

Date: 02.09.2024

To,  
The National Stock Exchange of India Ltd,  
Exchange Plaza,  
Bandra – Kurla Complex,  
Bandra (E),  
Mumbai – 400 051  
NSE EQUITY SYMBOL: **PRUDENT**

To,  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400 001  
SCRIPT CODE: **543527**

ISIN: **INE00F201020**

Dear Sir/Madam,

**Sub.: Annual Report for the Financial Year 2023-24.**

Pursuant to provisions of Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, we are submitting herewith the Annual Report of the Company, which is being sent only through electronic mode to the Shareholders.

The Annual Report for the Financial Year 2023-24 is also available at the website of the Company i.e. [www.prudentcorporate.com](http://www.prudentcorporate.com) .

This is for your information and record.

Thanking you,

Yours Faithfully,

**For, Prudent Corporate Advisory Services Limited**

**Sanjay Shah**  
**Chairman and Managing Director**  
**DIN: 00239810**

Encl.: As above

Annual Report

**2023-24**

PRUDENT CORPORATE ADVISORY SERVICES LIMITED



# *Rising with the Tide*

Lifting Ambitions, Driving Growth Across the Board.



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to download the report

[www.prudentcorporate.com](http://www.prudentcorporate.com)

**Prudent**

— Money through wisdom —



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# Rising with the Tide

Lifting Ambitions, Driving Growth Across the Board.

*Just as a rising tide lifts all boats, Prudent is harnessing strong market momentum and strategic initiatives to elevate our performance and achieve our ambitious goals for the future.*



FY2024 was a landmark year for Prudent Corporate Advisory Services Ltd., marked by significant milestones that set the stage for continued growth. Just as a rising tide lifts all boats, our company has been buoyed by a robust performance that aligns with the broader positive trends in the financial services industry. With our Assets Under Management (AUM) growing by 48.4% to reach ₹ 83,384 crore, we've once again outpaced industry benchmarks. This impressive growth was driven by our strong focus on expanding Systematic Investment Plans (SIPs), which now account for 44.4% of our total equity AUM, underscoring our market leadership.

The launch of Fundzbazar Lite and Fundzbazar Plus this year has been instrumental in riding the digital wave, making our services more accessible and customer-friendly. These platforms are not merely technological innovations; they symbolize our commitment to adapting

to the evolving needs of our clients, particularly the tech-savvy millennial generation. This digital transformation has not only improved our operational efficiency but has also positioned us to harness the growing demand for seamless, digital-first financial solutions.

Our diversification strategy has also yielded significant results, particularly in the insurance segment, which now represents around 14% of our revenue. This strategic move highlights our approach to building a resilient and diversified business model, capable of thriving across market conditions.

Looking ahead, the future for Prudent is bright. As the financial services industry continues to grow in tandem with India's economic progress, we are well-positioned to capitalize on these opportunities. With a strong network of 29,605 Mutual Fund Distributors (MFDs) and a robust digital

platform, we have reached our goal of Rs 1 trillion AUM much ahead of March 2026 target & now we want to reach a goal of ₹ 1000 crore SIP book by March-2025.

Our outlook is anchored in the belief that, just as the tide lifts all boats, the positive economic conditions and our strategic initiatives will continue to elevate Prudent. The increasing participation of millennials, the rising adoption of digital platforms, and our diversified revenue streams are key factors that will drive our growth in the coming years. As we move forward, we remain committed to rising with the tide, leveraging our strengths, and delivering exceptional value to our stakeholders.



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Annual Report  
**2023-24**

PRUDENT CORPORATE ADVISORY SERVICES LIMITED



Founded in 2003 and headquartered in Ahmedabad, Prudent Corporate Advisory Services has rapidly grown to become one of India's fastest-growing financial services groups. Today, with a team strength of 1,250 highly skilled professionals and 29,605 well-trained and qualified channel partners, we have emerged as the second-largest non-banking mutual fund distributor in India in terms of commission received.

Leveraging our unique business-to-business-to-consumer (B2B2C) model and cutting-edge, technology-enabled investment and financial services platform, we provide end-to-end solutions that are critical for the distribution of financial products. Our operations span 119 locations across 21 states, complemented by a robust digital presence that ensures we meet the needs of our clients wherever they are.

Over the years, we have evolved into a leading and respected distributor of a wide range of financial products, including mutual funds, insurance products, stockbroking, national pension schemes, unlisted securities, bonds, fixed deposits, portfolio management schemes, alternative investment funds, Smallcase, and peer-to-peer lending products. Our comprehensive service offering and unwavering commitment to excellence have positioned us as a trusted partner for millions of investors across India.

**16,86,669**

Number of Clients as on 31 March 2024

**₹83,384** crore

Closing AUM

**2.52** %

Market Share in Equity AUM (Ex-ETF)

**96.2** %

Equity AUM to Total AUM



### Vision



To be the most preferred player in Financial Services catering to the masses with the help of technology.

### Mission



To build a strong organization based on our core values of:

- Client First
- Focused Approach
- Fairness
- Dignity & Respect for each stakeholder
- Teamwork
- Integrity & Honesty

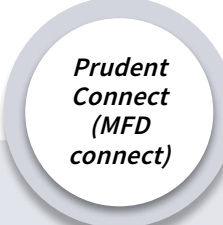








We have built robust technology platforms that enable our network of Mutual Fund Distributors (MFDs) on the ground to onboard customers and help them transact with utmost convenience.



**FY08**

PrudentConnect is a virtual office for all MFDs registered with a company which provides end-to-end support for MFDs for various processes from client acquisition to clients servicing, managing revenue tracking, assistance for scaling-up business, and managing complete backend processes.



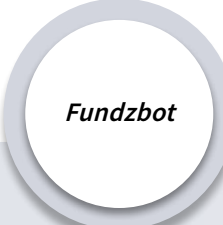
**FY17**

It is aimed at providing a simple, user-friendly and flexible solution to plan, choose, transact and keep a track of investments in mutual funds, national pension schemes ("NPS"), fixed deposits, loan-against securities ("LAS"), bonds, gold accumulation plan ("GAP"), small case, liquilaons as well as stockbroking solutions



**FY18**

This is an online insurance platform, which offers completely paperless transactions for variety of insurance solutions based on the client's requirement and risk assessment by enabling the comparison and execution of insurance policies through web as well as a mobile app.



**FY19**

Chatbot engine for Fundzbazar. It resolves, and educates clients about the new products, queries etc. It provides information for Purchase, SIP, Switch/ Redemption, Unique Offering, Inquiry, FAQs, Broking, Talk to Customer Care etc.



**FY20**

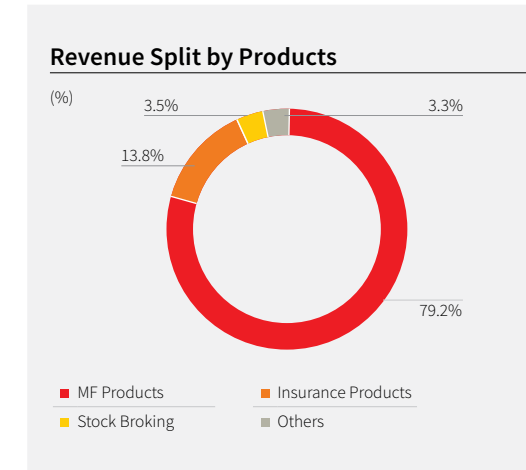
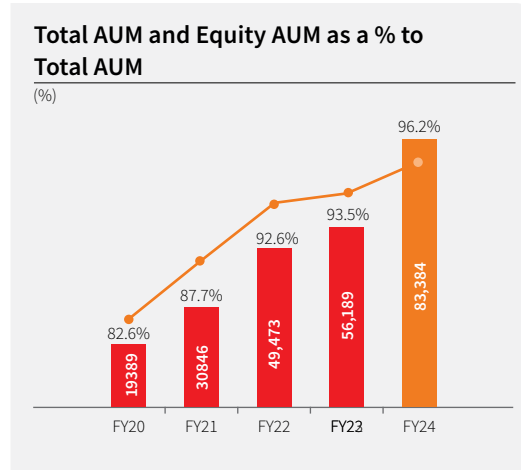
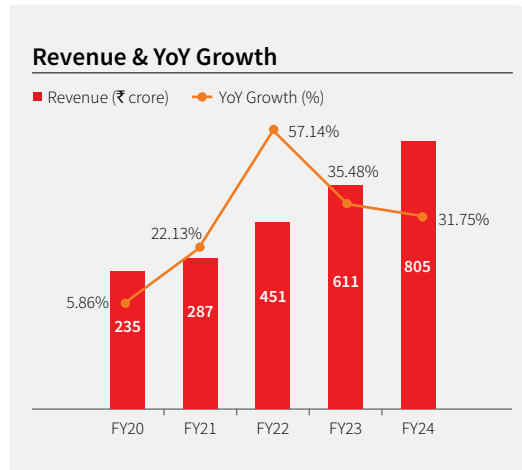
It provides an online facility to invest in multiple model stock portfolios which are aligned with economic trends and offer growth opportunities. Clients can enter and exit the basket at will without any lock-in.



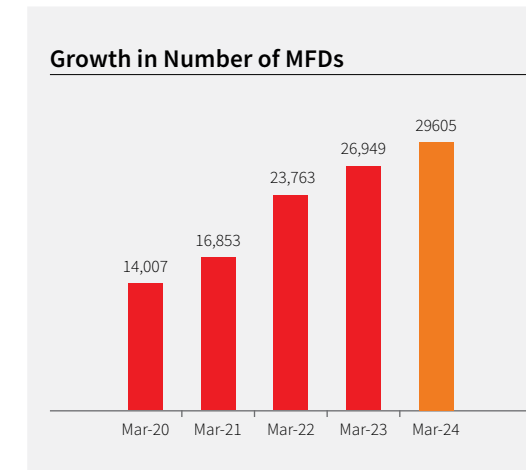
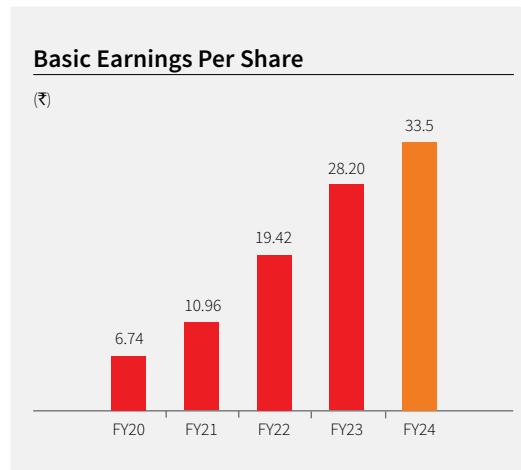
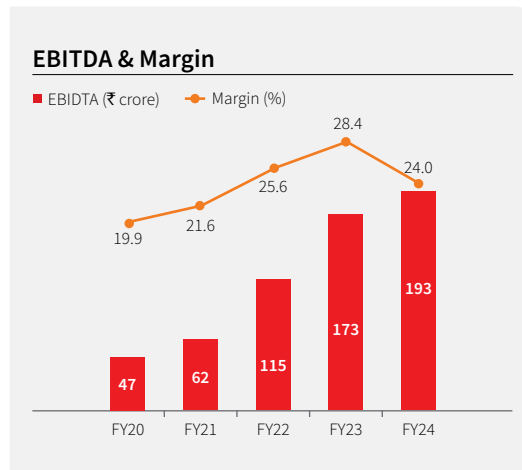
**FY21**

This platform offers various products like personal loans, home loans, LAP, business loan and credit cards. It provides an option to choose from wide range of retail loans & credit cards with end-to-end application processing. It also provides various tools like EMI & loan eligibility calculators.

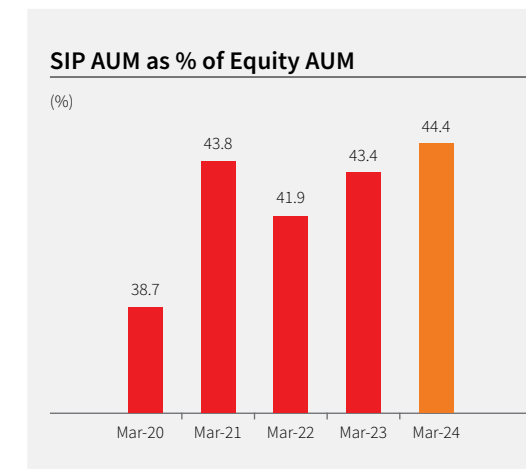
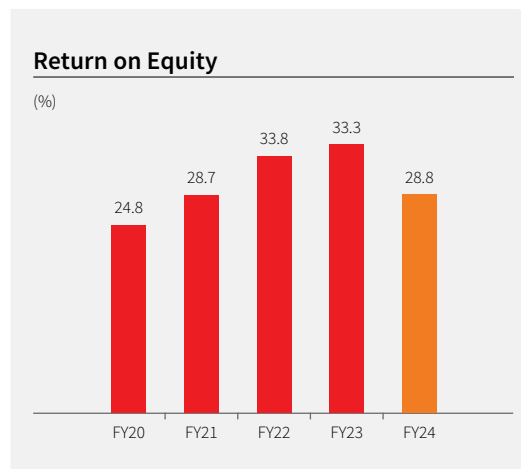
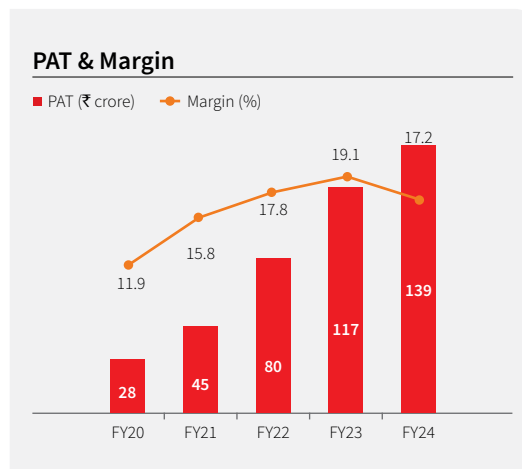
# Consolidated Financial Highlights for FY2024



We actively diversified our revenue streams, moving away from reliance on a single product offering and embracing cross-offerings. This strategic approach optimized our operating margins, and our insurance vertical now represents over ~14% of total revenue.



We are vigorously expanding our network of Mutual Fund Distributors (MFDs), which is the backbone of our business. There is significant untapped potential, especially in B30 regions. As we attract more MFDs, we expect more advantages for Prudent. In FY24, we successfully onboarded 2,656 new MFDs.



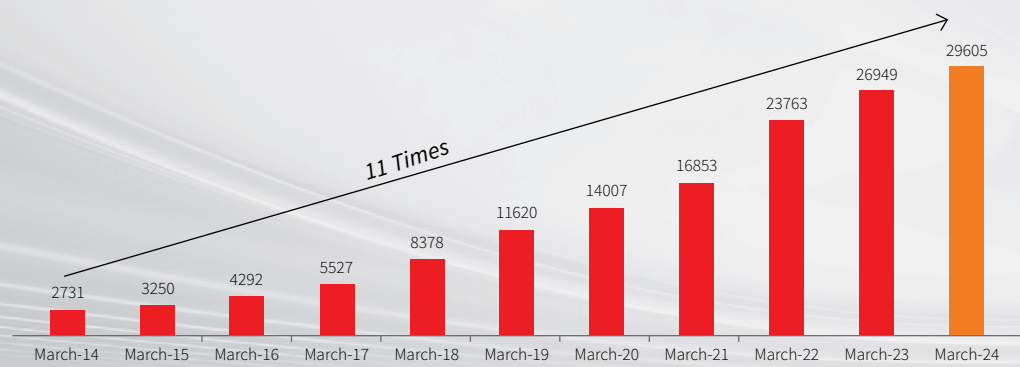
In the future, we anticipate that increasing our Systematic Investment Plan (SIP) Led Equity Assets Under Management (AUM) will play a crucial role in enhancing our future visibility and ensuring cyclical stability.



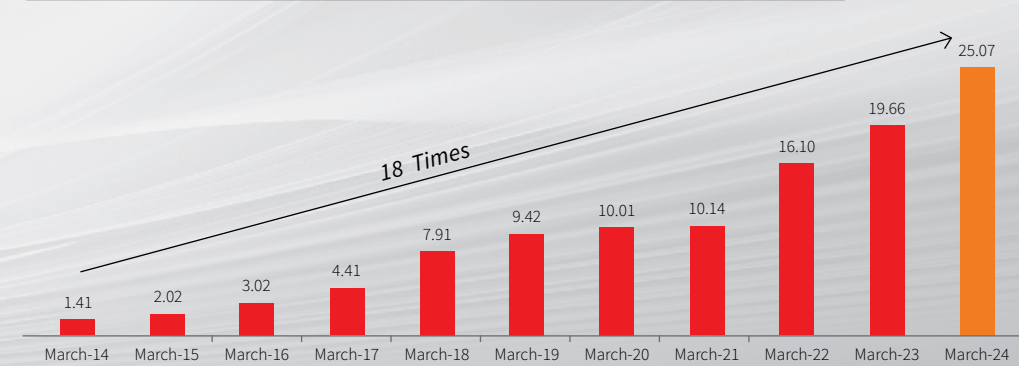
## Decadal Growth of Key Performance Indicators



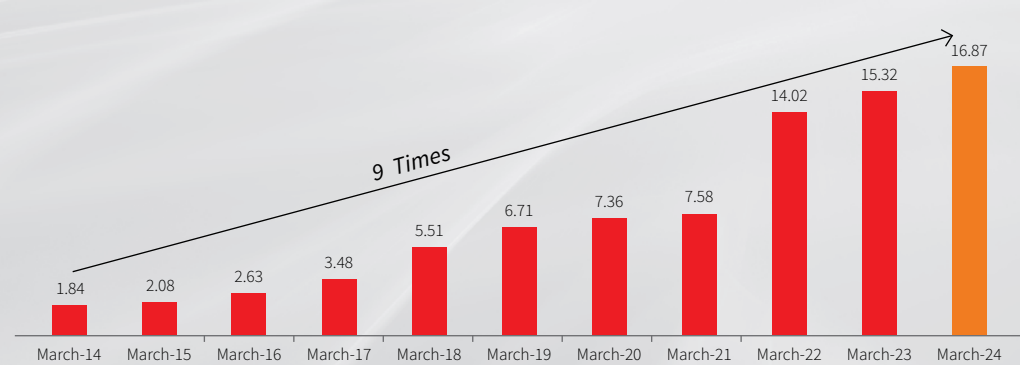
**Number of MFDs**



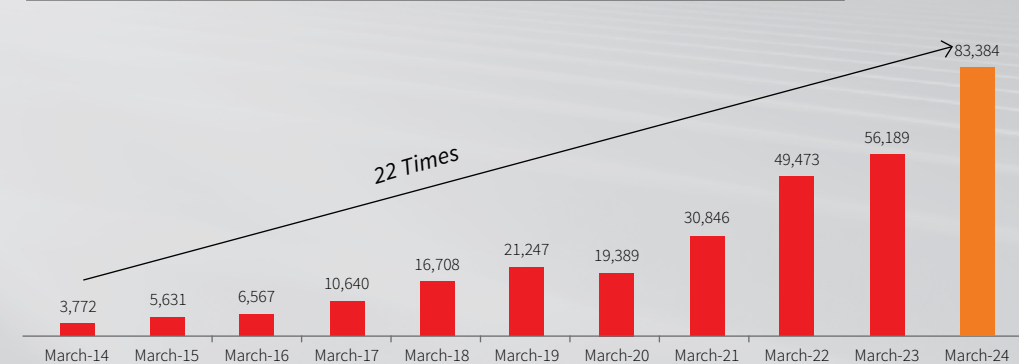
**Number of Live SIPs (₹ In Lakh)**



**Increased Customer Base (₹ In Lakh)**



**Assets Under Management (₹ In Crore)**





Message from the CMD



*We have reached our goal of ₹ 1 trillion AUM much ahead of our March 2026 target & now we want to reach a goal of ₹ 1000 crore SIP book by March-2025.*



**Dear Stakeholders,**

It is with immense pride and gratitude that I present to you the Annual Report for the financial year 2023-24. This year has been a landmark period for Prudent Corporate Advisory Services Ltd., characterised by robust growth, strategic advancements, and a steadfast commitment to delivering value to our stakeholders.

**Navigating a Complex Global Landscape**

The global economic environment in FY24 was marked by moderate growth, with the world economy expanding at a rate of 3.2%. Despite challenges such as geopolitical tensions, particularly the ongoing conflict in Ukraine, and the residual impacts of the COVID-19 pandemic, the feared economic downturns were largely averted. Advanced economies grew at a modest

1.6%, while emerging economies, buoyed by resilient domestic demand, achieved a growth rate of 4.1%. In this context, India stood out as one of the fastest-growing major economies, with a real GDP growth rate of 7.6%. This growth was driven by strong domestic consumption, a recovery in investment activity, and a buoyant services sector.

As we reflect on this period, it is evident that our resilience and adaptability have been key to navigating these complex global dynamics. The Indian economy's robust performance has provided a strong foundation for our operations, and we have capitalised on these favourable conditions to deliver significant value to our shareholders.

**Strong Financial Performance and Operational Excellence**

In FY24, Prudent Corporate Advisory Services Ltd. achieved remarkable financial results, underscoring our leadership in the mutual fund distribution industry. Our Assets Under Management (AUM) grew by 48.4% year-on-year, reaching ₹83,384 crore by the end of the fiscal year. This impressive growth was largely driven by the strong performance of our Systematic Investment Plans (SIPs), which saw inflows increase by 40.4% to ₹726 crore. Our SIP book, with 25.53 lakh live SIPs, now constitutes 44.4% of our total equity AUM, highlighting the growing importance of this investment vehicle in our overall portfolio.

Revenue from operations also saw significant growth, increasing by 31.7% to ₹805.1 crore. Our mutual fund trail revenue remains a cornerstone of our financial strength, contributing approximately 79% of our total revenues.

Our operating profit for the year was ₹193.1 crore, reflecting an 11.43% increase over the previous year. Profit after tax (PAT) grew by 18.9% to ₹138.7 crore, marking a significant milestone as our standalone PAT crossed the ₹100 crore mark for the first time in our history.

**Embracing Digital Transformation and Technological Advancements**

The past year has also been a period of significant digital transformation for Prudent. We have strategically positioned our digital platform, FundzBazar, to capture the growing demand for online financial transactions. This shift is evident as 77% of fresh transactions are now conducted digitally, up from just 33% in 2019. This transition to digital platforms has not only enhanced customer engagement but also improved our operational efficiency, allowing our Relationship Managers to focus on more strategic tasks and ultimately contributing to improved profitability.

Our digital journey is closely aligned with the evolving preferences of the millennial generation, who now represent a substantial portion of our client base. Millennials have embraced our digital platforms, with 70% of transactions conducted via the web and 30% through our app and WhatsApp Fundzbot chat service. This demographic shift underscores the importance of digital solutions in the financial services industry and reinforces our commitment to innovation and customer-centricity.

**Strategic Focus on Sustainable Growth**

Looking ahead, we remain focused on leveraging our strengths to drive sustainable growth. Our strategic initiatives include the continued expansion of our Mutual Fund Distributor (MFD) network, which now stands at 29,605 MFDs. This network is crucial to our ability to reach the last mile, particularly in Tier 2 and Tier 3 cities, where we have established a strong presence.

We are also committed to diversifying our revenue streams by further developing our insurance distribution business. The addition of 3,581 Point of Sales Person (POSP) in FY24, a 31% increase over

the previous year, highlights our efforts to create new income sources for our MFDs and strengthen our position in the insurance market. This diversification strategy, combined with our focus on digital transformation, positions us well to capture emerging opportunities in the financial services sector.

**Looking to the Future**

As we look to the future, our goal is clear: to continue building a robust, scalable, and customer-centric platform that meets the evolving needs of a tech-savvy investor base. We have reached our goal of ₹ 1 trillion AUM much ahead of our March 2026 target & now we want to reach a goal of ₹ 1000 crore SIP book by March-2025. These ambitious targets reflect our confidence in our growth trajectory and our commitment to delivering exceptional value to our shareholders.

In conclusion, FY24 has been a year of significant achievements for Prudent Corporate Advisory Services Ltd. Our strong financial performance, strategic advancements, and unwavering commitment to innovation and customer service have positioned us as a leader in the financial services industry. As we move forward, we remain dedicated to driving sustainable growth and creating long-term value for our shareholders.

Thank you for your continued trust and support.

Sincerely,

**Sanjay Shah**  
Chairman & Managing Director  
Prudent Corporate Advisory Services Ltd.

₹83,384 crore

Assets Under Management (AUM)

₹805.1 crore

Revenue from Operations

₹138.7 crore

Profit After Tax (PAT)

# The Millennial Impact on India's Investment Landscape: Harnessing the Demographic Dividend



“

India's unprecedented demographic dividend, with the world's largest working-age population, is poised to be the driving force behind the nation's economic ascendancy.

**68.9%**

Projected peak proportion of India's working-age population by 2030.

**1.04<sub>bn</sub>**

Estimated number of working-age individuals in India by 2030.

**29.5<sub>yrs.</sub>**

Median age of India's population, signifying a young and dynamic workforce.

## India's Demographic Dividend:

### A Game-Changer for Economic Growth

India is on the verge of a significant economic transformation, driven largely by its demographic dividend. With over 900 million individuals in the working-age group and a median age of 29.5 years, the country now boasts the largest working-age population globally. More significantly, the proportion of India's working-age population relative to the total population is projected to peak at 68.9% by 2030. This demographic advantage, often called the "demographic dividend," is anticipated to drive India's economic growth for decades. Central to this dividend is the millennial generation, born between 1981 and 1996, who represent the largest cohort in the workforce and are also reshaping investment patterns in the country.



**49%**

Share of millennials among all new investor additions in the Indian financial markets between FY19 and FY23.

**77%**

Percentage of millennials who have remained invested in the market from FY19 to FY23, showcasing their long-term commitment to wealth creation.

**67.1%**

Proportion of millennials opting for SIPs as their first investment vehicle between FY19 and FY23.

**Understanding Millennials:**

**A Distinct Generation with Unique Investment Behaviours**

Unlike their predecessors, Millennials exhibit distinct characteristics that set them apart from earlier generations. They are digital natives, having grown up in an era of rapid technological advancement. This tech-savvy nature is reflected in their approach to investing. Unlike previous generations that leaned heavily towards traditional investment avenues such as fixed deposits and gold, millennials are more open to exploring the dynamic world of equities and mutual funds. Millennials are also known for their higher risk tolerance, a trait that is increasingly evident in their investment

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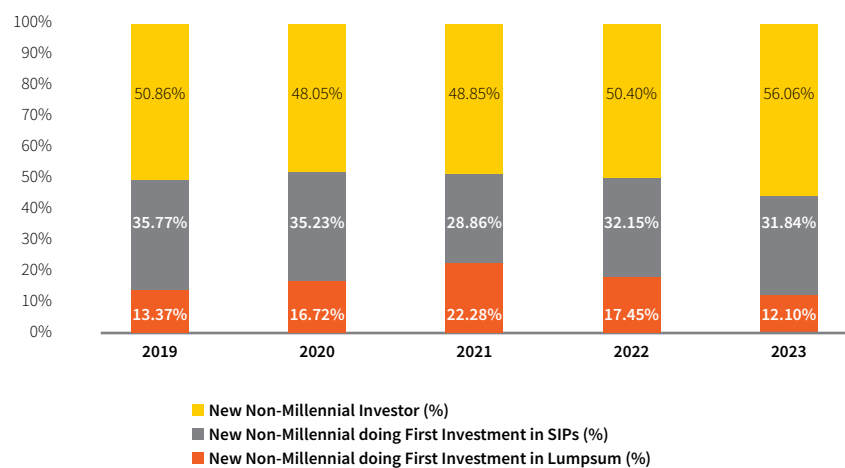
*Millennials, with their tech-savvy approach and higher risk tolerance, are reshaping India's investment landscape, making equity markets their preferred choice for wealth creation.*

patterns. They are more willing to invest in equity markets, understanding that while the short-term may be volatile, the long-term prospects offer substantial returns. This shift in mindset is evident from the increasing participation of millennials in the Indian equity markets, which has seen a significant rise in recent years.

**Rising Equity Participation Among Millennials**

The Indian financial markets have witnessed a substantial increase in millennial participation, particularly in equity investments. According to Industry Data from CAMS (Computer Age Management Services), millennials accounted for nearly 49% of all new investor additions between FY19 and FY23. Their participation in Systematic Investment Plans (SIPs) further highlights Millennials' preference for equity investments. From FY19 to FY23, 67.1% of new millennials opted for SIPs as their first investment vehicle. This preference for SIPs indicates a disciplined approach to investing, where millennials commit to regular, systematic investments, ensuring they benefit from rupee cost averaging and the power of compounding.

The data from the CAMS also shows that millennials are not just entering the market but are staying invested. Despite market fluctuations and economic uncertainties, 77% of millennials who entered the market between FY19 and FY23 have remained invested, a strong indicator of their long-term commitment to wealth creation.



“

*Prudent Corporate is uniquely positioned to harness the growing investment power of millennials, leveraging their increasing preference for mutual funds to drive long-term AUM growth.*



**Impact of Millennials:**

**A Long-Term Asset for Prudent**

Given millennials' investment behaviour, Prudent is well-positioned to benefit from this demographic shift. In FY24 alone, every second person added to Prudent's platform was a millennial, and 50% of new SIPs were initiated by this tech-savvy generation. Millennials now contribute a quarter of Prudent's AUM, but an impressive 45% of the SIP book, underscoring their preference for disciplined and long-term wealth creation through mutual funds.

The CAMS report highlights that from FY19 to FY23, Industry has seen substantial growth in millennial participation, with the average gross sales per millennial investor reaching ₹135,491. This indicates not only a growing number of millennial investors but also their increasing investment amounts over time. Moreover, the AUM distribution among millennials is showing a positive trend, with a significant percentage moving towards higher AUM categories as their incomes rise.

Prudent's robust digital infrastructure and extensive network of MFDs are perfectly aligned to cater to the growing millennial segment. As this cohort's disposable income continues to increase at a pace faster than their expenditure, their propensity to save will rise, providing Prudent with stable investment flows for a very long time. By offering tailored investment solutions that resonate with millennials' financial goals, Prudent is set to ensure that this generation remains invested for the long term, contributing significantly to the company's sustained growth.

**₹135,491**

The average gross sales per millennial investor across the industry from FY19 to FY23 have increased, reflecting millennials' growing investment commitments.

# Tasting Success, SIP by SIP: Prudent's Journey towards Market Leadership



# 3.8%

Prudent's market share in the SIP book of industry as on March 2024.

In the rapidly evolving landscape of mutual fund investments, Systematic Investment Plans (SIPs) have emerged as a cornerstone of wealth creation for Indian investors. Over the last three years, the SIP book has witnessed unprecedented growth, driven by increased investor awareness and confidence in long-term equity investments. Prudent being one of the largest players in the mutual fund distribution industry, has not only kept pace with this growth but has outperformed the industry in several key metrics. Prudent's strong SIP book growth, superior to that of the overall industry, has resulted in increased market share and positioned the company as a formidable leader.

### Stellar SIP Book Growth: A Testament to Prudent's Strategic Success

The growth of Systematic Investment Plan (SIP) flows for the mutual fund industry has been impressive, with a Compound Annual Growth Rate (CAGR) of 28% from March 2021 to March 2024. The industry's SIP flows grew from ₹9,182 crores in March 2021 to ₹19,271 crores in March 2024, reflecting the growing acceptance and trust in SIPs as a reliable investment vehicle among Indian investors.

### Market Share: Climbing the Ranks

Prudent's rapid SIP book growth has translated into an increasing market share. In March 2021, Prudent held a 2.8% share of the industry's SIP market. By March 2022, this had increased to 3.4%, and by March 2023, Prudent's market share had risen to 3.7%. As of March 2024, Prudent commands a 3.8% market share. This steady increase in market share highlights Prudent's effectiveness in capitalizing on the growing SIP trend.

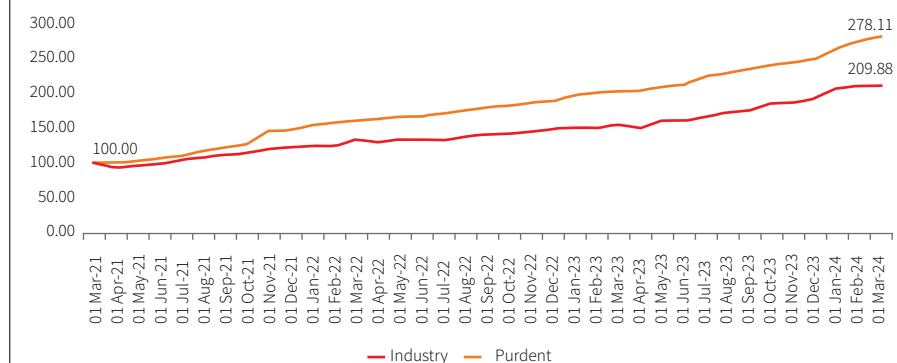
### Rising SIP Values: A Mark of Investor Confidence

The average SIP value for Prudent has

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Prudent's SIP book has grown at a staggering 41% CAGR, far outpacing the industry's growth, and underscoring our leadership in the mutual fund distribution space.

### SIP Book (Based to 100)



also seen a significant increase, further underscoring the growing confidence among investors. In March 2021, the average SIP value stood at ₹2,544. By March 2024, this had increased to ₹2,840, representing a clear upward trend in investor contributions.

More tellingly, the value of new SIPs for FY24 was ₹3,485, suggesting that investors are increasingly willing to commit higher sums to their SIPs. This trend indicates that investors, particularly millennials, are recognizing the potential of SIPs to generate inflation-beating returns over the long term. The good experiences that investors have had with SIPs, coupled with the 'There Is No Alternative' (TINA) factor for beating inflation, are driving this increase in average SIP values.

### Millennials: The Driving Force Behind SIP Growth

One of the most significant contributors to Prudent's SIP success has been the millennial generation. Millennials, who account for 45% of Prudent's SIP flows, represent a crucial segment with immense potential for long-term growth. This cohort, characterized by its tech-savvy nature and higher risk tolerance, has embraced SIPs as a key component of their investment strategy.

The retention rates among millennials in our system are also noteworthy. With a redemption ratio of just 53%, compared to the overall redemption ratio of 62%, millennials are proving to be a more stable investor base. This lower redemption ratio suggests that millennials are committed to staying invested for the long term.

As these millennials mature, they are expected to not only continue with their SIP contributions but also start making more significant lump sum investments. This shift is likely to further bolster Prudent's AUM growth, positioning the company to capture even greater market share in the future.



**The Behavioural Shift: TINA Factor**

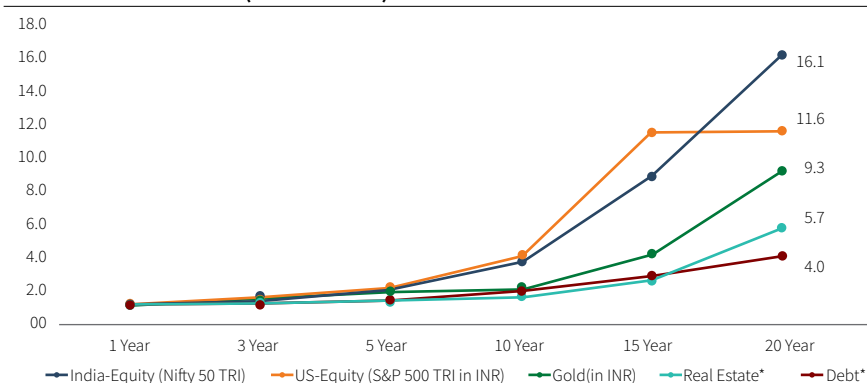
The rise in SIP investments can also be attributed to a broader behavioural change among investors. With traditional investment avenues like fixed deposits offering limited returns and inflation eating into savings, more investors are turning to equity markets and mutual funds to achieve inflation-beating returns. The TINA (There Is No Alternative) effect has become increasingly prominent, with more individuals recognizing that long-term investments in equity-oriented instruments like mutual funds are necessary to grow their wealth.

Mutual funds have demonstrated a consistent track record of delivering inflation-beating returns over time. This realization has led to a significant shift in investment patterns, with more investors opting for SIPs as a disciplined approach to wealth creation.

“

*45% - The proportion of Prudent's SIP flows accounted for by millennials, a cohort poised to contribute stable inflows for the next three decades.*

**Returns over 20 Years (No of Times)**



“

*"In the current economic environment, there is no alternative to equity markets for achieving inflation-beating returns, and SIPs offer a disciplined and accessible route to participate in this growth."*

**Future Outlook: Aiming for the ₹1,000 Crore Milestone**

Building on its success, Prudent is now setting its sights on a significant milestone: achieving a SIP book of ₹1,000 crores by the end of March 2025. This ambitious target reflects the company's confidence in its growth trajectory and its ability to continue attracting a growing number of SIP investors.

“

*₹ 1,000 crores - Prudent's target for its SIP book by March 2025, reflecting the company's ambitious growth plans.*

**₹2,840**

Average SIP value of Prudent as on March 2024.

**₹3,485**

Value of new SIPs for Prudent in FY24.

# Riding the Digital Wave: How Prudent is Leading the Charge in Online Transactions

Digital transactions on our FundzBazar platform have grown from 33% to 77%, reflecting the massive shift towards digital solutions in the investment landscape.

In the rapidly evolving landscape of financial services, digitization has emerged as a powerful force transforming how investors interact with their portfolios. The adoption of digital platforms has revolutionized the way financial transactions are conducted, making them faster, more efficient, and increasingly accessible to a broader audience. Prudent Corporate Advisory Services Ltd. has been at the forefront of this digital wave, leveraging the rise of online platforms to streamline operations, enhance customer engagement, and build a robust, scalable business model.

### Embracing the Digital Shift

Over the past few years, India's payment landscape has undergone a remarkable transformation, with digital transactions expanding at a 52% CAGR in volume and 12% CAGR in value from FY14 to FY24, as per the RBI's latest Currency and Finance report. At the forefront of this shift is UPI, which saw transactions surge from 1.3 billion in January 2020 to over 14.46 billion in July 2024. This growth underscores the broader trend of financial digitization, driven by consumers and investors seeking greater convenience and efficiency in managing their finances online.

Prudent recognized this shift early on and strategically positioned its digital platform, FundzBazar, to capture the growing demand for online financial transactions. In

recent years, the platform has seen a remarkable increase in usage, with 77% of fresh transactions now happening digitally. This is a significant jump from the pre-covid era when only 33% of transactions were conducted online. This rapid adoption underscores the platform's ease of use and the growing comfort among investors in managing their portfolios digitally.

### Millennials: The Catalyst for Digital Growth

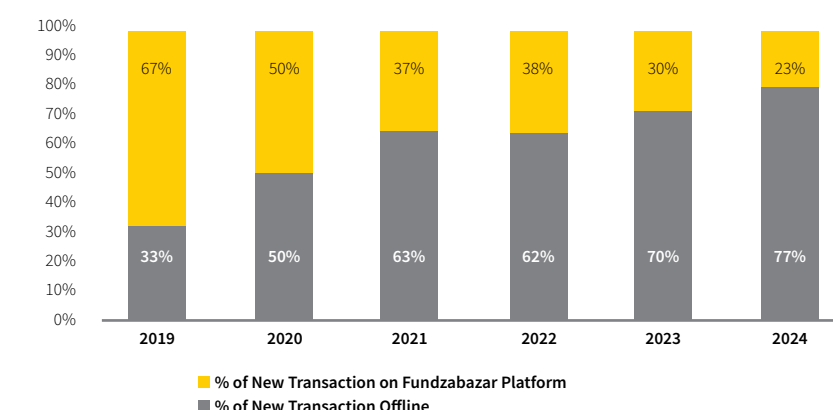
A significant driver behind the rise of digital transactions is the millennial generation. Millennials, known for their tech-savvy nature, have embraced digital platforms as their preferred mode of managing investments. They are drawn to the convenience of online platforms, which allow them to execute transactions, monitor portfolios, and access a wide range of financial products from the comfort of their homes.

For Prudent, millennials represent a substantial portion of its client base. This generation's preference for digital platforms has been a key factor in the success of FundzBazar. In FY24, 70% of the overall transactions on Prudent's digital platform were conducted via the web and 30% through the app and WhatsApp Fundzbot chat service. These numbers highlight the increasing reliance on digital solutions by a generation that values speed, convenience, and accessibility in financial management.

“

77% - The percentage of fresh transactions happening through Prudent's digital platform FundzBazar in FY24, up from 33% in FY19.

### Shift Towards Transacting Digitally



**52%** CAGR

Digital transaction volume growth in India between FY14 and FY24.

**14.46** billion

Increase in UPI transactions in July 2024.



“

*Our digital transformation has freed up our Relationship Managers to handle more partners effectively, reducing costs and allowing us to scale efficiently.*

“

*70% - The percentage of overall transactions in FY24 that were conducted via Prudent's web platform, with 30% through the App and WhatsApp Fundzbot chat service.*

**12** % CAGR

Digital transaction value growth in India between FY14 and FY24.

**Streamlining Operations and Enhancing Efficiency**

The shift to digital platforms has not only improved the customer experience but has also had a profound impact on Prudent's internal operations. Traditionally, Relationship Managers (RMs) and MFDs spent considerable time handling manual processes, such as filling of forms and processing transactions on behalf of clients. This involved a lot of paperwork, physical visits to branch offices, and manual submission of forms and cheques.

With the rise of digital transactions, these inefficiencies have been significantly reduced, freeing up RMs/MFDs to focus on more strategic tasks such as managing relationships with partners/clients. This operational efficiency has allowed Prudent to scale its business without a proportional increase in costs, ultimately leading to improved profitability.

**Creating a Sticky Business Model**

Prudent's digital platform, FundzBazar, offers more than just mutual fund transactions. It has evolved into a comprehensive financial services platform that provides a wide range of products, including corporate fixed deposits, peer-to-peer lending, the National Pension Scheme (NPS), stock broking, and loans against securities. This multi-product offering has helped Prudent create a strong moat around customer stickiness and reduced partner churn.

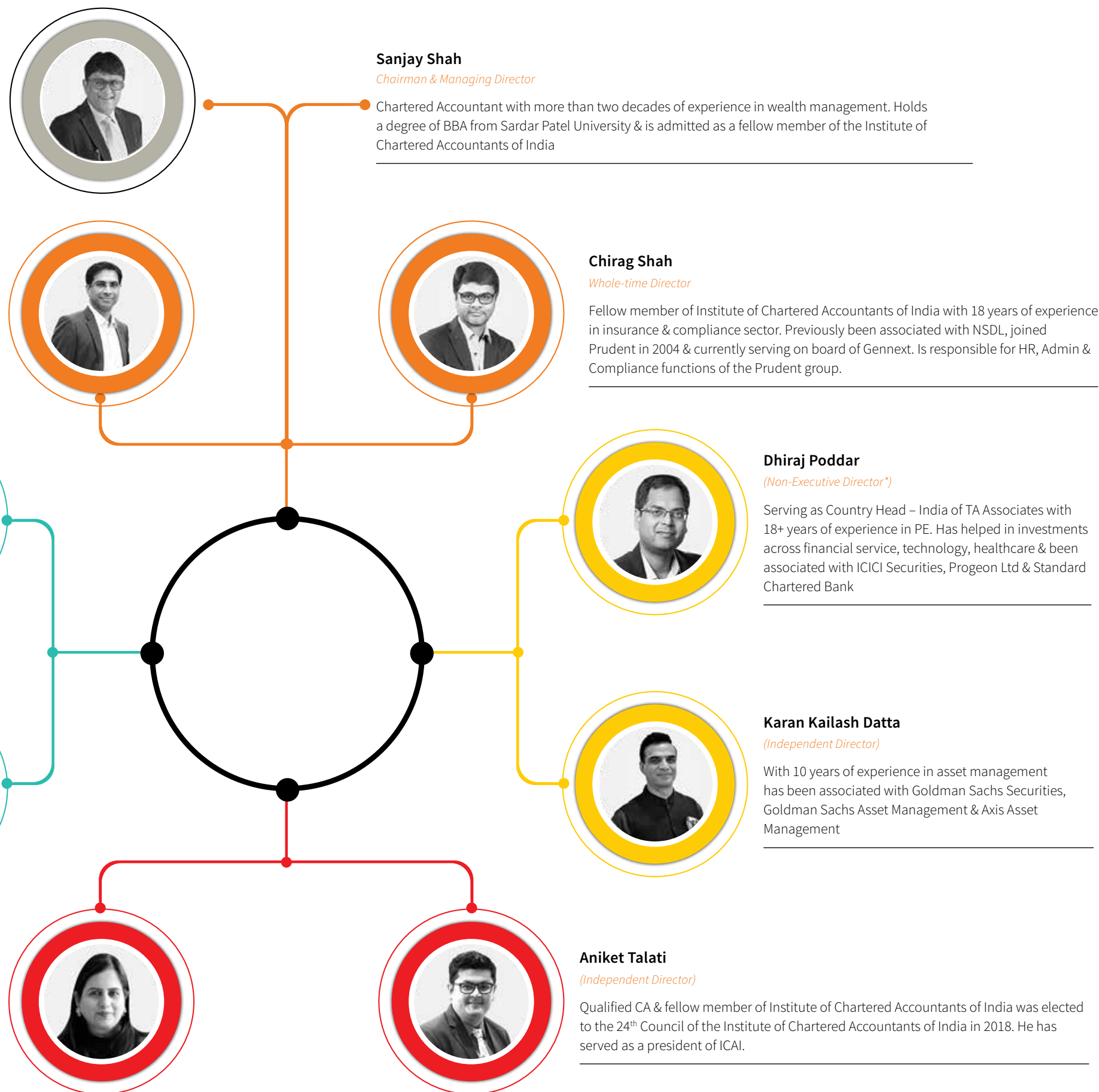


The convenience of accessing various financial products through a single platform has made FundzBazar an indispensable tool for Prudent's partners and their clients. The platform's versatility and ease of use have not only attracted new partners but also ensured that existing ones remain loyal, contributing to long-term business sustainability.

**The Road Ahead: Leveraging Digital for Future Growth**

As Prudent looks towards the future, the focus will remain on leveraging digital platforms to drive growth. With the aim of further increasing the proportion of digital transactions and expanding the product offerings on FundzBazar, Prudent is well-positioned to capture the growing demand for online financial services. The target is clear: to continue building a robust, scalable, and customer-centric platform that meets the evolving needs of partners and their tech-savvy customers base.

In conclusion, Prudent's journey through digital transformation has been marked by strategic foresight and operational excellence. By embracing the rise of digitization and understanding the needs of a younger, tech-savvy generation, Prudent has positioned itself as a leader in the digital financial services space. The success of FundzBazar is a testament to this strategy, and as digital adoption continues to grow, Prudent is set to lead the charge in creating a seamless, efficient, and customer-focused investment experience.



**Sanjay Shah**  
*Chairman & Managing Director*  
 Chartered Accountant with more than two decades of experience in wealth management. Holds a degree of BBA from Sardar Patel University & is admitted as a fellow member of the Institute of Chartered Accountants of India

**Chirag Shah**  
*Whole-time Director*  
 Fellow member of Institute of Chartered Accountants of India with 18 years of experience in insurance & compliance sector. Previously been associated with NSDL, joined Prudent in 2004 & currently serving on board of Gennext. Is responsible for HR, Admin & Compliance functions of the Prudent group.

**Dhiraj Poddar**  
*(Non-Executive Director\*)*  
 Serving as Country Head – India of TA Associates with 18+ years of experience in PE. Has helped in investments across financial service, technology, healthcare & been associated with ICICI Securities, Progeon Ltd & Standard Chartered Bank

**Karan Kailash Datta**  
*(Independent Director)*  
 With 10 years of experience in asset management has been associated with Goldman Sachs Securities, Goldman Sachs Asset Management & Axis Asset Management

**Aniket Talati**  
*(Independent Director)*  
 Qualified CA & fellow member of Institute of Chartered Accountants of India was elected to the 24<sup>th</sup> Council of the Institute of Chartered Accountants of India in 2018. He has served as a president of ICAI.

**Shilpi Thapar**  
*(Independent Director)*  
 Holds a bachelor's in law & commerce, registered with Insolvency & Bankruptcy Board of India as an insolvency professional. With 19 years of industrial experience, she is a qualified Company Secretary & fellow member of Institute of Company Secretaries of India.

**Deepak Sood**  
*(Independent Director)*  
 Fellow of Insurance Institute of Indian, with over 30+ years of experience. Over the years has served as head of BD at Bajaj Allianz GI, MD & CEO of Future Generali & CRO of ERGO

**Chirag Kothari**  
*Chief Financial Officer*  
 Qualified company secretary and a fellow member of the Institute of Company Secretaries of India with 16 years of experience in the finance sector & is associated with Prudent since 2006.

**Shirish Patel**  
*CEO & Whole-time Director*  
 MBA in Finance & diploma in Computer Applications, with 23 years of experience in wealth management. Previously worked with ICICI Bank, Citi Bank. Joined the firm in 2005 & has been instrumental in the growth of the company.



