabilities identified by the NRC and they are eligible for appointment as an Independent Director of the Company.
- (viii) A copy of the draft letters for the appointment of Dr. Ravi and Mr. Bhatia as Independent Directors setting out the terms and conditions are available for electronic inspection by the members during normal business hours.
- (ix) The Resolution seeks the approval of members for the appointment of Dr. Sethurathnam Ravi and Mr. Sharadkumar Bhatia as Independent Directors of the Company for a term of 5 (Five) consecutive years effective from 1<sup>st</sup> July 2024 to 30<sup>th</sup> June 2029 (both days inclusive) pursuant to Sections 149, 152 and other applicable provisions of the

## Notice

Act and the Rules made thereunder including any statutory modification(s) or re-enactment(s) thereof) and they both shall not be liable to retire by rotation.

- (x) In compliance with Section 149 read with Schedule IV to the Act and Regulation 25 of the SEBI Listing Regulations, the approval of the Members is sought for the appointment of Dr. Sethurathnam Ravi and Mr. Sharadkumar Bhatia as Independent Directors of the Company, as a Special Resolution.

No Director, KMP or their relatives except Dr. Sethurathnam Ravi & Mr. Sharadkumar Bhatia, to whom the Resolution relates, are interested in or Concerned, Financially or otherwise, in passing the Proposed Resolution set out at Item No.3 & 4 of the Notice.

The Board recommends the Special Resolution as set out in Item No.3 & 4 of this Notice for the approval of Members.

### Item No. 5:

The tenure of Mr. Murali Krishnan L. R. as the Manager of the Company was expired on 5<sup>th</sup> May 2024. Based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors at their meetings held on 22<sup>nd</sup> April 2024 Mr. Murali Krishnan was re-appointed as a Manager of the Company for another period of 5 (Five) years with effect from 6<sup>th</sup> May 2024 to 5<sup>th</sup> May 2029, subject to approval of the Members.

Mr. Murali Krishnan has been designated as a Key Managerial Personnel of the Company in Compliance with Section 203 of the Companies Act, 2013 ('the Act').

The Board recognises the Valuable Experience and business knowledge that Mr. Murali Krishnan brings to the Company, and it believes that his continued presence on the on the Board as Manager would be be beneficial. The remuneration and other terms and conditions of Mr. Murali as the Manager of the Company as set out in the resolution is subject to Members' approval.

The Remuneration to Mr. Murali Krishnan was structured in accordance with the criteria as prescribed under item (A) of Section II of Part II (Remuneration) Schedule V of the Act, subject to approval of the Members by passing a Special Resolution. A statement as required pursuant to the provisions of Schedule V of the Companies Act, 2013 is given below:

#### 1. General Information:

- a. **Nature of Industry:** The Company is engaged in the business of Securities Broking, Portfolio Management Services, Depository participant and research analyst.

- b. **Date or expected date of Commencement of Commercial Production:** Not Applicable

- c. **In case of new Companies, expected date of Commencement of Activities as per project approved by Financial Institutions appearing in the Prospectus:** Not Applicable

- d. **Financial Performance based on given indicators:**

(₹ in Crore)		
Particulars	FY24	FY23
Turnover	395.01	232.11
Profit/(Loss) after tax	52.97	33.90

- e. **Foreign Investments or Collaboration, if any:** Not Applicable

#### 2. Information About the Appointee:

- a. **Background Details:** Mr. Murali Krishnan L.R. is a Law Graduate from Dr. Ambedkar Government Law College, and he has an overall experience of 27 years and has rich experience in the field of capital market business. He has been associated with Aditya Birla Money Limited for more than 2 decades in various capacities and currently he is on the role of Manager, designated Key Managerial Personnel under Section 203 of the Companies Act 2013 as well as heading the compliance and legal function of the Company.