# Management Discussion & Analysis



## Global Economic Outlook:

In 2023, the world economy experienced a growth rate of 3.2%. While stable, this rate is considered low by historical standards. The feared hard landing, due to factors such as restrictive monetary policies, the after effects of the COVID-19 pandemic, and geopolitical tensions, particularly the war in Ukraine, did not materialise. Instead, hopes for a soft landing have strengthened due to easing global inflation. Growth in advanced economies was modest at 1.6%, reflecting the impact of high borrowing costs and the withdrawal of fiscal support. Meanwhile, emerging markets and developing economies achieved a slightly higher growth rate of 4.1%, driven by more robust domestic demand and resilient trade activities despite global challenges.

According to the IMF, the outlook for the world economy in 2024 remains steady, with global growth projected to continue at the same pace as in 2023, maintaining a rate of 3.2%. Advanced economies are anticipated to grow slightly, supported by easing

# 3.2%

Projected global economic growth rate for 2024, indicating steady but historically low expansion.

# “

**6.8% to 5.9% to 4.5%: Expected decline in global headline inflation from 2023 through 2025, reflecting easing price pressures.**

financial conditions and recovery in real incomes. Though regional differences will persist, emerging markets and developing economies are projected to maintain stable growth. Global headline inflation is projected to decline from an annual average of 6.8 percent in 2023 to 5.9 percent in 2024 and further to 4.5 percent in 2025. This overall decrease is anticipated to occur more swiftly in advanced economies, where inflation is expected to drop by 2.0 percentage points in 2024, in contrast to a slower reduction in emerging markets and developing economies, which will experience significant declines only by 2025. Advanced economies are likely to return to their pre-pandemic inflation rates of around 2.0 percent by 2025, while emerging markets and developing economies are forecasted to stabilise near a 5.0 percent inflation rate during the same period.

# “

**IMF Expects Optimism in Global Investor Sentiment Due to Potential Soft Landing and Easing Financial Conditions.**

Central banks worldwide that have significantly raised policy interest rates over the past two years to counter rising inflation are likely to continue adjusting their policies to balance economic growth and inflation control, cautiously avoiding overtightening that could stifle economic activity. Interest rate projections for 2024 indicate that central banks will likely maintain their current rates with a cautious approach to potential rate cuts. The Federal Reserve is expected to keep rates steady, focusing on inflation control. At the same time, the European Central Bank and the Reserve Bank of India are projected to maintain a balanced approach.

The global bond markets have seen a mixed performance, reflecting varying monetary policy actions across different economies. Long-term borrowing rates have declined since late 2023 as inflation moved towards target levels and market expectations adjusted to anticipated policy rate cuts. This decline has contributed to easing overall global financial conditions. Conversely, the equity markets have benefited from this environment, with rising equity prices reflecting investor optimism amid easing financial conditions and expectations of lower interest rates.

The global currency markets experienced notable fluctuations, with the US dollar strengthening significantly against other major currencies in 2023. This appreciation was driven by aggressive

monetary tightening by the Federal Reserve, which increased interest rates to combat inflation. Consequently, the dollar's value rose by 2% against advanced economy currencies and 5% against emerging market currencies in nominal terms. This shift put pressure on global trade, making US exports more expensive and reducing demand. Conversely, the depreciation of other currencies against the dollar supported their export demand, partially offsetting tighter domestic financial conditions. As central banks worldwide adjusted their policies to navigate these challenges, the dynamic interplay between currency values and economic policies remained a critical factor shaping the global financial landscape.

According to the Global Financial Stability report by IMF, global investor sentiment has been buoyed by optimism surrounding a potential soft landing for the global economy and the anticipation of easing financial conditions. This positive outlook has led to a broad-based rally in global equity markets, with significant gains in Japan and the United States. Investor confidence has been further reinforced by improving earnings projections and a more substantial risk appetite, particularly for the technology and materials sectors. However, the Chinese stock market has significantly underperformed due to persistent concerns about economic growth and property market downturns.





**Indian Economic Overview:**

Amidst global uncertainty, the Indian economy demonstrated resilience during 2023-24, with real GDP growth increasing to 7.6% from 7.0% in 2022-23, driven by robust fixed investment. On the supply side, economic activity was bolstered by improved profitability in the manufacturing sector, benefiting from lower input prices, and sustained momentum in the services sector, offsetting the agricultural sector's slowdown.

IMF expects India to remain one of the fastest-growing major economies, with the economy expanding at a robust rate of 6.8% in 2023, driven by strong domestic demand and a recovery in investment activity. For 2024, the growth rate is projected to moderate slightly to 6.3% due to tighter financial conditions and global economic uncertainties. Despite this slight deceleration, India continues to benefit from structural reforms and a favourable demographic profile, maintaining its position as a leading growth economy.

Headline inflation in India moderated to 5.4% in 2023 from 6.7% the previous year, mainly due to monetary policy tightening, supply management measures, and easing input cost pressures. Core inflation fell significantly from 6.1% to 4.3%, although food inflation remained volatile. Looking ahead to 2024, inflation is expected to ease further, supported by a broad-based softening in core inflation and favourable monsoon predictions. However, the increasing frequency of climate shocks, low reservoir levels, and volatile international crude oil prices pose significant risks to the inflation outlook.

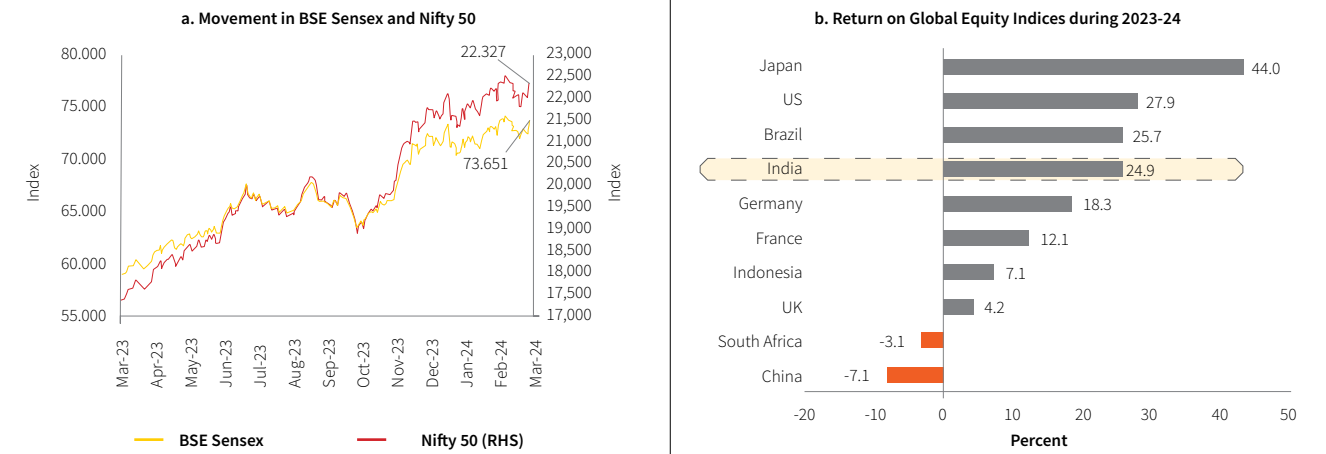
**7.6%**

Real GDP growth rate for India in 2023-24, reflecting robust economic expansion driven by fixed investment and improved sectoral performance.



**IMF Projects India to Remain a Leading Growth Economy with a 6.3% Growth Rate in 2024.**

**Chart II. 5.6: Equity Market**



Source: BSE, NSE and Bloomberg.

The inclusion of India in key global bond indices has led to substantial capital inflows, with foreign investors investing around ₹7,800 crore into eligible sovereign bonds since JPMorgan's announcement in September. This has positively impacted corporate bonds and boosted foreign exchange reserves to a record high of \$600 billion. The inflows are expected to continue, supporting the rupee and enhancing market

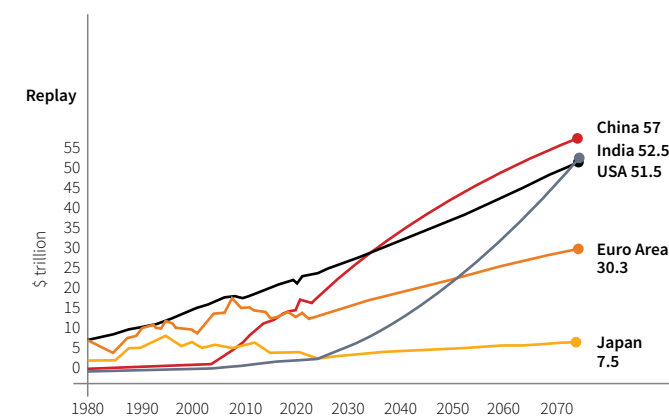
performance. The Reserve Bank of India has actively managed increased dollar flows to stabilise the rupee.

The Indian equity market thrived on strong macroeconomic fundamentals and robust corporate profitability, with the BSE Sensex gaining 24.9% to close at 73,651 at the end of March 2024, outperforming global peers. The buoyant secondary market boosted resource

mobilisation in the primary market, maintaining steady IPO issuances and increasing preferential allotments and QIPs. Broader market indices outperformed, with BSE Mid Cap and Small Cap indices rising by 63.4% and 60.1%, respectively. FPIs made net purchases of ₹2.1 lakh crore, and mutual funds bought ₹2.0 lakh crore in 2023-24.

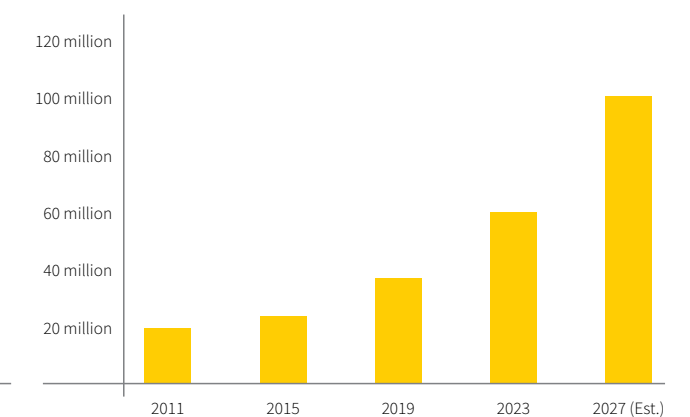
**India is forecast to have the world's second-largest economy by-2075**

GDP level projections in real (2021) USD trillion



Source: Goldman Sachs Research

**Population of Indian with incomes greater than \$ 10,000**



Source: Euromonitor, Goldman Sachs Research





*FPIs made net purchases of ₹2.1 lakh crore, and mutual funds bought ₹2.0 lakh crore in 2023-24.*

**Growth Drivers of the Indian Economy:**

**Rise of working age population:**

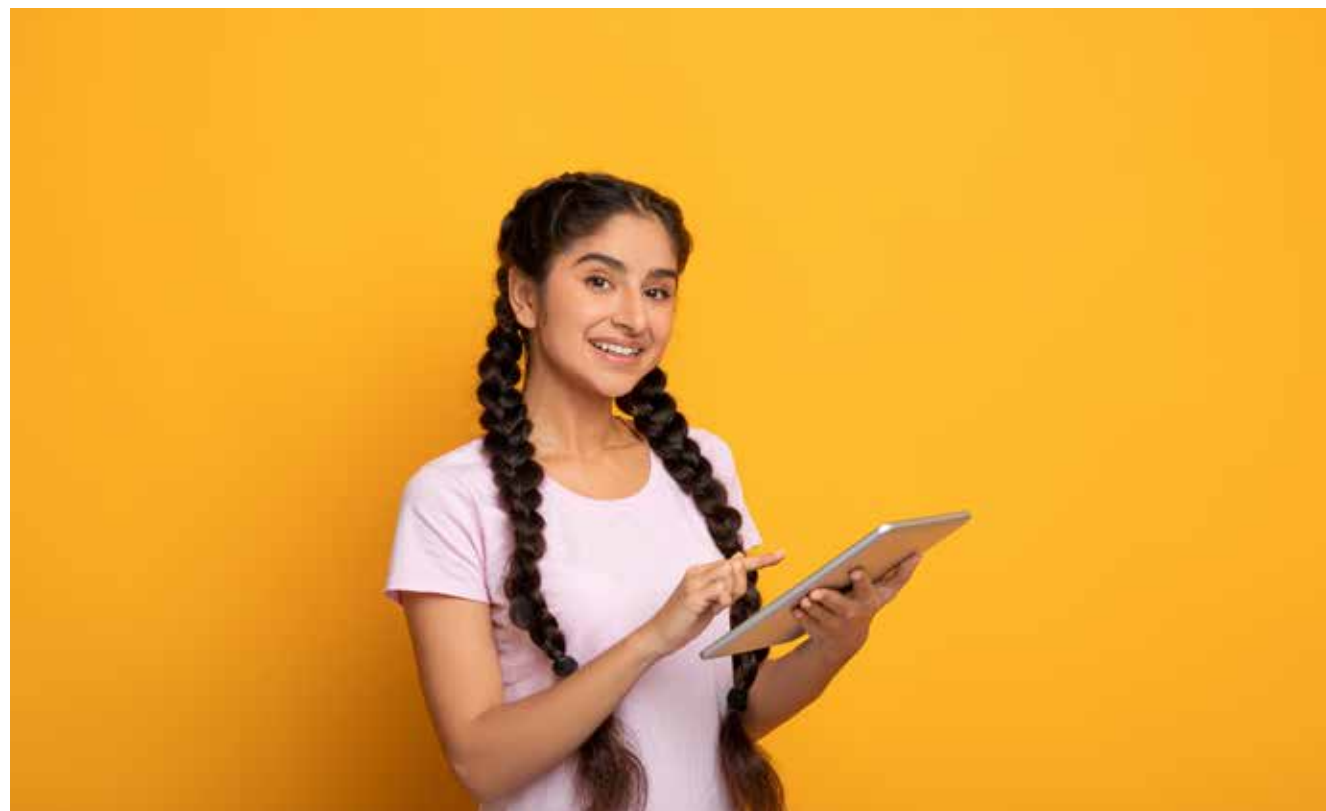
EY, in its Indian@100 report on India's demographic dividend, highlights that by 2030, 68.9% of India's population will be working age, with the dependency ratio dropping to 31.2%. India's median age is 28.4 years, much lower than the global average, giving it a competitive workforce advantage. Approximately 26% of the population is under 14, and 67% is between 15 to 64 years. The report emphasises the potential of India's young population to drive economic growth, particularly in services, manufacturing, and consumption-driven sectors.

**Rise of the Affluent population:**

The Goldman Sachs report outlines how India could become the world's second-largest economy by 2075, driven by favourable demographics, capital investment, and increased labour force participation. Key growth drivers include innovation, worker productivity, and capital investment, with significant digitalisation and green energy potential. Goldman Sachs projects that India's affluent population will reach 100 million by 2027, driven by rapid economic growth and rising incomes. This demographic shift will likely result in substantial monetary and market impacts, reflecting India's evolving economic landscape.

**Service Sector Dominance:**

India's services sector has become a global leader, contributing over 50% to the country's GDP. Key factors include a young, tech-savvy workforce, cost competitiveness, and strong growth in IT and business process management. The sector was the largest recipient of foreign direct investment (FDI) inflows, attracting US\$ 109 billion between April 2000 and March 2024. In FY24 alone, the services sector received US\$ 6.6 billion in FDI equity inflows, reflecting its continued appeal to global investors. Supported by a vast pool of English-speaking professionals and robust digital infrastructure, India has firmly positioned itself as a preferred destination for global



*Goldman Sachs projects that India's affluent population will reach 100 million by 2027, driven by rapid economic growth and rising incomes.*

services. Goldman Sachs Research's most favourable scenario for the growth of India's services exports assumes a higher real GDP as well as higher manufacturing exports over the middle term. In this scenario, services exports would form 12.4% of GDP by 2030, valued at \$900 billion.

**Rise of the Manufacturing Sector:**

India's manufacturing sector is rapidly advancing in areas like automobiles, pharmaceuticals, and electronics, with new investments and breakthroughs enhancing its high-tech capabilities. This progress is boosting global confidence in India's manufacturing environment. The sector is projected to grow from 15% to 20% of the economy by 2030, driven by increased consumption, investments, and exports. This growth positions Indian manufacturing as a compelling multi-decadal investment opportunity. A key driver of this growth has been the Production-Linked Incentive (PLI) scheme, announced in 2021 with an outlay of 1.97 lakh crore. The scheme has been instrumental in catalysing growth, attracting over ₹1.03 lakh crore in investments and generating employment for over 6.78 lakh people by November 2023.

The PLI scheme is expected to draw an additional 3-4 lakh crore in investments and create 2 lakh more jobs over the next four years, with major projects in sectors like semiconductors and solar modules set to launch. This initiative is crucial in enhancing India's manufacturing capabilities and fuelling its ambition to become a global manufacturing hub.

**Rise of Formal Economy:**

India's traditional growth drivers, such as transitioning from agriculture to industry and urbanisation, are being reinforced by new factors. These include rapid digitalisation driven by Aadhaar and mobile-linked bank accounts, financialization with a shift towards financial products over gold and real estate, industry formalisation through



*India has successfully reduced the size of its informal economy to 23.7% in 2022-23, down from 25.9% in 2015-16.*

GST and regulatory changes, and a surge in local manufacturing supported by government incentives. According to a recent report by SBI Research, India has successfully reduced the size of its

informal economy to 23.7% in 2022-23, down from 25.9% in 2015-16. This shift represents a growth of ₹26 lakh crore in the country's formal economy.



A recent report by HDFC Mutual Fund projects India's per capita income to increase by 139% to \$5,442 by 2031.



### Overview of the Financial Distribution Industry:

As India continues to grow at nearly twice the global average rate, international agencies are optimistic about its emergence as a financial powerhouse. A recent report by HDFC Mutual Fund projects India's per capita income to increase by 139% to \$5,442 by 2031. With an expected average annual real GDP

growth rate of 6%, India is poised to become the world's third-largest economy by 2031.

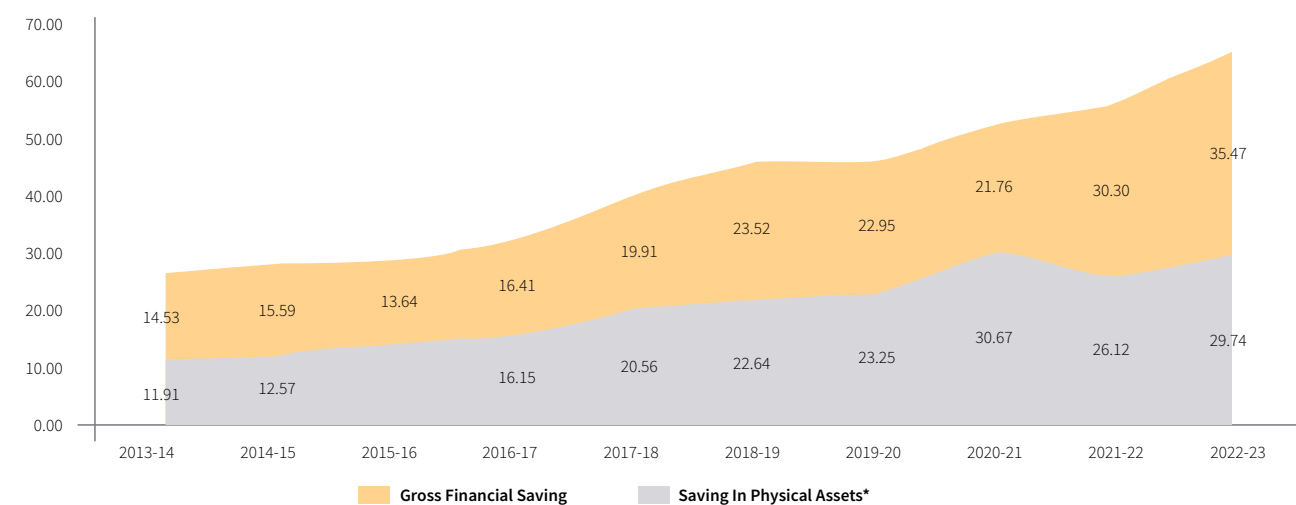
In the next decade, household income distribution is expected to shift significantly, with GDP per capita projected to more than double. The share of households earning less than \$5,000

### Sharp increase expected in rich and middle-income group households

| Households Income, US\$: | 2021                |             | 2031                |             |
|--------------------------|---------------------|-------------|---------------------|-------------|
|                          | Households: 294.8mm | No. of HH's | Households: 360.5mm | No. of HH's |
| Above 35000              | 2%                  | 5.6         | 7%                  | 25.2        |
| 10000-35000              | 24%                 | 70.2        | 46%                 | 165.4       |
| 5000-10000               | 36%                 | 106.4       | 34%                 | 122.7       |
| 0-5000                   | 38%                 | 112.3       | 13%                 | 47.2        |

Source: Morgan Stanly Research; households income is on real basis at 2021 price

### Household Savings (₹ Trillion)



\*Including Gold and Silver Ornaments

annually is set to drop from 38% to 13%, while those in the \$10,000 to \$35,000 bracket will rise from 24% to 46%. Additionally, households earning over \$35,000 are expected to increase from 2% to 7%. This trend indicates a growing middle and upper-income population, with the rising middle-class households expected to propel accelerated growth in financial savings.

The latest MoSPI data on National Accounts Statistics 2024 also emphasises the rising trends in Gross financial savings. In recent years, Indian households have demonstrated a notable shift in saving towards mutual funds, stock and insurance products. In 2022-23, gross financial savings rose by 11.03% to ₹29.73 lakh crore from ₹26.11 lakh crore in the previous year. This rise is indicative of households' efforts to diversify their investment portfolios and seek better returns.

Despite the shift towards physical assets, financial assets have continued to attract significant investments.

The Indian economy is gradually moving towards greater financialization, as evidenced by the changing composition



Despite this rise in financialisation, the penetration rates of MF, insurance, and pension funds in India remain low compared to their global counterparts.

of household savings. The proportion of deposits in overall gross financial savings has been decreasing. Deposits accounted for 37.28% of gross financial savings, down from 56.97% in 2012-13. This decline reflects a shift from low-yield savings accounts to more lucrative investment options. Investments in financial instruments such as mutual funds, stocks, and insurance products have increased significantly. Mutual funds and stocks now constitute 6.02% and 6.94% of gross financial savings, respectively, up from 0.77% and 1.6% in 2012-13.

Despite this rise in the financialisation of household savings, the penetration rates of mutual funds, insurance, and pension funds in India remain low

compared to their global counterparts. In India, mutual fund penetration is around 14% of GDP, significantly lesser compared to developed markets who have a ratio of nearly 100%. Insurance penetration is similarly modest, with life insurance premiums accounting for about 4% of GDP, compared to the global average of 7%. Pension fund penetration also lags, with India's National Pension Scheme (NPS) and other pension products covering a relatively small population segment. In contrast, pension assets are significantly higher in developed economies. This comparison underscores the potential for further growth and development in India's financial sector to match global standards.





Equity-oriented mutual fund categories grew by 55% in fiscal 2024 to ₹23.50 lakh crore.



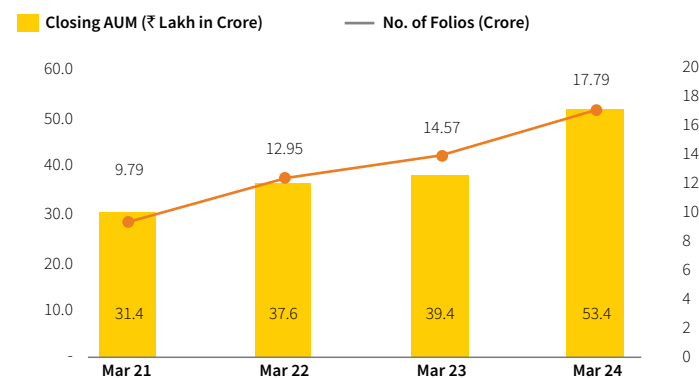
**Overview of the Mutual Funds Industry:**

Fiscal 2024 proved to be an exceptional year for the domestic mutual funds industry, with assets under management (AUM) soaring by nearly ₹14 lakh crore to reach a record ₹53.40 lakh crore by March 2024, compared to ₹39.42 lakh crore in March 2023. The substantial increase in industry assets was led by a sharp market to market movement, increasing participation of retail through SIPs and a substantial growth in new mutual fund investors. During the year, the number of SIP accounts increased by 33% to touch 8.39 crores & the count of unique mutual fund investors increased by 18% to 4.46 crores.

Individual investors dominated mutual fund categories such as equity, hybrid, and solution-oriented schemes, significantly contributing to the industry's growth. These three categories accounted for nearly 58% of the industry's assets and 80% of the folio

**55%**

Growth rate of equity-oriented mutual fund categories in fiscal 2024, driven by strong inflows and market gains.



Top Five Cities Contribute 53% of the Industry's AUM.



count as of March 2024, up from 45% in March 2019, highlighting their increasing influence.

Equity-oriented mutual fund categories grew by 55% in fiscal 2024 to ₹23.50 lakh crore, driven by strong inflows and market-to-market (MTM) gains. The category experienced net inflows of ₹1.84 lakh

crore during the fiscal year, up from ₹1.47 lakh crore in the previous fiscal. This growth was bolstered by sharp gains in the underlying equity markets, with the Nifty 50 Total Return Index (TRI) and Nifty 500 TRI increasing by approximately 33% and 44%, respectively.

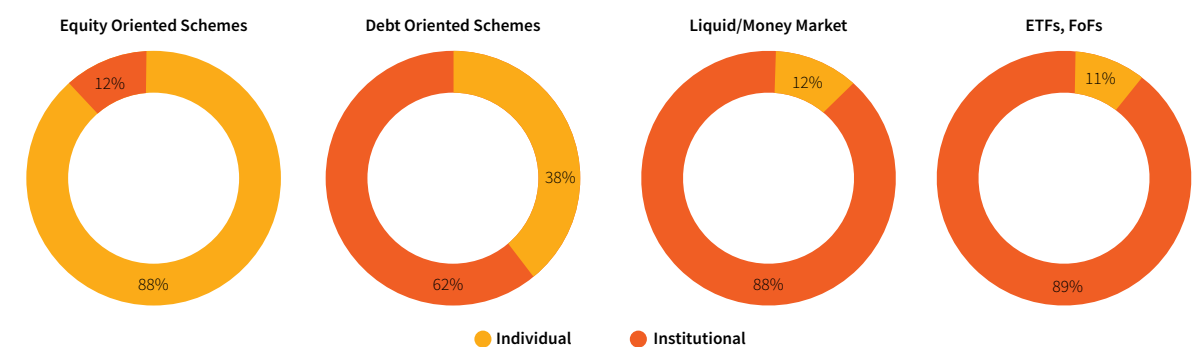
The Flexi Cap category emerged as the largest fund category with assets

exceeding 3.50 lakh crore as of March 2024, followed by large-cap funds with ₹3.14 lakh crore in assets. In terms of percentage growth, the multi-cap fund category led the way with an 85% increase in fiscal 2024, followed by small-cap funds, which grew by 82%.

**Rising participation from Individual Investors:**

Individual investors now hold a larger share of industry assets, increasing to 60.6% in May 2024 from 57.7% in May 2023. In contrast, institutional investors account for 39.4% of the assets, with corporates comprising 95% of this segment. The remaining portion includes Indian and foreign institutions and banks. Equity-oriented schemes are predominantly held by individual investors, accounting for 88% of their assets, while institutional investors dominate liquid and money market schemes (88%), debt-oriented schemes (62%), and ETFs, FoFs (89%).

The value of assets held by individual investors in mutual funds surged by 43.48%, from ₹24.77 lakh crore in May 2023 to ₹35.54 lakh crore in May 2024. Similarly, institutional assets grew by 26.86%, from ₹18.18 lakh crore in May 2023 to ₹23.06 lakh crore in May 2024, indicating a rising trend in individual investor participation in the mutual fund industry.



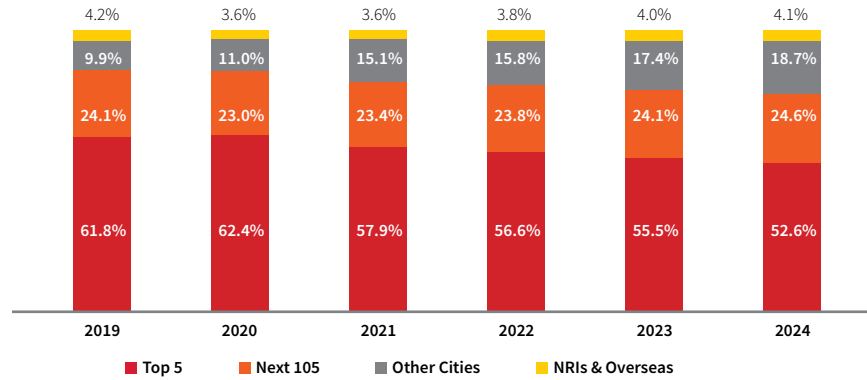
## Management Discussion and Analysis

### Rising participation from Urban and Semi-Urban:

Over these years, the dominance of the top 5 cities (Mumbai, Delhi, Bengaluru, Pune, and Kolkata) has decreased, with their share of total Assets Under Management (AUM) declining from 61.8% in 2019 to 52.6% in 2024. Meanwhile, the share of AUM from the following 105 cities has remained relatively stable, fluctuating around 23% to 24.6%. Notably, the contribution of other towns has increased significantly, rising from 9.9% in 2019 to 18.7% in 2024. This trend indicates a diversification of mutual fund investments beyond the major metropolitan areas, highlighting the increasing financial inclusion and investment activity in smaller cities.

### SIP remains a favourite route for individual investors:

Systematic Investment Plan (SIP) is a popular investment method offered by mutual funds, allowing investors to periodically invest a fixed amount in a mutual fund scheme, typically monthly, rather than making a lump-



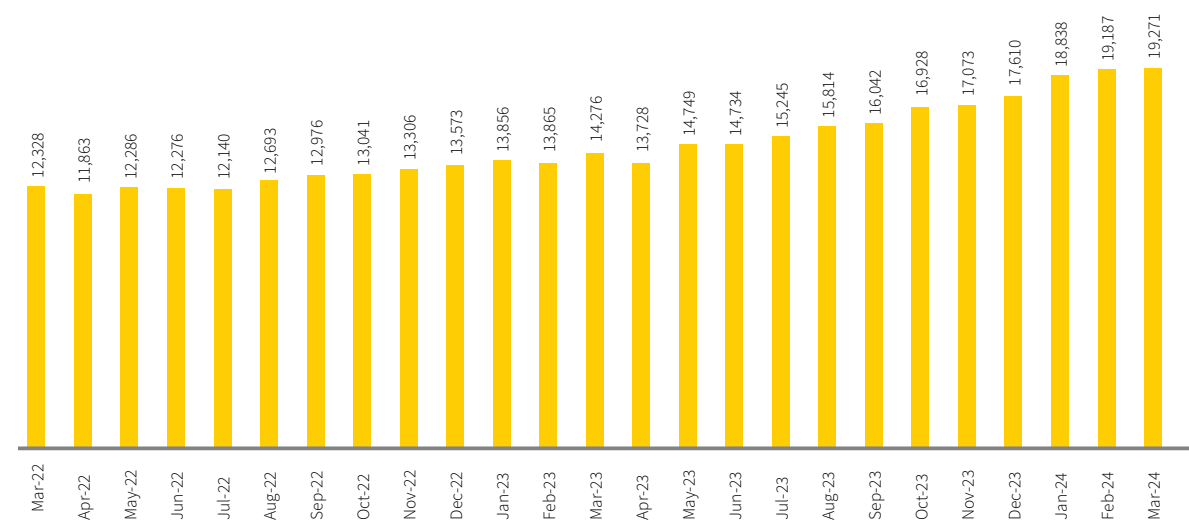
Source: AMFI

sum investment. The SIP instalment can be as small as ₹500 per month, making it accessible to many investors. Like a recurring deposit, SIP involves regularly depositing a fixed amount, conveniently debited from the investor's bank account each month without manual intervention.

SIP has gained significant popularity among Indian mutual fund investors due to its benefits like Rupee Cost Averaging and the ability to invest in a disciplined manner without worrying about market

volatility or timing. Since December 2014, the number of investor folios has steadily increased from 4.03 crore to 17.79 crore in March 2024, with 91.4% of these accounts held by retail investors.<sup>23</sup> In FY24 alone, 4.28 crore new SIPs were registered, contributing to an annual SIP contribution of around ₹2 lakh crores. This consistent growth underscores the preference of individual investors for SIPs, with contributions doubling from ₹96 thousand crores in FY21 to around ₹2 lakh crores in FY24, highlighting its status as the favoured investment route.

### Monthly SIP Contribution (₹ crore)



Source: AMFI.



Individual investors now hold 60.6% of industry assets.



A recent report by Axis Capital forecasts that the Indian mutual fund industry will likely achieve ₹100 lakh crore in Assets Under Management (AUM) by 2030. This projection is anchored in the industry's current growth trend and the increasing financialization of household savings. This strong growth trajectory suggests a promising future for the mutual fund industry in India, with significant potential for further expansion and deeper market penetration.

### Economies of Scale Working in Favour of National Distributors (NDs)

Prominent National Distributors (NDs) have leveraged robust technology platforms to facilitate seamless customer onboarding and enable Mutual Fund Distributors (MFDs) to conduct transactions efficiently. The use of technology has significantly

reduced transaction costs. According to CRISIL Research, the ability to invest in advanced technological tools and provide exceptional convenience to customers has become a critical differentiator for MFDs.

Small MFDs, due to their limited scale and resources, often struggle to invest in technology. As a result, they seek partnerships with more prominent players who can offer access to sophisticated technology platforms. MFDs have increasingly collaborated with NDs that have developed their online platforms to enhance service offerings. Leading NDs have adopted the B2B2C (Business-to-Business-to-Consumer) model to expand their operations. As of March 31, 2024, Prudent Corporate Advisory Services had successfully onboarded 29,605 MFDs on its platform, accounting for 20.70% of the total MFDs in the country.





# Company Overview



### Company Overview:

Prudent Corporate Advisory Services Limited, incorporated on June 4, 2003, in Ahmedabad, Gujarat, envisions becoming India's leading independent retail wealth management services group. The Company leverages technology and comprehensive investment solutions to meet the evolving financial needs of its clients while expanding its presence across both online and offline channels. Over the years, Prudent Corporate has grown significantly, establishing itself as one of India's rapidly expanding financial services groups.

Prudent Corporate's success can be attributed to its unique business-to-business-to-consumer (B2B2C) model, complemented by a technology-driven investment and financial services platform. This comprehensive approach

**3<sup>rd</sup> Largest in Retail Wealth**  
**4<sup>th</sup> Largest in No. of Transactions**

enables the Company to offer end-to-end solutions crucial for distributing financial products. Supported by a dedicated team of 1,250 highly skilled professionals and a robust network of 29,605 well-trained and qualified channel partners, Prudent has secured a prominent position as one of the top mutual fund distributors in terms of assets under management and commissions received.

**1.68mn**

Happy Clients

**83,348**

Asset under management

**29,605**

Mutual Fund Distributor

**2.55mn**

Live SIP'S



**Prudent's AUM grew by around 48.40% during FY24, higher than the industry growth of 35.46%.**

With operations in 119 locations across 21 states, Prudent Corporate has established a strong phygital presence to cater to the evolving needs of its clients. Its extensive services portfolio includes distribution of mutual fund, insurance products, stockbroking, national pension schemes, unlisted securities, bonds, fixed deposits, portfolio management schemes, alternative investment funds, small cases, and peer-to-peer

lending. This broad range of financial solutions positions Prudent as a key player in India's wealth management sector. Committed to offering a technology-enabled, comprehensive investment and financial services platform, Prudent ensures exceptional service quality, fosters innovation, and empowers mutual fund distributors (MFDs) to grow their businesses and better serve retail investors across India.

### Our Investor's Presence Across India as on 31<sup>st</sup> March 2024

**36** Out of **36** **100%**

States UT

**721** Out of **732** **98.50%**

Cities

**4474** Out of **5238** **85.41%**

Talukas

**16868** Out of **19301** **87.39%**

Pin Codes

| Verticals    | Key Metrics                                                                                                                                                            | Platforms                                                                         |
|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| Mutual Funds | AUM: 833,838 million<br>No. of investors: 16.86 Lac<br>No. of MFDs: 29,605<br>AUM per MFD: 24.5 million<br>AUM per investor: 0.5 million<br>No. of AMCs associated: 42 | FundzBazar: Online investment platform<br>PrudentConnect: Virtual office for MFDs |
| Insurance    | Premium: 5,567 million<br>No. of policies: 1,41,994<br>Average premium per policy: 0.04 million<br>No. of life insurance companies associated: 32                      | Policyworld: Online platform offering insurance solutions                         |

(₹ in crore)

| Particulars                   | FY-24  | FY-23  | YoY (%)   |
|-------------------------------|--------|--------|-----------|
| Closing AUM                   | 83384  | 56189  | 48.40%    |
| Total Revenue from Operations | 805.1  | 611.3  | 31.70%    |
| Operating Profit              | 193.1  | 173.3  | 11.43%    |
| Operating Profit Margin (%)   | 23.99% | 28.35% | - 436 bps |
| Profit After Tax              | 138.7  | 116.7  | 18.90%    |
| Profit After Tax Margin (%)   | 17.23% | 19.09% | - 185 bps |
| Earnings Per Share            | 33.51  | 28.18  | 18.90%    |



Prudent achieved a significant landmark with Profit After Tax on a standalone basis, reaching ₹100+ crore in FY24.



**Business Overview:**

**Asset Under Management:**

As of March 31, 2024, the Company's Assets Under Management (AUM) from the mutual fund distribution business increased by 48.40% year-on-year, reaching ₹83,384 crore, with 96.2% of the total AUM being equity-oriented. This growth was driven by Systematic Investment Plan (SIP) inflows, which also increased by 40.42% to reach ₹726 crores, growing from ₹517 crores last year. Gross Equity Flows through SIPs provide stability to net sales with the same growing at a CAGR of 22% FY19-24 & now almost every second rupee of flows comes from SIPs. With 25.53 Lac live SIPs, our SIP AUM now stands at 44.4% of our total equity AUM.

**Revenue from operations:**

Revenue from operations grew 31.7% YoY to ₹805.1 crores. Mutual funds trail revenue remains our strength, contributing around 79% of our total revenues. Other revenue streams like insurance and stockbroking are also gaining traction, showing a growth rate of 57.0% and 36.0%, respectively, over the last year.

Revenue from the distribution of insurance products now contributes 13.8% of our total revenues compared to 11.6% last year. In comparison, Stock Broking and Allied Services and Other Financial and Non-Financial Products contribute 3.5% and 3.3% respectively.

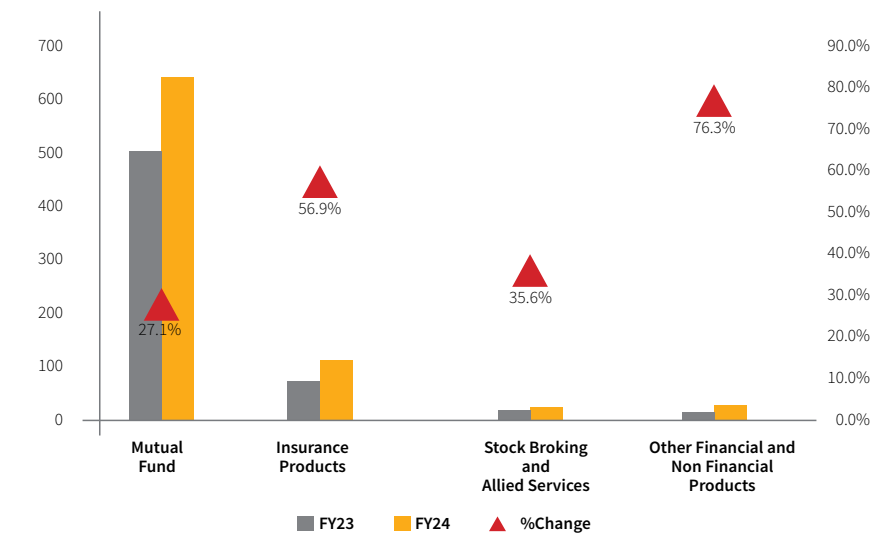
**40.42%**

Increase in Systematic Investment Plan (SIP) inflows, reaching 726 crores in March 24 from 517 crores in March 23. This growth highlights the rising popularity and contribution of SIPs to the company's stability and AUM.



Prudent added 3,581 POSP in FY24, with a focus on developing the distribution of insurance products.

**Revenue Bifurcation (₹ in crore)**



**Operating Profit and Operating Profit Margins:**

The Company's operating profit grew by 11.43%, reaching ₹193.1 crore compared to ₹173.3 crore last year.

**PAT and PAT Margins:**

The Company's Profit after tax grew by 18.9% YoY, reaching ₹138.7 crore compared to ₹116.7 crore last year. We have achieved a significant landmark with Profit After Tax on

a standalone basis, reaching ₹100+ crore in FY24.

**Earnings per Share:**

The Company's Earnings per Share has increased from 28.18 in FY23 to 33.51 in FY24, with an increase of around 18.90%.

**Reaching the last mile by Growing the MFD base:**

As part of our business strategy, our Company is actively focusing on the aggressive expansion of our MFD base, who serve as the backbone of our operations. As of March 2024, we have grown our MFD network to 29,605, up from 26,949 the previous year. Our AUM per MFD has also increased from ₹2.09 crore to ₹2.45 crore.

According to AMFI data, individual assets constitute more than 60% of the industry's total AUM and are primarily distributor-driven. 54% of the assets of individual investors are from T30 cities, brought in by distributors.





## Management Discussion and Analysis

Direct investments account for 25% of individual assets wherein 6% comes from B30 and 19% from T30. This data indicates that the future growth centres for the industry, which are Tier 2 and Tier 3 cities, mainly rely on distributors.

This is where Prudent's strength lies. With around 50% of our branches and 30% of our MFDs from B30 cities, we are well-prepared to reach the last mile. As of March 2024, we have covered more than 85% of total pin codes, with a presence in more than 98% of districts in India.

There is a growing recognition among MFDs of the importance of collaborating with technology-based platforms to serve their clients efficiently, and we are capitalising on this opportunity. Currently, the penetration of MFDs within the country remains relatively low. While approximately 2.6 million insurance agents are operating in India, the number of AMFI Registration Number (ARN) holders authorised as individual mutual fund distributors is just 1.43 lakh. This highlights the significant potential for growth as more MFDs enter the industry.

We anticipate that as the industry attracts many MFDs, our Company will experience incremental benefits. By actively expanding our MFD network and leveraging technology-driven platforms, we aim to strengthen our market position and enhance our services to clients nationwide.

### Creating additional income sources for MFDs.

Prudent has effectively leveraged its extensive Mutual Fund Distributor (MFD) network through its multi-product distribution platform. The Company has strategically utilised this network to explore the potential of cross-selling insurance products. Prudent has successfully converted 11,331 existing MFDs and their family members into 'Point of Sales Person (POSP)', empowering them to sell insurance products. Notably, 3,581 of these POSP were added in FY24 alone, constituting approximately 31% of our total POSP. This aggressive focus on the insurance segment underscores its importance as a second pillar of growth.

In the current financial year, insurance revenues account for 13.68% of Prudent's overall revenue stream. This diversification of revenue sources highlights the successful integration of insurance offerings within Prudent's comprehensive multi-product distribution platform, strengthening the Company's financial performance.

### Encouraging MFDs to build solid AUM with the help of SIPs

Prudent has always believed in the purchasing power and savings appetite of Indian households. This is evident from our 25.53 lakh live SIP book, which contributed a gross inflow of ₹7,177 crore during FY24. We have achieved a distinctive position in the retail wealth management segment, enabling the Company to generate granular flows. This granular business book provides a solid foundation and enhances visibility on net sales performance.

A significant milestone was reached in March 2024, when the monthly Systematic Investment Plan (SIP) inflow surpassed the ₹725 crore mark. SIPs have thus proven to be a robust organic growth driver for Prudent, offering promising prospects for the future. This growth has also helped our MFDs build higher AUMs, with our AUM per MFD improving to ₹2.45 crore as of March 31, 2024.

### Threats, Risks and Concerns

Prudent Corporate Advisory Services actively identifies and evaluates various sources of risk, their impact areas, and potential consequences. The Company employs a robust risk management framework involving department heads and senior management under the guidance of the Board or Risk Management Committee. They develop and implement risk mitigation plans to address identified risks, broadly categorised into internal and external risks. These encompass technological, financial, operational, strategic business, legal and regulatory compliance, cyber security, competition, and intellectual property rights risks.

#### 1. Competition Risk:

The financial services industry is experiencing rapid evolution driven by technological advancements and changing customer preferences, leading to intense competition from existing and new players. To mitigate this risk, Prudent proactively upgrades its technology infrastructure across various business aspects, including sales, risk management, fraud detection, client service, and settlement. Prudent mitigates the risks associated with intense market competition by staying ahead in technological adoption, maintaining operational efficiency, and focusing on customer-centric practices.

#### 2. Regulatory Changes:

Operating in an environment with



**Prudent aims to reach ₹1 lakh crore in AUM and achieve ₹1,000 crore in monthly SIP inflows by March 2025.**

ongoing and significant regulatory changes poses a critical risk. Historical regulatory changes have impacted the business, such as the ban on upfront commissions and the rationalisation of Total Expense Ratio (TER) rates. The Company maintains a strong vigilance regarding evolving legislation and regulatory focus, ensuring compliance and adapting its

operations accordingly. Addressing regulatory challenges involves significant costs and resource allocation, but Prudent is committed to upholding a robust regulatory framework.

#### 3. Operational Risk:

Operational risk arises from inadequate or failed processes, human errors, or external events.





## Management Discussion and Analysis

Prudent strives to maintain consistent and seamless business operations, establishing resilience and recovery capabilities within its processes. Ensuring reliability in technology systems, real estate services, and third-party suppliers mitigates our operational risks. Proactively addressing these risks safeguards the Company's operations, protects customers, and maintains its reputation.

#### 4. **New and Emergent Technology:**

While technological advancements offer opportunities for innovation, they also introduce inherent risks. Increased adoption of electronic payment systems and direct access to trading markets can lead to cost reductions but may also result in lower commissions, fees, and transaction margins. Prudent carefully evaluates and manages the potential risks associated with new technologies, maintaining a proactive approach to risk assessment throughout the implementation process to ensure security and stability.

#### 5. **Reputation Risk:**

Reputation risk impacts the Company's trustworthiness and competency. Any significant lapse in integrity, compliance, customer service, or operational efficiency can harm Prudent's reputation. The Board of Directors plays a crucial role in managing reputation risk by formulating and enforcing a robust strategy, ensuring high standards of integrity and compliance, and building stakeholder trust.

#### 6. **Cybersecurity Risk:**

Given the increasing reliance on digital platforms, cybersecurity risk is significant. Cyber threats and data breaches can lead to financial losses, reputational damage, and legal consequences. Prudent focuses on enhancing its cybersecurity measures, regularly update its



security protocols, and conduct ongoing employee training to safeguard against cyber risks.

#### 7. **Economic and Market Volatility:**

Economic downturns, market volatility, and geopolitical events can affect investor sentiment and financial markets, impacting Prudent's AUM and revenue. To mitigate this risk, Prudent has started diversifying into insurance & we also maintain a strong liquidity position to mitigate these risks.

#### **Internal Control**

Prudent has implemented a robust and comprehensive risk management and internal control system to manage risks effectively across all its business operations. The primary objective of the Company's risk management framework is to identify, measure, and mitigate various risks while establishing policies, procedures, and standards to address these risks and ensure a systematic response in the event of their occurrence.

To support this process, the Company has engaged M/s. Deloitte Haskins & Sells, Chartered Accountants, as its Statutory Auditor, and M/s. Pramodkumar Dad & Associates, Chartered Accountants, as its Internal Auditor. The Company's Board of Directors oversees the risk management efforts and has established a dedicated Risk Management Committee (RMC) for formulating and reviewing risk management processes and controls.

In compliance with the SEBI Listing Regulations, the Company has adopted a Risk Management Policy to create and safeguard shareholder value by minimising potential threats and losses while identifying and capitalising on opportunities. This policy ensures that effective risk management is integral to every employee's role.

Risk identification involves recognising risk sources, areas of impact, events, underlying causes, and potential consequences. The heads of various departments and senior management personnel at different organisational levels, under the guidance of the Board

or the Risk Management Committee, are responsible for developing risk mitigation plans and ensuring their effective implementation.

By implementing a robust risk management framework and involving key stakeholders, the Company aims to proactively address risks, safeguard shareholder value, and promote a culture of risk awareness and mitigation throughout the organisation.

#### **Information Technology**

The rapid evolution of information technology continues to revolutionise the financial services industry. This dynamic landscape presents both opportunities and challenges for Prudent's businesses. The Company recognises the critical role of its IT capability in ensuring the efficient operation and performance of its various businesses, making it a key driver of success.

Prudent has made significant strategic investments in IT and continues to prioritise innovation and investment

in this area. As of March 31, 2024, the Company had a team of 70 skilled IT professionals dedicated to developing, maintaining, and enhancing its diverse digital assets. Prudent remains committed to the ongoing development, maintenance, and utilisation of IT across its various business activities.

By leveraging technology, Prudent aims to significantly improve the quality of client service through enhanced connectivity and the provision of personalised value-added products and services. The Company recognises the transformative potential of technology in delivering superior client experiences and remains dedicated to harnessing these advancements to provide innovative and customised solutions to its clients.

#### **Human Resource**

Prudent understands that its culture and human capital are crucial to its business success. As of March 31, 2024, the company employs 1,250, skilled and talented individuals.

Recognizing the need to build a strong foundation of knowledge and expertise for the future, Prudent is committed to attracting, training, and retaining young talent.

To support a motivated and productive workforce, Prudent has implemented various policies aimed at motivating employees, improving retention rates, and boosting overall productivity. These initiatives are designed to foster a positive work environment, acknowledge and reward employee contributions, and offer opportunities for professional growth and development.

Prudent places great value on the skills and potential of its employees, investing in their long-term success. By promoting a culture of continuous learning and offering meaningful incentives, the company aims to cultivate a dedicated, high-performing team that drives its ongoing growth and delivers exceptional value to its clients.

#### **Disclaimer**

Statements in the Management Discussion and Analysis that describe the Company's objectives, projections, estimates, and expectations may be considered "forward-looking statements" under securities laws and regulations. Actual results may differ from those stated or implied. Economic conditions affecting demand-supply and price conditions in domestic and international markets are crucial factors that could impact the Company's operations. Additionally, government regulations, tax laws, other statutes, and various incidental factors influence how the Company operates.



## Notice

Of 21<sup>st</sup> Annual General Meeting

NOTICE is hereby given that the 21<sup>st</sup> (Twenty First) Annual General Meeting of the members of Prudent Corporate Advisory Services Limited (CIN: L91120GJ2003PLC042458) will be held on **Thursday, 26<sup>th</sup> day of September, 2024 at 11.00 a.m.** through Video Conferencing (VC)/Other Audio Visual Means (OAVM) to transact the following businesses:

### Ordinary Business:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2024 and the Report of the Board of Directors and Auditors thereon and the Audited Consolidated Financial Statement of the Company for the Financial Year ended 31<sup>st</sup> March, 2024 and Report of Auditors thereon.

**“RESOLVED THAT** the Audited Standalone and Consolidated Financial Statements of the Company comprising of Balance Sheet as at March 31, 2024, Profit and Loss Account, Cash Flow Statement and Statement of Change in Equity for the year ended on that date along with schedules and notes thereon and the Boards’ Report and Auditors’ Report as at March 31, 2024, as circulated to the members with the Notice of Annual General Meeting and submitted to this meeting be and are hereby received, considered and adopted.”

2. To declare final dividend of ₹2.00 (Two Rupee) per Equity Share of ₹5/- each for the Financial Year ended on 31<sup>st</sup> March, 2024.

**“RESOLVED THAT** the final dividend of ₹ 2.00/- per equity share for the Financial Year 2023-24 be and is hereby declared and approved and the same be paid to those shareholders whose name appears in the register of members as on Friday, September 13, 2024, being the record date for the purpose of final dividend.”

3. To appoint a Director in place of Mr. Chirag Ashwinkumar Shah (DIN: 01480310), who retires by rotation and, being eligible, offers himself for re-appointment.

**Explanation:** Based on the terms of appointment, Executive Directors and the Non-Executive Directors (other than Independent Directors) are subject to retirement by rotation. Mr. Chirag Ashwinkumar Shah, who has been as Director (Category – Executive) since 24<sup>th</sup> September, 2018 and whose office is liable to retire at this AGM, being eligible, seeks re-appointment. Based on the performance evaluation, the Board recommends his re-appointment.

Therefore, the Members are requested to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr Chirag Ashwinkumar Shah (DIN: 01480310), Director of the Company, who retires by rotation at this meeting and being eligible offers himself for re-appointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation.”

4. To consider and if thought fit, to approve reappointment of M/s. Deloitte Haskins & sells, Chartered Accountants as the Statutory Auditors of the Company for a Second Term of 4 (Four) years from F/Y 01.04.2024 to 31.03.2028 and to pass, with or without modification(s), the following resolution as an **ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment (s) thereof for the time being in force) and pursuant to the recommendation of the Audit Committee, the board be and is hereby recommend to the members, re-appointment of Deloitte Haskins & sells, Chartered Accountants (Firm’s Registration No. 117365W) as the Statutory Auditors of the Company, to hold office for the Second Term for a period of 4 (four) consecutive years commencing from the conclusion of this 21<sup>st</sup> Annual General Meeting till the conclusion of the 25<sup>th</sup> Annual General Meeting of the Company to be held in the financial year 2027-2028, at such remuneration, as recommended by the Audit Committee and as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditors from time to time.”

By Order of the Board of Directors,  
For Prudent Corporate Advisory Services Limited

Date: August 08, 2024  
Place: Ahmedabad

**Kunal Chauhan**  
Company Secretary  
Membership No. ACS- 60163

### Registered Office:

Prudent House, 3 Devang Park Society,  
Panjarapole Cross Road, Ambawadi  
Ahmedabad, Gujarat - 380015.  
Website: www.prudentcorporate.com

## Notice

Of 21<sup>st</sup> Annual General Meeting

### Notes:

1. Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs (MCA) followed by Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021 and Circular No. 10/2022 and Circular No. 11/2022, dated December 28, 2022, Circular No. 09/2023 dated September 25, 2023 and all other relevant circulars issued from time to time (collectively referred to as “MCA General Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“the Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), MCA General Circulars and subsequent circulars issued by SEBI, the AGM of the Company is being held through VC/OAVM. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company at Prudent House, 3 Devang Park Society, Panjarapole Cross Road, Ambawadi, Ahmedabad - 380015, which shall be deemed venue of the AGM. The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its shareholders/ members. To support this green initiative of the Government in full, the shareholders who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses and in case of shareholders holding shares in demat, with depository through concerned Depository Participants.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held through VC/OAVM, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for a maximum 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration

Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. The Explanatory Statement pursuant to Section 102 of the Act relating to the Special Businesses to be transacted at the AGM is annexed hereto. A statement giving additional information on the Directors seeking re-appointment/ approval for remuneration is annexed hereto as required under SEBI Listing Regulations, as amended, read with Secretarial Standard – 2 on General Meetings.
6. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
7. Members are advised to make nomination in respect of their shareholdings in the Company. The Nomination Form can be downloaded from the Company’s website www.prudentcorporate.com. Members holding shares in physical form should file their nomination with M/s. Link Intime India Private Limited, Company’s Registrar and Share Transfer Agent (“LI IPL/ RTA”) while those Members holding shares in dematerialised mode should file their nomination with their Depository Participants.
8. The Company has fixed Friday, September 13, 2024 as the ‘Record Date’ for determining entitlement of members to receive dividend for the FY 2023-24, if approved at the AGM. Those members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Record Date shall be entitled for the dividend which will be paid on or after Tuesday, October 1, 2024, subject to applicable TDS.
9. Members are requested to update their email address and/ or bank mandate / NECS / Direct Credit details / Name / Address / Power of Attorney and update their Core Banking Solutions enabled account number:
  - a) For shares held in physical form: with the Registrar and Share Transfer Agent of the Company.
  - b) For shares held in dematerialised form: with the Depository Participants with whom they maintain their Demat accounts.
10. In case, the Company is unable to pay the dividend to any Member by electronic mode, due to non-availability of details of the bank account, the Company shall dispatch dividend warrants to such Members by post.
11. Non-resident Indian Members are requested to immediately inform their Depository Participants (in case of shares held in dematerialised form) or the Registrar and Share Transfer

## Notice

Of 21<sup>st</sup> Annual General Meeting



Agent of the Company (in case of shares held in physical form), as the case may be, about:

- a) the change in the residential status on return to India for permanent settlement;
  - b) the particulars of the NRE account with a Bank in India, if not furnished earlier.
12. Members may note that in terms of the provisions of the Income-Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, dividends paid or distributed by a Company on or after 1<sup>st</sup> April, 2020 shall be taxable in the hands of the Members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of dividend. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit the following documents in accordance with the provisions of the IT Act.

- (i) **For Resident Members:** TDS shall be made under Section 194 of the IT Act @ 10% on the amount of dividend declared and paid by the Company during the financial year 2024-25 unless exempt under any of the provisions of the IT Act, provided PAN is registered by the Member. However, in case of individuals, TDS would not apply if the aggregate of total dividend distributed to them by the Company during the financial year 2024-25 does not exceed ₹5,000.00.

TDS shall not be deducted in cases where a Member provides Form 15G (applicable to individual) / Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met. For this purpose the shareholder may submit the above documents (PDF / JPG Format) by e-mail to [dividend@prudentcorporate.com](mailto:dividend@prudentcorporate.com). The aforesaid declarations and documents need to be submitted by the shareholders by Friday, September 13, 2024. Please enter details for all required/mandatory fields and Company may at its sole discretion reject any such form that does not fulfil the requirement of law.

Form 15G and 15H can be downloaded and submitted from the following links:

(i) <https://liiplweb.linkintime.co.in/client-downloads.html>

(ii) <https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html>

Members are requested to click on General Tab, wherein all the forms are available under the head "Form 15G/15H/10F". Please enter details for all required/mandatory fields. The Company may at its sole discretion reject any such form that does not fulfil the requirement of law.

In order to provide exemption from withholding of tax, the following organisations must provide a self-declaration as listed below:

- a) **Insurance Companies:** A declaration that they are beneficial owners of shares held;
- b) **Mutual Funds:** A declaration that they are governed by the provisions of Section 10(23D) of the IT Act along with copy of registration documents (self-attested);
- c) **Alternative Investment Fund (AIF) established in India:** A declaration that its income is exempt under Section 10 (23FBA) of the IT Act and they are established as Category I or Category II AIF under the SEBI Regulations. Copy of registration documents (self-attested) should be provided.
- d) **Other Non-Individual shareholders** who are holding certificate issued by the Income- Tax Department u/s. 197 of the IT Act for lower / nil rate or exempt from TDS under provisions of Section 194 of the IT Act or who are covered u/s 196 of the IT Act, are required to submit an attested copy of the PAN along with the documentary evidence in relation to the exemption/ lower rate.
- e) Needless to mention, valid Permanent Account Number ("PAN") will be mandatorily required. Shareholders who do not have PAN, TDS would be deducted at higher rates u/s 206AA of the Act.

Section 206AB of the IT Act - Rate of 10% is subject to provisions of Section 206AB effective 1<sup>st</sup> July, 2021 which introduced special provision for TDS for non-filers of income-tax return and PAN not linked with Aadhar whereby tax has to be deducted at twice the rate specified in the relevant provision of the IT Act if conditions specified in the section is fulfilled.

Government has prescribed the mechanism to determine applicability of Section 206AB using the reporting portal. Company shall determine applicability of Section 206AB and TDS deducted in accordance with said provision shall be final. Company shall not refund or adjust the amount of TDS.

- (ii) **For Non-Resident Members:** Tax is required to be withheld in accordance with the provisions of Section 195 of the IT Act at applicable rates in force. As per the relevant provisions of the IT Act, the tax shall be withheld @ 20% (plus applicable surcharge and cess) on the amount of dividend payable. However, as per Section 90 of the IT Act, a Non-Resident Member has the option to be governed by the provisions of the Double



## Notice

Of 21<sup>st</sup> Annual General Meeting

Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the Member, if they are more beneficial to the Member. For this purpose, i.e. to avail the tax treaty benefits, the Non-Resident Member will have to provide all the following documents:

- a) Self-attested copy of PAN card, if any, allotted by the Indian Income Tax authorities;
- b) Self-attested copy of Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of which the Member is resident (valid for financial year 2024-25);
- c) Self-declaration in Form 10F filed on the income tax portal: <https://www.incometax.gov.in/iec/foportal>.
- d) Self-declaration by the Non-Resident Member of having no permanent establishment in India and meeting treaty eligibility requirement in accordance with the applicable Tax Treaty in the prescribed format;
- e) In case of Foreign Institutional Investors and Foreign Portfolio Investors copy of SEBI registration certificate;
- f) In case of shareholder being tax resident of Singapore, please furnish the letter issued by the competent authority or any other proof of satisfying requirement of Article 24 – Limitation of Relief should be provided.
- g) It is recommended that Members should independently satisfy its eligibility to claim DTAA benefit including Meeting of all conditions laid down by DTAA.

Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, receipt of documents in prescribed format of the documents submitted by Non- Resident Members. In absence of the same, the Company will not be obligated to apply the beneficial DTAA rates at the time of tax deduction on dividend amounts.

The documents referred to in point nos. (c) & (d) above can be downloaded from the following link <https://liiplweb.linkintime.co.in/client-downloads.html> Members are requested to click on General Tab, wherein all the forms are available under the head "Form 15G/15H/10F".

- h) Clearing member should ensure that as on record date no shares are lying in their account and shares are transferred to respective shareholder's account so that dividend is credited directly to shareholder's account

and not to the clearing member's account. In terms of Rule 37BA of Income Tax Rules 1962, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration with Company in the manner prescribed by the Rules on or before September 13, 2024. The Company will not accept any declarations referred to Rule 37BA of Income Tax Rules, 1962 on or after September 13, 2024.

13. **Kindly note that the aforesaid documents, duly completed and signed are required to be submitted (PDF / JPG Format) by e-mail to [dividend@prudentcorporate.com](mailto:dividend@prudentcorporate.com) on or before September 13, 2024 in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication on the tax determination / deduction shall be entertained post September 13, 2024.**
14. In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, you would still have the option of claiming refund of the excess tax paid at the time of filing your income tax return. No claim shall lie against the Company for such taxes deducted.
15. Members may note that, since the tax consequences are dependent on facts and circumstances of each case, the Members are advised to consult their own tax consultants with respect to specific tax implications arising out of receipt of dividend.
16. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form w.e.f. 1<sup>st</sup> April, 2019, except in case of request received for transmission or transposition of securities. In view of this, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or LIPL, Company's Registrar and Share Transfer Agent for assistance in this regard.
17. The Securities and Exchange Board of India has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company's Registrar and Share Transfer Agent.
18. In compliance with the aforesaid MCA General Circulars and SEBI Circular dated 12<sup>th</sup> May, 2020, 15<sup>th</sup> January, 2021, 13<sup>th</sup> May, 2022 and January 5, 2023, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members



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who have not registered their e-mail addresses and are holding shares in physical form are requested to contact the Share Transfer Agents of the Company to register their email-id. Members holding shares in dematerialised form are requested to contact their Depository Participant for updation/registration of their email id. The Company will send the physical copy of Annual Report 2023-24 to those members who request the same from their registered mail id at cs@prudentcorporate.com mentioning their Folio No./ DP ID and Client ID on or before 48 hours before the date of ensuing AGM.

19. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website www.prudentcorporate.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and Notice of AGM shall also be available on the website of NSDL at www.evoting.nsdl.com.
20. 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 will be entitled to vote at the AGM.
21. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of Act, and all other documents referred to in the Annual Report, will be available in electronic mode during AGM. Members can inspect the same by sending an email to cs@prudentcorporate.com.
22. Members seeking any information with regard to financial statements are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
23. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA General Circulars, the Company is providing facility of

remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

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

**The remote e-voting period begins on Monday, September 23, 2024 at 9:00 A.M. and ends on Wednesday, September 25, 2024 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Thursday, September 19, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, September 19, 2024.**

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

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

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

##### A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

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



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

| Type of shareholders                                                | Login Method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> <li>1. Existing <b>IDEAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>"Beneficial Owner"</b> icon under <b>"Login"</b> which is available under <b>'IDEAS'</b> section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>"Access to e-Voting"</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If you are not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>"Register Online for IDEAS Portal"</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4. Shareholders/Members can also download NSDL Mobile App <b>"NSDL Speede"</b> facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p>   <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div> </div> |
| Individual Shareholders holding securities in demat mode with CDSL  | <ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, they can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>2. 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 company. 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 &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

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| Type of shareholders                                                                                   | Login Method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                        | 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.                                                                                                                 |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

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

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

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

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

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

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is:                                                                                                                                        |
|----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| a) For Members who hold shares in demat account with NSDL.     | 8 Character DP ID followed by 8 Digit Client ID<br>For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL.     | 16 Digit Beneficiary ID<br>For example if your Beneficiary ID is 12***** then your user ID is 12*****.                                                  |



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- For Members holding shares in Physical Form. EVEN Number followed by Folio Number registered with the company  
For example if folio number is 001\*\*\* and EVEN is 101456 then user ID is 101456001\*\*\*
- Password details for shareholders other than Individual shareholders are given below:
  - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - How to retrieve your 'initial password'?
    - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
- If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- Now, you will have to click on "Login" button.
- After you click on the "Login" button, Home page of e-Voting will open.



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### Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to agshah12@gmail.com with a copy marked to evoting@nsdl.co.in and Kunal.chauhan@prudentcorporate.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. Thursday, September 19, 2024, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Thursday, September 19, 2024 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@prudentcorporate.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@prudentcorporate.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**



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3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

### THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to speak or ask questions during the AGM with regard to the financial statements or any other matter as mentioned in the Notice of the AGM, need to register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID/ Folio number, PAN, telephone/ mobile number to reach the Company's e-mail address at cs@prudentcorporate.com on or before Thursday, September 19, 2024 (5.00 p.m. IST). Only those Members who have registered themselves as a speaker will be allowed to speak/ ask questions during the AGM depending on the availability of time.

### 24. Details of Scrutinizer and result of e-voting:

- a. The Company has appointed CS Ashish Shah, M/s. A G SHAH & ASSOCIATES, Practicing Company Secretaries, Ahmedabad (Membership No. 29017 and Certificate of practice No. 10642) to act as the Scrutiniser, to scrutinise the entire e-voting in a fair and transparent manner.
- b. The Scrutiniser shall submit his report to the Chairman of the Meeting or any person authorised by him within two working days of the conclusion of the AGM. The results declared along with the report of Scrutiniser shall be placed on the website of the Company www.prudentcorporate.com and on website of NSDL immediately after declaration of results by the Chairman or person authorised by him in this behalf. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.
- c. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of AGM.

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25. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre, Assistant Manager, NSDL at evoting@nsdl.co.in. Members may also write to the Company Secretary at the Company's e-mail address cs@prudentcorporate.com.

By Order of the Board of Directors,  
For Prudent Corporate Advisory Services Limited

Date: August 08, 2024  
Place: Ahmedabad

**Kunal Chauhan**  
Company Secretary  
Membership No. ACS- 60163

### Registered Office:

Prudent House, 3 Devang Park Society,  
Panjarapole Cross Road, Ambawadi  
Ahmedabad, Gujarat - 380015.  
Website: www.prudentcorporate.com



## Board's Report

To  
The Members,

Your directors are pleased to present the 21<sup>st</sup> Annual Report of Prudent Corporate Advisory Services Limited ("the Company"), together with the audited financial statements for the year ended March 31, 2024.

### FINANCIAL SUMMARY AND HIGHLIGHTS

The financial performance for the year ended March 31, 2024 is summarized below:

| Particulars                                              | Standalone (₹ in lakhs) |                          | Consolidated (₹ in lakhs) |                          |
|----------------------------------------------------------|-------------------------|--------------------------|---------------------------|--------------------------|
|                                                          | Current Year<br>2023-24 | Previous Year<br>2022-23 | Current Year<br>2023-24   | Previous Year<br>2022-23 |
| <b>Revenue from Operations</b>                           | 69,391.24               | 54,076.66                | 80,509.11                 | 61,132.72                |
| Other Income                                             | 1,360.23                | 471.09                   | 1,960.71                  | 754.50                   |
| Profit before Depreciation, Finance Cost and Tax Expense | 17,230.96               | 13,089.94                | 21,275.63                 | 18,292.32                |
| Less: Depreciation and Amortization Expenses             | 2,283.70                | 2,226.39                 | 2,482.32                  | 2,403.26                 |
| Profit before Finance Cost and Tax Expense               | 14,947.26               | 10,863.54                | 18,793.31                 | 15,889.06                |
| Less: Finance Costs                                      | 168.51                  | 170.70                   | 209.22                    | 207.05                   |
| <b>Profit before Tax Expense</b>                         | <b>14,778.75</b>        | <b>10,692.85</b>         | <b>18,584.09</b>          | <b>15,682.01</b>         |
| Less: Tax Expense (Current & Deferred)                   | 3,729.18                | 2,730.55                 | 4,708.97                  | 4,013.16                 |
| <b>Profit after Tax</b>                                  | <b>11,049.57</b>        | <b>7,962.30</b>          | <b>13,875.12</b>          | <b>11,668.85</b>         |
| Add: Other Comprehensive Income/loss for the year        | (99.05)                 | (16.36)                  | (116.23)                  | (18.48)                  |
| <b>Total Comprehensive Income</b>                        | <b>10,950.52</b>        | <b>7,945.94</b>          | <b>13,758.89</b>          | <b>11,650.37</b>         |

### CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of your Company for the FY 2023-24 are prepared in compliance with the applicable provisions of the Companies Act, 2013 ('the Act'), Indian Accounting Standards ('Ind AS') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['SEBI (LODR) Regulations'] and the same shall also be made available to the Members in their forthcoming Annual General Meeting ('AGM').

### STATE OF THE COMPANY'S AFFAIRS

Your Company is an independent retail wealth management services group in India and is amongst the top mutual fund distributors in terms of average assets under management ("AAUM") and commission received.

Your Company provide wealth management services to 16.87 lakhs unique retail investors through 29,605 MFDs on our business-to-business-to-consumer ("B2B2C") platform and are spread across branches in 119 locations in 21 states in India, as on March 31, 2024. Your Company offers a technology-enabled, comprehensive investment and financial services platform with end-to-end solutions critical for financial products distribution and presence across both online and offline channels and digital wealth management ("DWM") solutions through platforms, namely, FundzBazar, PrudentConnect, Policyworld and

CreditBasket.

As on March 31, 2024, our assets under management from the mutual fund distribution business ("AUM") stood at ₹83,384 crore, with 96.2% of our total AUM being equity-oriented. Our AUM has increased from ₹ 56,189 crore as on March 31, 2023, to ₹83,384 crore as on March 31, 2024, representing an increase of 48.40%, with our equity-oriented AUM increasing from 52,525 to 80,230 crore during the same period, representing an increase of 52.75%.

Our retail focus has helped grow the number of systematic investment plans ("SIPs") handled by us from 19.66 lakhs as of March 31, 2023, to 25.53 lakhs as of March 31, 2024. Correspondingly, equity AUM from SIPs increased from 22,780 crore (representing 43.37% of our total equity AUM) as of March 31, 2023, to 35,645 crore (representing 44.04% of our total equity AUM) as of March 31, 2024. Our monthly SIP flows as of March 31, 2024, were 726 crore providing visibility of monthly inflows for our MFDs as well as the Company.

Our overall revenue from operations increased to ₹80,509.11 Lakh for Fiscal 2024 from ₹61,132.72 Lakh for Fiscal 2023, representing an increase of 31.70%. Our net profit for the year increased by ₹2206.27 lakhs or 18.91% to ₹13,875.12 lakhs for Fiscal 2024 from ₹11,668.85 lakhs for Fiscal 2023.





The detailed results of operations of the Company are given in the Management Discussion & Analysis forming part of this Annual Report.

#### TRANSFER TO RESERVES

During the year under review, the Company has not transferred any amount to the General Reserve.

#### DEPOSITS

During the year under review, the Company has not accepted any deposit within the meaning of Sections 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014. Further, the Company does not have any deposit that is not in consonance with the provisions of Chapter V of the Act.

#### CHANGE IN THE NATURE OF BUSINESS, IF ANY

On July 25, 2023, the Board of Directors of the Parent Company approved the scheme of amalgamation of Prudent Broking Services Private Limited ("PBSPL"), a wholly-owned subsidiary, with Prudent Corporate Advisory Services Limited ("PCASL"), effective from the appointed date of April 01, 2023 (the "Amalgamation Scheme").

The Parent Company has received approval for the Scheme from the Office of the Regional Director ("RD"), North Western Region, Ministry of Corporate Affairs ("MCA"), Ahmedabad (Gujarat) vide confirmation order dated August 02, 2024. This order approved the Scheme of Amalgamation between Prudent Broking Services Private Limited (Transferor Company) with Prudent Corporate Advisory Services Limited (Transferee Company) and their respective shareholders and creditors in terms of Section 233 of the Companies Act, 2013 read with Rule 25 of The Companies (Compromise, Arrangement and Amalgamation) Rules, 2016.

Further, the Company has applied for Corporate Agent Registration with the Insurance Regulatory and Development Authority ("IRDA") to solicit and procure insurance business as a corporate agent to offer a full product basket. Registration was granted by IRDA on September 14, 2023.

#### DIVIDEND DISTRIBUTION POLICY

The Board of Directors of the Company, in its meeting held on May 12, 2021, has approved and adopted a Policy on the Distribution of Dividends to comply with Regulation 43A of SEBI (LODR) Regulations and the same is uploaded on the website of the Company at

<https://www.prudentcorporate.com/investorrelation>.

#### DIVIDEND

The Board of Directors of your Company, in its meeting held on May 06, 2024, has recommended a final dividend of ₹ 2.00 (Two Rupee) (@ 40%) per equity share of the face value of ₹ 5/- each

fully paid up for the financial year ended March 31, 2024, subject to the approval of the Members at the ensuing Annual General Meeting. The Final Dividend is payable to those shareholders whose names appear on the Register of Members as on the Record Date.

#### CAPITAL STRUCTURE

During the year, the Company has not raised any capital, and hence the same remains unchanged.

During the year under review, the Company has not issued any:

- shares with differential rights as to Dividend, voting or otherwise.
- sweat equity shares.

#### RELATED PARTY TRANSACTIONS

During the year, your Company has entered into transactions with related parties as defined under Section 2(76) of the Act read with Companies (Specification of Definitions Details) Rules, 2014, SEBI (LODR) Regulations and applicable Accounting Standards, which were in the ordinary course of business and on arms' length basis and in accordance with the policy on Related Party Transactions of the Company.

During the year, there was no material transaction with any related parties as per the Related Party Transactions Policy of the Company and/or any other related party transaction entered into by the Company that requires disclosure in Form AOC-2. Hence, disclosure in Form AOC-2 is not applicable to the Company.

The disclosures pertaining to related party transactions as per the applicable Accounting Standards form part of the notes to the financial statements provided in this Annual Report.

As required under Regulation 23 of SEBI (LODR) Regulations, the Company has formulated a Related Party Transactions Policy, which is available on the Company's website at

<https://www.prudentcorporate.com/investorrelation>.

#### PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the Notes to the Standalone Financial Statements forming part of the Annual Report.

#### DIRECTORS AND KEY MANAGERIAL PERSONNEL

##### (A) Directors:

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and in terms of the Articles of Association of the Company,



Mr. Chirag Ashwinkumar Shah (DIN: 01480310), Whole-time Director, is liable to retire by rotation at the ensuing AGM and being eligible, offers himself for reappointment. The Board of Directors recommends his reappointment.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under subsection (6) of Section 149 of the Act, including compliance with relevant provisions of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and SEBI (LODR) Regulations. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise, and they hold the highest standards of integrity.

None of the Directors of the Company is disqualified in terms of the provisions of Section 164 of the Act. The Directors of the Company have made necessary disclosures under Section 184 and other relevant provisions of the Act.

All the Independent Directors of the Company have enrolled their names in the online database of Independent Directors by the Indian Institute of Corporate Affairs in terms of the recently introduced regulatory requirements. Also, the online proficiency self-assessment test, as mandated, was undertaken by the independent directors of the Company who were not exempted from the prescribed timelines.

#### (B) Key Managerial Personnel

In accordance with the provisions of Sections 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, Mr. Sanjay Rameshchandra Shah, Managing Director, Mr. Shirish Govindbhai Patel, Whole-time Director & CEO, Mr. Chirag Ashwinkumar Shah, Whole-time Director, Mr. Chiragkumar Bansilal Kothari, Chief Financial Officer and Mr. Kunal Amrishbhai Chauhan, Company Secretary are the Key Managerial Personnel (KMP) of the Company. There was a change amongst the KMPs during the year under review. Mr. Dhavalkumar Pareshbhai Ghetia who was appointed as Company Secretary on 22/07/2021 has resigned on 10/11/2023, thereafter Mr. Kunal Amrishbhai Chauhan has been appointed as Company Secretary on 25/01/2024.

#### BOARD EVALUATION

To comply with the provisions of Section 134(3)(p) of the Act and Rules made thereunder and Regulation 17(10) of SEBI (LODR) Regulations, the Board has carried out the annual performance evaluation of the Directors individually, including the Independent Directors (wherein the concerned Director being evaluated did not participate), Board as a whole and following Committees of the Board of Directors:

- Audit Committee;
  - Nomination and Remuneration Committee;
  - Stakeholders Relationship Committee; and
  - Corporate Social Responsibility Committee.
- Risk Management Committee.

The manner in which the annual performance evaluation has been carried out is explained in the Corporate Governance Report, which forms part of this Annual Report. The Board is responsible for monitoring and reviewing the evaluation framework.

Further, to comply with Regulation 25(4) of SEBI (LODR) Regulations, Independent Directors also evaluated the performance of Non-Independent Directors, the Chairman and the Board as a whole at a separate meeting of Independent Directors.

#### BOARD AND COMMITTEE MEETINGS

The number of meetings of the Board and various Committees of the Board, including composition, are set out in the Corporate Governance Report, which forms part of this annual report. The intervening gap between the meetings was within the period prescribed under the provisions of Section 173 of the Act and SEBI (LODR) Regulations.

#### REMUNERATION POLICY

To comply with the provisions of Section 178 of the Act and Rules made thereunder and Regulation 19 of SEBI (LODR) Regulations, the Company's Remuneration Policy for Directors, Key Managerial Personnel (KMP), Senior Management and other Employees of the Company are uploaded on website of the Company at <https://www.prudentcorporate.com/investorrelation>. The Policy includes inter-alia, the criteria for appointment and remuneration of Directors, KMPs, Senior Management Personnel of the Company and Board Diversity.

#### CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has a Corporate Social Responsibility (CSR) Policy, which is uploaded on the website of the Company at <https://www.prudentcorporate.com/investorrelation>.

Annual Report on CSR activities for the Financial Year 2023- 24 as required under Sections 134 and 135 of the Act read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Rule 9 of the Companies (Accounts) Rules, 2014 is attached to this report as **Annexure - 1**.



### REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

The information required to be disclosed in the Board's Report pursuant to Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached to this report as **Annexure – 2**.

Mr. Chirag Ashwinkumar Shah, Whole-time Director of the Company, has not taken any remuneration from the Company during the year under review. He has received a remuneration of ₹182 Lakhs from Gennext Insurance Brokers Private Limited, the Wholly Owned Subsidiary (WOS) of the Company during the financial year 2023-24.

### STATUTORY AUDITORS

Your Company, at the 16<sup>th</sup> (sixteenth) Annual General Meeting, held on September 30, 2019, had appointed M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No. 117365W) as statutory Auditors of the Company for a period of 5 consecutive years till the 21<sup>st</sup> Annual General Meeting at a remuneration as may be fixed by the Board of Directors in consultation with the Auditors. Further, Pursuant to the recommendation of the Audit Committee, the Board hereby recommends to the members the reappointment of Deloitte Haskins & Sells, Chartered Accountants (Firm's Registration No. 117365W) as the Statutory Auditors of the Company, to hold office for 2nd Term for a period of 4 (four) consecutive years commencing from the conclusion of this 21<sup>st</sup> Annual General Meeting till the conclusion of the 25<sup>th</sup> Annual General Meeting of the Company to be held in the financial year 2027-2028. The Statutory Auditors have confirmed that they satisfy the independence criteria as required under the Act.

The Statutory Auditors' Report for the Financial Year 2023-24 does not contain any qualification, reservation or adverse remark and forms part of the Annual Report. The Statutory Auditors have not reported any fraud under Section 143(12) of the Act.

### COST AUDIT

In terms of Section 148 of the Act and the Companies (Cost Records and Audit) Rules, 2014, Cost Audit is not applicable to the Company for the Financial Year 2023-24.

### SECRETARIAL AUDITORS

The Board has appointed M/s. M.C. Gupta & Co., Practicing Company Secretaries (COP No.: 1028) to undertake the Secretarial Audit of the Company for the financial year 2023-24 to 2025-26 pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the SEBI (LODR) Regulations, 2015 as amended.

The Secretarial Audit Report in the prescribed Form No. MR-3 for the Financial Year 2023-24 is annexed herewith as **Annexure - 3** to this Report. The Secretarial Audit Report does not contain any qualification, reservation adverse remark or disclaimer in his report.

The Company has also filed the Secretarial Compliance Report for the financial year ended March 31, 2024, with the Stock Exchanges with regards to compliance with applicable SEBI Regulations/circulars/guidelines issued thereunder, pursuant to requirement of Regulation 24A of SEBI (LODR) Regulations.

### SUBSIDIARIES

Your Company has the following wholly owned subsidiaries on March 31, 2024:

1. Gennext Insurance Brokers Private Limited;
2. Prutech Financial Services Private Limited;

As of March 31, 2024, your Company does not have any Associate/ Joint Venture as defined under the provisions of the Act.

To comply with the provisions of Section 129 of the Act, a separate statement containing salient features of Financial Statements of Subsidiaries of your Company (including their performance and financial position) in prescribed Form AOC-1 forms part of this Annual Report and, therefore, not repeated here to avoid duplication. Further, the contribution of the subsidiary to the overall performance of your Company is provided in Note No. 41 of the Consolidated Financial Statements.

Financial Statements of the above-mentioned subsidiary companies are kept open for inspection by the Members at the Registered Office of your Company on all days except Saturday, Sunday and Public Holidays up to the date of AGM between 11:00 A.M. to 5:00 P.M. as required under Section 136 of the Act. Any Member desirous of obtaining a copy of the said Financial Statements may write to the Company at its Registered Office or Corporate Office. The Financial Statements, including the Consolidated Financial Statements and all other documents required to be attached with this Report have been uploaded on the website of the Company at <https://www.prudentcorporate.com/investorrelation>.

To comply with the provisions of Regulation 16(c) of SEBI (LODR) Regulations, the Board of Directors of the Company have approved and adopted a Policy for determining Material Subsidiary. Further, Gennext Insurance Brokers Private Limited (GIBPL) became a material subsidiary of the Company as per Audited Financial Statements for the year ended March 31, 2024. Policy on Material Subsidiary is uploaded on the website of the Company at <https://www.prudentcorporate.com/>



**investorrelation**. As per Regulation 24A of Listing Regulations, the Secretarial Audit Report of GIBPL is annexed as **Annexure - 4**.

### DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has constituted an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, no complaint was received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### VIGIL MECHANISM / WHISTLE-BLOWER POLICY

Pursuant to the provisions of Section 177 of the Act and Regulation 22 of SEBI (LODR) Regulations, the Company has adopted a Vigil Mechanism / Whistle Blower Policy to provide a platform to the Directors and Employees of the Company to raise concerns regarding any irregularity, misconduct or unethical matters/dealings within the Company. The same is detailed in the Corporate Governance Report, which forms part of this annual report.

### RISK MANAGEMENT

The Risk Management Committee of the Board of Directors inter-alia monitors and reviews the risk management plan and such other functions as assigned from time to time.

Your Company has a robust Risk Management Policy, under which it manages Risk Management Framework identifies and evaluates business risks and opportunities. The Company recognizes that these risks need to be managed and mitigated to protect the interest of the stakeholders and to achieve business objectives. The risk management framework is aimed at effectively mitigating the Company's various business and operational risks, through strategic actions. The Company has a strong Cyber Risk Management framework wherein cyber risk and mitigation controls are monitored by the Technology Committee and Risk Management Committee of the Company. The Company has developed its digital infrastructure to enhance the Clients' and Channel Partners' interface with the Company. The Company maintains a robust cyber security posture to protect the confidentiality and integrity of data.

There are no risks which, in the opinion of the Board, threaten the existence of the Company.

### INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal controls with

reference to financial statements and day-to-day operations and the same are operating effectively. The Internal Auditors tested the design and effectiveness of the key controls and no material weaknesses were observed in their examination. Further, Statutory Auditors verified the systems and processes and confirmed that the Internal Financial Controls System over financial reporting is adequate and that such controls are operating effectively.

### DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the requirements of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company, hereby state and confirm that:

- (a) in the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards have been followed, and there are no material departures from the same;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024, and of the profit and loss of the Company for the financial year ended March 31, 2024;
- (c) 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;
- (d) they have prepared annual accounts on a going-concern basis;
- (e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively, and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### OTHER INFORMATION

#### Management Discussion & Analysis Report

Management Discussion & Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of SEBI (LODR) Regulations, forms part of this Annual Report.

#### Business Responsibility and Sustainability Report (BRSR)

BRSR for the year under review, as stipulated under Regulation 34(2)(f) of SEBI (LODR) Regulations, forms part of this Annual Report.





### Corporate Governance Report

The Company's shares are listed with BSE Limited and National Stock Exchange of India Limited with effect from May 20, 2022. The Report on Corporate Governance forms part of this Annual Report. The Report received from M/s. M. C. Gupta & Co., Company Secretaries confirming compliance with the conditions of corporate governance is also attached to the Corporate Governance Report.

### Listing

The Equity Shares of the Company are listed on the National Stock Exchange of India Limited and BSE Limited. Both these stock exchanges have nationwide trading terminals. The annual listing fee for the Financial Year 2024-25 has been paid to the National Stock Exchange of India Limited and BSE Limited.

### ANNUAL RETURN

Pursuant to Sections 92(3) and 134(3)(a) of the Act, the Annual Return of the Company is available on the Company's website at <https://www.prudentcorporate.com/investorrelation>.

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

The information on the conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) read with Rule 8 of the Companies (Accounts) Rules, 2014, are given below:

#### A. Conservation of Energy

- i) Steps taken for conservation of energy: The Company evaluates the possibilities and various alternatives to reduce energy consumption, and the use of low-energy-consuming LED lighting is being encouraged. The Company recognizes the importance of energy conservation in decreasing the adverse effects of global warming and climate change. The Company carries on its activities in an environment-friendly and energy-efficient manner.
- ii) Steps taken by the Company for utilizing alternate sources of energy: Nil
- iii) Capital investment on energy conservation equipment: Nil

#### B. Technology absorption

The Company believes in leveraging technology to transform every dimension of its business. Investments in technology infrastructure are an important element of the Company's commitment to delivering seamless customer experience. Further, steps taken towards Energy Conservation are the result of technology absorption.

#### C. Foreign exchange earnings and Outgo

The particulars relating to foreign exchange earnings and outgo during the year under review are as follows:

| Particulars             | ₹ in lakhs |         |
|-------------------------|------------|---------|
|                         | 2023-24    | 2022-23 |
| Foreign exchange earned | 25.39      | 0.00    |
| Foreign exchange outgo  | 20.64      | 4.33    |

During the FY- 2023-24, the Company had foreign exchange earnings-₹ 25.39/-Lakhs), while the Company has made an expenditure of ₹ 20.64/-Lakhs in foreign currency.

During the FY- 2022-23, the company had no foreign exchange earnings, while the Company has made an expenditure of ₹ 4.33 Lakhs in foreign currency.

### GENERAL

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

1. No significant or material orders were passed by the Regulators, or Courts, or Tribunals that would impact the going concern status and the Company's operations in the future.
2. No application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016, as at the end of the Financial Year 2023-24.
3. During the year, the Company is not required to avail credit rating(s) of Securities.

The Company is in regular compliance with the applicable provisions of Secretarial Standards issued by the Institute of Company Secretaries of India

### Material Changes

On July 25, 2023, the Board of Directors of the Parent Company approved the scheme of amalgamation of Prudent Broking Services Private Limited ("PBSPL"), a wholly-owned subsidiary, with Prudent Corporate Advisory Services Limited ("PCASL"), effective from the appointed date of April 01, 2023 (the "Amalgamation Scheme").

The Parent Company has received approval for the Scheme from the Office of the Regional Director ("RD"), North Western Region, Ministry of Corporate Affairs ("MCA"), Ahmedabad (Gujarat) vide confirmation order dated August 02, 2024. This order approved the Scheme of Amalgamation between Prudent Broking Services Private Limited (Transferor Company) with Prudent Corporate Advisory Services Limited (Transferee Company) and their



respective shareholders and creditors in terms of Section 233 of the Companies Act, 2013 read with Rule 25 of The Companies (Compromise, Arrangement and Amalgamation) Rules, 2016.

### LOANS TAKEN FROM DIRECTORS OF THE COMPANY

During the year under review, the Company has not availed of any loan from the directors.

### IMPLEMENTATION OF CORPORATE ACTION

During the year under review, the Company has not failed to implement any Corporate Actions within the specified time limit.

### INVESTOR EDUCATION AND PROTECTION FUND ("IEPF")

#### (A) Transfer of Unclaimed/Unpaid Dividend

Pursuant to the provisions of Section 124 of the Companies Act, 2013 ("the Act") read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), and relevant circulars and amendments thereto, the amount of Dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government.

#### (D) Year-wise amount of Unpaid/Unclaimed Dividend lying in the unpaid account up to March 31, 2024, and the corresponding shares, which are liable to be transferred to the IEPF, and the due dates for such transfer:

| Sr. No. | Date of declaration of Dividend                            | Number of Shareholders against whom the Dividend amount is unpaid | Number of shares against whom the Dividend amount is unpaid | Amount Unpaid as on March 31, 2024 (₹) | Due date of transfer of Unpaid and Unclaimed Dividend to IEPF |
|---------|------------------------------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------|----------------------------------------|---------------------------------------------------------------|
| 1       | Final Dividend (FY 2021-22) AGM held on September 29, 2022 | 125                                                               | 7,011                                                       | 6596                                   | October 31, 2029                                              |
| 2       | Final Dividend (FY 2022-23) AGM held on August 29, 2023    | 83                                                                | 1972                                                        | 2949                                   | September 30, 2030                                            |

#### (E) Details of the resultant benefits arising out of shares already transferred to the IEPF:

There were no resultant benefits arising out of shares already transferred to the IEPF, which were required to be transferred to the IEPF by the Company.

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

#### (B) Transfer of Shares

Pursuant to the provisions of IEPF Rules, all equity shares in respect of which Dividend has not been paid or claimed for the last seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority ("IEPF Account") within a period of thirty days of such shares becoming due to be transferred.

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

#### (C) Details of Nodal Officer

|               |                                                                           |
|---------------|---------------------------------------------------------------------------|
| Name          | Mr. Kunal Amrishbhai Chauhan,<br>Company Secretary and Compliance Officer |
| Email Address | cs@prudentcorporate.com                                                   |

**CAUTIONARY STATEMENT**

Statements in the Board's Report and the Management Discussion & Analysis Report describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the statements. Important factors that could influence the Company's operations include changes in government policies and tax laws, economic development of the country, and other factors which are material to the business operations of the Company.

**ACKNOWLEDGEMENT**

Your Company's organizational culture upholds professionalism, integrity and continuous improvement across all functions, as well as efficient utilization of the Company's resources for sustainable and profitable growth.

Your directors acknowledge the support and cooperation received from the employees, MFDs and all those who have helped to manage the day-to-day business operations of the Company.

**For and on behalf of the Board of Directors of  
Prudent Corporate Advisory Services Limited**

**Sanjay Rameshchandra Shah**  
Chairman  
DIN: 00239810

Date: August 08, 2024  
Place: Ahmedabad



## ANNEXURE – [1] to Board's Report

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

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

**1. Brief Outline on the CSR Policy of the Company**

- a) The CSR Policy outlines the Company's Philosophy and responsibility as a Corporate Citizen of India and lays down the guidelines and mechanisms for undertaking socially useful projects, programs and activities for the welfare & sustainable development of the community in and around its area of operations and other parts of the country

**To pursue these objectives, the Company will continue to:**

- i) Work actively by undertaking CSR programs, projects, and activities that may relate to one or more activities listed in Schedule VII of the Act.
- ii) Collaborate with like-minded bodies like voluntary organizations, charitable trusts, governments and academic institutes in pursuit of our goals.
- iii) Interact regularly with stakeholders and review and publicly report our CSR initiatives.
- b) For effective implementation of the CSR programs, projects and activities undertaken or to be undertaken by the Company, a suitable monitoring system has been put in place. In case a project or program is implemented through an implementing agency, the progress is monitored by calling for periodical progress reports with supporting documents pertaining to the expenses incurred under different heads.

**2. The Composition of the CSR Committee:**

| Name of the Member            | Designation/ Nature of Directorship | Number of meetings of the CSR Committee held during the financial year 2023-24 | Number of meetings of CSR Committee attended during the financial year 2023-24 |
|-------------------------------|-------------------------------------|--------------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| Mr. Karan Kailash Datta       | Chairman (Independent Director)     | 2                                                                              | 1                                                                              |
| Ms. Shilpi Sumankumar Thapar  | Member (Independent Director)       | 2                                                                              | 2                                                                              |
| Mr. Sanjay Rameshchandra Shah | Member (Managing Director)          | 2                                                                              | 2                                                                              |
| Mr. Chirag Ashwinkumar Shah   | Member (Whole-time Director)        | 2                                                                              | 2                                                                              |

3. Provide the web link where the Composition of the CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:
- CSR Committee – <https://www.prudentcorporate.com/investorrelation>
- CSR Policy – <https://www.prudentcorporate.com/investorrelation>
- CSR Projects - <https://www.prudentcorporate.com/investorrelation>
4. Provide the executive summary along with web-link(s) of the Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. - **Not applicable for financial year 2023-24.**
5. (a) Average net profit of the Company as per sub-section (5) of section 135: **₹ 7838.92 Lakhs**
- (b) Two percent of the average net profit of the Company as per sub-section (5) of section 135: **₹ 156.78 Lakhs**
- (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: **Nil**
- (d) Amount required to be set-off for the financial year, if any: **Nil**
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: **₹ 156.78 Lakhs**



## ANNEXURE – [1] to Board’s Report

6. (a) Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects): **₹ 150.71 Lakh**  
 (b) Amount spent on Administrative Overheads: **₹ 6.93 lakhs**  
 (c) Amount spent on Impact Assessment, if applicable: **NA**  
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **₹ 157.64 Lakhs**  
 (e) CSR amount spent or unspent for the Financial Year:

| Total Amount Spent for the Financial Year (in ₹ Lakhs) | Amount Unspent (in ₹ Lakhs)                                           |                  |                                                                                                         |        |                  |
|--------------------------------------------------------|-----------------------------------------------------------------------|------------------|---------------------------------------------------------------------------------------------------------|--------|------------------|
|                                                        | Total Amount transferred to Unspent CSR Account as per section 135(6) |                  | Amount transferred to any fund specified under Schedule VII as per the second proviso to section 135(5) |        |                  |
|                                                        | Amount                                                                | Date of Transfer | Name of the Fund                                                                                        | Amount | Date of Transfer |
| 157.64                                                 | Nil                                                                   | NA               | NA                                                                                                      | Nil    | NA               |

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

| Sl. No. | Particular                                                                                                  | Amount (in ₹ Lakhs) |
|---------|-------------------------------------------------------------------------------------------------------------|---------------------|
| (i)     | Two percent of the average net profit of the Company as per sub-section (5) of section 135                  | 156.78              |
| (ii)    | Total amount spent for the Financial Year                                                                   | 157.64              |
| (iii)   | Excess amount spent for the financial year [(ii)-(i)]                                                       | 0.86                |
| (iv)    | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | 2.51                |
| (v)     | Amount available for set off in succeeding financial years [(iii)+(iv)]                                     | 3.37                |

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

| Sl. No. | Preceding Financial Year. | Amount transferred to Unspent CSR Account under section 135 (6) (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, if any |                  | Amount remaining to be spent in succeeding financial years. (in ₹) | Deficiency, if any |
|---------|---------------------------|------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|------------------|--------------------------------------------------------------------|--------------------|
|         |                           |                                                                        |                                                                                   |                                           | Amount (in ₹)                                                                                                                | Date of Transfer |                                                                    |                    |
| 1.      |                           |                                                                        |                                                                                   |                                           |                                                                                                                              |                  |                                                                    | Not Applicable     |

## ANNEXURE – [1] to Board’s Report

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

| Sl. No. | Short particulars of the property or asset(s) [including complete address and location of the property] | Pin code of the property or asset(s) | Date of creation | Amount of CSR amount spent | Details of entity/ Authority/ beneficiary of the registered owner |      |                    |
|---------|---------------------------------------------------------------------------------------------------------|--------------------------------------|------------------|----------------------------|-------------------------------------------------------------------|------|--------------------|
|         |                                                                                                         |                                      |                  |                            | CSR Registration Number, if applicable                            | Name | Registered address |
|         |                                                                                                         |                                      |                  | NA                         |                                                                   |      |                    |

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

Note: Due to merger, CSR obligation and expenditure of Prudent Broking Services Private Limited is merged with the Transferee Company.

The Parent Company has received approval for the Scheme from the Office of the Regional Director (“RD”), North Western Region, Ministry of Corporate Affairs (“MCA”), Ahmedabad (Gujarat) vide confirmation order dated August 02, 2024. This order approved the Scheme of Amalgamation between Prudent Broking Services Private Limited (Transferor Company) with Prudent Corporate Advisory Services Limited (Transferee Company) and their respective shareholders and creditors in terms of Section 233 of the Companies Act, 2013 read with Rule 25 of The Companies (Compromise, Arrangement and Amalgamation) Rules, 2016.