- b. **Past Remuneration:**

- Mr. Murali Krishnan L.R. was paid ₹ 41.93 Lakh p.a. as fixed remuneration in the previous financial year ended 31<sup>st</sup> March 2024.
- ESOP - During the financial year under review, Aditya Birla Capital Limited, being the holding company of the Company, granted 3073 stock options which can be converted into equity shares upon vesting.

- c. **Recognition or Awards:** During the financial year ended 31<sup>st</sup> March 2024, Mr. Murali Krishnan L.R. was awarded the Outstanding Leader Award at the Aditya Birla Capital Legal Meet.

- d. **Job Profile and suitability of the Appointee:** Mr. Murali brings in overall 27 years of rich experience in the field of capital market business. He has been associated with Aditya Birla Money Limited for more than 2 decades in various capacities. The Board has considered his experience and expertise best suitable for the purpose of his re-appointment as a Manager of the Company.



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- e. **Remuneration Proposed:** Forming part of Resolution No.5 of this Notice.
- f. **Comparative Remuneration Profile with respect to the Industry, Size of the Company, Profile of the Position and Person:** Taking into account the size of the Company, Industry benchmark in general, profile, leadership position, responsibilities, capabilities and the involvement of Mr. Murli Krishnan in the Company, the proposed remuneration is commensurate and in line with the industry and across the country.
- g. **Pecuniary relationship directly or indirectly with the Company or relationship with the Managerial Personnel or other Directors, if any:** Except, for the proposed remuneration and transactions as declared in the financial statements, Mr. Murli Krishnan does not have any pecuniary relationship with the Company or with any Key Managerial Personnels or other Directors.

The Company is engaged in the business of securities broking, portfolio management services, commodity broking services, depository participant, research analyst, e-insurance repository solutions and distribution of other financial products

Considering the experience and expertise of Mr. Murali, the Board recommends passing the Special Resolution as set out in Item No.5 of the Notice.

None of the Directors, Key Managerial Personnel and their relatives, except Mr. Murali Krishnan L.R., is concerned or interested in Item No.5 of the Notice.

### Item No. 6 & 7:

6. Enhancement of Borrowing Limit of the Company upto to ₹ 3,000 Crore
7. Creation of Charge on the Movable and Immovable Properties of the Company upto ₹ 3,000 Crore

Pursuant to the Provisions of Section 180(1)(c) of the Companies Act, 2013, Members of the Company had, at the Annual General Meeting of the Company held on 6<sup>th</sup> July 2023, authorised the Board of Directors of the Company to borrow from time to time, any sum(s) of monies, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of ₹ 2,500 Crore (Rupees Two Thousand Five Hundred Crore only).

In view of the Company's existing and future funds requirements to support its business operations and to meet its Working Capital requirements, it is proposed to increase the Borrowing Limit of the Company from ₹ 2,500 Crore to ₹ 3,000 Crore (Rupees Three Thousand Crore only).

Further, in order to facilitate securing the borrowings made by the Company, it would be necessary to create mortgage or charge on all or any of the movable or immovable properties, assets or undertakings of the Company in such form, manner and ranking as may be determined by the Board of Directors from time to time, in consultation with the lender(s).

Approval of the Members is therefore sought pursuant to Section 180(1)(c) of the Companies Act, 2013 to enable the Company to borrow money exceeding the aggregate of the Paid-up Share Capital, Free Reserves and Securities Premium of the Company and pursuant to Section 180(1)(a) of the Companies Act, 2013 to create Mortgage or Charge on the properties or assets of the Company.

The Board recommends the Resolution for enhancement of Borrowing Limit of the Company up to ₹ 3,000 Crore and creation of charge on the movable and immovable properties of the Company upto ₹ 3,000 Crore, for approval of the Members as Special Resolutions.

None of the Directors or the Key Managerial Personnel of the Company including their relatives are in any way concerned or interested in the Resolutions, except to the extent of their shareholding in the Company, if any.