Date: August 08, 2024

Place: Ahmedabad

**(Sanjay Rameshchandra Shah)**

Chairman and Managing Director  
DIN: 00239810

**(Karan Kailash Datta)**

Chairman of CSR Committee  
DIN: 08413809

## Annexure [2] to Board's Report

Information required under Section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- A. Ratio of remuneration of each Director to the median remuneration of all the employees of the Company for the Financial Year 2023-24 and percentage increase in the remuneration of each Director, Chief Executive Officer, Chief Financial Officer & Company Secretary in the financial year 2023-24 are as follows:

(₹ In Lakhs)

| Name of Director(s)/ KMP(s) and Designation                                         | % increase in Remuneration in FY 2023-24 as compared to FY 2022-2023 | Ratio of remuneration of Director to the Median remuneration |
|-------------------------------------------------------------------------------------|----------------------------------------------------------------------|--------------------------------------------------------------|
| Mr. Sanjay Rameshchandra Shah<br><b>Chairman and Managing Director</b>              | 8.99                                                                 | 85.63                                                        |
| Mr. Shirish Govindbhai Patel<br><b>Whole-time Director &amp; CEO</b>                | 1.26                                                                 | 278.75                                                       |
| Mr. Chirag Ashwinkumar Shah<br><b>Whole-time Director</b>                           | -                                                                    | -                                                            |
| Mr. Aniket Sunil Talati<br><b>Non-executive Independent Director</b>                | -                                                                    | -                                                            |
| Mr. Deepak Sood<br><b>Non-executive Independent Director</b>                        | Nil                                                                  | 5.69                                                         |
| Mr. Karan Kailash Datta<br><b>Non-executive Independent Director</b>                | Nil                                                                  | 5.69                                                         |
| Ms. Shilpi Sumankumar Thapar<br><b>Non-executive Independent Director</b>           | Nil                                                                  | 2.28                                                         |
| Mr. Chiragkumar Bansilal Kothari<br><b>Chief Financial Officer</b>                  | 13.33                                                                | 17.07                                                        |
| Mr. Dhavalkumar Pareshbhai Ghetia<br><b>Company Secretary (Resign - 10.11.2023)</b> | -                                                                    | -                                                            |
| Mr. Kunal Amrishbhai Chauhan<br><b>Company Secretary (Appointed - 25.01.2024)</b>   | -                                                                    | -                                                            |

Notes:

- Mr. Shirish Govindbhai Patel was appointed as Whole-time Director & CEO of the Company w.e.f. 01.08.2021. Mr. Chiragkumar Bansilal Kothari was appointed as CFO of the Company w.e.f. 22.07.2021. Mr. Dhavalkumar Pareshbhai Ghetia who was appointed as Company Secretary on 22.07.2021 has resigned on 10.11.2023, thereafter Mr. Kunal Amrishbhai Chauhan has been appointed as Company Secretary on 25.01.2024. Ms. Shilpi Sumankumar Thapar was appointed as Non-Executive Independent Director w.e.f. 07/06/2021. However, their previous year's remuneration was considered for 12 months for comparison purposes.
- The median remuneration has been calculated on the basis of full-time employees on the Company's payroll.
- Independent Directors receive sitting fees for attending the board meeting. The sitting fees paid to Independent Directors are not covered in the above table.

## Annexure [2] to Board's Report

- The median remuneration of the Company for all its employees is ₹ 2,63,461/- per annum for the financial year 2023-24.
- The aforesaid details are calculated on the basis of remuneration for the financial year 2023-24.
- Amount paid to Non-Executive Independent Directors during the Financial Year 2023-24 mentioned in the above table reflects the Commission paid to them.
- The remuneration to Directors is within the overall limits approved by the shareholders.
- Mr. Kunal Amrishbhai Chauhan has been appointed as Company Secretary w.e.f. 25/01/2024.

C. Percentage increase in the median remuneration of all employees in the Financial Year 2023-24: -1.49%

D. Number of permanent employees on the rolls of the Company as on March 31, 2024: 1016 employees

E. Average percentile increase already made in the salaries of employees other than the managerial personnel (i.e. Managing Director and Whole-time Director) in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The Remuneration of Managerial Personnel (MD & WTD) increased by 5.12% in FY 2023-24 compared to FY 2022-23. The average salary of all employees other than Managerial Personnel increased by 11.85 % in FY 2023-24 compared to FY 2022-23.

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

G. The information required under Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Annual Report. Having regard to the provisions of Section 134 and Section 136 of the Companies Act 2013, the Reports and Accounts are being sent to the Members, excluding such information. However, the said information is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing AGM. Any shareholder interested in obtaining a copy of such statement may write to the Company Secretary at the Registered Office of the Company.

**For and on behalf of the Board of Directors of  
Prudent Corporate Advisory Services Limited**

**Sanjay Rameshchandra Shah**

Chairman and Managing Director

DIN: 00239810

Date: August 08, 2024

Place: Ahmedabad





## Annexure [3] to Board's Report

Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED March 31, 2024

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

To,

The Members of  
Prudent Corporate Advisory Services Limited  
Prudent House,  
3 Devang Park Society,  
Panjarapole Cross Road,  
Ambawadi, Ahmedabad – 380015.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Prudent Corporate Advisory Services Limited (CIN: L91120GJ2003PLC042458) (hereinafter called "the company"). The secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Prudent Corporate Advisory Services Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by "the company", having its Registered Office at "Prudent House, 3 Devang Park Society, Panjarapole Cross Road, Ambawadi, Ahmedabad – 380015 for the financial year ended on March 31, 2024, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period)**
  - (e) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the Audit Period)**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;



## Annexure [3] to Board's Report

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and **(Not applicable to the Company during the Audit Period)**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, except for the following:

The details of the Risk Management Committee Meeting of the Board of Directors held on August 23, 2023, were not included in the Corporate Governance Report filing for the quarter ended September 30, 2024. However, on receipt of the intimation from the Stock Exchange and consequent upon conversation, the Company filed the revised Corporate Governance Report on February 01, 2024 on the Portal of the Stock Exchanges.

- (vi) The Company has complied with the following specifically other applicable laws to the Company:
  - a) SEBI Act, 1992
  - b) SEBI Rules and regulations, bye-laws and notices of BSE, NSE and CDSL,
  - c) Securities and Exchange Board of India (Stock-Brokers) Regulations, 1992;
  - d) Securities and Exchange Board of India (Intermediaries) Regulations, 2008
  - e) Securities and Exchange Board of India (SEBI) (Mutual Funds) Regulations, 1996
  - f) Guidelines and Code of Conduct issued by the Association of Mutual Funds in India (AMFI) applicable to Mutual Funds Distributors
  - g) SEBI (Investment Advisors) Regulations, 2013
  - h) The Pension Fund Regulatory and Development Authority (PFRDA) (Point of Presence) Regulations, 2018
  - i) The Real Estate (Regulation And Development) Act, 2016 and Rules and Regulations framed by the State Government of Gujarat, Maharashtra and Karnataka.

Note: On inspection of the CM & F&O segment of the Company by NSE during February 2023, NSE had imposed a penalty of ₹1,00,000/- vide its Letter dated 17<sup>th</sup> May, 2023, which the Company had since paid.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) SEBI Listing (Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

### We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on the agenda are usually sent seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

There were no dissenting views on any matter.



## Annexure [3] to Board's Report

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

**We further report that** during the audit period, the Company has no specific events/actions having a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc., except the following:

1. The 20<sup>th</sup> Annual General Meeting of the members of the Company was held on August 29, 2023, through VC/OAVM in terms of MCA General Circular nos. 14/2020 Dated April 08, 2020, 17/2020, Dated April 13, 2020, 20/2020 Dated May 05, 2020, 02/2021 Dated January 13, 2021, and 09/2023 Dated September 25, 2023, and, inter alia, approved the reappointment of Mr. Sanjay Shah as Chairman and Managing Director ("MD") and Mr. Shirish G Patel, as Whole-time director and Chief Executive Officer "CEO" of the Company for a period of 3 years with effect from April 01, 2024 to March 31, 2027.

**FOR M C Gupta & Co,**  
Company Secretaries  
UCN: S1986GJ003400

**Mahesh C Gupta**  
Proprietor  
FCS: 2047 (CP: 1028)  
Peer Review: 5380/2023  
UDIN: F002047F000929996

Place: Ahmedabad  
Date: August 08, 2024

### Note:

This Report is to be read with Our Letter of even date, which is annexed as Annexure "A" and forms an integral part of this report.



## Annexure: "A"

To,  
The Members of  
Prudent Corporate Advisory Services Limited  
Prudent House,  
3 Devang Park Society,  
Panjarapole Cross Road,  
Ambawadi, Ahmedabad – 380015.

Our Report of even date is to be read along with this Letter;

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on Secretarial Records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on a test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and the happening of events, etc.
5. Compliance with the provisions of corporate and other applicable laws, rules, regulations, and standards is the responsibility of management. Our examination was limited to the verification of the procedures on a test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**FOR M C Gupta & Co,**  
Company Secretaries  
UCN: S1986GJ003400

**Mahesh C Gupta**  
Proprietor  
FCS: 2047 (CP: 1028)  
Peer Review: 5380/2023  
UDIN: F002047F000929996

Place: Ahmedabad  
Date: August 08, 2024





## Annexure [4] to Board's Report

Form No. MR-3

### SECRETARIAL AUDIT REPORT

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

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

TO,  
THE MEMBERS,  
GENNEXT INSURANCE BROKERS PRIVATE LIMITED  
306, SEARS TOWER, AMBAWADI,  
GULBAI TEKRA, AHMEDABAD-380006, GUJARAT, INDIA

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GENNEXT INSURANCE BROKERS PRIVATE LIMITED**. (hereinafter called the Company) having CIN No: U66000GJ2010PTC080751. The Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **GENNEXT INSURANCE BROKERS PRIVATE LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **GENNEXT INSURANCE BROKERS PRIVATE LIMITED** for the financial year that ended on March 31, 2024, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) 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- (Not applicable during the year under review)

The Company is not listed on any Stock Exchange in India; hence, the following Acts, Regulations, Guidelines, etc., were not applicable to the Company:

- (i) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;
- (iii) The following Regulations and Guidelines are prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2020;
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;



## Annexure [4] to Board's Report

- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India as amended from time to time. (As amended from time to time)

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above subject to the following observations: Nil

The following are the other laws as specifically applicable to the Company:

1. Insurance Regulatory and Development Authority Act, 1999
2. Insurance Regulatory and Development Authority of India (Insurance Brokers) Regulations, 2018 and various guidelines, circulars and notifications issued thereunder and applicable to the Company.
3. Employees State Insurance Act, 1948.
4. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
5. Labour Welfare Act.

#### We further report that

The Board of Directors of the Company is duly constituted with the proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors took place during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on the agenda, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

**We further report that** during the audit period, we have not come across any specific events/actions that have had a major bearing on the Company's affairs.

This report is to be read with my letter of even date, which is annexed as **"ANNEXURE A"** and forms an integral part of this report.

**FOR AG SHAH & ASSOCIATES**  
(Company Secretary)

**CS ASHISH SHAH**

Proprietor

CP. NO.: 10642

M. NO.: 29017

P.R. NO: 2399-2022

UDIN: A029017F000911791

Date: 06/08/2024

Place: Ahmedabad



TO,  
THE MEMBERS,  
**GENNEXT INSURANCE BROKERS PRIVATE LIMITED**  
306, SEARS TOWER, AMBAWADI,  
GULBAI TEKRA, AHMEDABAD-380006, GUJARAT, INDIA

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

- Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on my audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of the Company's financial records and books of accounts.
- Wherever required, we have obtained management representation about compliance with laws, rules, regulations, events, etc.
- Compliance with the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of management. Our examination was limited to the verification of procedures on a test basis.
- The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**FOR AG SHAH & ASSOCIATES**  
(Company Secretary)

**CS ASHISH SHAH**  
Proprietor  
CP. NO.: 10642  
M. NO.: 29017  
P.R. NO: 2399-2022  
UDIN: A029017F000911791

Date: 06/08/2024  
Place: Ahmedabad



## Corporate Governance Report

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

"Corporate Governance" in its literal sense means management of the organization as a whole. Corporate Governance is about to keep great association with stakeholders, creation and support of trust with people associated with group be it shareholders, regulators, representatives, employees, suppliers, clients, financiers and the general public at large. We are firm in belief that corporate governance means commitment for the achievement of value based growth and meeting the commitment within the predefined period without compromising with ethical standard and set of paradigms. The Company is focused on straight forwardness in every one of its dealings and spots emphasis on respectability and administrative consistence. Your company has been improving in Corporate Governance since the foundation of the company. Satisfactory and convenient information is basic to responsibility.

The Board of Directors ("the Board") is responsible for and committed to sound principles of Corporate Governance in the Company. There is a separation of the role of Chairman of the Board and the Chief Executive Officer a practice that has been in place in the Company. With the focus on the core corporate governance principles of accountability, transparency and integrity and adoption of suitable global, local and industry best practices, your Company is moving ahead in its pursuit of excellence in corporate governance.

Your company's philosophy on Corporate Governance is embedded in its rich legacy of ethical governance practices, most of which were implemented before they were mandatorily prescribed. The Company operates within accepted standards of propriety, fair play, justice and aims at creating a culture of openness in relationships between itself and its stakeholders. Your Company ensures transparency in all its dealings and in the functioning of the management and the Board. It has set up a system which enables all its employees to voice their concerns openly and without any fear or inhibition. In quest for this goal, the policies of the Company are intended to reinforce the capacity of the Board of Directors to oversee the administration and to upgrade long haul shareholder esteem.

### 2. BOARD OF DIRECTORS

The Board of your company has an optimum combination of Executive, Independent Non-executive and Woman Directors in conformity with Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (herein after known as "Listing Regulations") as well as the Companies Act, 2013 read with rules framed thereunder, to maintain the independence of board and separate its functions of management and governance in transparent manner.

None of the Directors on the Board is a member of more than ten Committees or Chairman of more than five Committees (committees being Audit Committee and Stakeholders Relationship Committee as per Regulation 26(1) of the Listing Regulations) across all the Public Companies in which he/she is a Director. The necessary disclosures regarding their Committee positions have been made by all the Directors.

#### (a) Composition and Category of Directors:

The composition of the Board of Directors of the Company as on March 31, 2024 is as follows:

| Sr. No. | Name of the Director (As per MCA) | Category                                                                                             |
|---------|-----------------------------------|------------------------------------------------------------------------------------------------------|
| 1.      | Mr. Sanjay Rameshchandra Shah     | Executive Director/<br>Promoter (Chairman and Managing Director)                                     |
| 2.      | Mr. Shirish Govindbhai Patel      | Executive Director (Whole-time Director & CEO)                                                       |
| 3.      | Mr. Chirag Ashwinkumar Shah       | Executive Director (Whole-time Director)                                                             |
| 4.      | Mr. Dhiraj Poddar                 | Nominee Director of TA FDI Investors Limited (earlier known as Wagner Limited), Investor/Shareholder |
| 5.      | Mr. Deepak Sood                   | Independent Non-Executive Director                                                                   |
| 6.      | Ms. Shilpi Sumankumar Thapar      | Independent Non-Executive Director /Woman Director                                                   |
| 7.      | Mr. Karan Kailash Datta           | Independent Non-Executive Director                                                                   |
| 8.      | Mr. Aniket Sunil Talati           | Independent Non-Executive Director                                                                   |

As per the declarations received from the directors, none of the directors is disqualified under Section 164 of the Companies Act, 2013.



**(b) Details of attendance of each Director at Board Meetings and at the last year's Annual General Meeting is as follows:**

The attendance by the board of directors at the board meetings and at the last Annual General Meeting is as follows:

| Sr. No. | Name of the Director          | No. of Board meetings attended |          | Attendance at last AGM |
|---------|-------------------------------|--------------------------------|----------|------------------------|
|         |                               | Held                           | Attended |                        |
| 1       | Mr. Sanjay Rameshchandra Shah | 6                              | 6        | Yes                    |
| 2       | Mr. Shirish Govindbhai Patel  | 6                              | 6        | Yes                    |
| 3       | Mr. Chirag Ashwinkumar Shah   | 6                              | 6        | Yes                    |
| 4       | Mr. Dhiraj Poddar             | 6                              | 5        | Yes                    |
| 5       | Mr. Deepak Sood               | 6                              | 6        | Yes                    |
| 6       | Ms. Shilpi Sumankumar Thapar  | 6                              | 6        | Yes                    |
| 7       | Mr. Karan Kailash Datta       | 6                              | 5        | Yes                    |
| 8       | Mr. Aniket Sunil Talati       | 6                              | 4        | Yes                    |

**(c) The number of other boards or committee in which director is a chairman or member including names of the listed companies where the directors are holding directorship with category of directorship as on 31.03.2024 is as follow:**

| Sr. No. | Name of the Director          | Category of Directorship in other Listed Companies | Directorship in Listed Company other than this Company |                 | Number of Committee position held in other Public Companies |                     | Name of listed company other than this Company |
|---------|-------------------------------|----------------------------------------------------|--------------------------------------------------------|-----------------|-------------------------------------------------------------|---------------------|------------------------------------------------|
|         |                               |                                                    | As Chairman                                            | As Board Member | As Chairman                                                 | As Committee Member |                                                |
| 1       | Mr. Sanjay Rameshchandra Shah | NA                                                 | NIL                                                    | NIL             | ---                                                         | ---                 | NA                                             |
| 2       | Mr. Shirish Govindbhai Patel  | NA                                                 | NIL                                                    | NIL             | ---                                                         | ---                 | NA                                             |
| 3       | Mr. Chirag Ashwinkumar Shah   | NA                                                 | NIL                                                    | NIL             | --                                                          | ---                 | NA                                             |
| 4       | Mr. Dhiraj Poddar             | NA                                                 | NIL                                                    | NIL             | 0                                                           | 4                   | NA                                             |
| 5       | Mr. Deepak Sood               | NA                                                 | NIL                                                    | NIL             | --                                                          | --                  | NA                                             |
| 6       | Ms. Shilpi Sumankumar Thapar  | NA                                                 | NIL                                                    | NIL             | -                                                           | -                   | NA                                             |
| 7       | Mr. Karan Kailash Datta       | NA                                                 | NIL                                                    | NIL             | --                                                          | --                  | NA                                             |
| 8       | Mr. Aniket Sunil Talati       | NA                                                 | NIL                                                    | NIL             | -                                                           | -                   | NA                                             |

Other Directorships do not include all other Companies i.e. Directorships of private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 ("the Act"). For the purpose of determination of limit of the Board Committees, Chairmanship and Membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of the Listing Regulations.

**(d) Number of board meetings and dates on which held:**

The Board met 6 (Six) times during the Financial Year 2023-24 and the time gap between two meetings was not more than 120 days. The Board Meetings were held on, (i) April 21, 2023 (ii) May 24, 2023 (iii) July 17, 2023

(iv) July 25, 2023 (v) October 26, 2023 (vi) January 25, 2024.

**(e) Disclosure of Relationship between Directors Inter-se:**

None of the Directors of the Company are related to each other and there are no inter-se relationships between the Directors.

**(f) Number of shares and convertible instruments held by non-executive Directors**

None of the Non-Executive Directors of the Company is holding shares or convertible instruments in the Company.

**(g) Familiarization Programme and Web link where details of familiarization programmes imparted to independent directors is disclosed:**

In Compliance with Regulations 25(7) of the Listing Regulations, your Company has issued letters of appointment to each of the Independent Director detailing their roles, rights, responsibilities, and liabilities. Post the joining of new independent directors, the Company through its Executive Directors and Key Managerial Personnel conducted their induction into the Board, which was largely around interaction with subject matter experts within the Company. As part of continuous familiarization, the Company, as a part of Agenda of Board / Committee Meetings, has regularly made presentations on various matters covering the Company's strategy in connection with the products, markets, innovation initiatives, quarterly and annual financial results, operation and performance updates of the Company & its Subsidiaries and updates on relevant statutory/regulatory changes etc.

The details of such familiarization programmes for Independent Directors of the Company are posted on the website of the Company and it can be access

- The above core skills / expertise / competencies identified by the Company are also actually available with the Board as under:

| Sr. no | Name of the Director          | Qualification                                                                                                                                      | Skills actually available with the Director                                                                                                                                            |
|--------|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.     | Mr. Sanjay Rameshchandra Shah | Chartered Accountant & Bachelor's degree in business administration from Sardar Patel University                                                   | - Strategic Planning<br>- Risk Management Expertise<br>- Financial Expertise<br>- Marketing Expertise<br>- Operational Expertise<br>- Industry Expertise<br>- Mergers and Acquisitions |
| 2.     | Mr. Shirish Govindbhai Patel  | Bachelor's degree and a master's degree in business administration for finance, and a diploma in computer applications from the Gujarat University | - Strategic Planning<br>- Risk Management Expertise<br>- Financial Expertise<br>- Marketing Expertise<br>- Operational Expertise<br>- Industry Expertise                               |
| 3.     | Mr. Chirag Ashwinkumar Shah   | Chartered Accountant & Bachelor's degree in economics from South Gujarat University                                                                | - Strategic Planning<br>- Risk Management Expertise<br>- Financial Expertise<br>- Marketing Expertise<br>- Operational Expertise<br>- Industry Expertise                               |

by this link <https://www.prudentcorporate.com/investorrelation>

**(h) Chart/Matrix relating to skills /expertise / competence of the Board of Directors**

Company's Board is a skill-based board comprising of Directors who collectively have the skills, knowledge and experience to effectively govern and direct the organization.

The Board of Directors have identified the below mentioned core skills / expertise / competencies in the context of the business and the sector in which the Company is operating, for the Company to function effectively:

- Knowledge and/or expertise in one or more of areas like industry in which company operates like accounts, finance, taxation, marketing, business and management.
- These criteria are designed to ensure the Board consists of individuals with a balance of skills to oversee the organisation, achieve the strategic goals and direct the organisation's future.



| Sr. no | Name of the Director         | Qualification                                                                                                                                                                           | Skills actually available with the Director                                                                                                                                            |
|--------|------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4.     | Mr. Dhiraj Poddar            | Chartered Accountant & Post-Graduate Diploma in management from IIM-A                                                                                                                   | - Strategic Planning<br>- Risk Management Expertise<br>- Financial Expertise<br>- Marketing Expertise<br>- Operational Expertise<br>- Industry Expertise<br>- Mergers and Acquisitions |
| 5.     | Mr. Deepak Sood              | Bachelor's degree in science from University of Delhi, Bachelor's degree in law from University of Mumbai and Master's degree in science from University of Delhi                       | - Strategic Planning<br>- Risk Management Expertise<br>- Industry Expertise<br>- Legal Expertise                                                                                       |
| 6.     | Ms. Shilpi Sumankumar Thapar | Company Secretary & Bachelor's degree in law and a Bachelor's degree in commerce from the Gujarat University, Insolvency Professional                                                   | - Strategic Planning<br>- Risk Management Expertise<br>- Legal Expertise<br>- Financial Expertise<br>- Regulatory Expertise                                                            |
| 7.     | Mr. Karan Kailash Datta      | Bachelor's degree in commerce from the University of Delhi                                                                                                                              | - Strategic Planning<br>- Risk Management Expertise<br>- Industry Expertise                                                                                                            |
| 8.     | Mr. Aniket Sunil Talati      | Chartered Accountant & Bachelor's degree in commerce from the University of Mumbai and Master's degree in commerce for finance and taxation from Indira Gandhi National Open University | - Strategic Planning<br>- Risk Management Expertise<br>- Taxation Expertise<br>- Financial Expertise                                                                                   |

**(i) Confirmation of independence**

The Board confirms that all the Independent Directors fulfill the conditions specified in the Act and Listing Regulations and that they are Independent of the management.

**(j) Reason for resignation, if any, of Independent Director:**

During the year under review, there is no any independent director of the Company resigned from the post of independent director.

**(k) Code of Conduct:**

Your Company has formulated a Code of Conduct for board of directors, KMP and other members of Senior Management, which suitably incorporates guidance and help in recognizing and dealing with ethical issues, provide mechanisms to report unethical conduct, and to help promote a culture of honesty

Your Company has also framed Code of Conduct for Independent Directors which suitably incorporates the duties of independent directors as laid down in the Companies Act, 2013 ("Act") as well as Listing Regulations.

In respect of Financial Year 2023-24, all Board members and Senior Management Personnel of the Company have affirmed compliance with the code as applicable to them and a declaration to this effect signed by the CEO is forms part of the report.

**(l) Information supplied to the Board of Directors:**

The dates of Board and Committee Meetings were communicated to the Directors and Committee members respectively well in advance in compliance with various provision of the law. Members were given agenda in details along with necessary documents and information in advance of each meeting of the Board and Committee(s) by e-mail /physical as well as in meeting itself also except price sensitive information which was available in meeting only.

The Board periodically reviews compliance reports with respect to laws and regulations applicable to the Company. The Company provides inter alia the following information to the Board, which is given either as part of the agenda or by way of presentations during the meetings:

- Annual operating plans and budgets, capital budgets and other updates.



- Quarterly, half-yearly and annual financial results of the Company and its operating divisions or business segments.
- Detailed presentations on business strategy and future outlook of the Company.
- Oversight of the performance of the business.

The Board members may bring up any matter for consideration of the Board, in consultation with the Chairman. The Meetings of the Board and Committees are generally held at registered office of the company or through video conferencing.

**(m) Independent Directors:**

Your company is in compliance with the provisions of section 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 read with rules framed thereunder and the Listing Regulations. Mr. Aniket Sunil Talati, Mr. Deepak Sood, Mr. Karan Kailash Datta and Ms. Shilpi Sumankumar Thapar are Independent Directors of the Company and they are not liable to retire by rotation.

Independent Directors at the first meeting of the Board held in this financial year gave a declaration that he/she meets the criteria of Independence as required under Section 149 (7) of the Companies Act, 2013 read with the Listing Regulations.

Further, the Independent Directors have confirmed that they do not hold Chairmanship or membership in excess of the ceilings mentioned in Regulation 26 (1) of the Listing Regulations in Audit Committee and Stakeholders' Relationship Committee of other Companies.

None of the Independent Directors of your Company serve as Independent Directors in more than 7 listed entities and in case they are whole-time directors or managing director in any listed entity, then he/she does not serve as an Independent Director in more than 3 listed entities as per Regulation 17A of the Listing Regulations.

**(n) Formal letter of appointment to the Independent Directors:**

The Company has issued formal letter of appointment to all the Independent Directors on their appointment explaining inter-alia, their roles, responsibilities, code of conduct, functions and duties as directors of the Company. The terms and conditions of appointment of independent directors have been hosted on the website of the Company and can be accessed at <https://www.prudentcorporate.com/investorrelation>

**(o) Separate Meeting of Independent Directors:**

Pursuant to provision of Schedule IV of the Companies Act, 2013 read with Regulation 25 (3) of the Listing Regulations, a separate meeting of Independent Directors was held on 23.03.2024 inter alia, for the following purposes:

- review of the performance of non-independent directors and the board as a whole;
- review of the performance of the chairperson, Mr. Sanjay Rameshchandra Shah by taking into account the views of all the executive directors and non-executive directors;
- review and assess of the quality, quantity and timeliness of flow of information between the company management and the board of director that is necessary for the board to effectively and reasonably perform their duties;

All the Independent Directors were present in the meeting held on 23.03.2024.

**(p) Non-executive Directors compensation and disclosures:**

Your Company has not paid any fees / compensation to independent directors except commission and sitting fees within limit as specified under the Companies Act, 2013 read with Rules framed there under for board meeting attended by them. There was no pecuniary relationship or transactions of Non-executive directors vis-à-vis the Company.

**BOARD COMMITTEES**

In Compliance with the various provision of the Companies Act, 2013 read with Rules framed thereunder, the Listing Regulations and other applicable law, your Company has constituted, (1) Audit Committee (2) Nomination and Remuneration Committee (3) Stakeholders Relationship Committee (4) Corporate Social Responsibility Committee (5) Risk Management Committee and other required Committees.

The minutes of Committee meetings are tabled at the next Board meetings for their review, consideration, noting and doing needful. The minutes of the proceedings of the Committee Meetings are captured in the same manner as the Board Meetings and in accordance with the provisions of the Companies Act, 2013 read with rules framed thereunder and as per Secretarial Standard - 1.





### 3. AUDIT COMMITTEE:

#### (a) Brief description of terms of references:

Your company has constituted a qualified and independent Audit Committee in line with provisions of Section 177 of the Companies Act, 2013 read with rules framed thereunder and Regulation 18 of the Listing Regulations. As on 31st March, 2024, Audit Committee comprises four members out of which three are Non-Executive Independent Director and one is Non-executive (Nominee) Director. Mr. Kunal AmrishBhai Chauhan, Company Secretary acts as a Secretary to the Audit Committee.

The terms of reference of the the Audit Committee are in compliance with the provision of Section 177 of the Companies Act, 2013 read with the Rules framed there under and Listing Regulations.

The brief description of Terms of reference of the Audit Committee is as under:

1. oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
2. recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. formulation of a policy on related party transactions, which shall include materiality of related party transactions and making of omnibus approval of related party transactions;
5. reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
6. examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b) Changes, if any, in accounting policies and practices and reasons for the same
  - c) Major accounting entries involving estimates based on the exercise of judgment by management

- d) Significant adjustments made in the financial statements arising out of audit findings
  - e) Compliance with listing and other legal requirements relating to financial statements
  - f) Disclosure of any related party transactions; and
  - g) Modified opinion(s) in the draft audit report.
  7. reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
  8. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  9. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  10. approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed
- Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.
11. scrutiny of inter-corporate loans and investments;
  12. valuation of undertakings or assets of the Company, wherever it is necessary;
  13. evaluation of internal financial controls and risk management systems;
  14. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  15. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  16. discussion with internal auditors of any significant findings and follow up there on;



17. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
18. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
20. looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
21. reviewing the functioning of the whistle blower mechanism;
22. monitoring the end use of funds raised through public offers and related matters;
23. overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
24. approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
25. reviewing the utilization of loans and/or advances from / investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing; and
26. carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.
27. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
28. Such roles as may be prescribed under the Companies Act, SEBI Listing Regulations and other applicable provisions.

29. Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
  - (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
30. the Audit Committee shall mandatorily review the following information:
  - (i) Management discussion and analysis of financial condition and results of operations;
  - (ii) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - (iii) Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - (iv) Internal audit reports relating to internal control weaknesses;
  - (v) The appointment, removal and terms of remuneration of the chief internal auditor;
  - (vi) Statement of deviations in terms of the SEBI Listing Regulations:
    - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations; and
    - b) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations.
    - c) review the financial statements, in particular, the investments made by any unlisted subsidiary.

#### (b) The details about the composition of the Committee, Name of chairperson & Members and attendance at the meetings are as under:

The Audit Committee met 7 (Seven) times during the Financial Year 2023-2024 and the time gap between two meetings was not more than 120 days. The Meetings were held on 21-04-2023, 24-05-2023, 17-07-2023, 25-07-2023, 26-10-2023, 25-01-2024 and 26-03-2024.



| Name of the Director | Designation | Nature of Directorship                             | Audit Committee Meetings |                                    |
|----------------------|-------------|----------------------------------------------------|--------------------------|------------------------------------|
|                      |             |                                                    | No. of meetings held     | No. of Meetings attended by member |
| Mr. Aniket Talati    | Chairperson | Non-Executive/ Independent Director                | 7                        | 6                                  |
| Mr. Deepak Sood      | Member      | Non-Executive/ Independent Director                | 7                        | 7                                  |
| Mr. Karan Datta      | Member      | Non-Executive/ Independent Director                | 7                        | 7                                  |
| Mr. Dhiraj Poddar    | Member      | Non-executive (Nominee) Director                   | 7                        | 6                                  |
| Ms. Shilpi Thapar    | Member      | Non-Executive/ Independent Director/Woman Director | 6                        | 5                                  |

All the members of the committee are well-versed in matters relating to finance, accounts and general management practices. Mr. Aniket Talati, Chairman of the Audit Committee is a Qualified CA & fellow member of Institute of Chartered Accountants of India, and he was present at the Annual General Meeting of the Company held on August 29, 2023. The CEO, CFO, and the Statutory Auditors regularly attend the meeting of the Audit Committee as permanent invitees. Other invitees were invited on need basis to brief the Audit Committee on important matters.

**4. NOMINATION AND REMUNERATION COMMITTEE:**

**(a) Brief description of terms of reference:**

Your company has framed qualified Nomination and Remuneration Committee as per the requirements of Section 178 of the Companies Act, 2013 read with Rules framed thereunder and Regulation 19 of the Listing Regulations.

The Nomination and Remuneration Committee, as on 31<sup>st</sup> March, 2024, comprises 3 (Three) directors out of which 2 (Two) are Non-Executive-Independent Director and one is Non-Executive (Nominee) Director of the Company.

The terms of reference of the Nomination and Remuneration Committee inter alia, includes the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the “Board” or “Board of Directors”) a policy relating to the remuneration of the directors, key managerial personnel and other employees (“Remuneration Policy”) which shall be placed on the website of the company and disclosed in the boards’ report.
- The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:
  - the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

- Formulation of criteria for evaluation of independent directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and key managerial personnel who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director’s performance (including independent director);
- Analysing, monitoring and reviewing various human resource and compensation matters;
- Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Determining the Company’s policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;
- Reviewing and approving the Company’s compensation strategy from time to time in the context of the current Indian market in accordance with applicable laws;



(10) Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.

**(b) The details about the composition of the Committee, Name of Chairperson & Members and attendance at the meetings are as under:**

The Nomination and Remuneration Committee met 3 (three) times on 20.05.2023, 17-07-2023 and 25.01.2024 during the Financial Year 2023-24.

Mr. Deepak Sood, Chairman of the Nomination and Remuneration Committee was present at the Annual General Meeting of the Company held on August 29, 2023.

The details of the composition of the committee, name of chairperson & members and attendance at the meetings during the financial year 2023-24 are as under:

| Name of the Director    | Designation | Nature of Directorship              | Meeting details      |                                    |
|-------------------------|-------------|-------------------------------------|----------------------|------------------------------------|
|                         |             |                                     | No. of meetings held | No. of Meetings attended by member |
| Mr. Deepak Sood         | Chairman    | Non-Executive/ Independent Director | 3                    | 3                                  |
| Mr. Karan Kailash Datta | Member      | Non-Executive/ Independent Director | 3                    | 3                                  |
| Mr. Dhiraj Poddar       | Member      | Non-Executive (Nominee) Director    | 3                    | 3                                  |

**(c) Performance Evaluation Criteria for Independent Directors:**

The Nomination and Remuneration policy of the Company lays down the criteria of appointment and remuneration of Directors/Key Managerial Personnel including criteria for determining qualification, positive attributes, independence of Directors, criteria for performance evaluation of Executive and Non-Executive Directors (including Independent Directors) and other matters as prescribed under the provisions of the Act and Listing Regulations. An indicative list of factors that may be evaluated including but not limited to participation

and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgement.

**(d) Nomination and Remuneration Policy of the Company**

The Nomination and Remuneration Policy formulated and recommended by the Nomination and Remuneration Committee is duly approved by the Board of Directors of the Company. The Nomination and Remuneration Committee has formulated the criteria for appointment and remuneration including determination of qualifications, positive attributes, independence of Directors and other matters as provided under sub-section (3) of Section 178 of the Companies Act, 2013 read with Part D of Listing Regulations. The remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration Policy of your Company.

The Nomination and Remuneration policy is applicable to all the Directors, Key Managerial Personnel and Senior Management Personnel of the company.

The Policy provides guidance on:

- Selection and Nomination of Directors to the Board of the Company;
- Appointment of the KMP and Senior Management Personnel of the Company; and
- Remuneration of Directors, Key Managerial Personnel and Senior Management Personnel.
- Term of Executive Directors, KMP and Senior Management Personnel

The said policy is available on the website of the Company under the web link <https://www.prudentcorporate.com/investorrelation>.

**5. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

In compliance with provisions of section 178(5) of the Companies Act, 2013 read with Rules framed thereunder and Regulation 20 of the Listing Regulation, the Company has duly constituted Stakeholders Relationship Committee (SRC).

As per Regulation 20(4) of the Listing Regulation, following are the Role of the Stakeholders’ Relationship Committee specified under Part D of Schedule II of the Listing Regulation:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares or debentures, including non-





receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, non-receipt of annual report or balance sheet, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;

2. review of measures taken for effective exercise of voting rights by shareholders;
3. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
4. Advising for giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
5. review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;
6. review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
7. Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

**(a) Name of the Director heading the Committee:**

During the financial Year 2023-24, the Committee met once on March 14, 2024.

| Name of the Director         | Designation | Nature of Directorship             | No. of SRC Meetings held | SRC Meetings attended |
|------------------------------|-------------|------------------------------------|--------------------------|-----------------------|
| Ms. Shilpi Sumankumar Thapar | Chairperson | Non-Executive Independent Director | 1                        | 1                     |
| Mr. Aniket Sunil Talati      | Member      | Non-Executive Independent Director | 1                        | 1                     |
| Mr. Chirag Ashwinkumar Shah  | Member      | Whole-time Director                | 1                        | 1                     |

**(b) Name and designation of Compliance Officer:**

Mr. Kunal Amrishbhai Chauhan, Company Secretary is the Compliance Officer for complying with the requirements of Securities laws and the Listing Regulations.

**(c) Number of shareholders' complaints received, number not solved to the satisfaction of shareholders and number of pending complaints:**

During the Financial Year 2023-24, the Company received one complaint during the year and same was solved to the satisfaction of shareholder. There is no complaint pending at the end of the Financial Year.

**6. RISK MANAGEMENT COMMITTEE:**

**(a) Brief description of terms of reference:**

The terms of reference of the Risk Management Committee are as under:

1. To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan;
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. To review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any);
7. To review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof;

8. To implement and monitor policies and/or processes for ensuring cyber security;
9. To frame, devise and monitor risk management plan and policy of the Company;
10. To review and recommend potential risk involved in any new business plans and processes;
11. To review the Company's risk-reward performance to align with the Company's overall policy objectives;
12. Monitor and review regular updates on business continuity;
13. Advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy; and
14. Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

**(b) Composition, name of members & chairperson and attendance of meetings during the year:**

Company has constituted Risk Management Committee, in compliance with the provision of Regulation 21 of the Listing Regulations.  
  
The Risk Management Committee met twice on August 23, 2023 and February 14, 2024 during the Financial Year 2023-24.

The composition of the Risk Management Committee as on March 31, 2024 and the details of members' participation at the respective meeting of the Committee are as under:

| Name of the Director             | Designation | Nature of Directorship             | No. of Meetings |          |
|----------------------------------|-------------|------------------------------------|-----------------|----------|
|                                  |             |                                    | Held            | Attended |
| Mr. Sanjay Rameshchandra Shah    | Chairperson | Chairman and Managing Director     | 2               | 2        |
| Mr. Shirish Govindbhai Patel     | Member      | Whole Time Director & CEO          | 2               | 2        |
| Mr. Aniket Sunil Talati          | Member      | Non-Executive/Independent Director | 2               | 2        |
| Mr. Chirag Ashwin kumar Shah     | Member      | Whole Time Director                | 2               | 2        |
| Mr. Chiragkumar Bansilal Kothari | Member      | Chief Financial Officer            | 2               | 2        |

**7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

- (a) Composition, name of members & chairperson and attendance of meetings during the year:

Company has constituted Corporate Social Responsibility (CSR) Committee, in compliance with the provision of section 135 of the Companies Act, 2013 read with Rules framed thereunder.

The CSR Committee met twice during the Financial Year 2023-24 on May 20, 2023 and March 28, 2024.

The composition of the CSR Committee as on 31st March, 2024 and the details of members' participation at the respective meeting of the Committee are as under:

| Name of the Director          | Designation | Nature of Directorship             | No. of Meetings |          |
|-------------------------------|-------------|------------------------------------|-----------------|----------|
|                               |             |                                    | Held            | Attended |
| Mr. Karan Kailash Datta       | Chairperson | Non-Executive/Independent Director | 2               | 1        |
| Mr. Sanjay Rameshchandra Shah | Member      | Managing Director & Chairperson    | 2               | 2        |
| Ms. Shilpi Sumankumar Thapar  | Member      | Non-Executive/Independent Director | 2               | 2        |
| Mr. Chirag Ashwinkumar Shah   | Member      | Whole Time Director                | 2               | 2        |

- (b) Terms of reference:

The terms of reference of the CSR Committee are as under:

- (1) formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;
- (2) formulate and recommend an annual action plan in pursuance of its Corporate Social Responsibility Policy which shall list the projects or programmes undertaken, manner of execution of such projects, modalities of utilisation of funds, monitoring and reporting mechanism for the projects;



- (3) identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- (4) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (1) above and the distribution of the same to various corporate social responsibility programs undertaken by the Company;
- (5) delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- (6) review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- (7) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and
- (8) exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

**8. REMUNERATION TO DIRECTORS:**

**(a) Pecuniary relationship or transactions with Non-executive director's vis-à-vis the Company:**

There was no any pecuniary relationship or transactions with Non-executive director's vis-à-vis the Company.

**(b) Criteria for Making payment to non-executive directors:**

1. The Non-Executive and Independent Director may receive fees for attending meeting of Board or Committee thereof. Provided that the amount of such fees will not exceed the ceiling / limit under the Act.
2. A Non-Executive Director may be paid commission on an annual basis/monthly basis, of such sum as may be approved by the Board on the recommendation of the Nomination and Remuneration Committee.
3. The Committee may recommend to the Board, the payment of commission, to reinforce the principles of collective responsibility of the Board.
4. In determining the quantum of commission payable to the Directors, the Committee shall make its recommendation after taking into consideration

the overall performance of the Company and the onerous responsibilities required to be shouldered by the Director.

5. The total commission payable to the Directors shall not exceed prescribed limits as specified under Companies Act, 2013.
6. The commission shall be payable on pro-rata basis to those Directors who occupy office for part of the year.

**(c) Disclosure with respect to remuneration:**

The detail of remuneration and sitting fees paid to the directors during the financial year 2023-24 is as under:

(Amount in ₹ lakhs)

| Name                          | Salary, Perquisites, Allowances and Incentive | Commission | Sitting Fess | Total  |
|-------------------------------|-----------------------------------------------|------------|--------------|--------|
| Mr. Sanjay Rameshchandra Shah | 225.60                                        | -          | -            | 225.60 |
| Mr. Shirish Govindbhai Patel  | 734.40                                        | -          | -            | 734.40 |
| Mr. Chirag Ashwinkumar Shah   | -                                             | -          | -            | -      |
| Mr. Dhiraj Poddar             | -                                             | -          | -            | -      |
| Mr. Deepak Sood               | -                                             | 15.00      | 4.50         | 19.50  |
| Ms. Shilpi Sumankumar Thapar  | -                                             | 6.00       | 4.50         | 10.50  |
| Mr. Karan Kailash Datta       | -                                             | 15.00      | 3.75         | 18.75  |
| Mr. Aniket Sunil Talati       | -                                             | -          | 3.00         | 3.00   |

Your Company is not paying anything to non-executive director except commission and sitting fees for board meeting attended by them.

The remuneration by way of commission to the Non-Executive Directors is decided by the Board of Directors and distributed to them based on their participation and contribution at the Board and Committee meetings.

In view of the valuable services being rendered by the said Directors to the Company, the shareholders at the 18<sup>th</sup> AGM of the Company, held on July 23, 2021, had approved payment of



commission to the Non-Executive Directors of the Company for a period of 5 years, commencing from April 1, 2021, distributed between such Directors in such a manner as the Board of Directors, may from time to time determine within the overall maximum limit of 1% (one percent) of the net profits of the Company for that financial year computed in accordance with the provisions of Section 198 of the Act, and shall be in addition to the sitting fees payable to the Directors for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board. In the event of loss or inadequacy of profits in any financial year during the term mentioned above, the Non-executive Directors including Independent Directors shall be paid remuneration by way of Commission as set out above, as may be decided by the Board of Directors of the Company, notwithstanding that it may exceed one percent of the net profits of the Company and subject to such restrictions, if any, as may be set out in the

applicable provisions of and schedule V to the Act, from time to time.

Directors are receiving only the fixed component of remuneration except the Company has paid performance based incentive to Mr. Shirish Govindbhai Patel of 100% of his Annual Salary in accordance with the terms and condition of his appointment as approved by the shareholders in 20<sup>th</sup> AGM of the Company, held on August 29, 2023. Performance based Incentive/Bonus are based on performance review of the Key Responsibility Areas (KRAs) and other measurable indicators along with performance of the organization, profitability and other financial indicators.

During the financial year, 2023-24, the Company does not have any stock option scheme for its Directors or employees. Moreover, there is no separate provision for payment of severance fees to the Directors.

**9. GENERAL BODY MEETINGS:**

**Location and time of last three Annual General Meetings (AGMs) were held and special resolutions passed in the previous 3 AGMs:**

| Financial year ended | Day/Date of AGM               | Time     | Location                                                                                                         | No. of Special Resolution passed |
|----------------------|-------------------------------|----------|------------------------------------------------------------------------------------------------------------------|----------------------------------|
| 31.03.2023           | Tuesday, 29.08.2023           | 1:00 PM  | Deemed Venue: Prudent House, 3 Devang Park Society Panjarapole Cross Road, Ambawadi, Ahmedabad – 380015, Gujarat | 6 (Six)<br><b>(See Note :1)</b>  |
| 31.03.2022           | Thursday, 29.09.2022          | 12:30 PM | Deemed Venue: Prudent House, 3 Devang Park Society Panjarapole Cross Road, Ambawadi, Ahmedabad – 380015, Gujarat | 2 (Two)<br><b>(See Note:2)</b>   |
| 31.03.2021           | Friday, 23.07.2021 (Unlisted) | 2:30 PM  | Deemed Venue: Prudent House, 3 Devang Park Society Panjarapole Cross Road, Ambawadi, Ahmedabad – 380015, Gujarat | 7 (Seven)<br><b>(See Note:3)</b> |

Note: 1 In the Annual General Meeting held on 29.08.2023, 6 (Six) Special Resolutions were passed as follow :

1. To approve increase in remuneration of Mr. Shirish Govindbhai Patel (DIN : 00239732), Whole – time Director and CEO of the Company.
2. To re-appoint Mr. Shirish Govindbhai Patel (DIN: 00239732) as Whole –time Director and CEO of the Company for another term of Three Years.
3. To approve increase in remuneration of Mr. Sanjay Rameshchandra Shah (DIN: 00239810 ), Chairman and Managing Director of the Company.
4. To re-appoint Mr. Sanjay Rameshchandra Shah (DIN: 00239810) as Chairman and Managing Director of the Company for another term of Three Years.

5. To re-appoint Mr. Deepak Sood (DIN: 01642332) as an Independent Director of the Company.

6. To re-appoint Mr. Karan Kailash Datta (DIN: 08413809) as an Independent Director of the Company.

Note: 2 In the Annual General Meeting held on 29.09.2022, 2 (Two) Special Resolutions were passed as follow:

1. To approve payment of remuneration to Mr. Shirish Govindbhai Patel, Whole-time Director and CEO of the Company
2. To approve payment of remuneration to Mr. Sanjay Rameshchandra Shah, Chairman and Managing Director of the Company.

Note: 3 In the Annual General Meeting held on 23.07.2021, 7 (Seven) Special Resolutions were passed as follow:





1. To approve and modify revised Employment Contract of Mr. Shirish Govindbhai Patel as CEO of the Company;
2. To approve and modify revised Employment Contract of Mr. Sanjay Rameshchandra Shah as Chairman and Managing Director of the Company;
3. Approval for Payment of Commission to Non-Executive Directors for a Period of Five Years Commencing from 1 April 2021
4. Adoption of Revised Articles of Association
5. Issue of Bonus Shares to the Holders of Equity Shares as well as Preference Shares
6. Approval of a Stock Split
7. Raising of Capital through an Initial Public Offering

**10. MEANS OF COMMUNICATION:**

|     |                                                                  |                                                                                                                                                                                                                                                                                                                                         |
|-----|------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (a) | Quarterly results                                                | The quarterly results are published in the newspapers and displayed on the Company's website.                                                                                                                                                                                                                                           |
| (b) | Newspapers wherein results normally published                    | The Quarterly, Half Yearly Financial Results are generally published in Financial Express/ Business Standard/ Mint in English language & also in Gujarati language in Financial Express/Jai Hind.                                                                                                                                       |
| (c) | Company's website, where displayed                               | The separate section named "INVESTOR RELATIONS" in the Company's website www.prudentcorporate.com is displaying required information in respect of interest of various stakeholders. The Annual Report for this financial year 2023-2024 as well as Quarterly / Half Yearly Financial Results of the Company is also available therein. |
| (d) | Whether it also displays official news releases;                 | The Company's official news releases and presentations made to the institutional investors and analysts, if any are also available on the Company's website.                                                                                                                                                                            |
| (e) | The presentations made to institutional investors or to analysts |                                                                                                                                                                                                                                                                                                                                         |

**11. GENERAL SHAREHOLDER INFORMATION:**

| (a)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>AGM: Date, Time and Venue</b>      | Thursday, 26 <sup>th</sup> day of September, 2024 at 11:00 AM through Video Conferencing/Other Audio Visual Means. For details refer Notice of this AGM. The Proceeding of the AGM shall be deemed to be conducted at the Registered Office of the Company at Prudent House, 3 Devang Park Society Panjarapole Cross Road, Ambawadi, Ahmedabad – 380015, Gujarat, India. |             |   |                                 |                             |  |  |                                            |   |                                            |                                                 |   |                                            |                                                |   |                                            |                                                                  |   |                                            |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|---|---------------------------------|-----------------------------|--|--|--------------------------------------------|---|--------------------------------------------|-------------------------------------------------|---|--------------------------------------------|------------------------------------------------|---|--------------------------------------------|------------------------------------------------------------------|---|--------------------------------------------|
| (b)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>Financial Year</b>                 | Financial Year of the Company is from 01 <sup>st</sup> April to 31 <sup>st</sup> March and financial results will be declared for the financial year 2024-25 as per the following schedule:                                                                                                                                                                              |             |   |                                 |                             |  |  |                                            |   |                                            |                                                 |   |                                            |                                                |   |                                            |                                                                  |   |                                            |
| <table border="1"> <thead> <tr> <th>Particulars</th> <th>:</th> <th>Tentative and subject to Change</th> </tr> </thead> <tbody> <tr> <td>Quarterly Unaudited Results</td> <td></td> <td></td> </tr> <tr> <td>Quarter ending 30<sup>th</sup> June, 2024</td> <td>:</td> <td>within 45 days from the end of the quarter</td> </tr> <tr> <td>Quarter ending 30<sup>th</sup> September, 2024</td> <td>:</td> <td>within 45 days from the end of the quarter</td> </tr> <tr> <td>Quarter ending 31<sup>st</sup> December, 2024</td> <td>:</td> <td>within 45 days from the end of the quarter</td> </tr> <tr> <td>Fourth Quarter and Annual ending on 31<sup>st</sup> March, 2025</td> <td>:</td> <td>within 60 days from the end of the quarter</td> </tr> </tbody> </table> |                                       |                                                                                                                                                                                                                                                                                                                                                                          | Particulars | : | Tentative and subject to Change | Quarterly Unaudited Results |  |  | Quarter ending 30 <sup>th</sup> June, 2024 | : | within 45 days from the end of the quarter | Quarter ending 30 <sup>th</sup> September, 2024 | : | within 45 days from the end of the quarter | Quarter ending 31 <sup>st</sup> December, 2024 | : | within 45 days from the end of the quarter | Fourth Quarter and Annual ending on 31 <sup>st</sup> March, 2025 | : | within 60 days from the end of the quarter |
| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | :                                     | Tentative and subject to Change                                                                                                                                                                                                                                                                                                                                          |             |   |                                 |                             |  |  |                                            |   |                                            |                                                 |   |                                            |                                                |   |                                            |                                                                  |   |                                            |
| Quarterly Unaudited Results                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                       |                                                                                                                                                                                                                                                                                                                                                                          |             |   |                                 |                             |  |  |                                            |   |                                            |                                                 |   |                                            |                                                |   |                                            |                                                                  |   |                                            |
| Quarter ending 30 <sup>th</sup> June, 2024                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | :                                     | within 45 days from the end of the quarter                                                                                                                                                                                                                                                                                                                               |             |   |                                 |                             |  |  |                                            |   |                                            |                                                 |   |                                            |                                                |   |                                            |                                                                  |   |                                            |
| Quarter ending 30 <sup>th</sup> September, 2024                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | :                                     | within 45 days from the end of the quarter                                                                                                                                                                                                                                                                                                                               |             |   |                                 |                             |  |  |                                            |   |                                            |                                                 |   |                                            |                                                |   |                                            |                                                                  |   |                                            |
| Quarter ending 31 <sup>st</sup> December, 2024                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | :                                     | within 45 days from the end of the quarter                                                                                                                                                                                                                                                                                                                               |             |   |                                 |                             |  |  |                                            |   |                                            |                                                 |   |                                            |                                                |   |                                            |                                                                  |   |                                            |
| Fourth Quarter and Annual ending on 31 <sup>st</sup> March, 2025                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | :                                     | within 60 days from the end of the quarter                                                                                                                                                                                                                                                                                                                               |             |   |                                 |                             |  |  |                                            |   |                                            |                                                 |   |                                            |                                                |   |                                            |                                                                  |   |                                            |
| (c)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>Record date for Final Dividend</b> | Friday, 13 <sup>th</sup> day of September, 2024                                                                                                                                                                                                                                                                                                                          |             |   |                                 |                             |  |  |                                            |   |                                            |                                                 |   |                                            |                                                |   |                                            |                                                                  |   |                                            |



|     |                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----|------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (d) | <b>Dividend Payment Date</b>                                                                                                 | Your Board has recommended a Final Dividend of ₹ 2.00 per share (40%) on equity shares of face value of ₹ 5/- each. This is subject to approval by the members of the company at the ensuing Annual General Meeting.<br><br>Final Dividend on equity shares as recommended by the Board of Directors for the year ended 31 <sup>st</sup> March, 2024, when approved at the Annual General Meeting, will be paid after the date of ensuing AGM but within the statutory time limit of 30 days from the date of declaration in the AGM. |
| (e) | <b>Name and address of stock exchanges at which the Company's shares are listed &amp; details of annual listing fee paid</b> | The Company's equity shares are listed on the BSE Limited and the National Stock Exchange of India Limited w.e.f. May 20, 2022.<br><br>(i) BSE Limited (BSE), Corporate office: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 and<br><br>(ii) National Stock Exchange of India Limited (NSE), Corporate office: Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051<br><br>Annual Listing Fees for the year 2023-24 has been paid by the Company to BSE and NSE.                                |
| (f) | <b>D-mat ISIN Numbers in NSDL &amp; CDSL</b>                                                                                 | INE00F201020                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| (g) | <b>Stock Code/Symbol</b>                                                                                                     | BSE Equity Script Code: 543527<br><br>NSE Equity Symbol: PRUDENT                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

**(h) Market Price Data high and low during each month in last financial year:**

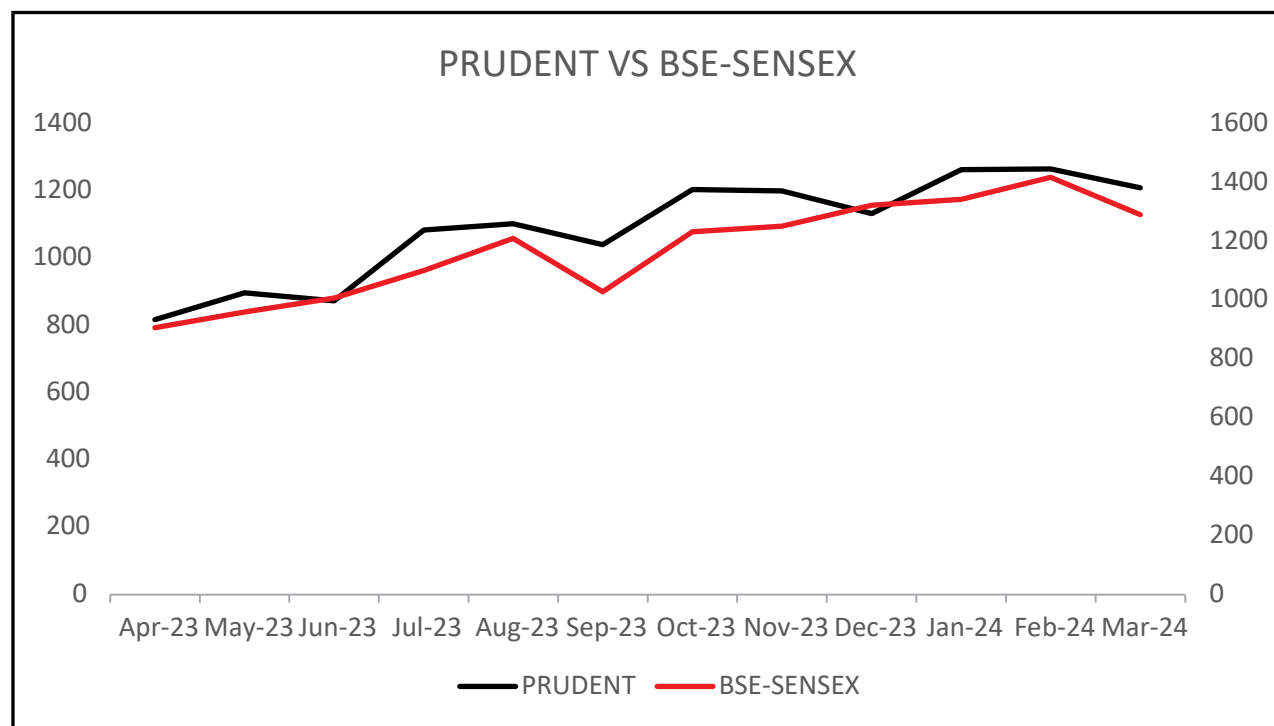
| Month    | BSE Limited |           |                                | National Stock Exchange of India Limited (NSE) |           |                                |
|----------|-------------|-----------|--------------------------------|------------------------------------------------|-----------|--------------------------------|
|          | High Price  | Low Price | Number of Equity Shares Traded | High Price                                     | Low Price | Number of Equity Shares Traded |
| Apr-2023 | 933.95      | 793.65    | 24,882                         | 932.00                                         | 793.20    | 3.19 Lakhs                     |
| May-2023 | 1025.00     | 840.00    | 48,090                         | 1029.85                                        | 847.15    | 7.82 Lakhs                     |
| Jun-2023 | 998.00      | 881.10    | 39,326                         | 999.00                                         | 885.35    | 4.80 Lakhs                     |
| Jul-2023 | 1,238.40    | 963.30    | 1,02,895                       | 1,237.00                                       | 970.35    | 11.70 Lakhs                    |
| Aug-2023 | 1,259.65    | 1,058.95  | 39,48,964                      | 1,262.95                                       | 1,058.80  | 15.12 Lakhs                    |
| Sep-2023 | 1,188.45    | 900.05    | 72,244                         | 1,189.95                                       | 1085.00   | 8.85 Lakhs                     |
| Oct-2023 | 1,376.50    | 1,078.95  | 78,825                         | 1,378.15                                       | 1,075.60  | 12.51 Lakhs                    |
| Nov-2023 | 1,371.45    | 1,094.95  | 78,148                         | 1,374.55                                       | 1,093.55  | 13.22 Lakhs                    |
| Dec-2023 | 1,294.55    | 1,157.00  | 50,024                         | 1,296.45                                       | 1,150.05  | 4.99 Lakhs                     |
| Jan-2024 | 1,444.00    | 1,175.00  | 89,891                         | 1,444.50                                       | 1,180.00  | 10.25 Lakhs                    |
| Feb-2024 | 1,445.40    | 1,240.55  | 63,081                         | 1,449.00                                       | 1,238.00  | 41.00 Lakhs                    |
| Mar-2024 | 1,382.45    | 1,129.00  | 37,778                         | 1,387.95                                       | 1,135.00  | 5.64 Lakhs                     |

**(i) Performance in comparison to board-based indices such as BSE Sensex:**

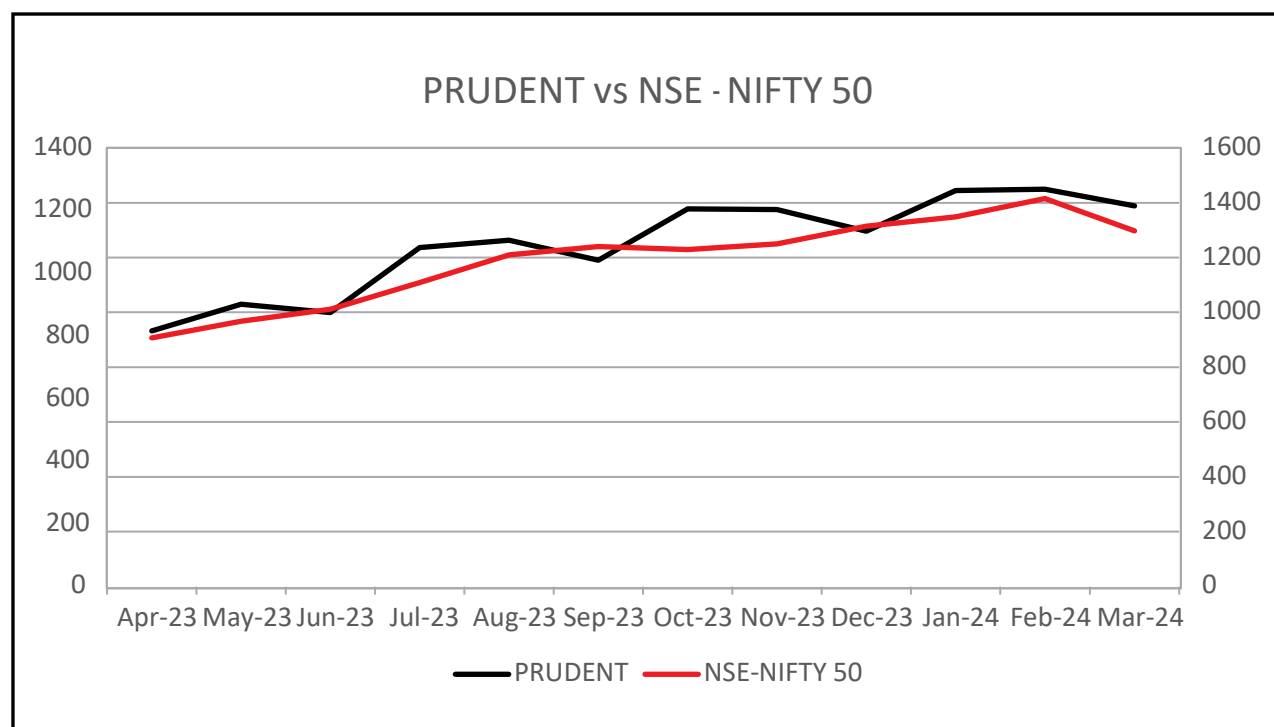
The Chart below plots the monthly high price of the equity shares of the Company versus the BSE-Sensex and NSE Nifty 50 for the financial year ended March 31, 2023



1. The performance of your company's shares relative to the BSE -Sensex index is given in the chart below:



2. The performance of your company's shares relative to the NSE - Nifty 50 index is given in the chart below:



(j) In case the securities are suspended from trading, the Directors Report shall explain the reason thereof:

Not Applicable

(k) Registrar to an issue and share transfer agents:

|                                     |                                                                                                                                                                                                        |
|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Share Registrar and Transfer Agent: | Link Intime India Private Limited<br>C101, 247 Park, L.B.S. Marg,<br>Vikhroli (West), Mumbai - 400 083 Tel No: 022- 4918 6000<br>Email Id: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in |
|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

(l) Share Transfer System:

99.99% of equity shares of the Company are in demat mode. Transfer of these shares is done through depositories with no involvement of the Company.

Share Transfer and related operations for the Company are processed by the Company's RTA viz. Link Intime India Private Limited.

The Registrars and Share Transfer Agent have put in place an appropriate Share Transfer system to ensure timely share transfers. Share transfers are registered and returned in the normal course within an average period of 30 days from the date of receipt, if the documents are clear in all respects. Requests for dematerialisation of shares are processed and confirmation is given to the respective depositories i.e. NSDL and CDSL within 21 days.

(m) Distribution of Shareholding:

(1) The distribution of shareholding of the Company as on March 31, 2024 was as follows:

| No. of Shares       | Number of Shareholders | % of Total Shareholders | Number of Shares held | % of Total Share Capital |
|---------------------|------------------------|-------------------------|-----------------------|--------------------------|
| 1 to 2500           | 21703                  | 97.8097                 | 4542645               | 2.1942                   |
| 2501 to 5000        | 239                    | 1.0771                  | 859805                | 0.4153                   |
| 5001 to 10000       | 102                    | 0.4597                  | 735370                | 0.3552                   |
| 10001 to 15000      | 36                     | 0.1622                  | 471430                | 0.2277                   |
| 15001 to 20000      | 13                     | 0.0586                  | 233500                | 0.1128                   |
| 20001 to 25000      | 12                     | 0.0541                  | 272310                | 0.1315                   |
| 25001 to 50000      | 17                     | 0.0766                  | 599235                | 0.2894                   |
| 50001 to 9999999999 | 67                     | 0.302                   | 199319105             | 96.2739                  |
| <b>TOTAL :</b>      | <b>22189</b>           | <b>100</b>              | <b>207033400</b>      | <b>100</b>               |

(2) Shareholding pattern by Ownership as on March 31, 2024:

| Sr. No | Category                                                                              | Total Securities | Total Value | Percent |
|--------|---------------------------------------------------------------------------------------|------------------|-------------|---------|
| 1      | Alternate Invst Funds - III                                                           | 85430            | 427150      | 0.2063  |
| 2      | Body Corporate - Ltd Liability Partnership                                            | 4527             | 22635       | 0.0109  |
| 3      | Clearing Members                                                                      | 476              | 2380        | 0.0011  |
| 4      | Directors and their relatives (excluding independent Directors and nominee Directors) | 1108084          | 5540420     | 2.6761  |
| 5      | Foreign Company                                                                       | 2916961          | 14584805    | 7.0447  |
| 6      | Foreign Portfolio Investors (Corporate) - I                                           | 4946222          | 24731110    | 11.9455 |
| 7      | Foreign Portfolio Investors(Corporate)- II                                            | 65921            | 329605      | 0.1592  |
| 8      | Hindu Undivided Family                                                                | 36383            | 181915      | 0.0879  |





| Sr. No  | Category                       | Total Securities | Total Value | Percent |
|---------|--------------------------------|------------------|-------------|---------|
| 9       | Key Managerial Personnel       | 847              | 4235        | 0.002   |
| 10      | Mutual Funds                   | 6411063          | 32055315    | 15.4832 |
| 11      | Non Resident (Non Repatriable) | 52799            | 263995      | 0.1275  |
| 12      | Non Resident Indians           | 82516            | 412580      | 0.1993  |
| 13      | Other Bodies Corporate         | 219473           | 1097365     | 0.53    |
| 14      | Promoter - Trust               | 1000             | 5000        | 0.0024  |
| 15      | Promoters                      | 17952250         | 89761250    | 43.3559 |
| 16      | Promoters - HUF                | 4000             | 20000       | 0.0097  |
| 17      | Public                         | 1281081          | 6405405     | 3.0939  |
| 18      | Relatives Of Promoters         | 1281081          | 6405405     | 3.0939  |
| 19      | Trusts                         | 222              | 1110        | 0.0005  |
| TOTAL : |                                | 41406680         | 207033400   | 100     |

**(3) Shareholding –Top 10 Shareholders as on March 31, 2024:**

| Sr. No. | Shareholder's Name                                         | No. of Shares | Percentage |
|---------|------------------------------------------------------------|---------------|------------|
| 1       | SANJAY RAMESHCHANDRA SHAH                                  | 17952250      | 43.3559    |
| 2       | ZULIA INVESTMENTS PTE. LTD.                                | 3251932       | 7.8536     |
| 3       | TA FDI INVESTORS LIMITED                                   | 2916961       | 7.0447     |
| 4       | SAKHI SANJAYBHAI SHAH                                      | 2760000       | 6.6656     |
| 5       | MAITRY SANJAYBHAI SHAH                                     | 2760000       | 6.6656     |
| 6       | DSP SMALL CAP FUND                                         | 1501846       | 3.6271     |
| 7       | SHIRISH GOVINDBHAI PATEL                                   | 1090561       | 2.6338     |
| 8       | DSP FLEXI CAP FUND                                         | 972570        | 2.3488     |
| 9       | DSP EQUITY & BOND FUND                                     | 634683        | 1.5328     |
| 10      | NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA GROWTH FUND | 614268        | 1.4835     |

**(n) Dematerialization of shares and Liquidity:**

Equity shares of the Company can be traded in dematerialized form only. The Company has established connectivity with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through its Registrars & Share Transfer Agents Link Intime India Private Limited.

**Break up of shares in physical and d-mat form as on March 31, 2024:**

| Sr. No. | Particulars    | No. of Shares   | % of Shares   |
|---------|----------------|-----------------|---------------|
| 1       | Demat Segment: |                 |               |
|         | NSDL           | 15488034        | 37.40         |
|         | CDSL           | 25918645        | 62.60         |
| 2.      | Physical:      | 1               | 0.00          |
|         | <b>Total:</b>  | <b>41406680</b> | <b>100.00</b> |

**(o) Outstanding GDRS / ADRS / Warrants or any Convertible Instruments, conversion date and likely impact on equity:**

Not Applicable

**(p) Commodity price risk or foreign exchange risk and hedging activities:**

Not Applicable.

**(q) Plant Locations:**

The Company is in the business of mutual fund distribution, therefore, it does not have any manufacturing plants.



**(r) Address for correspondence:**

|                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>To contact Registrar &amp; Transfer Agent for all matters relating to Shares, Dividends, Annual Reports</b>                                            | <b>Link Intime India Private Limited</b><br>C 101, 247 Park<br>L.B.S. Marg, Vikhroli (West),<br>Mumbai 400 083, Maharashtra<br>Tel No.: 022 4918 6200<br>Email: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a><br>Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>                                                 |
| <b>For any other General Matters or in case of any difficulties / grievances including matters relating to Shares, Dividends, Annual Reports as above</b> | <b>Compliance Department Prudent Corporate Advisory Services Limited,</b><br>“Prudent House”, Panjrapole Cross Road, Nr. Polytechnic, Ambawadi, Ahmedabad - 380 006, Gujarat.<br>Email: <a href="mailto:cs@prudentcorporate.com">cs@prudentcorporate.com</a><br>Website: <a href="http://www.prudentcorporate.com">www.prudentcorporate.com</a><br>Tel No.: +91 79 40209600 |
| <b>Name of the Compliance Officer</b>                                                                                                                     | <b>Mr. Kunal Amrishbhai Chauhan</b><br>Company Secretary                                                                                                                                                                                                                                                                                                                    |

**(s) List of all credit ratings obtained by the entity:**

Not Applicable

**12. OTHER DISCLOSURES:**

**(a) Disclosures on materially significant related party transactions that may have potential conflict with the interest of company at large:**

During the Financial year 2023-2024, no materially significant related party transaction undertaken by the Company under Section 188 of the Companies Act, 2013, read with rules framed thereunder, Indian Accounting Standards (Ind AS 24) that may have potential conflict with the interest of the Company at large. The Company has entered into some transactions with related parties as defined under Section 2(76) of the Companies Act, 2013, which were at arms' length basis and the same were duly approved or reviewed by the Audit Committee.

The necessary disclosures regarding the transactions with related parties are given in the notes to the financial statements. Your Company has formulated a Policy on materiality of Related Party Transactions and dealing with Related Party Transaction. It is available on the website of the Company, which can be accessed at [www.prudentcorporate.com/investorrelation](http://www.prudentcorporate.com/investorrelation).

**(b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or the Board or any statutory authority on any matter related to capital markets during the last three years:**

There have been no instances of material non-compliances by the Company on any matter related to the capital markets and no material penalties and/or strictures have been imposed on it by the stock exchanges or by SEBI or by any statutory authority on any matter related to the capital markets during the last three financial years. However, during the ordinary course of business, the stock exchanges has levied minor penalties and the same have been paid by the Company.

**(c) Whistle-blower policy and affirmation that no personnel has been denied access to the Audit Committee:**

Pursuant to the provision of the section 177(9) of the Companies Act, 2013 read with rules framed thereunder, Regulation 4(2)(d)(iv) and 22 of the Listing Regulations, your company has established Vigil Mechanism/ Whistle Blower Policy for their Directors and Employees to report concerns about illegal or unethical practices, unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy.

The details of establishment of such mechanism available on the website of the Company and it can be access by the following link: [www.prudentcorporate.com/investorrelation](http://www.prudentcorporate.com/investorrelation)

It is affirmed that no personnel has been denied to access the Chairman of the Audit Committee.

**(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:**

The Company has complied with all applicable mandatory requirements as specified in the Listing Regulations.

The following non-mandatory requirements under Part E of Schedule II of the Listing Regulations to the extent they have been adopted are mentioned below:

**i. Modified Opinion in Auditors Report:**

The Company's financial statements for the year ended 31<sup>st</sup> March, 2024 do not contain any modified opinion.


**ii. Reporting of Internal Auditor:**

The Report of Internal Auditor is quarterly put up before the Audit Committee in their meeting.

**(e) Web link where policy for determining Material Subsidiaries:**

The Company has formulated a policy for determining material subsidiary and it is available on the web link [www.prudentcorporate.com/investorrelation](http://www.prudentcorporate.com/investorrelation)

**(f) Web link where policy on dealing with related party transaction:**

The Policy on dealing with related party transaction is disclosed on the website of the Company and can be accessed at [www.prudentcorporate.com/investorrelation](http://www.prudentcorporate.com/investorrelation).

**(g) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):**

Not Applicable

**(h) Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.**

A certificate from Mr. Mahesh Gupta, practicing company secretary confirming that none of the Directors on the board of the Company were debarred or disqualified from being re-appointed under retirement by rotation and/or continuing as Directors of the Company by the SEBI, Ministry of Corporate Affairs or any other statutory authorities is attached as “Annexure – A”.

**(i) Details of total fees for all services paid by the company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is part during the FY 2023-24.**

|                                          |                                                                         |
|------------------------------------------|-------------------------------------------------------------------------|
| <b>Statutory Auditor</b>                 | <b>M/s Deloitte Haskins &amp; Sells (Firm Registration No. 117365W)</b> |
| Statutory Audit Fees paid by the Company | ₹ 46,19,000/-                                                           |
| <b>Total</b>                             | <b>₹ 46,19,000/-</b>                                                    |

**(j) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.**

| <b>Number of complaints filed during the financial year</b> | <b>Number of complaints disposed of during the financial year</b> | <b>Number of complaints pending as on end of the financial year</b> |
|-------------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------------------|
| NIL                                                         |                                                                   |                                                                     |

**13. Disclosure of loans / guarantees / comfort letters / securities etc.**

No loans / guarantees / comfort letters / securities etc. were given to Directors during the year under review.

**14. Non-compliance of any requirement of corporate governance report of sub-para (2) to (10) of Schedule V (c) of the Listing Regulations:**

NIL.

**15. The disclosure of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 of Listing Regulations.**

The Company has complied with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, 2015.

**16. Disclosures with respect to demat suspense account/ unclaimed suspense account:**

The Company does not have any shares in the demat suspense account or unclaimed suspense account.

**17. Particulars of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting have been provided in the Notice of the Annual General Meeting.**
**18. Declaration by the CEO on Code of Conduct as required by Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

It is attached as “Annexure – B”.

**19. COMPLIANCE CERTIFICATE:**

Certificate from Mahesh C. Gupta, Practicing Company Secretaries, confirming compliances with the conditions of Corporate Governance as stipulated under the Listing Regulations attached as “Annexure – C”.

**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  
 Prudent Corporate Advisory Services Limited  
 Prudent House,  
 3 Devang Park Society,  
 Panjarapole Cross Road,  
 Ambawadi, Ahmedabad – 380015,

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Prudent Corporate Advisory Services Limited (CIN: L91120GJ2003PLC042458) and having registered office at Prudent House, 3 Devang Park Society, Panjarapole Cross Road, Ambawadi, Ahmedabad – 380015 (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| <b>Sr. No.</b> | <b>Name of Director</b>       | <b>DIN</b> | <b>Date of appointment in Company</b> |
|----------------|-------------------------------|------------|---------------------------------------|
| 1              | Mr. Sanjay Rameshchandra Shah | 00239810   | 4 <sup>th</sup> June, 2003            |
| 2              | Mr. Shirish Govindbhai Patel  | 00239732   | 31 <sup>st</sup> July, 2018           |
| 3              | Mr. Chirag Ashwinkumar Shah   | 01480310   | 24 <sup>th</sup> September, 2018      |
| 4              | Mr. Dhiraj Poddar             | 01946905   | 13 <sup>th</sup> July, 2018           |
| 5              | Mr. Deepak Sood               | 01642332   | 23 <sup>rd</sup> October, 2020        |
| 6              | Ms. Shilpi Sumankumar Thapar  | 00511871   | 7 <sup>th</sup> June, 2021            |
| 7              | Mr. Karan Kailash Datta       | 08413809   | 23 <sup>rd</sup> October, 2020        |
| 8              | Mr. Aniket Sunil Talati       | 02724484   | 7 <sup>th</sup> June, 2021            |

Ensuring the eligibility of, for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For, M C Gupta & Co,**  
 Company Secretaries,  
 UCN: S1986GJ003400

**Mahesh Chand Gupta**  
 Proprietor

FCS: 2047 (CP: 1028)

Peer Review: 5380/2023

UDIN: F002047F000930150

Place: Ahmedabad

Date : 08<sup>th</sup> August, 2024





## “Annexure – B”

### DECLARATION ON CODE OF CONDUCT

This is to certify that Company “Prudent Corporate Advisory Services Limited” has in place a Code of Conduct applicable to the Board Members as well as the Senior Management Personnel and that the same has been uploaded on the Company’s website www. prudentcorporate.com. I further certify that all the board Members and the Senior Management personnel have affirmed compliance with the Code of Conduct for All Board Members and Senior Management Personnel of the company for the Financial Year 2023-2024.

Place: Ahmedabad  
Date: 8<sup>th</sup> August, 2024

**Shirish Govindbhai Patel**  
Whole-time Director & Chief Executive Officer  
Prudent Corporate Advisory Services Limited



## “Annexure – C”

### CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To the Members of  
Prudent Corporate Advisory Services Limited

We have examined the compliance of the conditions of Corporate Governance by Prudent Corporate Advisory Services Limited (“the Company”), for the year ended on March 31, 2024, as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Clause and applicable Regulations. It is neither an audit nor an expression of the 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 and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except the following:

1. The details of the Risk Management Committee Meeting of the Board of Directors held on 23<sup>rd</sup> August, 2023 was not included in the Corporate Governance Report filing for the quarter ended 30<sup>th</sup> September, 2024. However, on receipt of the intimation from the Stock Exchange and consequent upon conversation, the Company had filed the revised Corporate Governance Report on 1<sup>st</sup> February, 2024 on the Portal of the Stock Exchanges.
2. On inspection of CM & F&O segment of the Company by NSE during February 2023, NSE had imposed a penalty of ₹ 1,00,000/- vide its Letter dated 17<sup>th</sup> May, 2023, which the company had since paid.

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

**For M. C. Gupta & Co.**  
Company Secretaries  
UCN: S1986GJ003400

**Mahesh C Gupta**  
Proprietor  
FCS: 2047 (CP: 1028)  
Peer Review: 5380/2023  
UDIN : F002047F000930062

Place: Ahmedabad  
Date: 8<sup>th</sup> August, 2024

Section A: General Disclosures

SECTION A: GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

|                                                                                                                                                                                                                                                                       |                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| 1. Corporate Identity Number (CIN) of the Listed Entity                                                                                                                                                                                                               | L91120GJ2003PLC042458                                                                                           |
| 2. Name of the Listed Entity                                                                                                                                                                                                                                          | Prudent Corporate Advisory Services Limited                                                                     |
| 3. Year of Incorporation                                                                                                                                                                                                                                              | 2003                                                                                                            |
| 4. Registered Office Address                                                                                                                                                                                                                                          | "Prudent House", Panjrapole Cross Road, Nr. Polytechnic, Ambawadi, Ahmedabad - 380015, Gujarat, India.          |
| 5. Corporate Address                                                                                                                                                                                                                                                  | 314, Hubtown Solaris, Telli Galli Junction, N S Phadke Marg, Andheri East, Mumbai - 400069, Maharashtra, India. |
| 6. E-mail id                                                                                                                                                                                                                                                          | info@prudentcorporate.com                                                                                       |
| 7. Telephone                                                                                                                                                                                                                                                          | +91-79-40209600                                                                                                 |
| 8. Website                                                                                                                                                                                                                                                            | www.prudentcorpote.com                                                                                          |
| 9. Financial year for which reporting is being done                                                                                                                                                                                                                   | April 1 <sup>st</sup> 2023- March 31 <sup>st</sup> 2024                                                         |
| 10. Name of the Stock Exchange(s) where shares are listed                                                                                                                                                                                                             | National Stock Exchange of India Limited ("NSE") and BSE Ltd ("BSE")                                            |
| 11. Paid up Capital (INR)                                                                                                                                                                                                                                             | ₹ 2,070.33 Lakhs                                                                                                |
| 12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report                                                                                                                                  |                                                                                                                 |
| Name                                                                                                                                                                                                                                                                  | Mr. Kunal A. Chauhan                                                                                            |
| Designation                                                                                                                                                                                                                                                           | Company Secretary & Compliance officer                                                                          |
| Telephone number                                                                                                                                                                                                                                                      | +91-79-40209600                                                                                                 |
| E-mail id                                                                                                                                                                                                                                                             | cs@prudentcorporate.com                                                                                         |
| 13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together) | The disclosures under this report have been made on standalone basis.                                           |
| 14. Name of assurance provider                                                                                                                                                                                                                                        | Not Applicable                                                                                                  |
| 15. Type of assurance obtained                                                                                                                                                                                                                                        | Not Applicable                                                                                                  |

Section A: General Disclosures

II. PRODUCTS / SERVICES

16. Details of business activities (accounting for 90% of the Turnover):

| S. No. | Description of Main Activity    | Description of Business Activity                       | % of Turnover of the entity |
|--------|---------------------------------|--------------------------------------------------------|-----------------------------|
| 1.     | Financial and Insurance service | Financial Advisory, brokerage and Consultancy Services | 100%                        |

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

| S. No. | Product/Service                                        | NIC Code | % of total Turnover contributed |
|--------|--------------------------------------------------------|----------|---------------------------------|
| 1.     | Financial Advisory, brokerage and Consultancy Services | 66120    | 97%                             |

III. OPERATIONS

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

| Location      | Number of plants | Number of offices | Total |
|---------------|------------------|-------------------|-------|
| National      | -                | 127               | 127   |
| International | -                | -                 | -     |

19. Markets served by the entity:

a. Number of locations

| Location                         | Number |
|----------------------------------|--------|
| National (No. of States)         | 21     |
| International (No. of Countries) | Nil    |

b. What is the contribution of exports as a percentage of the total turnover of the entity?

0.04%

c. A brief on types of customers

We offer a comprehensive range of Investment products such as Mutual Funds, Insurance, Stock Broking, Fixed Income Products and Properties as well as lending solutions through dedicated web, App and Chatbot platforms to persons from all income profiles.

IV. EMPLOYEES

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

| S. No.           | Particulars              | Total (A) | Male    |           | Female  |           |
|------------------|--------------------------|-----------|---------|-----------|---------|-----------|
|                  |                          |           | No. (B) | % (B / A) | No. (C) | % (C / A) |
| <b>EMPLOYEES</b> |                          |           |         |           |         |           |
| 1.               | Permanent (D)            | 1016      | 782     | 77%       | 234     | 23%       |
| 2.               | Other than Permanent (E) | 13        | 12      | 93%       | 1       | 7%        |
| 3.               | Total employees (D + E)  | 1029      | 794     | 77%       | 235     | 23%       |

\*Note: The Company does not have any workers as defined in the guidance note on BRSR.



Section A: General Disclosures

b. Differently abled Employees and workers:

| S. No.           | Particulars              | Total (A) | Male    |           | Female  |           |
|------------------|--------------------------|-----------|---------|-----------|---------|-----------|
|                  |                          |           | No. (B) | % (B / A) | No. (C) | % (C / A) |
| <b>EMPLOYEES</b> |                          |           |         |           |         |           |
| 1.               | Permanent (D)            | 3         | 2       | 66.6%     | 1       | 33.3%     |
| 2.               | Other than Permanent (E) | -         | -       | -         | -       | -         |
| 3.               | Total employees (D + E)  | 3         | 2       | 66.6%     | -       | 33.3%     |

21. Participation/Inclusion/Representation of women

|                          | Total (A) | No. and percentage of Females |           |
|--------------------------|-----------|-------------------------------|-----------|
|                          |           | No. (B)                       | % (B / A) |
| Board of Directors       | 8         | 1                             | 12.5%     |
| Key Management Personnel | 5         | 0                             | 0%        |

22. Turnover rate for permanent employees and workers

|                     | FY 2023-24 |        |       | FY 2022-23 |        |       | FY 2021 -22 |        |       |
|---------------------|------------|--------|-------|------------|--------|-------|-------------|--------|-------|
|                     | Male       | Female | Total | Male       | Female | Total | Male        | Female | Total |
| Permanent Employees | 19%        | 36%    | 23%   | 21%        | 29%    | 23%   | 15%         | 21%    | 16%   |

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

| S. No. | Name of the holding/subsidiary / associate companies / joint ventures (A) | Indicate whether holding / Subsidiary/ Associate / Joint Venture | % of shares held by listed entity | Does the entity indicated in column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|--------|---------------------------------------------------------------------------|------------------------------------------------------------------|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| 1.     | Gennext Insurance Brokers Private Limited                                 | Subsidiary                                                       | 100%                              | No                                                                                                                           |
| 2.     | Prutech Financial Service Private Limited                                 | Subsidiary                                                       | 100%                              | No                                                                                                                           |

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) YES

(ii) Turnover (in ₹) 70,751.47 Lakhs

(iii) Net worth (in ₹) 37756.30 Lakhs

Section A: General Disclosures

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

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

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy) | FY 2023-24                                 |                                                              |         | FY 2022-23                                 |                                                              |         |
|---------------------------------------------------|--------------------------------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------------------------|---------|--------------------------------------------|--------------------------------------------------------------|---------|
|                                                   |                                                                                                              | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities                                       | Y*                                                                                                           | -                                          | -                                                            | -       | -                                          | -                                                            | -       |
| Investors (other than shareholders)               | Y**                                                                                                          | -                                          | -                                                            | -       | -                                          | -                                                            | -       |
| Shareholders                                      | Y**                                                                                                          | 1                                          | -                                                            | -       | 1                                          | -                                                            | -       |
| Employees and workers                             | Y***                                                                                                         | 3                                          | -                                                            | -       | -                                          | -                                                            | -       |
| Customers                                         | Y****                                                                                                        | 2                                          | -                                                            | -       | 7                                          | -                                                            | -       |
| Value Chain Partners                              | Y*                                                                                                           | -                                          | -                                                            | -       | -                                          | -                                                            | -       |
| Other (please specify)                            |                                                                                                              | -                                          | -                                                            | -       | -                                          | -                                                            | -       |

\*No complaints have been received from communities and value chain partners during the FY 2022-23 and FY 2023-24. Complaints / Grievances from communities and value chain partners are addressed by relevant departments on a case-to-case basis. Policies & grievance redressal mechanism are accessible on <https://www.prudentcorporate.com/investorrelation-CodesandPolicies>

\*\*The Company has appointed Registrar and Share Transfer Agent (RTA) Link Intime to look into the grievances/complaints of the shareholders. In addition to it the Company has designated email ID "cs@prudentcorporate.com," where the shareholders can send their grievances/complaints.

The said grievances/complaints are received directly by the Company and are forwarded to RTA promptly to take necessary actions to resolve the same.

\*\*\*The details of grievance redressal mechanism for employees and workers are provided in Principle 3, point No. 6.

\*\*\*\* The details of grievance redressal mechanism for customers are provided in Principle 9, point No. 1.

Section A: General Disclosures

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

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

| S. No. | Material Issue identified.      | Indicate whether risk or opportunity. (R/O) | Rationale for identifying the risk / opportunity                                                                                                                                                                                                       | In case of risk, approach to adapt or mitigate                                                                                                                                                                          | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|---------------------------------|---------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| 1      | Energy Management               | R                                           | Our data centers consume electricity as we are an online platform. Hence increasing the energy efficiency and reducing energy consumption is extremely important to our business such that the impact on global warming and climate change is reduced. | Plan regular maintenance of servers, data centers and other electrical installations and equipment.                                                                                                                     | -ve                                                                                            |
| 2      | Employee Training and retention | O                                           | We attract, train, and retain young employees and provide them with strong knowledge and expertise as we believe that our talent pool and culture are critical in our business success.                                                                | We ensure holistic wellbeing at workplace. Several policies have been adopted to enhance employee productivity by engaging them incentivizing them and improving retention.                                             | +ve                                                                                            |
| 3      | Cyber Security and Data Privacy | R                                           | Cyber Security and Data Privacy is very important for our customers and for business continuity.                                                                                                                                                       | Processes like user access rights review, database access review, principle of granting least privilege and backup management among others are defined, documented, and implemented to further strengthen the security. | -ve                                                                                            |

Section A: General Disclosures

| S. No. | Material Issue identified.       | Indicate whether risk or opportunity. (R/O) | Rationale for identifying the risk / opportunity                                                                                                                                                                                                                                                                                                                                                                                                             | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|--------|----------------------------------|---------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|------------------------------------------------------------------------------------------------|
| 4      | Corporate Social Responsibility  | O                                           | Integrating CSR into the operations can lead to numerous benefits, including improved reputation, risk mitigation, talent attraction, stakeholder engagement, access to capital, and long-term sustainability.                                                                                                                                                                                                                                               |                                                | +ve                                                                                            |
| 5      | Customer relationship Management | O                                           | Customer relationship management (CRM) involves strategies and technologies aimed at nurturing and maintaining strong relationships with clients. This includes understanding customer needs, providing personalized services, and ensuring seamless interactions across various touchpoints. By implementing effective CRM practices, the company can enhance customer satisfaction, loyalty, and retention, ultimately driving long-term business success. |                                                | +ve                                                                                            |



Section B: Management and Process Disclosures

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

We have implemented following policies towards adopting National Guidelines on Responsible Business Conduct (NGRBC):

|                                                                                                                                                                                                                      |                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Principle P1:</b><br>Transparency & Accountability<br><ul style="list-style-type: none"> <li>Code of Conduct</li> <li>Vigil mechanism and Whistle Blower Policy</li> <li>Policy for using social media</li> </ul> | <b>Principle P2:</b><br>Product Responsibility<br><ul style="list-style-type: none"> <li>Code of Conduct</li> </ul>                                                                                                                           | <b>Principle P3:</b><br>Employee Development<br><ul style="list-style-type: none"> <li>Policy for Prohibition, prevention, and redressal of sexual harassment at the workplace</li> <li>Equal Opportunity Policy (Part of Employee Manual)</li> </ul> |
| <b>Principle P4:</b><br>Stakeholder Engagement<br><ul style="list-style-type: none"> <li>Corporate Social Responsibility Policy</li> </ul>                                                                           | <b>Principle P5:</b><br>Human Rights<br><ul style="list-style-type: none"> <li>Policy for Prohibition, prevention, and redressal of sexual harassment at the workplace</li> <li>Equal Opportunity Policy (Part of Employee Manual)</li> </ul> | <b>Principle P6:</b><br>Environment Principle<br><ul style="list-style-type: none"> <li>Corporate Social Responsibility Policy</li> </ul>                                                                                                             |
| <b>Principle P7:</b><br>Policy Advocacy<br><ul style="list-style-type: none"> <li>Corporate Social Responsibility Policy</li> </ul>                                                                                  | <b>Principle P8:</b><br>Inclusive Growth<br><ul style="list-style-type: none"> <li>Corporate Social Responsibility Policy</li> </ul>                                                                                                          | <b>Principle P9:</b><br>Customer Value<br><ul style="list-style-type: none"> <li>Privacy Policy</li> <li>Information Security Policy</li> <li>Business Continuity Policy</li> <li>Media Transfer &amp; Disposal Policy</li> </ul>                     |

| Disclosure Questions                                                                                                                                                                                                                                      | P1                                                                                                                                                                                                                                                                                                                                                                                | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|----|----|----|----|----|----|----|
| Policy and management processes                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                   |    |    |    |    |    |    |    |    |
| 1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)                                                                                                                                            | Y                                                                                                                                                                                                                                                                                                                                                                                 | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| b. Has the policy been approved by the Board? (Yes/No)                                                                                                                                                                                                    | Y                                                                                                                                                                                                                                                                                                                                                                                 | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| c. Web Link* of the Policies, if available                                                                                                                                                                                                                | <a href="https://www.prudentcorporate.com/investorrelation-CodesandPolicies">https://www.prudentcorporate.com/investorrelation-CodesandPolicies</a><br><a href="https://www.prudentcorporate.com/qualitypolicy">https://www.prudentcorporate.com/qualitypolicy</a><br><a href="https://www.prudentcorporate.com/privacypolicy">https://www.prudentcorporate.com/privacypolicy</a> |    |    |    |    |    |    |    |    |
| 2. Whether the entity has translated the policy into procedures. (Yes / No)                                                                                                                                                                               | Y                                                                                                                                                                                                                                                                                                                                                                                 | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| 3. Do the enlisted policies extend to your value chain partners? (Yes/No)                                                                                                                                                                                 | N                                                                                                                                                                                                                                                                                                                                                                                 | N  | N  | N  | N  | N  | N  | N  | N  |
| 4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | Policies have been formulated and implemented in accordance with National Guidelines on Responsible Business conduct, requirements of the Companies Act, 2013 and SEBI regulations.                                                                                                                                                                                               |    |    |    |    |    |    |    |    |
| 5. Specific commitments, goals and targets set by the entity with defined timelines, if any.                                                                                                                                                              | Our strategies, business model and operations are based on environment protection, employee, and customer safety.                                                                                                                                                                                                                                                                 |    |    |    |    |    |    |    |    |
| 6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                   |    |    |    |    |    |    |    |    |
| Governance, leadership and oversight                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                   |    |    |    |    |    |    |    |    |

Section B: Management and Process Disclosures

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) -

The digital networks and applications are the building block of the new economy and we at Prudent are committed to leverage the power of technology for the financial inclusion of the society.

As much as we are passionate about financial inclusion and mutual fund distribution we are equally passionate about giving back to the society. Our Corporate Social Responsibility work has been our medium to reach out to communities, understand their needs and be an active corporate citizen. The CSR Initiative of the Company has a Project named LakshMe to empower women through financial Literacy. The founding idea of LakshMe is to impart much-needed financial knowledge to women so that they know how to make their money work. We have been providing Education and Medical relief to needy people. We have Sponsored 2 Education Centre for Underprivileged kids and 2 Skills development center for Women and also supported 16 Ekal one teacher schools. Regarding persons with disability, we have repaired work of the building used for training and development of persons with disability.

Our governance structure, well-defined Code of Business Conduct are designed to help ensure that our people live our core values.

Finally, I am very grateful for having such dedicated and exceptional people advancing our Values.

Best Regards

Mr. Sanjay Shah  
 Chairman & Managing Director

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

Implementation and oversight of the Business Responsibility Policies and the decision making on sustainability related issues is the responsibility of the Corporate Social Responsibility Committee of the Board of Directors, which comprises of following members as on March 31, 2024:

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

Mr. Karan Datta (Independent Director) – Chairperson  
 Mr. Sanjay Shah (CMD) – Member  
 Ms. Shilpi Thapar (Independent Director) – Member  
 Mr. Chirag Shah (Independent Director) – Member

10. Details of Review of NGRBCs by the Company:

| Subject for Review                                                                                                | Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee                                     |    |    |    |    |    |    |    |    | Frequency (Annually/Half yearly/ Quarterly/ Any other – please specify) |    |    |    |    |    |    |    |    |
|-------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|----|----|----|----|----|----|----|----|-------------------------------------------------------------------------|----|----|----|----|----|----|----|----|
|                                                                                                                   | P1                                                                                                                                   | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | P1                                                                      | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| Performance against above policies and follow up action                                                           | Yes, The Corporate Social Responsibility Committee of the Board / CMD has reviewed the performance against above policies.           |    |    |    |    |    |    |    |    | The frequency of review is annual.                                      |    |    |    |    |    |    |    |    |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances. | Compliance with statutory requirements of relevance to the principles have been carried out by the relevant committees of the Board. |    |    |    |    |    |    |    |    | The frequency of review is quarterly.                                   |    |    |    |    |    |    |    |    |

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

No. The evaluation of the working of its policies by been done internally.

Section B: Management and Process Disclosures

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

| Questions                                                                                                                       | P<br>1 | P<br>2 | P<br>3 | P<br>4 | P<br>5 | P<br>6 | P<br>7 | P<br>8 | P<br>9 |
|---------------------------------------------------------------------------------------------------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| The entity does not consider the principles material to its business (Yes/No)                                                   |        |        |        |        |        |        |        |        |        |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) |        |        |        |        |        |        |        |        |        |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No)                         |        |        |        |        |        |        |        |        |        |
| It is planned to be done in the next financial year (Yes/No)                                                                    |        |        |        |        |        |        |        |        |        |
| Any other reason (please specify)                                                                                               |        |        |        |        |        |        |        |        |        |

-----Not Applicable-----



Section C: Principle-Wise Performance Disclosure

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

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

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

**Essential Indicators**

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

The employees of the company undergo various training programs on various topics. Board and KMPs are apprised about the changing requirements from time to time in the Board meeting and Management meetings.

| Segment                           | Total number of training and awareness programmes held | Topics / principles covered under the training and its impact | % age of persons in respective category covered by the awareness programmes |
|-----------------------------------|--------------------------------------------------------|---------------------------------------------------------------|-----------------------------------------------------------------------------|
| Board of Directors                | 1                                                      | All Principles                                                | 100%                                                                        |
| Key Managerial Personnel          | 1                                                      | All Principles                                                | 100%                                                                        |
| Employees other than BoD and KMPs | 1                                                      | Health Related                                                | 68%                                                                         |

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

No fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings either by the entity or by directors / KMPs.

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

Not applicable.

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

Code of Conduct contains the provision regarding anti-corruption and anti-bribery. The responsible business conduct policies of the company are accessible at <https://www.prudentcorporate.com/investorrelation-IGR>

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

No disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption against any of the Directors / KMPs/ Employees.

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

No complaint was received with regard to conflict of interest of the Directors, KMPs or any other employee.

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

Not Applicable

Section C: Principle-Wise Performance Disclosure

8. Number of days of accounts payables ((Accounts payable \*365) / cost of goods / service procured) in the following format.

|                                          | FY 2023-24 | FY 2022-23 |
|------------------------------------------|------------|------------|
| <b>Number of days of account payable</b> | <b>147</b> | <b>*</b>   |

\*Not calculated for the previous year as the requirement is applicable from the FY23-24.