### Item No. 8:

As per Section 186 (2) of the Companies Act, 2013 ('the Act'), the Company can give Loans, Advances, Guarantees or provide any Security in connection with the Loan:

- up to 60% of its Paid-up Share Capital, Free Reserves and Security Premium Account; or
- 100% of its Free Reserves and Securities Premium Account, whichever is more.

As per Section 186 (3) of the Act, the Company can give loans and make investments exceeding the aforesaid limits, after taking prior approval of Members by means of a Special Resolution passed at a General Meeting of the Company.

The Shareholders had approved the proposal for giving Loans, Guarantees and making Investments upto ₹ 2,000 Crore, keeping in mind the foreseeable growth in business activities based on the assessment made at that point in time. The limit was subsequently approved by the Members of the Company by way of Postal Ballot (Electronic Means) held on September 2023.

Keeping in mind Company's existing and future business prospects and possibility of Surplus of Funds in view of increased Borrowing Limits as well as other requirements that

## Notice

may arise in various businesses, it is proposed to enhance the limit of Loans and Investments by way of Subscription, Purchase or otherwise, the Securities of any other Body Corporate, giving Loans, Guarantees and providing Securities in connection with a Loan of any person or other Body Corporate under Section 186 of the Act in excess of the limit upto an extend of ₹ 3,000 Crore.

In view of the above, the approval of the Members of the Company by passing Special Resolution would be required to be obtained for enhancing the limit of Loans and Investments under Section 186 of the Act.

Accordingly, the Board recommends the Resolution for the enhancement of existing limit under Section 186 of the Act up to ₹ 3,000 Crore for approval of the Members as Special Resolution.

None of the Directors or the Key Managerial Personnel of the Company including their relatives are in any way concerned or interested in the Resolutions, except to the extent of their shareholding in the Company, if any.

### **Item No. 9 & 10:**

Pursuant to provisions of Section 188 of the Companies Act 2013 ("the Act"), transactions with the related parties which are in arm's length basis and in ordinary course of business, are exempted from the obligation of obtaining prior approval of shareholders. However, as per the provisions of the SEBI Listing Regulations, as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, transactions between the Company and a related party of the Company, if material, require the approval of members through a resolution, notwithstanding

the fact the same are on an arm's length basis and in the ordinary course of business of the Company.

For this purpose, transaction with a related party shall be considered as material if the transaction(s) to be entered into, either individually or taken together with previous transactions during a financial year, whether directly and/or through its subsidiary(ies), exceed(s) ₹ 1,000 Crore, or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower.

In view of the above, the Company proposes to enter into certain related party transaction(s) as mentioned below, on mutually agreed terms and conditions, and the aggregate of such transaction(s), are expected to cross the applicable materiality thresholds as mentioned above. Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for all such arrangements/transactions proposed to be undertaken by the Company. All the said transactions shall be in the ordinary course of business of the Company and on an arm's length basis.

The Audit Committee has, based on relevant details provided by the management, as required by the law, at its meeting held on 5<sup>th</sup> June 2024, reviewed and approved the said transaction(s), subject to approval of the Members, while noting that such transaction shall be on arms' length basis and in the ordinary course of business of the Company.

Accordingly, the Board considered the same and recommends to the Members passing of the Ordinary Resolution contained in Item No.9 & 10 of the Notice for the approval of Material Related Party Transactions.