9. Openness of business

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

| Parameter                   | Metric                                                                                   | FY 2023-24 | FY 2022-23** |
|-----------------------------|------------------------------------------------------------------------------------------|------------|--------------|
| Concentration of purchases* | a. Purchases from trading houses as % of total purchases                                 | NA         | NA           |
|                             | b. Number of trading houses where purchases are made from                                | NA         | NA           |
|                             | c. Purchases from top 10 trading houses as % of total purchases from trading houses      | NA         | NA           |
| Concentrations of sales     | a. Sales to dealers / distributors as % of total sales                                   | 80%        | **           |
|                             | b. Number of dealers /distributors to whom sales are made                                | 29,605     | **           |
|                             | c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors  | 3%         | **           |
| Share of RPTs               | a. Purchases (Purchases with related parties / Total Purchases)                          | 0.324%     | **           |
|                             | b. Sales (Sales to related parties / Total Sales)                                        | 0.0013%    | **           |
|                             | c. Loans & advances (Loans & advances given to related parties / Total loans & advances) | Nil        | **           |
|                             | d. Investments (Investments in related parties / Total Investments made)                 | Nil        | **           |

\* Not applicable considering the nature of the business

\*\*Not calculated for the previous year as the requirement is applicable from the FY23-24.

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

**Essential Indicators**

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

|                | FY 2023-24 | FY 2022-23 | Details of improvements in environmental and social impacts                                                                                                      |
|----------------|------------|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>R&amp;D</b> |            |            | <b>Not Applicable</b>                                                                                                                                            |
| <b>Capex</b>   | 32.18%     | 72.21%     | Capex have been made into energy efficient ACs and IT equipments. These capex consume less energy and hence resulting in lower environmental and social impacts. |

Section C: Principle-Wise Performance Disclosure

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)  
The company is not producing any products and hence the sustainable procurement is not directly relevant, however our procurement procedures favour vendors and products with better environmental parameters.

b. If yes, what percentage of inputs were sourced sustainably?  
Not Applicable

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

The Company is not into production of any material and hence this is not relevant considering the nature of the business.

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

Extended Producer Responsibility (EPR) is not applicable to the Company's activities.

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

**Essential Indicators**

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

| Category                   | Total (A) | % of employees covered by |           |                    |           |                    |           |                    |           |                     |           |
|----------------------------|-----------|---------------------------|-----------|--------------------|-----------|--------------------|-----------|--------------------|-----------|---------------------|-----------|
|                            |           | Health insurance          |           | Accident insurance |           | Maternity benefits |           | Paternity Benefits |           | Day Care facilities |           |
|                            |           | Number (B)                | % (B / A) | Number (C)         | % (C / A) | Number (D)         | % (D / A) | Number (E)         | % (E / A) | Number (F)          | % (F / A) |
| <b>Permanent employees</b> |           |                           |           |                    |           |                    |           |                    |           |                     |           |
| Male                       | 782       | 782                       | 100%      | 782                | 100%      | NA                 | NA        | 0                  | 0         | 0                   | 0         |
| Female                     | 234       | 234                       | 100%      | 234                | 100%      | 234                | 100%      | NA                 | NA        | 0                   | 0%        |
| Total                      | 1016      | 1016                      | 100%      | 1016               | 100%      | 234                | 100%      | 0                  | 0%        | 0                   | 0%        |

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

Not Applicable

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

|                                                                                    | FY 2023-24   | FY 2022-23 |
|------------------------------------------------------------------------------------|--------------|------------|
| <b>Cost Incurred on well being measures as a % of total revenue of the company</b> | <b>0.14%</b> | <b>*</b>   |

\*Not calculated for the previous year as the requirement is applicable from the FY23-24.



Section C: Principle-Wise Performance Disclosure

2. Details of retirement benefits for the Current FY and Previous Financial Year.

| Benefits | FY 2023-24                                         |                                                |                                                      | FY 2022-23                                         |                                                |                                                      |
|----------|----------------------------------------------------|------------------------------------------------|------------------------------------------------------|----------------------------------------------------|------------------------------------------------|------------------------------------------------------|
|          | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total Employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF*      | 48%                                                | NA                                             | Y                                                    | 37.22%                                             | NA                                             | Y                                                    |
| Gratuity | 100%                                               | NA                                             | NA                                                   | 100%                                               | NA                                             | NA                                                   |
| ESI**    | 28%                                                | NA                                             | Y                                                    | 38.08%                                             | NA                                             | Y                                                    |

\*Some employees have voluntarily opted out of the PF

\*\*All eligible employees are covered

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

Yes, the offices are accessible with elevators and ramps for persons with disabilities.

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

Yes, the Company have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016. The responsible business conduct policies of the company are accessible at <https://www.prudentcorporate.com/investorrelation-IGR>

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

| Gender | Permanent Employees |                |
|--------|---------------------|----------------|
|        | Return to work rate | Retention rate |
| Male   | NA                  | NA             |
| Female | 100%                | 100%           |
| Total  | 100%                | 100%           |

Section C: Principle-Wise Performance Disclosure

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

|                                                    | Yes/No (If yes, then give details of the mechanism in brief)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Permanent Workers Other than Permanent Employees   | Prudent is committed to providing a productive and conducive work environment where grievances are dealt with fairly and promptly. We facilitate a work culture where no grievances exist and also help in improving the performance and productivity of the concerned employees of the Company.<br>Grievance redressal has 3 Levels:<br>Level 1 - The supervisor/HOD should acknowledge the receipt of the grievance, if possible, immediately. The supervisor/HOD should redress the grievance within a period of two working days. Any policy matters should be referred to HR Head.<br>Level 2 - If the concerned employee is not satisfied with the response from his/her immediate supervisor/HOD, he/she can submit the grievance along with the reply to the Grievance Officer. Acknowledgement of the receipt of the grievance will be issued to the concerned employee. The Grievance Officer should redress the grievance within a period of three working days.<br>Level 3 - If the grievance still persists, a formal grievance would be lodged and forwarded to the Grievances Redressal Committee. The Grievance Redressal Committee which will comprise one Functional Director, one HR Department representative and the Company Secretary will meet to assess the situation and the grievance. Based on a careful analysis of the grievance in the light of feedback and views of the members of the committee, the Grievance Redressal Committee would make its recommendation within a period of seven working days and send it to the CEO for consideration and appropriate action, if any. The decision of the CEO of the company shall be final and binding on the concerned employee.<br>The process should be completed within and not more than two week. |
| Permanent Employees Other than Permanent Employees |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

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

The Company does not have any employee association recognised by management.

Section C: Principle-Wise Performance Disclosure

8. Details of training given to employees and workers:

| Category      | FY 2023-24       |                               |           |                      | FY 2022-23 |           |                               |           |                      |           |
|---------------|------------------|-------------------------------|-----------|----------------------|------------|-----------|-------------------------------|-----------|----------------------|-----------|
|               | Total (A)        | On Health and safety measures |           | On Skill upgradation |            | Total (D) | On Health and safety measures |           | On Skill upgradation |           |
|               |                  | No. (B)                       | % (B / A) | No. (C)              | % (C / A)  |           | No. (E)                       | % (E / D) | No. (F)              | % (F / D) |
|               | <b>Employees</b> |                               |           |                      |            |           |                               |           |                      |           |
| <b>Male</b>   | 794              | 500                           | 63%       | 140                  | 18%        | 641       | 75                            | 12%       | 30                   | 5%        |
| <b>Female</b> | 235              | 200                           | 85%       | 80                   | 34%        | 195       | 45                            | 23%       | 15                   | 8%        |
| <b>Total</b>  | 1029             | 700                           | 68%       | 220                  | 21%        | 836       | 120                           | 14%       | 45                   | 5%        |

9. Details of performance and Career development reviews of employees:

| Category      | FY 2023-24      |                               |      | FY 2022-23      |                               |     |
|---------------|-----------------|-------------------------------|------|-----------------|-------------------------------|-----|
|               | Total Employees | Total Performance Review done | %    | Total Employees | Total Performance Review done | %   |
| <b>Male</b>   | 782             | 782                           | 100% | 641             | 579                           | 90% |
| <b>Female</b> | 234             | 234                           | 100% | 195             | 148                           | 76% |
| <b>Total</b>  | 1016            | 1016                          | 100% | 836             | 727                           | 87% |

10. Health and safety management system:

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

Yes, the health and safety management systems cover all branches and offices of the company.

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

Not directly applicable, given the nature of the business.

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

Not directly applicable, given the nature of the business.

d. Do the employees / worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, all employees of the Company have access to non-occupational medical and healthcare services. The below policies have been formulated for the betterment of all employees:

- Group Personal Accident Policy
- Medclaim Insurance Policy
- Group Term Life Insurance Policy

The company regularly conducts health awareness sessions for employees has provided access to DrInsta, a tele-consulting free application to all the members.

Section C: Principle-Wise Performance Disclosure

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

No recordable safety related incidents have happened during the Year.

| Safety Incident/Number                                                        | Category  | FY 2023-24 | FY 2022-23 |
|-------------------------------------------------------------------------------|-----------|------------|------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | 0          | 0          |
| Total recordable work related injuries                                        | Employees | 0          | 0          |
| No. of fatalities                                                             | Employees | 0          | 0          |
| High consequences work – related injury or ill-health (excluding fatalities)  | Employees | 0          | 0          |

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company provides a systematic way to ensure a safe and healthy workplace for all employees and third-party employees who work on our premises. It promotes continuous identification and monitoring of hazards and controlling risks whilst making sure that the risk controls in place are effective.

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

No complaints from employees have been received for FY 2023-24 and FY 2022-23.

|                            | FY 2023-24            |                                       |                                                       | FY 2022-23            |                                       |         |
|----------------------------|-----------------------|---------------------------------------|-------------------------------------------------------|-----------------------|---------------------------------------|---------|
|                            | Filed during the year | Pending resolution at the end of year | Remarks                                               | Filed during the year | Pending resolution at the end of year | Remarks |
| <b>Working Conditions</b>  | 3                     | 0                                     | All the complaints have been resolved during the year | -                     | -                                     | -       |
| <b>Health &amp; Safety</b> | -                     | -                                     | -                                                     | -                     | -                                     | -       |

14. Assessments for the year:

|                             |                                                                                                                     |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------|
|                             | % of your plants and offices that were assessed (by entity or statutory authorities or third parties)               |
| Health and safety practices | All the offices were assessed for health, safety and working condition as part of the business operating processes. |
| Working Conditions          |                                                                                                                     |

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

Not Applicable

Section C: Principle-Wise Performance Disclosure



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

We have the Corporate Social Responsibility Policy in place who are involved in exploring various aspects of interest of stakeholders. Corporate social responsibility is deeply rooted in the core values of our company and maximizes Stakeholders Value. The CSR policy entails our commitment to bring about a positive transformation to the communities where we exist. Our CSR activities are strategic and well-organized to educate, support and empower less privileged communities and preserve the environment. For us, Corporate social responsibility is a part of our individual responsibilities as global citizens and not merely the means to run our business successfully.

**Essential Indicators**

- Describe the processes for identifying key stakeholder groups of the entity.

Prudent Corporate Services Limited acknowledges its responsibility towards the society and supports inclusive growth and equitable development of all its stakeholders. We strongly believe in growing together responsibly leading to success of our business. Key stakeholders are identified in consultation with the Company's management to prioritize. We aim at balancing the needs and address the concerns of our stakeholders and endeavor to take into the consideration of the impact it has on the environment, society, and the community.

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

| Stakeholder Group                   | Whether identified as Vulnerable & Marginalised Group (Yes/No) | Channels of communication (E-mail, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other          | Frequency of engagement (Annually/ Half yearly/ Quarterly/ others - please specify) | Purpose and scope of engagement, including key topics and concerns raised during such engagement                                |
|-------------------------------------|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| Customers                           | No                                                             | Customer Communication, Customer Feedback, Website                                                                                      | On Going                                                                            | Customer Satisfaction, Transparency                                                                                             |
| Employees                           | No                                                             | Notice Boards, Website, Intranet portal, Email communications, Employee Survey feedback, Annual Performance Review, Meetings, Trainings | On Going                                                                            | Professional development, Working condition, employee performance, Employee Satisfaction, Work-life balance and Company culture |
| Community, NGOs                     | Yes                                                            | Corporate Social Responsibility engagements, Meeting with community representative                                                      | On Going                                                                            | Welfare of the Community                                                                                                        |
| Investors & Shareholders & Analysts | No                                                             | AGM, Investor meets, Investor Grievance redressal mechanism                                                                             | On Going                                                                            | Updation on Business Strategies and Performance of the Company and Redressal of Grievances                                      |
| Regulatory Bodies                   | No                                                             | Compliance Reports, Email, personal meetings, calls                                                                                     | On Going                                                                            | Compliance with the Law of the land                                                                                             |

Section C: Principle-Wise Performance Disclosure

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

Respect for Human Rights is a core value of our Company. We are keen on respecting the human rights of our employees, communities and those affected by our operations. We intend to encourage a healthy and friendly working environment irrespective of gender, caste, creed, or social class of the employees. We are dedicated to value, respect and protect the dignity of every individual and hence always endeavor for providing a better and safe environment free of harassment at all our workplaces.

**Essential Indicators**

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

| Category               | FY 2023-24  |                                        |            | FY 2022-23 |                                       |            |
|------------------------|-------------|----------------------------------------|------------|------------|---------------------------------------|------------|
|                        | Total (A)   | No. of employees / workers covered (B) | % (B / A)  | Total (C)  | No. of employees/ workers covered (D) | % (D / C)  |
| <b>Employees</b>       |             |                                        |            |            |                                       |            |
| Permanent              | 1016        | 410                                    | 40%        | 836        | 175                                   | 21%        |
| Other than permanent   | 13          | 13                                     | 100%       | -          | -                                     | -          |
| <b>Total Employees</b> | <b>1029</b> | <b>423</b>                             | <b>41%</b> | <b>836</b> | <b>175</b>                            | <b>21%</b> |

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

| Category                   | FY 2023-24  |                       |           |                        | FY 2022-23  |            |                       |           |                        |             |
|----------------------------|-------------|-----------------------|-----------|------------------------|-------------|------------|-----------------------|-----------|------------------------|-------------|
|                            | Total (A)   | Equal to Minimum Wage |           | More than Minimum Wage |             | Total (D)  | Equal to Minimum Wage |           | More than Minimum Wage |             |
|                            |             | No. (B)               | % (B / A) | No. (C)                | % (C / A)   |            | No. (E)               | % (E / D) | No. (F)                | % (F / D)   |
| <b>Permanent Employees</b> |             |                       |           |                        |             |            |                       |           |                        |             |
| Male                       | 794         | -                     | 0%        | 794                    | 100%        | 641        | -                     | 0%        | 641                    | 100%        |
| Female                     | 235         | -                     | 0%        | 235                    | 100%        | 195        | -                     | 0%        | 195                    | 100%        |
| <b>Total</b>               | <b>1029</b> | <b>-</b>              | <b>0%</b> | <b>1029</b>            | <b>100%</b> | <b>836</b> | <b>-</b>              | <b>0%</b> | <b>836</b>             | <b>100%</b> |

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

|                                  | Male   |                                                               | Female |                                                               |
|----------------------------------|--------|---------------------------------------------------------------|--------|---------------------------------------------------------------|
|                                  | Number | Median remuneration/ salary/ wages of the respective category | Number | Median remuneration/ salary/ wages of the respective category |
| Board of Directors (BoD)         | 5      | 12030000                                                      | 1      | 600000                                                        |
| Key Managerial Personnel         | 2      | 4496940                                                       | 0      | -                                                             |
| Employees other than BoD and KMP | 782    | 297926                                                        | 234    | 193476                                                        |



Section C: Principle-Wise Performance Disclosure

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

|                                                          | FY 2023-24    | FY 2022-23 |
|----------------------------------------------------------|---------------|------------|
| <b>Gross wages paid to female as %age of total wages</b> | <b>15.84%</b> | <b>*</b>   |

\*Not calculated for the previous year as the requirement is applicable from the FY23-24.

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

Yes. The Head-Human Resources is the focal point for addressing any human rights impacts or issues caused or contributed to by the business.

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

The internal mechanisms in place to redress grievances has been provided in point No. 6 of Principle 3.

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

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

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

|                                                                                                                                           | FY 2023-24 | FY 2022-23 |
|-------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|
| Total complaints reported under the sexual harassment on of a women at workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | -          | -          |
| Complaint on POSH as a % of female employees / workers                                                                                    | -          | -          |
| Complaints on POSH upheld                                                                                                                 | -          | -          |

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

The Company has a policy against sexual harassment and a formal process for dealing with complaints of harassment or discrimination. The Company has strict guidelines for preventing sexual harassment. POSH training is conducted regularly. To prevent any adverse impact, the Company has undertaken initiatives to make the workplace safe for women, which include building employee awareness and stringent guidelines on Prevention of Sexual Harassment. Also, Whistle Blower Policy provides the mechanism to prevent adverse consequences to the complainant in discrimination and harassment cases.

Section C: Principle-Wise Performance Disclosure

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

No. The business agreements and contracts does not contain any human rights requirements.

10. Assessments for the year:

|                             | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|-------------------------------------------------------------------------------------------------------|
| Child labour                | 100%                                                                                                  |
| Forced/involuntary labour   | 100%                                                                                                  |
| Sexual harassment           | 100%                                                                                                  |
| Discrimination at workplace | 100%                                                                                                  |
| Wages                       | 100%                                                                                                  |
| Others – please specify     |                                                                                                       |

All the assessments have been done by the entity during the course of business operations.

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not Applicable

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

Prudent Corporate Services Limited recognize that protecting and preserving the environment is essential to achieving sustainable development and ensuring a better world for all today and for future generations.

Being in the business of distribution of financial products, we do not cause any major adverse effect on the environment and always endeavor to improve our processes and operations regarding energy, emissions, water, and waste management.

**Essential Indicators**

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

| Parameter                                                                                                                                            | FY 2023-24                  | FY 2022-23                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>From renewable resources</b>                                                                                                                      |                             |                             |
| Total electricity consumption (A)                                                                                                                    | -                           | -                           |
| Total fuel consumption (B)                                                                                                                           | -                           | -                           |
| Energy consumption through other sources (C)                                                                                                         | -                           | -                           |
| Total energy consumed from renewable resources (A+B+C)                                                                                               | -                           | -                           |
| <b>From non - renewable resources</b>                                                                                                                |                             |                             |
| Total electricity consumption (D)                                                                                                                    | 1130 GJ                     | 1046 GJ                     |
| Total fuel consumption (E)                                                                                                                           | 124 GJ                      | -                           |
| Energy consumption through other sources (F)                                                                                                         | -                           | -                           |
| Total energy consumed from non-renewable sources (D+E+F)                                                                                             | 1254 GJ                     | 1046 GJ                     |
| Total energy consumed (A+B+C+D+E+F)                                                                                                                  | 1254 GJ                     | 1046 GJ                     |
| Energy intensity per rupee of turnover (Total energy consumption/ Revenue from operation)                                                            | 1.81 GJ / Crore of Turnover | 2.02 GJ / Crore of Turnover |
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) | 0.50 GJ / Crore of Turnover | 0.56 GJ / Crore of Turnover |
| Energy intensity in terms of physical output                                                                                                         | -                           | -                           |
| Energy intensity (optional) – the relevant metric may be selected by the entity                                                                      | -                           | -                           |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Section C: Principle-Wise Performance Disclosure

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

No, the Company is not covered under Performance, Achieve and Trade (PAT) Scheme of the Government of India.

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

| Parameter                                                                                                                                             | FY 2023-24                  | FY 2022-23                  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>Water withdrawal by source (in kilolitres)</b>                                                                                                     |                             |                             |
| (i) Surface water                                                                                                                                     | -                           | -                           |
| (ii) Groundwater                                                                                                                                      | 3803                        | 2183                        |
| (iii) Third party water                                                                                                                               | 72                          | 74                          |
| (iv) Seawater / desalinated water                                                                                                                     | -                           | -                           |
| (v) Others                                                                                                                                            | -                           | -                           |
| Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)                                                                              | 3875                        | 2257                        |
| Total volume of water consumption (in kilolitres)                                                                                                     | 3875                        | 2257                        |
| Water intensity per rupee of turnover (Water consumed / Revenue from operation)                                                                       | 5.58 KL / Crore of Turnover | 4.35 KL / Crore of Turnover |
| Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) | 1.53 KL / Crore of Turnover | 1.21 KL / Crore of Turnover |
| Water intensity in terms of physical output                                                                                                           | -                           | -                           |
| Water intensity (optional) – the relevant metric may be selected by the entity                                                                        | -                           | -                           |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

4. Provide the following details related to water discharged:

This is not being tracked as the water usage is only towards human consumption and housekeeping purposes and is discharged into municipal drainage system.

| Parameter                                                                    | FY 2023-24 | FY 2022-23 |
|------------------------------------------------------------------------------|------------|------------|
| <b>Water discharge by destination and level of treatment (in kilolitres)</b> |            |            |
| i) To surface water                                                          | -          | -          |
| - No treatment                                                               | -          | -          |
| - With treatment – please specify level of treatment                         | -          | -          |
| ii) To Groundwater                                                           | -          | -          |
| - No treatment                                                               | -          | -          |
| - With treatment – please specify level of treatment                         | -          | -          |
| iii) To Seawater                                                             | -          | -          |
| - No treatment                                                               | -          | -          |
| - With treatment – please specify level of treatment                         | -          | -          |
| iv) Sent to Third- parties                                                   | -          | -          |
| - No treatment                                                               | -          | -          |
| - With treatment – please specify level of treatment                         | -          | -          |
| v) Others                                                                    | -          | -          |
| - No treatment                                                               | -          | -          |
| - With treatment – please specify level of treatment                         | -          | -          |
| <b>Total water discharged (in kilolitres)</b>                                | -          | -          |

Section C: Principle-Wise Performance Disclosure

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation. Not applicable.

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

This is not being tracked as the company does not have any industrial operations.

| Parameter                           | Please specify unit | FY 2023-24 | FY 2022-23 |
|-------------------------------------|---------------------|------------|------------|
| NOx                                 | -                   | -          | -          |
| SOx                                 | -                   | -          | -          |
| Particulate matter (PM)             | -                   | -          | -          |
| Persistent organic pollutants (POP) | -                   | -          | -          |
| Volatile organic compound (VOC)     | -                   | -          | -          |
| Hazardous air pollutants (HAP)      | -                   | -          | -          |
| Others- please specify              | -                   | -          | -          |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

| Parameter                                                                                                                                                                                          | Unit                                                 | FY 2023-24                       | FY 2022-23                       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|----------------------------------|----------------------------------|
| Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)                                                                                               | Metric tonnes of CO2 equivalent                      | 10.1                             | 0.008                            |
| Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)                                                                                               | Metric tonnes of CO2 equivalent                      | 258.3                            | 235                              |
| Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)                                                            | Metric tonnes of CO2 Equivalent / Crores of Turnover | 0.39 MT CO2e / Crore of Turnover | 0.45 MT CO2e / Crore of Turnover |
| Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) | MT CO2e / Crore of Turnover                          | 0.11 MT CO2e / Crore of Turnover | 0.13 MT CO2e / Crore of Turnover |
| Total Scope 1 and Scope 2 emission intensity in terms of physical output                                                                                                                           | -                                                    | -                                | -                                |
| Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity                                                                                        | -                                                    | -                                | -                                |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

The Company has taken many energy initiatives such as:

- Installation of LED lights & power saving equipment at all locations to reduce the electricity consumption.
- The air is conditioned with energy efficient compressors for central air conditioning and with split air conditioning for localized areas.
- Optimum use of air conditioner (AC).

Section C: Principle-Wise Performance Disclosure

9. Provide details related to waste management by the entity, in the following format:

| Parameter                                                                                                                                           | FY 2023-24                       | FY 2022-23                       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------|
| <b>Total waste generated (in metric tonnes)</b>                                                                                                     |                                  |                                  |
| Plastic waste (A)                                                                                                                                   | 0.14                             | 0.06                             |
| E-waste (B)                                                                                                                                         | -                                | 0.21                             |
| Bio-medical waste (C)                                                                                                                               | -                                | -                                |
| Construction and demolition waste (D)                                                                                                               | -                                | -                                |
| Battery waste (E)                                                                                                                                   | -                                | -                                |
| Radioactive waste (F)                                                                                                                               | -                                | -                                |
| Other Hazardous waste. Please specify, if any. (G)- Used Oil (DG Black Oil)                                                                         | -                                | -                                |
| Other Non-hazardous waste generated (H). Please specify, if any. (Iron, Paper, Cardboard, Aluminium, Wood etc.)                                     | -                                | -                                |
| Total (A+B + C + D + E + F + G + H)                                                                                                                 | 0.14                             | 0.27                             |
| Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)                                                             | 0.0002 Tons / Crores of turnover | 0.0005 Tons / Crores of turnover |
| Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) | 0.0001 Tons / Crores of turnover | 0.0001 Tons / Crores of turnover |
| Waste intensity in terms of physical output                                                                                                         | -                                | -                                |
| Waste intensity (optional) – the relevant metric may be selected by the entity                                                                      | -                                | -                                |
| <b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>      |                                  |                                  |
| <b>Category of waste</b>                                                                                                                            |                                  |                                  |
| (i) Recycled*                                                                                                                                       | 0.14                             | 0.27                             |
| (ii) Reused                                                                                                                                         | -                                | -                                |
| (iii) Other recovery operations                                                                                                                     | -                                | -                                |
| Total                                                                                                                                               | 0.14                             | 0.27                             |
| <b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>                                   |                                  |                                  |
| <b>Category of waste</b>                                                                                                                            |                                  |                                  |
| (i) Incineration                                                                                                                                    | -                                | -                                |
| (ii) Landfilling                                                                                                                                    | -                                | -                                |
| (iii) Other disposal operations                                                                                                                     | -                                | -                                |
| Total                                                                                                                                               | -                                | -                                |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

\*All Material sent to recyclers through authorized collectors.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Considering the nature of the business the waste generation is not significant and is disposed of in a responsible manner by the building maintenance agency. The E-waste is disposed through authorized vendors.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

None of our offices are in/around ecologically sensitive areas.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

The operations of the company are not covered by the 2006 notification on Environmental Impact Assessment.

Section C: Principle-Wise Performance Disclosure

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the company is compliant with all applicable environmental laws / regulations / guidelines in India.

**PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

**Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/ associations.  
1 (One)
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

| S. No. | Name of the trade and industry chambers/ associations | The reach of trade and industry chambers/ associations (State/National) |
|--------|-------------------------------------------------------|-------------------------------------------------------------------------|
| 1.     | Financial Intermediaries Association of India         | National                                                                |

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

No adverse orders on any issues related to anti-competitive conduct have been received in the last two financial year.

**PRINCIPLE 8 Businesses should promote inclusive growth and equitable development.**

Through our Corporate Social Responsibility (CSR) Policy, we strive to provide equitable opportunities for sustainable growth and improve the welfare of society and stakeholders. Our CSR programmes and other projects are managed by our in-house CSR team with the help of external agencies/NGOs. Our CSR team follows-up with the beneficiaries of our initiatives both in formal and informal ways, with involvement of our Senior Management at personal levels and also by way of field visits, telephonic and email communications on a continual basis.

**Essential Indicators**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.  
Social Impact Assessments SIA is not undertaken by the entity as it is not applicable.
2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:  
Not Applicable.
3. Describe the mechanisms to receive and redress grievances of the community.  
No complaints have been received from communities during FY 2023-24 and FY 2022-23. Complaints / Grievances from communities are addressed by relevant departments on a case-to-case basis.
4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:  
Not relevant considering the nature of the business.

|                                               | FY 2023-24 | FY 2022-23 |
|-----------------------------------------------|------------|------------|
| Directly sourced from MSMEs / small producers | 2.75%      | 2.75%      |
| Directly from within India                    | 99.99%     | 99.99%     |



Section C: Principle-Wise Performance Disclosure

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

| Location     | FY 2023-24 | FY 2022-23 |
|--------------|------------|------------|
| Rural        | -          | -          |
| Semi – Urban | 4.9%       | 5.5%       |
| Urban        | 23.8%      | 24.1%      |
| Metropolitan | 71.4%      | 70.4%      |

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

**PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner.**

Customer satisfaction is of prime significance to our company. We continuously enhance our competencies around latest technologies to deliver state of art solution for our customers. We interact with our customers on a regular basis and across multiple platforms to capture customer feedback on various parameters to improving internal processes based on the needs and expectations of the customers.

**Essential Indicators**

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.  
We have multi-channel approach address customer grievances. All the Operational queries through our Helpline numbers 1800 419 9992 (Partner Helpline – For Registered Mobile Number only) & 1800 419 5051 (FundzBazar Helpline) and through Query Module available on Partner and Client desks. Currently, the helpline is available in English, Hindi and Gujarati languages for various products like Mutual Fund, Stock Broking & Smallcase, Liquiloans, Other Products(FD/Bonds/NCD/LAS/NPS) .  
We also offer IVR based feedback facility where partners can share their experience after completing the call from Helpline Number.
- Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:  
This is not applicable as the company is not providing and physical products/services
- Number of consumer complaints in respect of the following:  
The Company is committed to creating products and solutions that exceed customer expectations and enhance the level of business profitability. We consistently strive forth to ensure higher customer satisfaction.

|                                | FY 2023-24                                 |                                                                  |         | FY 2022-23                                 |                                                                  |         |
|--------------------------------|--------------------------------------------|------------------------------------------------------------------|---------|--------------------------------------------|------------------------------------------------------------------|---------|
|                                | Number of complaints filed during the year | Number of complaints pending resolution at the close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at the close of the year | Remarks |
| Data Privacy                   | 0                                          | 0                                                                | -       | 0                                          | 0                                                                | -       |
| Advertising                    | 0                                          | 0                                                                | -       | 0                                          | 0                                                                | -       |
| Cyber Security                 | 0                                          | 0                                                                | -       | 0                                          | 0                                                                | -       |
| Delivery of essential services | 0                                          | 0                                                                | -       | 0                                          | 0                                                                | -       |
| Restrictive Trade Practices    | 0                                          | 0                                                                | -       | 0                                          | 0                                                                | -       |
| Unfair Trade Practices         | 0                                          | 0                                                                | -       | 0                                          | 0                                                                | -       |
| Others                         | 2                                          | 0                                                                | -       | 7                                          | 0                                                                | -       |

Section C: Principle-Wise Performance Disclosure

- Details of instances of product recalls on account of safety issues:  
This is not applicable considering the nature of the business of the Company.
- Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.  
Yes, the company has Privacy Policy and Information Security Policy. We acknowledge the needs of the client in protecting their personal and confidential data during their dealing with us. We have multi-level security implemented to sustain the IT compliance and:
  - Maintaining the confidentiality, integrity, and availability of sensitive information in the company with minimal to no disruptions.
  - Proactively initiating business continuity practices to minimize the system failures and interruptions to business
 The policies are available on  
<https://www.prudentcorporate.com/qualitypolicy>  
<https://www.prudentcorporate.com/privacypolicy>
- Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.  
No regulatory action has been done regarding advertising, essential services, cyber security, data privacy or product recalls during the last 2 financial years.
- Provide the following information relating to data breaches:
  - Number of instances of data breaches  
Nil
  - Percentage of data breaches involving personally identifiable information of customers.  
Nil
  - Impact, if any, of the data breaches  
Nil





## To The Members of Prudent Corporate Advisory Services Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of Prudent Corporate Advisory Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 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 standalone 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, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 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 standalone 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone 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 standalone financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

## 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 Board's Report including annexures thereof, Management Discussion and Analysis, Business Responsibility and Sustainability Report and Corporate Governance Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 standalone 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 financial controls that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements 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.
  - 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 relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.
  - g) With respect to the adequacy of the internal financial controls with reference to standalone 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 standalone 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:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 44 to the standalone financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 46(c) to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entities, 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 46(d) 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 have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.



- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 43 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of accounts for the year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that
  - in respect of one accounting software, the audit trail feature (edit log) facility was not there from April 01, 2023 to June 30, 2023. Subsequently, from July 01, 2023 the audit trail feature was enabled and operated throughout the period for all relevant transactions recorded in the software. (Refer Note 48 of the Standalone Financial Statements)
  - in respect of software related to Mutual Fund business, the audit trail feature related to who has made the changes in the rate master was not enabled throughout the year; further no audit trail was enabled for all relevant transactions at the database level to log any direct data changes. Consequent to this, we are unable to comment whether there were any instances of the audit trail feature being tampered with. (Refer Note 48 of the

Standalone Financial Statements)

Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with in respect of accounting software for which the audit trail feature was enabled and operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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**  
Chartered Accountants  
(Firm's Registration No. 117365W)

**Hardik Sutaria**  
(Partner)  
(Membership No. 116642)  
UDIN:24116642BKDLEC2518

Place: Ahmedabad  
Date: August 08, 2024





**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRUDENT CORPORATE ADVISORY SERVICES LIMITED**

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

**Report on the Internal Financial Controls with reference to standalone 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 standalone financial statements of **Prudent Corporate Advisory Services Limited** ("the Company") as at March 31, 2024 in conjunction with our audit of the standalone 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 standalone financial statements based on the internal control with reference to standalone 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 the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone 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 standalone 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 standalone

financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls with reference to standalone financial statements**

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

**Inherent Limitations of Internal Financial Controls with reference to standalone financial statements**

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial



statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes 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 standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to standalone

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**  
Chartered Accountants  
(Firm's Registration No. 117365W)

**Hardik Sutaria**  
(Partner)

Place: Ahmedabad  
Date: August 08, 2024

(Membership No. 116642)  
UDIN:24116642BKDLEC2518

## Independent Auditor's Report

### ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRUDENT CORPORATE ADVISORY SERVICES LIMITED

(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 property, plant & equipment and intangible assets:
  - (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right of use assets.
  - B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Property, Plant and Equipment and right-of-use assets were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals. No material discrepancies were noticed on such verification.
- (c) Based on our examination of the registered sale deed/ transfer deed/ conveyance deed provided to us, we report that, the title deeds of all the immovable

properties, (other than the 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 March 31, 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 information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence, reporting under clause (ii)(b) of the order is not applicable.
- (iii) The Company has not provided any guarantee or security and granted any advances in the nature of loans or provided security during the year. The Company has made investments in and has granted unsecured loans to 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:

| Particulars                                             | Loans<br>(₹ in lakhs) |
|---------------------------------------------------------|-----------------------|
| A. Aggregate amount granted / provided during the year: |                       |
| - Subsidiaries                                          | --                    |
| - Joint Ventures                                        | --                    |
| - Associates                                            | --                    |
| - Others**                                              | 65.80                 |
| B. Balance outstanding as at balance sheet date:*       |                       |
| - Subsidiaries                                          | --                    |
| - Joint Ventures                                        | --                    |
| - Associates                                            | --                    |
| - Others**                                              | 76.77                 |

\* The amounts reported are at gross amounts, without considering provisions made.

\*\* Includes loan given to employees

## Independent Auditor's Report

- (b) The investments made and the terms and conditions of the grant of all the above-mentioned 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 been stipulated and the repayments of principal amounts and receipt of interest are regular as per stipulation.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the company, there is no overdue amount remaining outstanding at the 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) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (iv) The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014, as amended, would apply. Accordingly, clause (v) of paragraph 3 of the Order is not applicable to the Company.
- (vi) To the best of our knowledge and according to the information and explanations given to us, the Company is not required to maintain cost records pursuant to Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) Undisputed statutory dues, including, Provident Fund, Employees' State Insurance, Income-tax, Goods and Service tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been a delay in respect of remittance of taxes deducted at source and professional tax.
 

There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

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

| Name of the Statute            | Nature of the Dues       | Amount involved (INR in Lakhs) | Amount unpaid (INR in Lakhs) | Period to which the amount related | Forum where Dispute is Pending                                        |
|--------------------------------|--------------------------|--------------------------------|------------------------------|------------------------------------|-----------------------------------------------------------------------|
| Income Tax Act, 1961           | Income Tax               | 538.47                         | 488.47                       | AY 2013-14                         | Deputy Commissioner of Income Tax                                     |
| Income Tax Act, 1961           | Income Tax               | 20.69                          | -                            | AY 2016-17                         | National Faceless Appeal Centre (Delhi)                               |
| Income Tax Act, 1961           | Income Tax               | 9.10                           | 9.10                         | AY 2018-19                         | National Faceless Appeal Centre (Delhi)                               |
| Goods & Services Tax Act, 2017 | Goods & Services Tax     | 40.78                          | 38.96                        | FY 2017-18                         | Deputy Commissioner, State Tax, West Bengal                           |
| Goods & Services Tax Act, 2017 | Goods & Services Tax     | 16.79                          | 15.26                        | FY 2017-18                         | Superintendent, CGST & C.Ex, Mumbai East Commissionerate, Maharashtra |
| Goods & Services Tax Act, 2017 | Goods & Services Tax Act | 13.04                          | 11.74                        | FY 2017-18                         | Assistant Commissioner, State Tax, Telangana                          |
| Goods & Services Tax Act, 2017 | Goods & Services Tax Act | 20.94                          | 20.94                        | FY 2018-19                         | State Tax Officer, Gujarat                                            |
| Goods & Services Tax Act, 2017 | Goods & Services Tax     | 17.06                          | 17.06                        | FY 2019-20                         | State Tax Officer, Gujarat                                            |



- (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 wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The company has not taken any term loans during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (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) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (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 and according to the information and explanations given to us, 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.

- (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, 2013, 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 issued to the Company during the year and covering the period upto December 2023 and the final of the internal audit reports where issued after the balance sheet date covering the period January 2024 to March 2024 for the period under audit.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (d) The Company does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (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 realization of financial assets and payment of financial liabilities, 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**  
Chartered Accountants  
(Firm's Registration No. 117365W)

**Hardik Sutaria**  
(Partner)

Place: Ahmedabad  
Date: August 08, 2024

(Membership No. 116642)  
UDIN:24116642BKDLEC2518



## Standalone Balance Sheet

as at March 31, 2024

| Particulars                                                                                | Note | (₹ in lakhs)            |                                                |
|--------------------------------------------------------------------------------------------|------|-------------------------|------------------------------------------------|
|                                                                                            |      | As at<br>31 March, 2024 | As at<br>March 31, 2023<br>(Refer Note- 43(A)) |
| <b>ASSETS</b>                                                                              |      |                         |                                                |
| <b>I Financial Assets</b>                                                                  |      |                         |                                                |
| (a) Cash and cash equivalents                                                              | 4    | 1,448.59                | 1,509.59                                       |
| (b) Bank balances other than (a) above                                                     | 5    | 11,374.43               | 4,844.24                                       |
| (c) Securities for trade                                                                   | 6    | 1,336.22                | 765.93                                         |
| (d) Trade receivables                                                                      | 7    | 12,603.10               | 8,635.92                                       |
| (e) Loans                                                                                  | 8    | 76.77                   | 79.21                                          |
| (f) Investments                                                                            | 9    | 14,720.77               | 8,499.96                                       |
| (g) Other financial assets                                                                 | 10   | 3,919.41                | 1,449.09                                       |
| <b>Total Financial Assets</b>                                                              |      | <b>45,479.29</b>        | <b>25,783.94</b>                               |
| <b>II Non-Financial Assets</b>                                                             |      |                         |                                                |
| (a) Current tax asset (net)                                                                | 30   | 104.06                  | 92.54                                          |
| (b) Deferred tax assets (net)                                                              | 30   | -                       | -                                              |
| (c) Property, plant and equipment                                                          | 11   | 1,522.18                | 1,359.45                                       |
| (d) Right of use assets                                                                    | 12   | 1,473.13                | 1,212.86                                       |
| (e) Intangible assets                                                                      | 13   | 11,762.23               | 13,306.47                                      |
| (f) Other non-financial assets                                                             | 14   | 1,676.53                | 830.39                                         |
| <b>Total Non-Financial Assets</b>                                                          |      | <b>16,538.13</b>        | <b>16,801.71</b>                               |
| <b>Total Assets</b>                                                                        |      | <b>62,017.42</b>        | <b>42,585.65</b>                               |
| <b>LIABILITIES AND EQUITY</b>                                                              |      |                         |                                                |
| <b>Liabilities</b>                                                                         |      |                         |                                                |
| <b>I Financial Liabilities</b>                                                             |      |                         |                                                |
| (a) Trade payables                                                                         | 15   |                         |                                                |
| (a) Total outstanding dues of micro enterprises and small enterprises                      |      | 23.87                   | -                                              |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises |      | 18,518.34               | 10,905.81                                      |
| (b) Lease liabilities                                                                      | 16   | 1,551.40                | 1,268.10                                       |
| (c) Other financial liabilities                                                            | 17   | 96.55                   | 61.46                                          |
| <b>Total Financial Liabilities</b>                                                         |      | <b>20,190.16</b>        | <b>12,235.37</b>                               |
| <b>II Non-Financial Liabilities</b>                                                        |      |                         |                                                |
| (a) Current tax liability (net)                                                            | 30   | 146.40                  | 117.52                                         |
| (b) Deferred tax liabilities (net)                                                         | 30   | 770.44                  | 544.17                                         |
| (c) Provisions                                                                             | 18   | 584.09                  | 488.17                                         |
| (d) Other non-financial liabilities                                                        | 19   | 2,570.03                | 1,773.54                                       |
| <b>Total Non-Financial Liabilities</b>                                                     |      | <b>4,070.96</b>         | <b>2,923.40</b>                                |
| <b>Equity</b>                                                                              |      |                         |                                                |
| (a) Equity share capital                                                                   | 20   | 2,070.33                | 2,070.33                                       |
| (b) Instrument entirely equity in nature                                                   | 21   | -                       | -                                              |
| (c) Other equity                                                                           | 22   | 35,685.97               | 25,356.55                                      |
| <b>Total Equity</b>                                                                        |      | <b>37,756.30</b>        | <b>27,426.88</b>                               |
| <b>Total Liabilities and Equity</b>                                                        |      | <b>62,017.42</b>        | <b>42,585.65</b>                               |

The accompanying notes are an integral part of these Standalone Financial Statements.  
In terms of our report of even date attached

**For Deloitte Haskins & Sells**  
Chartered Accountants

**Hardik Sutaria**  
Partner

Place : Ahmedabad  
Date: August 08, 2024

**For and on behalf of the Board of Directors of  
Prudent Corporate Advisory Services Limited**

**Sanjay Shah**  
Chairman and Managing Director  
DIN : 00239810

**Chirag Kothari**  
Chief Financial Officer

Place : Ahmedabad  
Date: August 08, 2024

**Shirish Patel**  
Whole Time Director and CEO  
DIN : 00239732

**Kunal Chauhan**  
Company Secretary

**Chirag Shah**  
Whole Time Director  
DIN : 01480310

## Standalone Statement of Profit and Loss

for the year ended March 31, 2024

| Particulars                                                                      | Note | (₹ in lakhs)                         |                                                             |
|----------------------------------------------------------------------------------|------|--------------------------------------|-------------------------------------------------------------|
|                                                                                  |      | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023<br>(Refer Note- 43(A)) |
| <b>Revenue from Operations</b>                                                   |      |                                      |                                                             |
| <b>I</b> Commission and fees income                                              | 23   | 68,788.88                            | 53,427.75                                                   |
| <b>II</b> Interest income                                                        | 23A  | 490.34                               | 475.05                                                      |
| <b>III</b> Net gain on fair value changes                                        | 24   | 112.02                               | 173.86                                                      |
| <b>Total Revenue from Operations</b>                                             |      | <b>69,391.24</b>                     | <b>54,076.66</b>                                            |
| <b>IV</b> Other Income                                                           | 25   | 1,360.23                             | 471.09                                                      |
| <b>V Total Income (I) + (II) + (III) + (IV)</b>                                  |      | <b>70,751.47</b>                     | <b>54,547.75</b>                                            |
| <b>VI Expenses:</b>                                                              |      |                                      |                                                             |
| Commission and fees expenses                                                     |      | 42,420.90                            | 32,521.32                                                   |
| Employee benefits expense                                                        | 26   | 7,626.80                             | 6,708.93                                                    |
| Finance costs                                                                    | 27   | 168.51                               | 170.70                                                      |
| Impairment on financial instruments                                              | 27A  | (0.11)                               | (204.58)                                                    |
| Depreciation and amortization expense                                            | 28   | 2,283.70                             | 2,226.39                                                    |
| Other expenses                                                                   | 29   | 3,472.92                             | 2,432.14                                                    |
| <b>Total Expenses (VI)</b>                                                       |      | <b>55,972.72</b>                     | <b>43,854.90</b>                                            |
| <b>VII Profit before tax (V) - (VI)</b>                                          |      | <b>14,778.75</b>                     | <b>10,692.85</b>                                            |
| <b>VIII Tax expense / (Benefit)</b>                                              |      |                                      |                                                             |
| Current tax                                                                      |      | 3,469.59                             | 2,206.56                                                    |
| Deferred tax                                                                     |      | 259.59                               | 523.99                                                      |
| <b>Total Tax Expense (VIII)</b>                                                  |      | <b>3,729.18</b>                      | <b>2,730.55</b>                                             |
| <b>IX Profit after tax for the year (VII) - (VIII)</b>                           |      | <b>11,049.57</b>                     | <b>7,962.30</b>                                             |
| <b>X Other Comprehensive Income (OCI)</b>                                        |      |                                      |                                                             |
| (i) Items that will not be reclassified to statement of profit or loss           |      |                                      |                                                             |
| (a) Remeasurement of the defined benefit plans                                   |      | (132.37)                             | (21.86)                                                     |
| (b) Income tax relating to items that will not be reclassified to profit or loss |      | 33.32                                | 5.50                                                        |
| <b>Total Other Comprehensive Income/(Loss) (X)</b>                               |      | <b>(99.05)</b>                       | <b>(16.36)</b>                                              |
| <b>XI Total Comprehensive Income for the year (IX) +/- (X)</b>                   |      | <b>10,950.52</b>                     | <b>7,945.94</b>                                             |
| <b>XII Earnings per equity share</b>                                             |      |                                      |                                                             |
| - Basic [in ₹]                                                                   | 31   | 26.69                                | 19.23                                                       |
| - Diluted [in ₹]                                                                 |      | 26.69                                | 19.23                                                       |

The accompanying notes are an integral part of these Standalone Financial Statements.  
In terms of our report of even date attached

**For Deloitte Haskins & Sells**  
Chartered Accountants

**Hardik Sutaria**  
Partner

Place : Ahmedabad  
Date: August 08, 2024

**For and on behalf of the Board of Directors of  
Prudent Corporate Advisory Services Limited**

**Sanjay Shah**  
Chairman and Managing Director  
DIN : 00239810

**Chirag Kothari**  
Chief Financial Officer

Place : Ahmedabad  
Date: August 08, 2024

**Shirish Patel**  
Whole Time Director and CEO  
DIN : 00239732

**Kunal Chauhan**  
Company Secretary

**Chirag Shah**  
Whole Time Director  
DIN : 01480310

## Standalone Statement of Cash Flows

for the year ended March 31, 2024



Contd...

| Particulars                                                                 | (₹ in lakhs)                         |                                                             |
|-----------------------------------------------------------------------------|--------------------------------------|-------------------------------------------------------------|
|                                                                             | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023<br>(Refer Note- 43(A)) |
| <b>A CASH FLOW FROM OPERATING ACTIVITIES</b>                                |                                      |                                                             |
| <b>Profit before tax</b>                                                    | <b>14,778.75</b>                     | <b>10,692.85</b>                                            |
| Adjustment for                                                              |                                      |                                                             |
| Less : Interest income                                                      | (233.82)                             | (71.98)                                                     |
| Less : Dividend income                                                      | (37.02)                              | (4.41)                                                      |
| Add/less : Unrealised (gain)/loss on securities held for trade              | 6.20                                 | 10.15                                                       |
| Less : Net gain on investments measured at FVTPL                            | (915.73)                             | (210.51)                                                    |
| Add : Depreciation and amortization expense                                 | 2,283.70                             | 2,226.39                                                    |
| Less: Profit on cancellation of lease contract                              | (23.85)                              | (17.46)                                                     |
| Less: Impairment allowances for margin money reversed                       | -                                    | (203.67)                                                    |
| Less: Sundry Balance Written back                                           | (27.27)                              | -                                                           |
| Less: Impairment for trade receivables reversed                             | (0.11)                               | (0.91)                                                      |
| Add : Loss on Sale of property, plant and equipment (net)                   | 8.62                                 | 4.33                                                        |
| Add : Finance costs                                                         | 168.51                               | 170.70                                                      |
| <b>Operating Profit before Working Capital Changes</b>                      | <b>16,007.98</b>                     | <b>12,595.48</b>                                            |
| <b>Changes in working capital:</b>                                          |                                      |                                                             |
| (Increase) / decrease in Bank balances other than Cash and cash equivalents | (1,719.06)                           | (647.59)                                                    |
| (Increase) / decrease in Trade receivables                                  | (3,967.10)                           | 240.06                                                      |
| (Increase) / decrease in Loans                                              | 2.43                                 | (35.42)                                                     |
| (Increase) / decrease in Other financial assets                             | (2,448.49)                           | 105.92                                                      |
| (Increase) / decrease in Other non-financial assets                         | (813.41)                             | (341.49)                                                    |
| (Increase) / decrease in Securities held for trade                          | (576.49)                             | 263.43                                                      |
| Increase / (decrease) in Trade payables                                     | 7662.28                              | (1,136.30)                                                  |
| Increase / (decrease) in Other financial liabilities                        | 33.64                                | 11.16                                                       |
| Increase / (decrease) in Other non-financial liabilities                    | 796.42                               | 252.08                                                      |
| Increase / (decrease) in Provisions                                         | (36.44)                              | (2.38)                                                      |
| <b>Cash Generated from Operations</b>                                       | <b>14,941.76</b>                     | <b>11,304.95</b>                                            |
| Less : Direct tax (paid)                                                    | (3,452.24)                           | (2,059.40)                                                  |
| <b>Net Cash Generated from Operating Activities (A)</b>                     | <b>11,489.52</b>                     | <b>9,245.55</b>                                             |
| <b>B CASH FLOW FROM INVESTING ACTIVITIES</b>                                |                                      |                                                             |
| Purchase of Property, plant and equipment and intangible assets             | (445.80)                             | (144.59)                                                    |
| Acquisition of Customer folios                                              | -                                    | (226.23)                                                    |
| Purchase of Investments                                                     | (54,758.82)                          | (30,190.38)                                                 |
| Proceeds from Sale of Investments                                           | 49,453.74                            | 22,305.29                                                   |
| Proceeds from Sale of property, plant and equipment                         | 2.49                                 | 3.62                                                        |
| Dividend income                                                             | 37.02                                | 4.41                                                        |
| Bank deposits withdrawn                                                     | 297.54                               | -                                                           |
| Bank deposits (placed)                                                      | (5,000.00)                           | (275.06)                                                    |
| Interest received                                                           | 86.15                                | 61.48                                                       |
| <b>Net Cash Used in Investing Activities (B)</b>                            | <b>(10,327.68)</b>                   | <b>(8,461.46)</b>                                           |



## Standalone Statement of Cash Flows

for the year ended March 31, 2024

| Particulars                                                         | (₹ in lakhs)                         |                                                             |
|---------------------------------------------------------------------|--------------------------------------|-------------------------------------------------------------|
|                                                                     | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023<br>(Refer Note- 43(A)) |
| <b>C CASH FLOW FROM FINANCING ACTIVITIES</b>                        |                                      |                                                             |
| Principal payment of Lease liabilities                              | (434.15)                             | (420.82)                                                    |
| Proceeds from borrowings                                            | 2,633.75                             | 8,818.00                                                    |
| Repayment of borrowings                                             | (2,633.75)                           | (8,818.00)                                                  |
| Interest Paid on Lease                                              | (128.47)                             | (106.01)                                                    |
| Dividend paid                                                       | (621.07)                             | (414.07)                                                    |
| Finance costs paid                                                  | (39.15)                              | (63.77)                                                     |
| <b>Net Cash Used in Financing Activities (C)</b>                    | <b>(1,222.84)</b>                    | <b>(1,004.67)</b>                                           |
| <b>Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b> | <b>(61.00)</b>                       | <b>(220.58)</b>                                             |
| Cash and cash equivalents at the beginning of the year              | 1,509.59                             | 1,730.17                                                    |
| <b>Cash and Cash Equivalents at the end of the year</b>             | <b>1,448.59</b>                      | <b>1,509.59</b>                                             |
| <b>Cash and Cash Equivalents Comprises of:</b>                      |                                      |                                                             |
| Cash on hand                                                        | 3.26                                 | 3.09                                                        |
| In current accounts                                                 | 1,445.33                             | 1,506.50                                                    |
| <b>Total Cash and Cash Equivalents (Refer Note 4)</b>               | <b>1,448.59</b>                      | <b>1,509.59</b>                                             |

### Notes:

- The Standalone Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of the Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).
- Disclosure with regards to changes in liabilities arising from financing activities as set out in Ind AS 7 -Statement of cash flows is presented under Note 17

The accompanying notes are an integral part of these Standalone Financial Statements.  
In terms of our report of even date attached

**For Deloitte Haskins & Sells**  
Chartered Accountants

**Hardik Sutaria**  
Partner

Place : Ahmedabad  
Date: August 08, 2024

**For and on behalf of the Board of Directors of  
Prudent Corporate Advisory Services Limited**

**Sanjay Shah**  
Chairman and Managing Director  
DIN : 00239810

**Chirag Kothari**  
Chief Financial Officer

Place : Ahmedabad  
Date: August 08, 2024

**Shirish Patel**  
Whole Time Director and CEO  
DIN : 00239732

**Kunal Chauhan**  
Company Secretary

**Chirag Shah**  
Whole Time Director  
DIN : 01480310

## Standalone Statement of Changes in Equity

for the year ended March 31, 2024

Contd...