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Information required under Regulation 23 of SEBI Listing Regulations read with SEBI Circular dated 22<sup>nd</sup> November 2021 is provided herein below:

S.No.	Particulars	Details
1.	Name of the Related Party and Nature of Relationship with the Company	<ol style="list-style-type: none"> <li>Grasim Industries Limited, Ultimate Holding Company</li> <li>Hindalco Industries Limited, Promoter Group Entity of Holding Company</li> </ol>
3.	Type, Material terms and particulars of the Proposed Transaction	Buy and Sell of Securities and Bonds through Wholesale Debt Market (WDM) desk. Material terms and conditions are based on the contracts which <i>inter-alia</i> include the rates based on prevailing/extant market conditions and commercial terms as on the date of entering into the contract(s)/transaction(s).
4.	Tenure of the Proposed Transaction	Recurring Transaction for the duration of 3 Financial Years commencing from the Financial Year 2024-25 to 2026-27.
5.	Value of the Proposed Transaction	Not Exceeding ₹ 750 Crore in a Financial Year with each Related Party Entity as stated above.
6.	Percentage of the Company's Annual Consolidated Turnover, for the immediately preceding Financial Year, that is represented by the Value of the Proposed Transaction	190 %
7.	If the transaction relates to any Loans, Inter-Corporate Deposits, Advances or Investments made or given by the Listed Entity or its Subsidiary:	
(a)	Details of the Source of Funds in connection with the Proposed Transaction;	Not Applicable
(b)	Where any Financial Indebtedness is incurred to make or give Loans, Inter-Corporate Deposits, Advances or Investments, <ul style="list-style-type: none"> <li>Nature of Indebtedness;</li> <li>Cost of Funds; and</li> <li>Tenure;</li> </ul>	Not Applicable
(c)	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and	Not Applicable
(d)	the purpose for which the funds will be utilised by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
8.	Justification as to why the RPT is in the interest of the Listed Entity	<p>The Company is into Stock Broking and Capital Market Products distributor, offering Equity and Derivative Trading through NSE and BSE and Currency Derivative on MCX-SX and Commodities Trading through MCX and NCDEX. It is registered as a Depository Participant with both NSDL and CDSL in terms of the Securities and Exchange Board of India (Depository Participants) Regulations, 1996. It also provides Portfolio Management Services.</p> <p>The Company is also having a Wholesale Debt Market (WDM) desk which was established in 2018 to meet the Investment requirements of specialised Institutional Investors, such as Retirement and Pension Funds, Provident Funds, and Wealth/HNI Clients. Due to the necessity for Liquid Assets within this category, the desk primarily trades Central Government Securities, State Development Loans, Liquid PSU Bonds, and AA-rated and higher Private Corporate Bonds.</p> <p>For the purpose of catering to their Investment needs, the above Related Parties of the Company, propose to enter in to Buy and Sell of Securities and Bonds with the Company through the WDM desk every year. As WDM desk of the Company deals in Securities and Bonds, which is a routine nature of transaction and the proposed RPTs are on arm's length basis and in ordinary course of business.</p>

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S.No.	Particulars	Details
9.	Any Valuation or other External Report relied upon by the Listed Entity in relation to the transactions	Not Applicable
10.	Any other information that may be relevant or important for Shareholders to take an informed decision	All relevant/important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013.

As per the SEBI Listing Regulations, all related parties of the Company, whether or not a party to the proposed transaction(s), shall abstain from voting on the said Resolution. The Board recommends passing of the Ordinary Resolutions as set out in Item Nos.9 and 10 of this Notice, for approval by the Members of the Company.

None of the Directors or the Key Managerial Personnel of the Company including their relatives are in any way concerned or interested in the resolutions, except to the extent of their shareholding in the Company, if any.

By Order of the Board of Directors  
**For Aditya Birla Money Limited**

**Manisha Lakhotia**  
Company Secretary

Place: Mumbai

Date: 5<sup>th</sup> June 2024

## ANNEXURE TO THE NOTICE DATED 5<sup>th</sup> JUNE 2024

Details of Director seeking appointment and re-appointment at the 28<sup>th</sup> Annual General Meeting 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 (SS-2):