### A. Equity share capital - Refer Note 20

| Particulars                           | (₹ in lakhs)    |  |
|---------------------------------------|-----------------|--|
|                                       | Amount          |  |
| <b>Balance as at April 01, 2022</b>   | <b>2,070.33</b> |  |
| Add: Issued of shares during the year | -               |  |
| <b>Balance as at March 31, 2023</b>   | <b>2,070.33</b> |  |
| Add: Issued of shares during the year | -               |  |
| <b>Balance as at Marh 31, 2024</b>    | <b>2,070.33</b> |  |

### B. Instrument entirely equity in nature - Refer Note 21

| Particulars                           | (₹ in lakhs) |  |
|---------------------------------------|--------------|--|
|                                       | Amount       |  |
| <b>Balance as at April 01, 2022</b>   | -            |  |
| Add: Issued of shares during the year | -            |  |
| <b>Balance as at March 31, 2023</b>   | -            |  |
| Add: Issued of shares during the year | -            |  |
| <b>Balance as at Marh 31, 2024</b>    | -            |  |

### C. Other equity - Refer Note 22

| Particulars                                                         | Reserves and Surplus |                  |                   | Total            |
|---------------------------------------------------------------------|----------------------|------------------|-------------------|------------------|
|                                                                     | Securities Premium   | General Reserves | Retained Earnings |                  |
|                                                                     | (₹ in lakhs)         |                  |                   |                  |
| <b>Balance as at April 01, 2022 (Refer Note-43(A))</b>              | <b>95.35</b>         | <b>100.00</b>    | <b>17629.33</b>   | <b>17824.68</b>  |
| Add: Net Profit for the year                                        | -                    | -                | 7,962.30          | 7,962.30         |
| Add/(Less): Remeasurement of the defined benefit plans (net of tax) | -                    | -                | (16.36)           | (16.36)          |
| <b>Total Comprehensive income/(loss) for the year</b>               | <b>-</b>             | <b>-</b>         | <b>7,945.94</b>   | <b>7,945.94</b>  |
| Less: Final dividend on equity shares                               | -                    | -                | (414.07)          | (414.07)         |
| <b>Balance as at March 31, 2023</b>                                 | <b>95.35</b>         | <b>100.00</b>    | <b>25161.20</b>   | <b>25356.55</b>  |
| Add: Net Profit for the year                                        | -                    | -                | 11,049.57         | 11,049.57        |
| Add/(Less): Remeasurement of the defined benefit plans (net of tax) | -                    | -                | (99.05)           | (99.05)          |
| <b>Total Comprehensive income/(loss) for the year</b>               | <b>-</b>             | <b>-</b>         | <b>10,950.52</b>  | <b>10,950.52</b> |
| Less: Final dividend on equity shares                               | -                    | -                | (621.10)          | (621.10)         |
| <b>Balance as at Marh 31, 2024</b>                                  | <b>95.35</b>         | <b>100.00</b>    | <b>35490.62</b>   | <b>35685.97</b>  |

The accompanying notes are an integral part of these Standalone Financial Statements.

In terms of our report of even date attached

**For Deloitte Haskins & Sells**  
Chartered Accountants

**Hardik Sutaria**  
Partner

Place : Ahmedabad  
Date: August 08, 2024

**For and on behalf of the Board of Directors of Prudent Corporate Advisory Services Limited**

**Sanjay Shah**  
Chairman and Managing Director  
DIN : 00239810

**Chirag Kothari**  
Chief Financial Officer

Place : Ahmedabad  
Date: August 08, 2024

**Shirish Patel**  
Whole Time Director and CEO  
DIN : 00239732

**Kunal Chauhan**  
Company Secretary

**Chirag Shah**  
Whole Time Director  
DIN : 01480310

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

### 1 Corporate information

Prudent Corporate Advisory Services Limited ("the Company") was incorporated on June 4, 2003 under the provisions of Companies Act, 1956 and is a Public Company domiciled in India. Its registered office is situated at Prudent House, Panjra Pole Cross Road, Nr. Polytechnic, Ambawadi, Ahmedabad, Gujarat, India. As on May 20, 2022, the Company concluded its Initial Public Offering ('IPO') through offer for sale of equity Shares by the existing shareholder and its equity shares are listed on recognised stock exchanges of India.

The Company is mainly engaged in business of distribution of various mutual funds existing in India and also registered as a stock broker with the Securities and Exchange Board of India ("SEBI"). It is a member of NSE, BSE, MCX, MSEI and NCDEX and is engaged in the business of providing broking services to its clients and a depository participant with Central Depository Services (India) Limited (CDSL). The Company further engaged in the business of Stock, Currency and Commodity Broking, providing Margin Trading Facility and depository services and earns brokerage, fees, commission and interest income thereon. Apart from distributing mutual funds, the Company, along with its subsidiaries is also engaged in distribution of various products like: Insurance products, PMS Products, Unlisted Securities, Bonds/FDs, AIFs, NPS, Lique loan etc.

"On July 25, 2023, the Board of Directors of the Company approved the scheme of amalgamation of Prudent Broking Services Private Limited ("PBSPL"), a wholly owned subsidiary, with Prudent Corporate Advisory Services Limited ("PCASL"), effective from the appointed date of April 01, 2023 (the "Amalgamation Scheme").

Prudent Broking Services Private Limited (PBSPL) is a wholly-owned subsidiary of Prudent Corporate Advisory Services Limited (PCASL). PBSPL is registered as both a stock broker and a commodity broker with the Securities and Exchange Board of India (SEBI), as well as with NSE, BSE, MCX, and NCDEX. The company is engaged in stock broking, commodity broking, research analysis, and other investment-related services to its clients.

The Company has received approval for the Scheme from the Office of the Regional Director ("RD"), North Western Region, Ministry of Corporate Affairs ("MCA"), Ahmedabad (Gujarat) vide confirmation order dated August 02, 2024. This order approved the Scheme of Amalgamation between Prudent Broking Services Private Limited (Transferor Company) with Prudent Corporate Advisory Services Limited (Transferee Company) and their respective shareholders and creditors in terms of Section 233 of the Companies Act, 2013 read with Rule 25 of The Companies (Compromise, Arrangement and Amalgamation) Rules, 2016.

Accordingly, the company has prepared its financial Statements for the financial year 2023-24 Considering the PBSPL is merged with PCASL w.e.f April 1, 2023.

### 2 Basis of preparation and Presentation:

#### A Statement of Compliance:

The Standalone Financial Statements of Company comprise the Standalone Balance Sheet as at March 31, 2024, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Equity for the year ended March 31, 2024, and a summary of significant accounting policies and other explanatory information, (together referred to as the "Standalone Financial Statements").

The Standalone Financial Statements have been prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, the provisions of the Companies Act, 2013 ("the Act") to the extent notified and other accounting principles generally accepted in India. These Financial Statements have been approved by the board of directors in its meeting held on August 08, 2024.

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by the Company, to all the periods presented in the said standalone financial statements.

The preparation of the said standalone financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas where estimates are significant to the standalone financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 2E.

The standalone financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial Statements' and Division III of Schedule III of the Act.

#### B Basis of Measurement

The Standalone Financial Statements have been prepared on accrual and going concern basis under the historical cost convention except for certain class of financial assets/liabilities, and net liability for defined benefit plans that are measured at fair value. The accounting policies have been consistently applied by the Company unless otherwise stated.

#### C Functional and Presentation Currency

The Standalone Financial Statements have been prepared and presented in Indian Rupees (INR), which is also the Company's functional currency.



# Notes to the Standalone Financial Statements

for the year ended 31 March 2024



## D Rounding off

All amounts disclosed in the Standalone Financial Statements and notes have been rounded off to the nearest Lakhs unless otherwise stated.

## E Key accounting estimates and judgement:

The preparation of Standalone Financial Statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial period, are included in the following notes:

### (i) Depreciation / amortisation and useful lives of property, plant and equipment / intangible assets :-

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates. (Refer note 3A, 3B & 45)

### (ii) Measurement of defined benefit obligations

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. (Refer Note 35 (b)(viii))

### (iii) Recognition and measurement of provisions and contingencies

The Company recognises a provision if it is probable that an outflow of cash or other economic resources will be required to settle the provision. If an outflow

is not probable, the item is treated as a contingent liability. Risks and uncertainties are taken into account in measuring a provision. (Refer Note 3J)

### (iv) Recognition of deferred tax assets

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies and future recoverability of deferred tax assets. (Refer Note 3 I).

### (v) Impairment of financial assets

The Company recognises loss allowances for expected credit losses on its financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. (Refer Note 3E (2) (v))

### (vi) Fair Value Measurement

Fair value is the price at the measurement date, at which an asset can be sold or paid to transfer a liability, in an orderly transaction between market participants. The Company's accounting policies require, measurement of certain financial / non-financial assets and liabilities at fair values (either on a recurring or non-recurring basis). Also, the fair values of financial instruments measured at amortised cost are required to be disclosed in the said Standalone Financial Statements.

The Company is required to classify the fair valuation method of the financial / non-financial assets and liabilities, either measured or disclosed at fair value in the Standalone Financial Statements, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurement). Accordingly, 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 three levels of the fair-value-hierarchy are described below:

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

Level 2: Significant inputs to the fair value measurement are directly or indirectly observable

Level 3: Significant inputs to the fair value measurement are unobservable.



# Notes to the Standalone Financial Statements

for the year ended 31 March 2024

## (vii) Assessment of Business Combination

The management of the Company has assessed whether the said acquisition meets the definition of Business in accordance with Ind AS 103 Business Combination. In making such assessment, the management has exercised judgement while evaluating all the relevant facts and circumstances of the acquisition, including those related to inputs, substantive processes and outputs and concluded that the acquisition does not qualify as a Business in accordance with Ind AS 103 as Company has only acquired customer folios and accordingly, the same has been accounted as acquisition of intangible assets under Ind AS 38. (Refer note - 45)

## 3 Summary of Material Accounting Policies

### A Property, Plant and Equipment

Items of property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost is inclusive of freight, duties, taxes or levies (net of recoverable taxes) and any directly attributable cost of bringing the assets to their working condition for intended use.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Items of Property, Plant and Equipment that have been retired from active use and are held for disposal are stated at the lower of their net carrying amount and net realisable value and are shown separately in the Standalone Financial Statements. Any write-down in this regard is recognised immediately in the Standalone Statement of Profit and Loss.

An item of Property, Plant and Equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising between sale proceeds and carrying value on derecognition is recognised in the Standalone Statement of Profit and Loss.

Depreciable amount for assets is the cost of an assets less its estimated residual value. Based on management's evaluation, useful life prescribed in Schedule II of the Act represent actual useful life of Property, Plant and Equipment. Accordingly, the Company has used useful lives as mentioned in Schedule II of the Act to provide depreciation of different class of its Property, Plant and Equipment. The Company provides depreciation on reducing balance method as per the useful life mentioned in Schedule II of the Act. Any change in estimate is accounted on prospective basis.

The estimated useful lives of Property, Plant and Equipment are as follows :

| Class of assets        | Useful Life (in years) |
|------------------------|------------------------|
| Building               | 60 Years               |
| Office Equipment       | 5 Years                |
| Furniture and Fixtures | 5 to 10 Years          |
| Computer Equipment     | 3 to 6 Years           |
| Vehicles               | 8 to 10 Years          |

Depreciation on additions is being provided on pro rata basis from the date of such additions. Depreciation on assets sold, discarded, disabled or demolished during the period is being provided up to the date in which such assets are sold, discarded, disabled or demolished.

### B Intangibles assets

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial period end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Standalone Statement of Profit and Loss.

The estimated useful lives of intangible assets are as follows:

| Class of assets | Useful Life (in years)        |
|-----------------|-------------------------------|
| Software        | 5 Years                       |
| Customer Folios | 10 years<br>(Refer note - 45) |

### C Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets, other than deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of such asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. Each CGU



represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal 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 the risks specific to the asset or CGU for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Standalone Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

Reversal of impairment losses recognised in earlier years is recorded when there is an indication that the impairment losses recognised for the asset/cash generating unit no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for that asset/cash generating unit in earlier years. Reversal of impairment loss is directly recognised in the Standalone Statement of Profit and Loss.

#### D Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Standalone Statement of Profit and Loss in the period in which they are incurred.

#### E 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 of another entity. The financial instruments are recognised in the balance sheet when the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial instruments at initial recognition.

##### (1) Initial Recognition and Measurements

A financial asset and financial liability is initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the Standalone Statement of Profit and Loss.

Where the fair value of a financial asset or financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Standalone Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Standalone Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial assets or financial liability.

Trade receivables that do not contain a significant financing component are measured at transaction price.

##### (2) Subsequent Measurements

###### (a) Financial Assets

For purposes of subsequent measurement, financial assets are classified based on assessment of business model in which they are held. This assessment is done for portfolio of the financial assets. The relevant categories are as below:



##### (i) At amortised cost:

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL):

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

##### (ii) At fair value through Other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

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

##### (iii) At fair value through profit and loss (FVTPL)

Financial assets which are not measured at amortised cost or OCI and are held for trading are measured at FVTPL. Fair value changes related to such financial assets are recognised in the Standalone Statement of Profit and Loss.

Based on the Company's business model, the Company has classified its securities held for trade, Investment in Equity Shares and Investment in Mutual Funds at FVTPL.

##### (iv) Investment in Equity Instruments

Investment in Subsidiaries, Associates and Joint ventures are out of scope of Ind AS 109 and hence, the Company has accounted for its investment in Subsidiaries at cost.

All other equity investments in scope of Ind AS 109, are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For equity instruments other than held for trading, the Company has irrevocable option 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.

Where the Company classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts of profit or loss from OCI to Standalone Statement of Profit and Loss, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Standalone Statement of Profit and Loss.

##### (v) Impairment of Financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss, otherwise lifetime ECL is used.

However, only in case of trade receivables, the Company applies the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Expected credit losses rate the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

##### (vi) Derecognition of Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.



On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Standalone Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Standalone Statement of Profit and Loss on disposal of that financial asset.

#### (b) Financial Liabilities

All financial liabilities of the Company are subsequently measured at amortised cost using the effective interest method or at FVTPL.

##### (i) At amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Standalone Statement of Profit and Loss.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

##### (ii) At Fair Value through Profit and Loss:

A financial liability may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability whose performance is evaluated on a fair value basis, in accordance with the Company's documented risk management.

Fair value changes related to such financial liabilities are recognised in the Standalone Statement of Profit and Loss.

##### (iii) Derecognition of Financial Liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Standalone Statement of Profit and Loss.

##### (iv) Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset when the Company has a legally enforceable right (not contingent on future events) to off-set the recognised amounts either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

#### (3) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument as per the relevant standards.

Ordinary shares are classified as Equity when the Company has an un-conditional right to avoid delivery of cash or another financial asset, that is, when the dividend and repayment of capital are at the sole and absolute discretion of the Company and there is no contractual obligation whatsoever to that effect.

#### (4) Derivative Financial Instruments

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. The resulting gain or loss is recognised in Standalone Statement of Profit and Loss immediately.



#### F Foreign currency transactions

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transactions. Monetary assets and liabilities outstanding at the period-end are translated at the rate of exchange prevailing at the period-end and the gain or loss, is recognised in the Standalone Statement of Profit and Loss.

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the Balance Sheet date are restated at the period-end rates. Non-monetary items of the Company are carried at historical cost.

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Standalone Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

#### G Revenue Recognition

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

**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 from contracts with customers is recognised when control of the services are transferred to the customer which can be either at a point in time or over time, at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services.

Revenue recognized are exclusive of goods and service tax, stamp duties and other levies by Security Exchange Board of India (SEBI) and exchanges.

The Company recognises revenue from the following major sources:

- Commission and Fees Income from distribution of financial products (i.e. Mutual Funds, Bonds, Fixed Deposits, Non-convertible Debentures, Portfolio Management Services, AIF etc.)
- Commission Income from Sale of Properties

#### Commission and Fees Income relating to Distribution of Financial Products:

Fees on distribution services are recognized at a point in time when the service obligations are completed and when the terms of contracts are fulfilled.

**Commission Income from Sale of Properties:** Brokerage income from sale of non-financial properties is recognised at the point the sale when the performance obligation which gives rise to the commission income is satisfied and when the right to receive the income is established. The date of the agreement is considered as point in time when the performance obligation is satisfied.

#### Interest Income

Interest income on financial assets is recognised using the Effective Interest Rate (EIR) method. The EIR is the rate that exactly discounts estimated future cash flows of the financial asset through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument.

#### Dividend Income

Dividend income is recognised when the right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

#### H Employees Benefit

Employee benefits include short term employee benefits, provident fund, employee's state insurance, gratuity and compensated absences.





#### Short term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

#### Defined Contribution Plan

The Company's contribution to Provident Fund and Employee State Insurance Scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. The Company does not carry any further obligations, apart from the contributions made on a monthly basis.

#### Defined Benefit Plan

The Company provides for the gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The Company contributes Gratuity liabilities to the Prudent Corporate Advisory Services Limited Employee Group Gratuity Fund (the Trust). Trustees administer contributions made to the Trusts and contributions are invested in Insurer Managed Funds. Net Obligation is recognised as asset/liability.

Re-measurements of the net defined benefit liability comprising actuarial gains and losses (excluding amounts included in net interest on the net defined benefit liability) and, are recognized in Other Comprehensive Income. Such re-measurements are not reclassified to the Standalone Statement of Profit and Loss in the subsequent year. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income.

#### Long-term employee benefits

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the period are treated as other long term employee benefits and is unfunded. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of the each period. Actuarial losses/gains are recognised in the Standalone Statement of Profit and Loss in the period in which they arise.

#### I Current and deferred tax

Tax on Income comprises current and deferred tax.

##### Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the reporting period in accordance with the Income-tax Act, 1961 enacted in India and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantially enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

##### Deferred tax

Deferred tax is recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities in Standalone Financial Statements and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantially enacted as on reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is also recognised in respect of carried forward tax losses and tax credits subject to the assessment of reasonable certainty of recovery. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Deferred tax relating to items recognised outside the standalone Statement of Profit and Loss is recognised outside with the underlying items i.e. either in the statement of other comprehensive income or directly in equity as relevant.

#### J Provisions and contingent liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the



expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Standalone Statement of Profit and Loss net of any reimbursement. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

#### K Leases: Right-of-use assets and Lease liabilities

##### i) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### The Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### i) Right-of-use assets

The Company recognises right-of-use assets ("RoU Assets") at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 3 (C) Impairment of non-financial assets.

##### ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

##### iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

##### The Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024



recognised as revenue in the period in which they are earned

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### L Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents for the purpose of Statement of Cash Flow comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less.

### M Earning per share

Basic earnings per share is computed by dividing the profit / (loss) for the period attributable to equity share holder by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit/(loss) for the period attributable to Equity Share holders and the weighted average number of shares outstanding during the period are adjusted for effects of all dilutive potential equity shares.

### N Dividend on Ordinary Shares

The Company recognizes a liability to make cash to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the Act, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

### O Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108 - Operating Segments, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

### P Cash flow statement

Cash flows are reported using the indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular operating, investing and financing activities of the Company are segregated based upon the available information.

### Q Contract balances

Trade Receivables : A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration due.

Contract Liability : A contract liability is the obligation to transfer goods and services to the customer for which the Company has received the consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognized as revenue when the Company performs obligations under the contract. The same is disclosed as "Advance from customers" under Other non-financial liabilities.

### R Business Combination: Methods of Accounting for Common Control Business Combinations

A Common control business combination, involving entities or business in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where control is not transitory, is accounted for in accordance with Appendix C to Ind AS 103 "Business Combination". The company accounts for Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made only to harmonize material accounting policies.
- The financial information in the financial statements in respect of prior period are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.
- The identity of the reserves are preserved and appear in the financial statements of the transferee in same form in which they appeared in the financial statements of the transferor.



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

- The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserves.

The amalgamation was accounted as a common control business combination in accordance with the accounting prescribed under "pooling of interest" method in Appendix C of the Indian Accounting Standard (Ind AS) 103 - "Business Combinations" and as per the specific provisions of the Scheme. Accordingly, the Scheme has been given effect to in these financial statements and all assets, liabilities and reserves and income and expenditure of the Transferor companies stand transferred at carrying value and vested in the Transferee Company. The inter-corporate investments / deposits / loans and advances or any receivables and payables between and amongst the Amalgamated Company and the Amalgamating companies will stand eliminated by set-off against each other and be cancelled.

No shares were issued to give effect of the said amalgamation since the wholly owned subsidiary companies merged with the Parent/Holding Company. The difference between the equity share capital of the transferor companies and the carrying value of investments in the said transferee Company is recognised as capital reserve (refer statement of changes in equity). Pursuant to the scheme, the company has adjusted the debit balance of capital reserve (including capital reserve arising on account of amalgamation) and debit balance of amalgamation adjustment reserve account in the books of the Company post amalgamations against the Securities Premium Account of the Company, as per the terms of the Approved scheme.

As per the approved scheme of amalgamation, the amalgamating companies carried their respective business for and on behalf of the Company from the appointed date till the effective date.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

### 4 Cash and Cash equivalents

| Particulars                  | (₹ in lakhs)            |                         |
|------------------------------|-------------------------|-------------------------|
|                              | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| (measured at amortised cost) |                         |                         |
| Cash on Hand                 | 3.26                    | 3.09                    |
| Balance with Banks:          |                         |                         |
| - In current accounts        | 1,445.33                | 1,506.50                |
| <b>Total</b>                 | <b>1,448.59</b>         | <b>1,509.59</b>         |

### 5 Bank Balances other than cash and cash equivalents

| Particulars                                                                         | (₹ in lakhs)            |                         |
|-------------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                     | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| (measured at amortised cost)                                                        |                         |                         |
| Deposits held as Margin Money*                                                      | 20.00                   | 20.00                   |
| Bank Deposits with remaining maturities more than 3 months but less than 12 months* | 11,267.33               | 4,790.19                |
| Interest accrued but not due on Bank Deposits                                       | 87.03                   | 33.98                   |
| Earmarked balances with bank (unpaid dividend account)                              | 0.07                    | 0.07                    |
| <b>Total</b>                                                                        | <b>11,374.43</b>        | <b>4,844.24</b>         |

#### \* Break up of Fixed Deposits with banks

| Particulars                                                                                    | (₹ in lakhs)            |                         |
|------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                                | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| Fixed Deposits under lien with Pension Fund Regulatory and Development Authority.(PFRDA)       | 20.00                   | 20.00                   |
| Fixed Deposits under lien with Stock Exchange to meet margin requirement                       | 5,171.50                | 3,473.51                |
| Fixed Deposits for Bank Guarantee                                                              | 995.00                  | 1,025.00                |
| Fixed Deposits pledged with bank for securing overdraft facilities                             | 3.00                    | 5.00                    |
| Fixed Deposits free from Charges                                                               | 5,097.83                | -                       |
| Fixed Deposits under lien marked in favour of Bank for utilisation of non fund credit facility | -                       | 286.69                  |
| <b>Total</b>                                                                                   | <b>11,287.33</b>        | <b>4,810.19</b>         |

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

### 6 Securities for trade

| Particulars                                               | (₹ in lakhs)            |                         |
|-----------------------------------------------------------|-------------------------|-------------------------|
|                                                           | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| Quoted - measured at Fair value through profit and loss   |                         |                         |
| Bonds(i)                                                  | 1,315.82                | 726.93                  |
| Unquoted - measured at Fair value through profit and loss |                         |                         |
| Equity Share(ii)                                          | 20.40                   | 39.00                   |
| <b>Total</b>                                              | <b>1,336.22</b>         | <b>765.93</b>           |

#### (i) Details of Bonds - Securities held for trade

| Particulars                                        | As at March 31, 2024 |                       |       | As at March 31, 2023 |                       |       |
|----------------------------------------------------|----------------------|-----------------------|-------|----------------------|-----------------------|-------|
|                                                    | Number of<br>Bonds   | FV per<br>Bond (in ₹) | Value | Number of<br>Bonds   | FV per<br>Bond (in ₹) | Value |
|                                                    | <b>Quoted Bonds</b>  |                       |       |                      |                       |       |
| Asirvad Microfinance Ltd 2026@11.90%               | 61                   | 100,000               | 59.78 | -                    | -                     | -     |
| Bank of Maharashtra 2025@7.75%                     | 1                    | 1,000,000             | 9.95  | 4                    | 1,000,000             | 39.79 |
| Ghazibad Nagar Nigam 2026@8.10%                    | 11                   | 142,900               | 16.05 | 1                    | 142,900               | 1.46  |
| India Grid Trust 2031@8.20%                        | -                    | -                     | -     | 1,125                | 1,000                 | 14.27 |
| ECL Finance Limited 2028@9.85%                     | -                    | -                     | -     | 350                  | 1,000                 | 3.47  |
| Piramal Capital and Housing Finance Ltd 2031@6.75% | 1,300                | 950                   | 9.79  | 7,646                | 950                   | 60.23 |
| UPPCL NCD 2026 @ 9.75%                             | 4                    | 1,000,000             | 40.66 | -                    | -                     | -     |
| UPPCL NCD 2027 @ 9.75%                             | 1                    | 1,000,000             | 10.42 | -                    | -                     | -     |
| Nabard Tax Free Bond 2026@7.29%                    | -                    | -                     | -     | 600                  | 1,000                 | 6.30  |
| Tata Capital Housing Finance Ltd 2032@7.50%        | -                    | -                     | -     | 2                    | 1,000,000             | 19.49 |
| GOI 2035 @ 6.67%                                   | 20,500               | 100                   | 20.20 | 15,000               | 100                   | -     |
| Mahindra & Mahindra Financial Ser Ltd 2027@8%      | -                    | -                     | -     | 1,300                | 1,000                 | 12.94 |
| Edelweiss Housing Finance Ltd 2026@10%             | -                    | -                     | -     | 163                  | 1,000                 | 1.68  |
| U.P.Power Corpeoation Ltd 2027@9.70%               | 1                    | 1,000,000             | 10.21 | -                    | -                     | -     |
| Andra Pradesh State Beverages Cor Ltd 2030 @ 9.62% | 2                    | 1,000,000             | 20.80 | 2                    | 1,000,000             | 20.00 |
| Andra Pradesh State Beverages Cor Ltd 2031@9.62%   | 3                    | 1,000,000             | 31.35 | 1                    | 1,000,000             | 10.12 |
| GOI 2027 @ 7.38%                                   | -                    | -                     | -     | 19,500               | 100                   | 20.28 |
| GOI 2032 @ 6.54%                                   | 6,000                | 100                   | 5.71  | 20,000               | 100                   | 19.03 |
| Edelweiss Housing Finance Ltd 2025@8.70%           | -                    | -                     | -     | 72                   | 1,000                 | 0.72  |
| Aditya Birla Finance Ltd 2026@7.95%                | 5                    | 1,000,000             | 50.00 | 7                    | 1,000,000             | 69.99 |
| Edelweiss Retail Finance Ltd 2028@8.88%            | 664                  | 1,000                 | 6.14  | -                    | -                     | -     |
| GA SDL 2029 @ 7.22%                                | -                    | -                     | -     | 4,000                | 100                   | 4.02  |





## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

| Particulars                                        | (₹ in lakhs)         |                    |       |                      |                    |       |
|----------------------------------------------------|----------------------|--------------------|-------|----------------------|--------------------|-------|
|                                                    | As at March 31, 2024 |                    |       | As at March 31, 2023 |                    |       |
|                                                    | Number of Bonds      | FV per Bond (in ₹) | Value | Number of Bonds      | FV per Bond (in ₹) | Value |
| Gujarat SDL 2032 @ 7.77%                           | -                    | -                  | -     | 30,000               | 100                | 30.90 |
| Andhra Pradesh State Beverages Corp Ltd 2024@9.62% | -                    | -                  | -     | 2                    | 1,000,000          | 20.01 |
| Andhra Pradesh State Beverages Cor Ltd 2029@9.62%  | -                    | -                  | -     | 2                    | 1,000,000          | 20.13 |
| Andhra Pradesh State Beverages 2025@9.62%          | -                    | -                  | -     | 1                    | 1,000,000          | 9.98  |
| Andhra Pradesh State Beverages Cor Ltd 2027@9.62%  | 1                    | 1,000,000          | 10.15 | 1                    | 1,000,000          | 10.00 |
| Andhra Pradesh State Beverages Cor Ltd 2028@9.62%  | -                    | -                  | -     | 1                    | 1,000,000          | 9.99  |
| APSBCL 2032@9.62% 310522                           | -                    | -                  | -     | 1                    | 1,000,000          | 10.00 |
| 360 One Prime Ltd 2029@9.66%                       | 5,026                | 1,000              | 50.31 | -                    | -                  | -     |
| Ahmedabad Municipal Corporation 2029@7.90%(SIT)    | 10                   | 100,000            | 10.01 | -                    | -                  | -     |
| Andhra Pradesh State Bev Cor Ltd 2026@9.62% (SIT)  | 2                    | 1,000,000          | 20.28 | -                    | -                  | -     |
| Canfin Homes Ltd 2026@8.45%                        | -                    | -                  | -     | 3                    | 100,000            | 3.00  |
| Edelweiss Housing Finance Ltd 2033@10%             | 954                  | 1,000              | 9.38  | 3,500                | 1,000              | 34.82 |
| Housing Development Finance Co Ltd 2033@7.97%      | -                    | -                  | -     | 38                   | 100,000            | 38.07 |
| SGS 2033 @ 7.64%                                   | -                    | -                  | -     | 60,000               | 100                | 60.05 |
| SGS 2033 @ 7.66%                                   | 20,000               | 100                | 20.03 | 20,000               | 100                | 20.03 |
| SGS 2033 @ 7.67%                                   | 40,000               | 100                | 40.10 | 40,000               | 100                | 40.08 |
| SGS 2033 @ 7.72%                                   | -                    | -                  | -     | 20,000               | 100                | 20.05 |
| SGS 2036 @ 7.64%                                   | 22,000               | 100                | 22.02 | 30,000               | 100                | 30.02 |
| Tata Capital Housing Finance Ltd 2026@6.50%        | -                    | -                  | -     | 4                    | 1,000,000          | 38.32 |
| SGS 2033 @ 7.67% Assam                             | 10,000               | 100                | 10.02 | 10,000               | 100                | 10.00 |
| CreditAccess Grameen Ltd 2028@9.70%                | 6,900                | 1,000              | 69.35 | -                    | -                  | -     |
| Edelweiss Financial Services Ltd 2026@9.39%        | 2,280                | 1,000              | 21.98 | -                    | -                  | -     |
| Edelweiss Housing Finance Ltd 2026@10% (NIDO)      | 2,084                | 1,000              | 21.50 | -                    | -                  | -     |
| Edelweiss Housing Finance Ltd 2033@10.45%          | 460                  | 1,000              | 4.46  | -                    | -                  | -     |
| ESAF Small Finance Bank Ltd 2030@11%               | 50                   | 100,000            | 50.00 | -                    | -                  | -     |
| HDB Financial Services Ltd 2027@8.3324%            | 15                   | 100,000            | 15.10 | -                    | -                  | -     |
| HDFC Credila Financial Services Ltd 2029@8.85%     | 3                    | 1,000,000          | 30.53 | -                    | -                  | -     |
| HDFC Credila Financial Services Ltd 2031@7.23%     | 2                    | 1,000,000          | 19.05 | -                    | -                  | -     |



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

| Particulars                                         | (₹ in lakhs)         |                    |                 |                      |                    |               |
|-----------------------------------------------------|----------------------|--------------------|-----------------|----------------------|--------------------|---------------|
|                                                     | As at March 31, 2024 |                    |                 | As at March 31, 2023 |                    |               |
|                                                     | Number of Bonds      | FV per Bond (in ₹) | Value           | Number of Bonds      | FV per Bond (in ₹) | Value         |
| IIFL Finance Ltd 2026@8.75%                         | 161                  | 1,000              | 1.52            | -                    | -                  | -             |
| IIFL Home Finance Ltd 2027@8.20%                    | 1,513                | 1,000              | 14.07           | -                    | -                  | -             |
| IIFL Samasta Finance Limited 2026@10%               | 2,242                | 1,000              | 22.47           | -                    | -                  | -             |
| IIFL Samasta Finance Limited 2028@10.50%            | 2,367                | 1,000              | 23.55           | -                    | -                  | -             |
| Indiabulls Housing Finance Ltd 2026@8.85%           | 2,400                | 1,000              | 23.17           | -                    | -                  | -             |
| Kerala Infrastructure Investment Fund 2027@8.95%    | 10                   | 100,000            | 9.98            | -                    | -                  | -             |
| Kerala Infrastructure Investment Fund 2028@8.95%    | 70                   | 100,000            | 70.31           | -                    | -                  | -             |
| Kerala Infrastructure Investment Fund 2029@8.95%    | 40                   | 100,000            | 40.18           | -                    | -                  | -             |
| Kerala Infrastructure Investment Fund 2030@8.95%    | 60                   | 100,000            | 60.16           | -                    | -                  | -             |
| Kerala Infrastructure Investment Fund 2031@8.95%    | 20                   | 100,000            | 20.05           | -                    | -                  | -             |
| Muthoot Fincorp Ltd 2029@9.35%                      | 4,662                | 1,000              | 45.69           | -                    | -                  | -             |
| Muthoot Microfin Ltd 2026@11%                       | 46                   | 80,000             | 37.35           | -                    | -                  | -             |
| Navi Finserv Ltd.2027@10.65%                        | 400                  | 1,000              | 4.00            | -                    | -                  | -             |
| Satin Creditcare Network Ltd 2025@10.85%            | 22                   | 100,000            | 21.46           | -                    | -                  | -             |
| Satin Creditcare Network Ltd 2026@10.85%            | 15                   | 100,000            | 15.05           | -                    | -                  | -             |
| Spandana Sphoorty Financial Ltd 2025@10.11%         | 147                  | 100,000            | 144.34          | -                    | -                  | -             |
| Star Health And Allied Insu Com Ltd.2026@8.75%(SIT) | 4                    | 100,000            | 40.01           | -                    | -                  | -             |
| Muthoot finance ltd bond 2031@8%                    | 740                  | 1,000              | 7.13            | 1,740                | 1,000              | 17.69         |
| <b>Total</b>                                        |                      |                    | <b>1,315.82</b> |                      |                    | <b>726.93</b> |

### (ii) Details of Equity Shares - Securities held for trade

| Particulars                          | (₹ in lakhs)         |                     |              |                      |                     |              |
|--------------------------------------|----------------------|---------------------|--------------|----------------------|---------------------|--------------|
|                                      | As at March 31, 2024 |                     |              | As at March 31, 2023 |                     |              |
|                                      | Number of shares     | FV per share (in ₹) | Value        | Number of shares     | FV per share (in ₹) | Value        |
| <b>Unquoted Shares</b>               |                      |                     |              |                      |                     |              |
| Cochin International Airport Limited | -                    | -                   | -            | 3                    | 10                  | 0.01         |
| Fino Paytech Limited                 | 11,030               | 10                  | 17.32        | 11,130               | 10                  | 16.69        |
| HDB Financial Services Limited       | 340                  | 10                  | 3.08         | -                    | -                   | -            |
| Kurlon Enterprises Limited           | -                    | -                   | -            | 4                    | 5                   | 0.02         |
| Reliance Retail Limited              | -                    | -                   | -            | 990                  | 10                  | 22.28        |
| <b>Total</b>                         |                      |                     | <b>20.40</b> |                      |                     | <b>39.00</b> |

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

### 7 Trade receivables

| Particulars                                                                  | (₹ in lakhs)            |                         |
|------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                              | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| <i>(measured at amortised cost)</i>                                          |                         |                         |
| <b>Unsecured, considered good:</b>                                           |                         |                         |
| Receivable from Clients/Customers                                            | 12,508.35               | 8,460.35                |
| Significant increase in credit risk                                          | 0.34                    | 0.45                    |
| Credit Impaired                                                              | 177.66                  | 177.66                  |
|                                                                              | <b>12,686.35</b>        | <b>8,638.46</b>         |
| Less : Allowance for expected credit Loss                                    | (178.00)                | (178.11)                |
|                                                                              | <b>12,508.35</b>        | <b>8,460.35</b>         |
| Receivable from Exchanges                                                    | 94.75                   | 175.57                  |
| <b>Total</b>                                                                 | <b>12,603.10</b>        | <b>8,635.92</b>         |
| <b>Movement in expected credit loss allowance are as follows:</b>            |                         |                         |
| <b>Balance at beginning of the year</b>                                      | <b>178.11</b>           | <b>179.02</b>           |
| Add: Provision (Reversal)/made during the year (net) (Refer Note 27(A) & 34) | (0.11)                  | (0.91)                  |
| <b>Balance at end for the year</b>                                           | <b>178.00</b>           | <b>178.11</b>           |

- (a) Carrying value of trade receivables may be affected by the changes in credit risk of the counterparties as explained in Note 34.
- (b) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Also, no trade receivables are due from firms or private companies in which any director is a partner, member or director.
- (c) The Company has duly provided its services and fulfilled the performance obligations for the month of March 2024 in March 2024 and for March 2023 in March 2023 itself, but as a part of its routine procedure, the Company has raised the invoices subsequent to the month. Since, the company has an unconditional right to consideration and only the act of billing has been deferred, the same has been classified as Trade Receivable. This has been duly reflected as unbilled in the trade receivable ageing.

#### Trade receivable as at March 31, 2024 (₹ in lakhs)

| Particulars                                                                       | Outstanding for following periods from due date of payment |                |                       |                      |              |             |                      | Total            |
|-----------------------------------------------------------------------------------|------------------------------------------------------------|----------------|-----------------------|----------------------|--------------|-------------|----------------------|------------------|
|                                                                                   | Unbilled                                                   | Not due        | Less than<br>6 Months | 6 Months<br>- 1 year | 1 - 2 Year   | 2 -3 year   | More than<br>3 years |                  |
| (I) Undisputed Trade Receivable - Considered good                                 | 23.43                                                      | 1,088.97       | 11,463.42             | 9.74                 | 17.50        | 0.04        | -                    | 12,603.10        |
| (II) Undisputed Trade Receivable - which have significant increase in credit risk | -                                                          | 0.05           | 0.22                  | 0.01                 | 0.05         | 0.01        | -                    | 0.34             |
| (III) Disputed Trade Receivable - Credit impaired                                 | -                                                          | -              | -                     | -                    | -            | -           | 177.66               | 177.66           |
|                                                                                   |                                                            |                |                       |                      |              |             |                      | 12,781.10        |
| Less : Allowance for expected credit Loss                                         |                                                            |                |                       |                      |              |             |                      | (178.00)         |
| <b>Total</b>                                                                      | <b>23.43</b>                                               | <b>1089.02</b> | <b>11,463.64</b>      | <b>9.75</b>          | <b>17.55</b> | <b>0.05</b> | <b>177.66</b>        | <b>12,603.10</b> |



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

### Trade receivable as at March 31, 2023 (₹ in lakhs)

| Particulars                                                                       | Outstanding for following periods from due date of payment |               |                       |                      |             |             |                      | Total           |
|-----------------------------------------------------------------------------------|------------------------------------------------------------|---------------|-----------------------|----------------------|-------------|-------------|----------------------|-----------------|
|                                                                                   | Unbilled                                                   | Not due       | Less than<br>6 Months | 6 Months<br>- 1 year | 1 - 2 Year  | 2 -3 year   | More than<br>3 years |                 |
| (I) Undisputed Trade Receivable - Considered good                                 | 40.14                                                      | 829.76        | 7,732.10              | 31.75                | 2.13        | 0.04        | -                    | 8,635.92        |
| (II) Undisputed Trade Receivable - which have significant increase in credit risk | -                                                          | 0.07          | 0.25                  | 0.03                 | 0.09        | 0.01        | -                    | 0.45            |
| (III) Disputed Trade Receivable - Credit impaired                                 | -                                                          | -             | -                     | -                    | -           | -           | 177.66               | 177.66          |
|                                                                                   |                                                            |               |                       |                      |             |             |                      | 8,814.03        |
| Less : Allowance for expected credit Loss                                         |                                                            |               |                       |                      |             |             |                      | (178.11)        |
| <b>Total</b>                                                                      | <b>40.14</b>                                               | <b>829.83</b> | <b>7,732.35</b>       | <b>31.78</b>         | <b>2.22</b> | <b>0.05</b> | <b>177.66</b>        | <b>8,635.92</b> |

### 8 Loans

| Particulars                                                 | (₹ in lakhs)            |                         |
|-------------------------------------------------------------|-------------------------|-------------------------|
|                                                             | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| <i>(Unsecured, considered good unless otherwise stated)</i> |                         |                         |
| <i>(measured at amortised cost)</i>                         |                         |                         |
| Loans to Employees                                          | 76.77                   | 79.21                   |
| <b>Total</b>                                                | <b>76.77</b>            | <b>79.21</b>            |

### 9 Investments

| Particulars                                                | As at March 31, 2024 |                          |         | As at March 31, 2023 |                          |         |
|------------------------------------------------------------|----------------------|--------------------------|---------|----------------------|--------------------------|---------|
|                                                            | Face Value<br>(₹)    | No. of Shares<br>/ Units | Value   | Face Value<br>(₹)    | No. of Shares<br>/ Units | Value   |
| <b>(i) Investments in Preference Shares</b>                |                      |                          |         |                      |                          |         |
| <i>(Quoted - measured at amortised cost)</i>               |                      |                          |         |                      |                          |         |
| IL&FS Limited                                              |                      |                          |         |                      |                          |         |
| 2021 Non Convertible Redeemable Preference Shares @ 16.06% | 7,500                | 760                      | 95.00   | 7,500                | 760                      | 95.00   |
| Less: Impairment Allowances                                |                      |                          | (95.00) |                      |                          | (95.00) |
| 2021 Non Convertible Redeemable Preference shares @ 15.99% | 7,500                | 40                       | 5.00    | 7,500                | 40                       | 5.00    |
| Less: Impairment Allowances                                |                      |                          | (5.00)  |                      |                          | (5.00)  |
| <b>Total</b>                                               |                      |                          | -       |                      |                          | -       |



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

| Particulars                                                      | (₹ in lakhs)         |                          |                 |                      |                          |              |
|------------------------------------------------------------------|----------------------|--------------------------|-----------------|----------------------|--------------------------|--------------|
|                                                                  | As at March 31, 2024 |                          |                 | As at March 31, 2023 |                          |              |
|                                                                  | Face Value<br>(₹)    | No. of Shares<br>/ Units | Value           | Face Value<br>(₹)    | No. of Shares<br>/ Units | Value        |
| <b>(ii) Investments in Bonds</b>                                 |                      |                          |                 |                      |                          |              |
| <i>(Quoted - measured at amortised cost)</i>                     |                      |                          |                 |                      |                          |              |
| IIFCL Bond 2029 @ 8.73%                                          | 1,000                | 670                      | 7.92            | 1,000                | 670                      | 7.92         |
| A K Capital Finance Ltd MLD 2024                                 | 1,000,000            | 5                        | 49.88           | 1,000,000            | 5                        | 49.88        |
| Ahmedabad Municipal Corporation 2029@7.90%                       | 100,000              | 200                      | 200.20          | -                    | -                        | -            |
| Andra Pradesh State Bev Cor Ltd 2026@9.62%                       | 1,000,000            | 10                       | 101.33          | -                    | -                        | -            |
| Axis Finance Limited 2029@8.14%                                  | 100,000              | 300                      | 300.00          | -                    | -                        | -            |
| ICICI Home Finance 2026@8.061%                                   | 100,000              | 300                      | 300.00          | -                    | -                        | -            |
| IDBI 2030@9.50                                                   | 1,000,000            | 10                       | 100.00          | -                    | -                        | -            |
| Indore Municipal Corporation 2026@8.25%                          | 250                  | 60,000                   | 150.08          | -                    | -                        | -            |
| Shriram Housing Finance Ltd 2026@8.80%                           | 100,000              | 200                      | 198.65          | -                    | -                        | -            |
| Star Health And Allied Insu Company Ltd.2026@8.75%               | 1,000,000            | 20                       | 194.02          | -                    | -                        | -            |
| <b>Total</b>                                                     |                      |                          | <b>1,602.08</b> |                      |                          | <b>57.80</b> |
| <b>(iii) Investments in Equity Shares</b>                        |                      |                          |                 |                      |                          |              |
| <i>(Quoted - measured at Fair value through profit and loss)</i> |                      |                          |                 |                      |                          |              |
| HEC Infra Projects Limited                                       | 10                   | 36,000                   | 24.50           | 10                   | 36,000                   | 10.46        |
| Maheshwari Logistics Limited                                     | 10                   | 12,000                   | 7.39            | 10                   | 12,000                   | 9.56         |
| Reliance Nippon Life Asset Management Limited                    | -                    | -                        | -               | 10                   | 1,514                    | 3.18         |
| Wealth First Portfolio Managers Limited                          | 10                   | 5,000                    | 31.28           | 10                   | 5,000                    | 14.23        |
| <b>Total</b>                                                     |                      |                          | <b>63.17</b>    |                      |                          | <b>37.43</b> |



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

| Particulars                                                        | (₹ in lakhs)         |                          |                  |                      |                          |                 |
|--------------------------------------------------------------------|----------------------|--------------------------|------------------|----------------------|--------------------------|-----------------|
|                                                                    | As at March 31, 2024 |                          |                  | As at March 31, 2023 |                          |                 |
|                                                                    | Face Value<br>(₹)    | No. of Shares<br>/ Units | Value            | Face Value<br>(₹)    | No. of Shares<br>/ Units | Value           |
| <b>(iv) Investments in Mutual Funds</b>                            |                      |                          |                  |                      |                          |                 |
| <i>(Unquoted - measured at Fair value through profit and loss)</i> |                      |                          |                  |                      |                          |                 |
| Axis Ultra Short Term Fund                                         |                      | 22,518,701               | 3,045.50         |                      | 31,385,780               | 3,976.86        |
| ICICI Prudential Bluechip Fund Growth                              |                      | 166,155                  | 159.74           |                      | 106,025                  | 71.60           |
| Mirae Asset Large Cap Fund Growth Plan                             |                      | 143,912                  | 138.77           |                      | 89,051                   | 68.26           |
| Nippon India Multi Cap Fund-Growth Plan Growth Option              |                      | 69,027                   | 168.85           |                      | 45,599                   | 74.28           |
| SBI Focused Equity Fund Regular Plan Growth                        |                      | 49,325                   | 144.31           |                      | 30,921                   | 67.31           |
| Nippon India Ultra Short Duration Fund                             |                      | 74,626                   | 2,754.00         |                      | 112,442                  | 3,880.72        |
| Aditya Birla Sun Life Liquid Fund                                  |                      | 1,573,672                | 6,069.07         |                      | -                        | -               |
| <b>Total</b>                                                       |                      |                          | <b>12,480.24</b> |                      |                          | <b>8,139.03</b> |
| <b>(v) Investments in Mutual Funds</b>                             |                      |                          |                  |                      |                          |                 |
| <i>(Quoted - measured at Fair value through profit and loss)</i>   |                      |                          |                  |                      |                          |                 |
| HDFC Charity Fund                                                  |                      | 2,999,850                | 309.58           |                      | -                        | -               |
| Reliance ETF Liquidbees                                            |                      | 1                        | 0.01             |                      | 1                        | 0.01            |
| <b>Total</b>                                                       |                      |                          | <b>309.59</b>    |                      |                          | <b>0.01</b>     |
| <b>(vi) Others</b>                                                 |                      |                          |                  |                      |                          |                 |
| <i>(Unquoted - measured at Cost)</i>                               |                      |                          |                  |                      |                          |                 |
| <b>Investment in Equity shares of Subsidiary Company</b>           |                      |                          |                  |                      |                          |                 |
| Prutech Financial Services Private Limited                         | 10                   | 100,000                  | 39.14            | 10                   | 100,000                  | 39.14           |
| Gennext Insurance Brokers Private Limited                          | 10                   | 870,000                  | 226.55           | 10                   | 870,000                  | 226.55          |
| <b>Total</b>                                                       |                      |                          | <b>265.69</b>    |                      |                          | <b>265.69</b>   |
| <b>Total (i) + (ii) + (iii) + (iv)+ (v)+ (vi)</b>                  |                      |                          | <b>14,720.77</b> |                      |                          | <b>8,499.96</b> |
| Aggregate amount of Quoted Investments                             |                      |                          | 1,974.84         |                      |                          | 95.24           |
| Market value of Quoted Investments                                 |                      |                          | 1,984.46         |                      |                          | 95.23           |
| Aggregate amount of Unquoted Investments                           |                      |                          | 12,745.93        |                      |                          | 8,404.72        |



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

### 10 Other financial assets

| Particulars                                                 | (₹ in lakhs)            |                         |
|-------------------------------------------------------------|-------------------------|-------------------------|
|                                                             | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| <i>(Unsecured, considered good unless otherwise stated)</i> |                         |                         |
| <i>(measured at amortised cost)</i>                         |                         |                         |
| Deposits with Exchange*                                     | 556.20                  | 798.81                  |
| Deposits for Leased premises                                | 221.03                  | 204.15                  |
| Margin with Exchange                                        | 3,060.31                | 394.84                  |
| Less : Impairment Allowances (Refer Note : 27(A) & 44(c))   | (1.00)                  | (1.00)                  |
|                                                             | <b>3,059.31</b>         | <b>393.84</b>           |
| Amount Paid under Protest                                   | 58.79                   | 50.00                   |
| Interest accrued on Bond                                    | 23.66                   | -                       |
| Other Receivables                                           | 0.42                    | 2.29                    |
| <b>Total</b>                                                | <b>3919.41</b>          | <b>1,449.09</b>         |

\* The above deposits includes ₹ 556.20 lakhs and ₹ 529.20 lakhs in March 31, 2024 and March 31, 2023 respectively which are lien marked in favour of stock exchange as security deposit and minimum base capital requirements.