Sl. No.	Nature of Information	Refer Item No.2	Refer Item No.3								
1.	Name of the Director	<b>Mr. Tushar Shah</b>	<b>Dr. Sethurathnam Ravi</b>								
2.	Date of Birth/Age	17 <sup>th</sup> April 1965/59 years	12 <sup>th</sup> July 1959/65 Years								
3.	Directors Identification Number (DIN)	00239762	00009790								
4.	Nationality	Indian	Indian								
5.	Nature of appointment/re-appointment	Re-appointment (pursuant to retirement by rotation)	Appointment as Independent Director								
6.	Qualification	B.L., C.A.	C.A								
7.	Brief Resume and Nature of Expertise in Specific Functional Area	Mr. Tushar Shah is the CEO for the Infrastructure Finance business of Aditya Birla Finance Limited since November 2011, which encompasses project-linked lending, lending to large corporates, Debt Capital Markets, Debt Syndication and setting up an Infrastructure PE Fund. As a Director in Aditya Birla Money Limited, he mentors the Equity and Debt Stock Broking business. Prior to ABFL, he was associated with the IL&FS group for 16 years and has worked in the areas of Capital Markets, Investment Banking and Corporate Banking.	Dr. Ravi is a Fellow Chartered Accountant, holding a doctorate in finance and commerce. He is also certified in Information Systems Audit (DISA), a qualified Insolvency Resolution Professional, and a member of the Association of Certified Fraud Examiners (CFE) in the USA. In 1989, he founded the esteemed CA firm Ravi Rajan & Co. LLP, showcasing his extensive experience and expertise in financial and advisory services.								
8.	Skills and Capabilities	-	As provided in the Explanatory Statement								
9.	Terms and Conditions of appointment/re-appointment	His office shall be liable to retire by rotation.	Appointment as an Independent Director for 5 Years not liable to retire by rotation								
10.	Details of Remuneration last drawn and sought to be paid	No remuneration was paid during the Financial Year 2023-24 and no approval is being sought for remuneration to be paid.	No remuneration was applicable to be paid during FY24. Except sitting fees, no remuneration will be paid. Hence, no approval is sought for remuneration to be paid.								
11.	Date of first appointment on the Board	6 <sup>th</sup> May 2016	1 <sup>st</sup> July 2024								
12.	Shareholding in the Company as on 31 <sup>st</sup> March 2024	Nil	Nil								
13.	Relationship with other Directors and Key Managerial Personnel	Not related to any other Director/Key Managerial Personnel	Not related to any other Director/Key Managerial Personnel								
14.	Number of Board Meetings attended during the Financial Year 2023-24	<table border="1"> <thead> <tr> <th>Held</th> <th>Attended</th> </tr> </thead> <tbody> <tr> <td>5</td> <td>5</td> </tr> </tbody> </table>	Held	Attended	5	5	<table border="1"> <thead> <tr> <th>Held</th> <th>Attended</th> </tr> </thead> <tbody> <tr> <td>NA</td> <td>NA</td> </tr> </tbody> </table>	Held	Attended	NA	NA
Held	Attended										
5	5										
Held	Attended										
NA	NA										
15.	#List of other Public Companies (in India) in which Directorships are held as on 31 <sup>st</sup> March 2024	<ol style="list-style-type: none"> <li>Aditya Birla ARC Limited</li> <li>Aditya Birla Money Mart Limited</li> </ol>	<ol style="list-style-type: none"> <li>Granules India Limited</li> <li>PCBL Limited</li> <li>Spacenet Enterprises India Limited</li> <li>360 One Asset Management Limited</li> <li>Usha Martin Limited</li> <li>Aditya Birla Health Insurance Company Limited</li> <li>Aditya Birla ARC Limited</li> <li>Tourism Finance Corporation of India Limited</li> </ol>								
16.	Listed Entities from which the Director has resigned in the past three years	NA	NA								

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Sl. No.	Nature of Information	Refer Item No.2	Refer Item No.3
17.	* Chairmanships/Memberships of the Committees of other Public Limited Companies as on 31 <sup>st</sup> March 2024		
-	Audit Committee	0	<b>Member-</b> 1. 360 One Asset Management Limited 2. Tourism Finance Corporation of India Limited 3. Usha Martin Limited <b>Chairman-</b> 1. Aditya Birla ARC Limited
-	Stakeholders Relationship Committee	NIL	NIL

Sl. No.	Nature of Information	Refer Item No.4				
1.	Name of the Director	<b>Mr. Sharadkumar Bhatia</b>				
2.	Date of Birth/Age	13 <sup>th</sup> November 1954/69 Years				
3.	Directors Identification Number (DIN)	07327383				
4.	Nationality	Indian				
5.	Nature of appointment/re-appointment	Appointment as Independent Director				
6.	Qualification	B.E. in Chemical Engineering and MBA				
7.	Brief Resume and Nature of Expertise in Specific Functional Area	<p>Mr. Sharad Bhatia has over four decades of experience in progressively improved roles, across three leading banking groups: ICICI Bank, Kotak Mahindra Bank and Axis Bank. In his last role, he was Managing Director with Multiples Alternate Asset Management, a leading Private Equity fund and led their foray into investing in special situations.</p> <p>He has been closely involved with the stressed assets space in various roles - a seller and a buyer of non- performing loans in a bank and an Asset Reconstruction Company, and a Private Equity investor evaluating investments in stressed companies. Currently, he is also on the board of many esteemed entities as an Independent Director such as Aditya Birla ARC Limited, Kotak Mahindra Trustee Company Limited, Kotak Pension Fund Limited etc.</p>				
8.	Skills and Capabilities	As provided in the Explanatory Statement				
9.	Terms and Conditions of appointment/re-appointment	Appointment as an Independent Director for 5 Years not liable to retire by rotation				
10.	Details of Remuneration last drawn and sought to be paid	No remuneration was applicable to be paid during FY24. Except sitting fees, no remuneration will be paid. Hence, no approval is sought for remuneration to be paid.				
11.	Date of first appointment on the Board	1 <sup>st</sup> July 2024				
12.	Shareholding in the Company as on 31 <sup>st</sup> March 2024	NIL				
13.	Relationship with other Directors and Key Managerial Personnel	Not related to any other Director/Key Managerial Personnel				
14.	Number of Board Meetings attended during the Financial Year 2023-24	<table border="0"> <tr> <td>Held</td> <td>Attended</td> </tr> <tr> <td>NA</td> <td>NA</td> </tr> </table>	Held	Attended	NA	NA
Held	Attended					
NA	NA					
15.	#List of other Public Companies (in India) in which Directorships are held as on 31 <sup>st</sup> March 2024	1. SREI Equipment Finance Limited 2. HKR Roadways Limited 3. Kotak Mahindra Pension Fund Limited 4. Kotak Mahindra Trustee Company Limited 5. Aditya Birla ARC Limited				



## Notice

16.	Listed Entities from which the Director has resigned in the past three years	NA
17.	* Chairmanships/Memberships of the Committees of other Public Limited Companies as on 31 <sup>st</sup> March 2024	
-	Audit Committee	<p><b>Member-</b></p> <ol style="list-style-type: none"> <li>1. Kotak Mahindra Pension Fund Limited</li> <li>2. Kotak Mahindra Trustee Company Limited</li> <li>3. Aditya Birla ARC Limited</li> </ol> <p><b>Chairman-</b></p> <ol style="list-style-type: none"> <li>1. HKR Roadways Limited</li> </ol>
-	Stakeholders Relationship Committee	NIL

# The Directorship, Committee Memberships and Chairmanships do not include positions in Foreign Companies, Private Companies and positions held in Companies registered under Section 8 of the Companies Act, 2013.

\* In accordance with Regulation 26 of the Listing Regulations, 2015, for the purpose of determination of limit of the Chairpersonship and Membership, the Audit Committee and the Stakeholders Relationship Committee has been considered.



**Aditya Birla Money Limited**

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