### 11 Property, Plant and Equipment

| Particulars                               | (₹ in lakhs)       |               |                     |                           |                       |               |                 |
|-------------------------------------------|--------------------|---------------|---------------------|---------------------------|-----------------------|---------------|-----------------|
|                                           | Freehold<br>Land * | Building *    | Office<br>Equipment | Furniture<br>and Fixtures | Computer<br>Equipment | Vehicles      | Total           |
| <b>Gross Block</b>                        |                    |               |                     |                           |                       |               |                 |
| <b>Deemed Cost</b>                        |                    |               |                     |                           |                       |               |                 |
| <b>As at April 01, 2022</b>               | <b>402.71</b>      | <b>678.60</b> | <b>186.62</b>       | <b>353.62</b>             | <b>386.66</b>         | <b>103.93</b> | <b>2,112.14</b> |
| Additions on merger<br>(Refer Note-43(A)) | -                  | -             | 26.31               | 31.61                     | 40.42                 | 20.98         | 119.32          |
| Additions during the year                 | -                  | -             | 26.08               | 19.13                     | 95.38                 | -             | 140.59          |
| Disposals/ Adjustments<br>during the year | -                  | -             | (6.11)              | (17.70)                   | (79.05)               | -             | (102.86)        |
| <b>As at March 31, 2023</b>               | <b>402.71</b>      | <b>678.60</b> | <b>232.90</b>       | <b>386.66</b>             | <b>443.41</b>         | <b>124.91</b> | <b>2,269.19</b> |
| Additions during the year                 | -                  | -             | 42.20               | 128.29                    | 111.83                | 130.51        | 412.83          |
| Disposals/ Adjustments<br>during the year | -                  | -             | (13.22)             | (16.62)                   | (33.51)               | (1.50)        | (64.85)         |
| <b>As at March 31, 2024</b>               | <b>402.71</b>      | <b>678.60</b> | <b>261.88</b>       | <b>498.33</b>             | <b>521.73</b>         | <b>253.92</b> | <b>2,617.17</b> |
| <b>Accumulated Depreciation</b>           |                    |               |                     |                           |                       |               |                 |
| <b>As at April 01, 2022</b>               | -                  | <b>97.01</b>  | <b>106.68</b>       | <b>178.19</b>             | <b>265.93</b>         | <b>69.70</b>  | <b>717.51</b>   |
| Additions on merger<br>(Refer Note-43(A)) | -                  | -             | 14.03               | 11.61                     | 26.46                 | 10.93         | 63.03           |
| Additions during the year                 | -                  | 28.89         | 34.82               | 50.62                     | 95.55                 | 14.03         | 223.91          |

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

| Particulars                                        | (₹ in lakhs)       |               |                     |                           |                       |               |                 |
|----------------------------------------------------|--------------------|---------------|---------------------|---------------------------|-----------------------|---------------|-----------------|
|                                                    | Freehold<br>Land * | Building *    | Office<br>Equipment | Furniture<br>and Fixtures | Computer<br>Equipment | Vehicles      | Total           |
| Disposals/ Adjustments<br>during the year          | -                  | -             | (5.07)              | (11.88)                   | (77.76)               | -             | (94.71)         |
| <b>As at March 31, 2023</b>                        | <b>-</b>           | <b>125.90</b> | <b>150.46</b>       | <b>228.54</b>             | <b>310.18</b>         | <b>94.66</b>  | <b>909.74</b>   |
| Additions during the year                          | -                  | 27.94         | 35.01               | 56.68                     | 103.91                | 15.33         | 238.87          |
| Disposals/ Adjustments during the<br>year          | -                  | -             | (10.66)             | (10.56)                   | (31.82)               | (0.58)        | (53.62)         |
| <b>As at March 31, 2024</b>                        | <b>-</b>           | <b>153.84</b> | <b>174.81</b>       | <b>274.66</b>             | <b>382.27</b>         | <b>109.41</b> | <b>1,094.99</b> |
| <b>Net Carrying Value as at March<br/>31, 2024</b> | <b>402.71</b>      | <b>524.76</b> | <b>87.07</b>        | <b>223.67</b>             | <b>139.46</b>         | <b>144.51</b> | <b>1,522.18</b> |
| <b>Net Carrying Value as at March<br/>31, 2023</b> | <b>402.71</b>      | <b>552.70</b> | <b>82.44</b>        | <b>158.12</b>             | <b>133.23</b>         | <b>30.25</b>  | <b>1,359.45</b> |

\* 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 equipments are held in the name of the Company as at the balance sheet date.

### 12 Right-of-use assets

| Particulars            | (₹ in lakhs)                              |                                              |                              |                             |                                 |                                            |
|------------------------|-------------------------------------------|----------------------------------------------|------------------------------|-----------------------------|---------------------------------|--------------------------------------------|
|                        | Carrying<br>Amount as at<br>April 1, 2023 | Additions on<br>merger                       | Additions<br>during the year | Deletion during<br>the year | Amortisation<br>during the year | Carrying<br>Amount as at<br>March 31, 2024 |
| <b>Office Premises</b> | <b>1,212.86</b>                           | -                                            | 940.43                       | (179.97)                    | (500.19)                        | <b>1,473.13</b>                            |
| Particulars            | Carrying<br>Amount as at<br>April 1, 2022 | Additions on<br>merger (Refer<br>Note-43(A)) | Additions<br>during the year | Deletion<br>during the year | Amortisation<br>during the year | Carrying<br>Amount as at<br>March 31, 2023 |
| <b>Office Premises</b> | <b>917.65</b>                             | 15.51                                        | 829.13                       | (82.36)                     | (467.07)                        | <b>1,212.86</b>                            |

The Company has leases for the office premises. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected in the Balance Sheet as a right-of-use asset and a lease liability.

### 13 Intangible assets

| Particulars                            | (₹ in lakhs)      |                                           |                  |
|----------------------------------------|-------------------|-------------------------------------------|------------------|
|                                        | Computer Software | Customer Folios<br>(Refer note - 3B & 45) | Total            |
| <b>Gross Block</b>                     |                   |                                           |                  |
| <b>Deemed Cost</b>                     |                   |                                           |                  |
| <b>As at April 01, 2022</b>            | <b>73.91</b>      | <b>15,100.00</b>                          | <b>15,173.91</b> |
| Additions on merger (Refer Note-43(A)) | 14.60             | -                                         | 14.60            |
| Additions during the year              | 3.98              | 226.23                                    | 230.21           |
| Disposals/ Adjustments during the year | -                 | -                                         | -                |
| <b>As at March 31, 2023</b>            | <b>92.49</b>      | <b>15,326.23</b>                          | <b>15,418.72</b> |
| Additions during the year              | 0.40              | -                                         | 0.40             |
| Disposals/ Adjustments during the year | (3.38)            | -                                         | (3.38)           |
| <b>As at March 31, 2024</b>            | <b>89.51</b>      | <b>15,326.23</b>                          | <b>15,415.74</b> |

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

| Particulars                                      | (₹ in lakhs)      |                                           |                  |
|--------------------------------------------------|-------------------|-------------------------------------------|------------------|
|                                                  | Computer Software | Customer Folios<br>(Refer note - 3B & 45) | Total            |
| <b>Accumulated Depreciation and Amortisation</b> |                   |                                           |                  |
| <b>As at April 01, 2022</b>                      | <b>49.55</b>      | <b>517.12</b>                             | <b>566.67</b>    |
| Additions on merger (Refer Note-43(A))           | 10.17             |                                           | 10.17            |
| Additions during the year                        | 14.13             | 1,521.28                                  | 1,535.41         |
| Disposals/ Adjustments during the year           | -                 | -                                         | -                |
| <b>As at March 31, 2023</b>                      | <b>73.85</b>      | <b>2,038.40</b>                           | <b>2,112.25</b>  |
| Additions during the year                        | 7.82              | 1,536.82                                  | 1,544.64         |
| Disposals/ Adjustments during the year           | (3.38)            | -                                         | (3.38)           |
| <b>As at March 31, 2024</b>                      | <b>78.29</b>      | <b>3,575.22</b>                           | <b>3,653.51</b>  |
| <b>Net Carrying Value as at March 31, 2024</b>   | <b>11.22</b>      | <b>11,751.01</b>                          | <b>11,762.23</b> |
| <b>Net Carrying Value as at March 31, 2023</b>   | <b>18.64</b>      | <b>13,287.83</b>                          | <b>13,306.47</b> |

### 14 Other non-financial assets

| Particulars                       | (₹ in lakhs)            |                         |
|-----------------------------------|-------------------------|-------------------------|
|                                   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| Capital Advances                  | 32.67                   | -                       |
| Advances to suppliers             | 1,042.88                | 645.16                  |
| Prepaid expenses                  | 207.39                  | 180.88                  |
| Balance With Government Authority | 2.73                    | 4.11                    |
| GST Credit Receivable             | 387.01                  | -                       |
| Other receivable                  | 3.85                    | 0.24                    |
| <b>Total</b>                      | <b>1,676.53</b>         | <b>830.39</b>           |

### 15 Trade payables

(at amortised cost)

| Particulars                                                                            | (₹ in lakhs)            |                         |
|----------------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                        | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| Total outstanding dues of micro enterprises and small enterprises                      | 23.87                   | -                       |
| Total outstanding dues of creditors other than micro enterprises and small enterprises |                         |                         |
| -Payable to Vendors                                                                    | 7,577.59                | 5,190.55                |
| -Payable to Clients                                                                    | 10,867.43               | 5,710.51                |
| -Payable to Exchanges                                                                  | 73.32                   | 4.75                    |
| <b>Total</b>                                                                           | <b>18,542.21</b>        | <b>10,905.81</b>        |

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

Details of dues to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

| Particulars                                                                                                                                                                                                                                                                | (₹ in lakhs)            |                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                                                                                                                                                                                                            | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| (i) The amounts remaining unpaid to any supplier at the end of the year:                                                                                                                                                                                                   |                         |                         |
| 1. Principal Amount                                                                                                                                                                                                                                                        | 23.87                   | -                       |
| 2. Interest Amount                                                                                                                                                                                                                                                         | -                       | -                       |
| (ii) The amounts of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006                                                                                                                                                                               | -                       | -                       |
| (iii) The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.                                                                                                                                                  | -                       | -                       |
| (iv) The amount of interest accrued and remaining unpaid at the end of each accounting year                                                                                                                                                                                | -                       | -                       |
| (v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006 | -                       | -                       |

### Trade payables as at March 31, 2024

| Particulars  | (₹ in lakhs)                                               |                 |                     |             |             |                      | Total            |
|--------------|------------------------------------------------------------|-----------------|---------------------|-------------|-------------|----------------------|------------------|
|              | Outstanding for following periods from due date of payment |                 |                     |             |             |                      |                  |
|              | Unbilled                                                   | Not due         | Less than 1<br>Year | 1 - 2 Year  | 2 -3 year   | More than 3<br>years |                  |
| (I) MSME     | -                                                          | -               | 23.87               | -           | -           | -                    | 23.87            |
| (II) Others  | 16.66                                                      | 1,741.52        | 16,755.98           | 4.11        | 0.07        | -                    | 18,518.34        |
| <b>Total</b> | <b>16.66</b>                                               | <b>1,741.52</b> | <b>16,779.85</b>    | <b>4.11</b> | <b>0.07</b> | <b>-</b>             | <b>18,542.21</b> |

### Trade payables as at March 31, 2023

| Particulars  | (₹ in lakhs)                                               |               |                     |             |           |                      | Total            |
|--------------|------------------------------------------------------------|---------------|---------------------|-------------|-----------|----------------------|------------------|
|              | Outstanding for following periods from due date of payment |               |                     |             |           |                      |                  |
|              | Unbilled                                                   | Not due       | Less than 1<br>Year | 1 - 2 Year  | 2 -3 year | More than 3<br>years |                  |
| (I) MSME     | -                                                          | -             | -                   | -           | -         | -                    | -                |
| (II) Others  | 824.82                                                     | 641.37        | 9,437.96            | 1.66        | -         | -                    | 10,905.81        |
| <b>Total</b> | <b>824.82</b>                                              | <b>641.37</b> | <b>9,437.96</b>     | <b>1.66</b> | <b>-</b>  | <b>-</b>             | <b>10,905.81</b> |

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

### 16 Lease Liabilities

(at amortised cost)

| Particulars           | (₹ in lakhs)            |                         |
|-----------------------|-------------------------|-------------------------|
|                       | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| Opening Balance       | 1,268.10                | 982.61                  |
| Additions             | 914.51                  | 802.31                  |
| Adjustment / Deletion | 0.08                    | -                       |
| Finance Costs         | 128.47                  | 107.64                  |
| Cancellation of Lease | (197.14)                | (98.84)                 |
| Lease Payments        | (562.62)                | (525.62)                |
| <b>Total</b>          | <b>1,551.40</b>         | <b>1,268.10</b>         |

#### Lease payments not recognised as a liability

The Company has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

The expense relating to payment not included in the measurement of the lease liability mainly pertains to the short term leases.

Future minimum lease payments under leases together with the present value of the net minimum lease payments are as follows.

| Particulars                                    | (₹ in lakhs)                 |                                                        |                         |                              |                                                        |                         |
|------------------------------------------------|------------------------------|--------------------------------------------------------|-------------------------|------------------------------|--------------------------------------------------------|-------------------------|
|                                                | As at March 31, 2024         |                                                        |                         | As at March 31, 2023         |                                                        |                         |
|                                                | Minimum<br>Lease<br>Payments | Finance<br>charge<br>allocated<br>to future<br>periods | Present Value<br>of MLP | Minimum<br>Lease<br>Payments | Finance<br>charge<br>allocated<br>to future<br>periods | Present Value<br>of MLP |
| Within 1 year                                  | 547.96                       | 117.40                                                 | 430.56                  | 500.68                       | 94.08                                                  | 406.60                  |
| 1 to 5 Years                                   | 1,214.55                     | 177.88                                                 | 1,036.67                | 974.79                       | 113.29                                                 | 861.50                  |
| More than 5 Years                              | 92.62                        | 8.45                                                   | 84.17                   | -                            | -                                                      | -                       |
| <b>Total minimum lease payments</b>            | <b>1,855.13</b>              | <b>303.73</b>                                          | <b>1,551.40</b>         | <b>1,475.47</b>              | <b>207.37</b>                                          | <b>1,268.10</b>         |
| Less: Amounts representing finance charges     | (303.73)                     | -                                                      | -                       | (207.37)                     | -                                                      | -                       |
| <b>Present value of minimum lease payments</b> | <b>1,551.40</b>              |                                                        | <b>1,551.40</b>         | <b>1,268.10</b>              |                                                        | <b>1,268.10</b>         |

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

### 17 Other financial liabilities

| Particulars                                | (₹ in lakhs)            |                         |
|--------------------------------------------|-------------------------|-------------------------|
|                                            | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| (at amortised cost)                        |                         |                         |
| Security deposits received                 | 84.30                   | 59.68                   |
| Unpaid dividends                           | 0.10                    | 0.07                    |
| Interest accrued but not due on borrowings | 1.13                    | 0.25                    |
| Other payable                              | 11.02                   | 1.46                    |
| <b>Total</b>                               | <b>96.55</b>            | <b>61.46</b>            |

#### Disclosure with regards to changes in liabilities arising from financing activities - Ind AS 7 Statement of Cash Flows

Disclosure of changes in liabilities arising from financing activities, including changes arising from cash flows and non-cash changes is as under:

| Particulars                 | (₹ in lakhs)                                 |                   |                 |
|-----------------------------|----------------------------------------------|-------------------|-----------------|
|                             | Borrowings & Interest<br>Accrued but not due | Lease Liabilities | Total           |
| <b>As at April 1, 2022</b>  | <b>0.72</b>                                  | <b>982.61</b>     | <b>983.33</b>   |
| Addition during the year    | -                                            | 802.31            | 802.31          |
| Charged to Profit and Loss  | 63.30                                        | 107.64            | 170.94          |
| Adjustment / (Deletion)     | -                                            | (98.84)           | (98.84)         |
| <b>Cash flow movement</b>   | <b>(63.77)</b>                               | <b>(525.62)</b>   | <b>(589.40)</b> |
| <b>As at March 31, 2023</b> | <b>0.25</b>                                  | <b>1,268.10</b>   | <b>1,268.35</b> |
| Addition during the year    | -                                            | 914.51            | 914.51          |
| Charged to Profit and Loss  | 40.03                                        | 128.47            | 168.50          |
| Adjustment / (Deletion)     | -                                            | (197.06)          | (197.06)        |
| <b>Cash flow movement</b>   | <b>(39.15)</b>                               | <b>(562.62)</b>   | <b>(601.77)</b> |
| <b>As at March 31, 2024</b> | <b>1.13</b>                                  | <b>1,551.40</b>   | <b>1,552.52</b> |

### 18 Provisions

| Particulars                                   | (₹ in lakhs)            |                         |
|-----------------------------------------------|-------------------------|-------------------------|
|                                               | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| Provision for gratuity (Refer Note 35)        | 371.31                  | 303.37                  |
| Provision for compensated absences (Unfunded) | 212.78                  | 184.80                  |
| <b>Total</b>                                  | <b>584.09</b>           | <b>488.17</b>           |

### 19 Other non-financial liabilities

| Particulars                                            | (₹ in lakhs)            |                         |
|--------------------------------------------------------|-------------------------|-------------------------|
|                                                        | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| Advance received from customers (Contract liabilities) | 3.11                    | 0.18                    |
| Statutory dues                                         | 2,566.92                | 1,773.36                |
| <b>Total</b>                                           | <b>2,570.03</b>         | <b>1,773.54</b>         |





## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

### 20 Equity Share capital

| Particulars                                                                                                                                                                                                                                                                                                                                                                          | (₹ in lakhs)            |                         |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                      | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| Authorised                                                                                                                                                                                                                                                                                                                                                                           |                         |                         |
| 5,40,00,000 Equity shares of ₹ 5/- each *                                                                                                                                                                                                                                                                                                                                            | 2,700.00                | 2,400.00                |
| ( March 31, 2023: 4,80,00,000 Equity shares of ₹ 5/- each)                                                                                                                                                                                                                                                                                                                           | 2,700.00                | 2,400.00                |
| *Pursuant to the Scheme of Amalgamation u/s 233 of the Companies Act, 2013 for amalgamation of Prudent Broking Services Private Limited (Transferor Company) with the Company, with effect from April 01, 2023 (appointed date), Authorised Share Capital of Prudent Broking Services Private Limited ₹ 3,00,00,000/- has been added in the Authorised Share Capital of the Company. |                         |                         |
| Issued, subscribed and fully paid up                                                                                                                                                                                                                                                                                                                                                 |                         |                         |
| 4,14,06,680 Equity shares of ₹ 5/- each fully paid-up                                                                                                                                                                                                                                                                                                                                | 2,070.33                | 2,070.33                |
| (March 31, 2023: 4,14,06,680 Equity shares of ₹ 5/- each fully paid-up)                                                                                                                                                                                                                                                                                                              |                         |                         |
| <b>Total issued, subscribed and fully paid-up share capital</b>                                                                                                                                                                                                                                                                                                                      | <b>2,070.33</b>         | <b>2,070.33</b>         |

#### (i) Reconciliation of number of shares

| Equity Shares                       | (₹ in lakhs)      |                 |
|-------------------------------------|-------------------|-----------------|
|                                     | Number of Shares  | Amount          |
| Balance as at April 01, 2022        | 41,406,680        | 2,070.33        |
| Add : Issued during the year        | -                 | -               |
| Balance as at March 31, 2023        | 41,406,680        | 2,070.33        |
| Add : Issued during the year        | -                 | -               |
| <b>Balance as at March 31, 2024</b> | <b>41,406,680</b> | <b>2,070.33</b> |

#### (ii) Rights, preferences and restrictions attached to Equity shares

The Company has only one class of equity shares having a par value of ₹ 5/- per share. Each shareholder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors 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 the remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### (iii) Details of shareholders holding more than 5% of the aggregate shares in the Company

| Equity Shares                                                | As at March 31, 2024 |           |
|--------------------------------------------------------------|----------------------|-----------|
|                                                              | Number of Shares     | % Holding |
| Sanjay Rameshchandra Shah                                    | 17,952,250           | 43.36%    |
| Maitry Sanjaybhai Shah                                       | 2,760,000            | 6.67%     |
| Sakhi Sanjaybhai Shah                                        | 2,760,000            | 6.67%     |
| DSP Small Cap Fund                                           | 3,298,521            | 7.97%     |
| Zulia Investments Pte. Ltd.                                  | 3,251,932            | 7.85%     |
| TA FDI Investors Limited (Formerly Known As Wagner Limited)* | 2,916,961            | 7.04%     |

\* Subsequent to the year end, TA FDI Investors Limited (Formerly Known As Wagner Limited) had sold its entire stake of 29,16,961 number of shares bearing 7.04 % of its total holding on 28th May, 2024.



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

| Equity Shares                                               | As at March 31, 2023 |           |
|-------------------------------------------------------------|----------------------|-----------|
|                                                             | Number of Shares     | % Holding |
| Sanjay Rameshchandra Shah                                   | 17,952,250           | 43.36%    |
| Maitry Sanjaybhai Shah                                      | 2,760,000            | 6.67%     |
| Sakhi Sanjaybhai Shah                                       | 2,760,000            | 6.67%     |
| TA FDI Investors Limited (Formerly Known As Wagner Limited) | 9,967,299            | 24.07%    |

#### (iv) Details of share held by Promoters/Promoter Group as at March 31, 2024

| Promoter Name                 | As at March 31, 2024 |                | % Change during the year |
|-------------------------------|----------------------|----------------|--------------------------|
|                               | Number of Shares     | % Total shares |                          |
| Sanjay Rameshchandra Shah     | 17,952,250           | 43.36%         | 0.00%                    |
| Maitry Sanjaybhai Shah        | 2,760,000            | 6.67%          | 0.00%                    |
| Sakhi Sanjaybhai Shah         | 2,760,000            | 6.67%          | 0.00%                    |
| Rameshchandra Chimanlal Shah  | 612,400              | 1.48%          | 0.00%                    |
| Niketa Sanjay Shah            | 100,000              | 0.24%          | 0.00%                    |
| Ramesh Chimanlal Shah (HUF)   | 4,000                | 0.01%          | 0.00%                    |
| Sonal Paresh Mehta            | 1,500                | 0.00%          | 0.00%                    |
| Sunitaben Chetankumar Dhuwad  | 1,500                | 0.00%          | 0.00%                    |
| Mayank Ashokkumar Thekdi      | 1,250                | 0.00%          | 0.00%                    |
| Hemang Ashokbhai Thekadi      | 775                  | 0.00%          | 0.00%                    |
| Sanjay Shah Family Trust      | 1,000                | 0.00%          | 0.00%                    |
| Vimalkumar Ashokkumar Thekadi | -                    | 0.00%          | 0.00%                    |
| <b>Total</b>                  | <b>24,194,675</b>    | <b>58.43%</b>  |                          |

#### Details of share held by Promoters/Promoter Group as at March 31, 2023

| Promoter Name                 | As at March 31, 2023 |                | % Change during the year |
|-------------------------------|----------------------|----------------|--------------------------|
|                               | Number of Shares     | % Total shares |                          |
| Sanjay Rameshchandra Shah     | 17,952,250           | 43.36%         | 0.00%                    |
| Maitry Sanjaybhai Shah        | 2,760,000            | 6.67%          | 0.00%                    |
| Sakhi Sanjaybhai Shah         | 2,760,000            | 6.67%          | 0.00%                    |
| Rameshchandra Chimanlal Shah  | 612,400              | 1.48%          | 1.41%                    |
| Niketa Sanjay Shah            | 100,000              | 0.24%          | 0.24%                    |
| Ramesh Chimanlal Shah (HUF)   | 4,000                | 0.01%          | 0.00%                    |
| Sonal Paresh Mehta            | 1,500                | 0.00%          | 0.00%                    |
| Sunitaben Chetankumar Dhuwad  | 1,500                | 0.00%          | 0.00%                    |
| Mayank Ashokkumar Thekdi      | 1,250                | 0.00%          | 0.00%                    |
| Hemang Ashokbhai Thekadi      | 775                  | 0.00%          | 0.00%                    |
| Sanjay Shah Family Trust      | 1,000                | 0.00%          | 0.00%                    |
| Vimalkumar Ashokkumar Thekadi | -                    | 0.00%          | 0.00%                    |
| <b>Total</b>                  | <b>24,194,675</b>    | <b>58.43%</b>  |                          |

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024



### 21 Instrument entirely equity in nature

| Particulars                                                                                                              | (₹ in lakhs)            |                         |
|--------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                                                          | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| <b>Preference shares capital</b>                                                                                         |                         |                         |
| <b>Authorised</b>                                                                                                        |                         |                         |
| 20,00,000 Preference shares of ₹ 5/- each<br>(March 31, 2023: 20,00,000 Preference shares of ₹ 5/- each)                 | 100.00                  | 100.00                  |
|                                                                                                                          | <b>100.00</b>           | <b>100.00</b>           |
| <b>Issued, subscribed and fully paid up</b>                                                                              |                         |                         |
| Nil Preference Shares of ₹ 5/- each fully paid-up<br>(March 31, 2023: Nil Preference Shares of ₹ 5/- each fully paid-up) | -                       | -                       |
| <b>Total</b>                                                                                                             | -                       | -                       |

#### (i) Reconciliation of number of shares

| Preference shares                   | (₹ in lakhs)            |                         |
|-------------------------------------|-------------------------|-------------------------|
|                                     | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| <b>Balance as at April 01, 2022</b> | -                       | -                       |
| Add : Issued during the year        | -                       | -                       |
| <b>Balance as at March 31, 2023</b> | -                       | -                       |
| Add : Issued during the year        | -                       | -                       |
| <b>Balance as at March 31, 2024</b> | -                       | -                       |

### 22 Other equity

| Particulars                                                          | (₹ in lakhs)            |                         |
|----------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                      | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| <b>(a) Securities Premium</b>                                        |                         |                         |
| <b>Balance as at beginning of the year</b>                           | <b>95.35</b>            | <b>95.35</b>            |
| Add: Amount received during the year                                 | -                       | -                       |
| <b>Balance as at end of the year</b>                                 | <b>95.35</b>            | <b>95.35</b>            |
| <b>(b) General Reserves</b>                                          |                         |                         |
| <b>Balance as at beginning of the year</b>                           | <b>100.00</b>           | <b>100.00</b>           |
| Add: Additions during the year                                       | -                       | -                       |
| <b>Balance as at end of the year</b>                                 | <b>100.00</b>           | <b>100.00</b>           |
| <b>(c) Retained Earnings</b>                                         |                         |                         |
| <b>Balance as at beginning of the year (Refer Note-43(A))</b>        | <b>25,161.20</b>        | <b>17,623.33</b>        |
| Add : Net Profit / (Loss) for the year                               | 11,049.57               | 7,962.30                |
| Add/(Less) : Remeasurement of the defined benefit plans (net of tax) | (99.05)                 | (16.36)                 |
| Less: Final dividend on Equity Shares                                | (621.10)                | (414.07)                |
| <b>Balance as at end of the year</b>                                 | <b>35490.62</b>         | <b>25,161.20</b>        |
| <b>Total</b>                                                         | <b>35685.97</b>         | <b>25,356.55</b>        |

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024



### Distribution made and proposed

| Particulars                                                                                                                                                                                                                                                               | (₹ in lakhs)            |                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                                                                                                                                                                                                           | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| <b>Cash Dividend on Equity Share declared and paid</b>                                                                                                                                                                                                                    |                         |                         |
| Final Dividend for the year ended March 31, 2023 (₹ 1.5/- per Share) and<br>March 31, 2022 (₹ 1 per share)                                                                                                                                                                | 621.10                  | 414.07                  |
|                                                                                                                                                                                                                                                                           | <b>621.10</b>           | <b>414.07</b>           |
| <b>Proposed Dividend on Equity Shares</b>                                                                                                                                                                                                                                 |                         |                         |
| Final Dividend for the year ended March 31, 2024 proposed in the board meeting<br>held on May 06, 2024 at ₹ 2/- per Share ##.(Final dividend for the previous year<br>ended March 31, 2023 was decided ₹ 1.5 per share in the board meeting scheduled<br>on May 24, 2023) | 828.13                  | 621.10                  |

##The Board of Directors have recommended a final dividend of ₹ 2/- (face value of ₹ 5/- each) (40%) per equity share for the year ended March 31, 2024 on 4,14,06,680 equity shares, amounting ₹ 828.13/- lakhs subject to the approval of the shareholders at the ensuing Annual General Meeting and are not recognised as a liability.

The description of the nature and purpose of each reserve within Other equity is as follows:

#### (i) Securities Premium

Securities premium is received by the Company on issue of shares at premium. This balance will be utilised in accordance with the provisions of Section 52 of the Act towards issuance of fully paid bonus shares, write-off of preliminary expenses, commission/discount expenses on issue of shares/debentures, premium payable on redemption of redeemable preference shares/debentures and buy back of its own shares/securities under Section 68 of the Act.

#### (ii) General Reserves

General reserve is a free reserve, retained from the Company's profits and can be utilized upon fulfilling certain conditions in accordance with statute of the relevant Act.

#### (iii) Retained Earnings

Retained earnings comprise balances of accumulated (undistributed) profit and loss at each year end and balances of remeasurement of net defined benefit plans, less any transfers to general reserve that can be distributed by the Company as dividend to its shareholders in compliance with the requirements of the Act.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024



### 23 Commission and fees income

| Particulars                                | (₹ in lakhs)                         |                                      |
|--------------------------------------------|--------------------------------------|--------------------------------------|
|                                            | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Commission and Fees Income from :          |                                      |                                      |
| Distribution of mutual fund products       | 63,722.93                            | 50,150.66                            |
| Distribution of insurance products         | 18.03                                | 19.77                                |
| Stock broking and allied services          | 2,364.95                             | 1,739.44                             |
| Other financial and non financial products | 2,682.97                             | 1,517.88                             |
| <b>Total</b>                               | <b>68,788.88</b>                     | <b>53,427.75</b>                     |

| (a) Reconciliation of gross revenue with revenue from contracts with customers | (₹ in lakhs)                         |                                      |
|--------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                                | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Gross revenue (i.e. Contracted Price)                                          | 68,788.88                            | 53,427.75                            |
| Less: Discounts, rebates, Price Concessions etc.                               | -                                    | -                                    |
| <b>Total</b>                                                                   | <b>68,788.88</b>                     | <b>53,427.75</b>                     |

| (b) Revenue from Geographical Markets | (₹ in lakhs)                         |                                      |
|---------------------------------------|--------------------------------------|--------------------------------------|
|                                       | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| India                                 | 68,763.49                            | 53,427.75                            |
| Outside India                         | 25.39                                | -                                    |
| <b>Total</b>                          | <b>68,788.88</b>                     | <b>53,427.75</b>                     |

| (c) Timing of Recognition of Revenue                           | (₹ in lakhs)                         |                                      |
|----------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Revenue recognised for services provided at point of time      | 68,788.88                            | 53,427.75                            |
| Revenue recognised for services provided over a period of year | -                                    | -                                    |
| <b>Total</b>                                                   | <b>68,788.88</b>                     | <b>53,427.75</b>                     |

There are external customers having ₹ 15,176.76/- lakhs and ₹ 11,511.67/- lakhs representing 10% or more of the Company's total revenue for the year ended March 31, 2024 and March 31, 2023 respectively.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024



### 23(A) Interest income

| Particulars                       | (₹ in lakhs)                         |                                      |
|-----------------------------------|--------------------------------------|--------------------------------------|
|                                   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Interest on                       |                                      |                                      |
| Deposits and margin with exchange | 227.25                               | 183.15                               |
| Delayed payments from customers   | 262.20                               | 289.75                               |
| Others                            | 0.89                                 | 2.15                                 |
| <b>Total</b>                      | <b>490.34</b>                        | <b>475.05</b>                        |

### 24 Net gain on fair value changes

| Particulars                                                                    | (₹ in lakhs)                         |                                      |
|--------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                                | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Net gain/ (loss) on financial instruments at fair value through profit or loss |                                      |                                      |
| Securities held for trading - designated at fair value through profit and loss | 112.02                               | 173.86                               |
| <b>Total</b>                                                                   | <b>112.02</b>                        | <b>173.86</b>                        |
| Fair Value changes:                                                            |                                      |                                      |
| Realised                                                                       | 118.22                               | 184.01                               |
| Unrealised                                                                     | (6.20)                               | (10.15)                              |
| <b>Total</b>                                                                   | <b>112.02</b>                        | <b>173.86</b>                        |

### 25 Other income

| Particulars                                                      | (₹ in lakhs)                         |                                      |
|------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Interest income on financial assets - measured at amortised cost |                                      |                                      |
| Bonds                                                            | 87.73                                | 36.13                                |
| Deposits with banks                                              | 126.05                               | 16.37                                |
| Loans to employees                                               | 4.72                                 | 4.40                                 |
| Others                                                           | 15.32                                | 15.08                                |
| Net gain on Investments measured at FVTPL                        | 915.73                               | 210.51                               |
| Dividend income                                                  | 37.02                                | 4.41                                 |
| Profit on cancellation of lease contract                         | 23.85                                | 17.46                                |
| Marketing and advertisement income                               | 117.00                               | 162.05                               |
| Miscellaneous income                                             | 32.81                                | 4.68                                 |
| <b>Total</b>                                                     | <b>1,360.23</b>                      | <b>471.09</b>                        |



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024



### 26 Employee benefits expense

| Particulars                                                   | (₹ in lakhs)                         |                                      |
|---------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                               | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Salaries, wages and bonus                                     | 7,091.73                             | 6,473.08                             |
| Contribution to provident fund and other fund (Refer Note 35) | 93.89                                | 77.35                                |
| Gratuity expenses (Refer Note35)                              | 80.91                                | 75.25                                |
| Compensated Absence Expenses (Refer Note 35)                  | 49.78                                | 49.58                                |
| Staff welfare expenses                                        | 310.49                               | 33.67                                |
| <b>Total</b>                                                  | <b>7,626.80</b>                      | <b>6,708.93</b>                      |

### 27 Finance costs

| Particulars                                                          | (₹ in lakhs)                         |                                      |
|----------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                      | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Interest Expense on financial liabilities measured at amortised cost |                                      |                                      |
| Unsecured loan from related party                                    | -                                    | 0.39                                 |
| Lease liabilities                                                    | 128.47                               | 107.64                               |
| Others                                                               | 18.44                                | 25.85                                |
| Bank charges and other borrowing costs                               | 21.60                                | 36.82                                |
| <b>Total</b>                                                         | <b>168.51</b>                        | <b>170.70</b>                        |

### 27(A) Impairment on financial instruments

| Particulars                                                       | (₹ in lakhs)                         |                                      |
|-------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Impairment of financial instruments measured at amortised cost:   |                                      |                                      |
| Trade receivables {Refer note 7 & 34 }                            | (0.11)                               | (0.91)                               |
| Margin with clearing member (including others) {Refer Note 44(c)} | -                                    | (203.67)                             |
| <b>Total</b>                                                      | <b>(0.11)</b>                        | <b>(204.58)</b>                      |

### 28 Depreciation and amortization expense

| Particulars                                                   | (₹ in lakhs)                         |                                      |
|---------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                               | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Depreciation on Property, plant and equipment (Refer Note 11) | 238.87                               | 223.91                               |
| Amortization on ROU (Refer Note 12)                           | 500.19                               | 467.07                               |
| Amortization of Intangible assets (Refer Note 13)             | 1,544.64                             | 1,535.41                             |
| <b>Total</b>                                                  | <b>2,283.70</b>                      | <b>2,226.39</b>                      |

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024



### 29 Other expenses

| Particulars                                                      | (₹ in lakhs)                         |                                      |
|------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Rent                                                             | 48.77                                | 25.28                                |
| Electricity expenses                                             | 114.02                               | 98.51                                |
| Repair and Maintenance                                           |                                      |                                      |
| - Building                                                       | 21.50                                | 37.69                                |
| - Others                                                         | 34.05                                | 44.20                                |
| Computer, software and maintenance expenses                      | 165.99                               | 148.85                               |
| Insurance expenses                                               | 120.13                               | 116.61                               |
| Business promotion expenses                                      | 1,332.74                             | 738.65                               |
| Postage and communication expenses                               | 237.88                               | 189.89                               |
| Travelling and conveyance expenses                               | 281.92                               | 240.73                               |
| Legal and professional expenses                                  | 270.40                               | 231.23                               |
| Commission and sitting fees to director                          | 51.75                                | 56.25                                |
| Rates & taxes                                                    | 30.10                                | 43.01                                |
| Office expenses                                                  | 110.49                               | 96.89                                |
| Loss on sale of Property, plant and equipment                    | 8.62                                 | 4.33                                 |
| Printing and stationery expenses                                 | 49.12                                | 56.54                                |
| Expenditure on corporate social responsibility (Refer Note : 40) | 157.64                               | 108.01                               |
| Membership and subscription                                      | 33.01                                | 25.83                                |
| Auditor's remuneration (Refer note (a) below)                    | 46.19                                | 52.86                                |
| ARN Recruitment expenses                                         | 225.23                               | -                                    |
| Miscellaneous expenses                                           | 133.37                               | 116.78                               |
| <b>Total</b>                                                     | <b>3,472.92</b>                      | <b>2,432.14</b>                      |

#### (a) Payment to auditors

|                                         |              |              |
|-----------------------------------------|--------------|--------------|
| As auditor (excluding applicable taxes) |              |              |
| Statutory audit fee                     | 41.74        | 49.11        |
| Certification fees                      | 4.45         | 3.75         |
| <b>Total</b>                            | <b>46.19</b> | <b>52.86</b> |

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

### 30 Income tax expense

| Particulars                                                                       | (₹ in lakhs)                         |                                      |
|-----------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                                   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| <b>(i) Income tax expense recognised in Statement of Profit and Loss and OCI:</b> |                                      |                                      |
| <b>A Income tax expense recognised in Statement of Profit and loss:</b>           |                                      |                                      |
| Current tax                                                                       |                                      |                                      |
| In respect of current year                                                        | 3,469.59                             | 2,203.69                             |
| In respect of earlier year                                                        | -                                    | 2.87                                 |
|                                                                                   | <b>3,469.59</b>                      | <b>2,206.56</b>                      |
| Deferred tax                                                                      |                                      |                                      |
| In respect of current year                                                        | 259.59                               | 523.99                               |
|                                                                                   | <b>259.59</b>                        | <b>523.99</b>                        |
| <b>B Income tax expense recognised in OCI:</b>                                    |                                      |                                      |
| Deferred tax                                                                      |                                      |                                      |
| In respect of current year                                                        | (33.32)                              | (5.50)                               |
|                                                                                   | <b>(33.32)</b>                       | <b>(5.50)</b>                        |

#### (ii) Reconciliation of tax expense and the accounting profit

The major components of tax expense and the reconciliation of the expected tax expense based on the effective tax rate of the Company at 25.17% and the reported tax expense in profit or loss are as follows:

| Particulars                                                                          | (₹ in lakhs)                         |                                      |
|--------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                                      | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| <b>Profit before tax</b>                                                             | <b>14,778.75</b>                     | <b>10,692.85</b>                     |
| <b>Tax Rate applied</b>                                                              | 25.17%                               | 25.17%                               |
| <b>Income tax expense calculated at the applicable tax rate on Profit before tax</b> | <b>3,719.81</b>                      | <b>2,691.39</b>                      |
| Adjustment in Tax due to the following (tax benefit)/tax expenses                    |                                      |                                      |
| Expenses not deductible for tax purpose (net)                                        | 39.98                                | 28.70                                |
| Income chargeable at different tax rate                                              | -                                    | (1.30)                               |
| Others                                                                               | (30.61)                              | 8.89                                 |
| Adjustments in respect of earlier years                                              | -                                    | 2.87                                 |
| <b>Tax expenses recognised during the year</b>                                       | <b>3729.18</b>                       | <b>2730.56</b>                       |
| <b>Effective Tax Rate</b>                                                            | <b>25.23%</b>                        | <b>25.54%</b>                        |

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

### (iii) Deferred tax

Deferred tax liabilities are the amounts of income taxes payable in future years in respect of taxable temporary differences. Deferred tax assets are the amounts of income taxes recoverable in future years in respect of deductible temporary differences.

Component of Deferred tax liabilities/assets are as follows:

| Break up of Deferred tax<br>(liabilities)/assets      | (₹ in lakhs)            |                                                  |                   |                         |
|-------------------------------------------------------|-------------------------|--------------------------------------------------|-------------------|-------------------------|
|                                                       | As at<br>April 01, 2023 | Recognised in<br>Statement of Profit<br>and Loss | Recognised in OCI | As at<br>March 31, 2024 |
| Property, plant and equipment                         | (718.23)                | (244.18)                                         | -                 | (962.41)                |
| Employee benefit obligations                          | 123.13                  | 23.88                                            | 33.32             | 180.33                  |
| Fair valuation of financial instruments               | (19.00)                 | (55.00)                                          | -                 | (74.00)                 |
| Impairment of Financial Assets                        | 67.37                   | (1.50)                                           | -                 | 65.87                   |
| Impact on account of right of use and lease liability | 2.56                    | 17.21                                            | -                 | 19.77                   |
| <b>Total</b>                                          | <b>(544.17)</b>         | <b>(259.59)</b>                                  | <b>33.32</b>      | <b>(770.44)</b>         |

| Break up of Deferred tax<br>(liabilities)/assets      | (₹ in lakhs)            |                                                  |                   |                         |
|-------------------------------------------------------|-------------------------|--------------------------------------------------|-------------------|-------------------------|
|                                                       | As at<br>April 01, 2022 | Recognised in<br>Statement of Profit<br>and Loss | Recognised in OCI | As at<br>March 31, 2023 |
| Property, plant and equipment                         | (267.84)                | (450.39)                                         | -                 | (718.23)                |
| Employee benefit obligations                          | 118.37                  | (0.74)                                           | 5.50              | 123.13                  |
| Fair valuation of financial instruments               | (2.10)                  | (16.90)                                          | -                 | (19.00)                 |
| Impairment of Financial Assets                        | 122.41                  | (55.04)                                          | -                 | 67.37                   |
| Impact on account of right of use and lease liability | 3.48                    | (0.92)                                           | -                 | 2.56                    |
| <b>Total</b>                                          | <b>(25.68)</b>          | <b>(523.99)</b>                                  | <b>5.50</b>       | <b>(544.17)</b>         |

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024



### 31 Earning per share (EPS)

| Particulars                                                                    | For the year ended |                |
|--------------------------------------------------------------------------------|--------------------|----------------|
|                                                                                | March 31, 2024     | March 31, 2023 |
| Net Profit / (Loss) after tax for calculation of basic EPS                     | 11,049.57          | 7,962.30       |
| Weighted average number of equity shares for calculating Basic EPS             | 41,406,680         | 41,406,680     |
| Weighted average number of equity shares and Preference Shares for Diluted EPS | 41,406,680         | 41,406,680     |
| Nominal value per share (₹)                                                    | 5.00               | 5.00           |
| Basic Earning Per Share (in ₹)                                                 | 26.69              | 19.23          |
| Diluted Earning Per Share (in ₹)                                               | 26.69              | 19.23          |

### 32 Maturity Analysis of Assets and Liabilities

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

| Particulars                                                                     | As at March 31, 2024 |                  |                  | As at March 31, 2023 |                  |                  |
|---------------------------------------------------------------------------------|----------------------|------------------|------------------|----------------------|------------------|------------------|
|                                                                                 | Within 12 months     | After 12 months  | Total            | Within 12 months     | After 12 months  | Total            |
| <b>ASSETS</b>                                                                   |                      |                  |                  |                      |                  |                  |
| <b>I Financial assets</b>                                                       |                      |                  |                  |                      |                  |                  |
| (a) Cash and cash equivalents                                                   | 1,448.59             | -                | 1,448.59         | 1,509.59             | -                | 1,509.59         |
| (b) Bank balances other than (a) above                                          | 10,789.01            | 585.42           | 11,374.43        | 4,570.62             | 273.62           | 4,844.24         |
| (c) Securities for trade                                                        | 1,336.22             | -                | 1,336.22         | 765.93               | -                | 765.93           |
| (d) Trade receivables                                                           | 12,603.10            | -                | 12,603.10        | 8,635.92             | -                | 8,635.92         |
| (e) Loans                                                                       | 53.30                | 23.47            | 76.77            | 45.92                | 33.29            | 79.21            |
| (f) Investments                                                                 | 11,918.44            | 2,802.33         | 14,720.77        | 7,857.58             | 642.38           | 8,499.96         |
| (g) Other financial assets                                                      | 2,819.69             | 1,099.72         | 3,919.41         | 425.54               | 1,023.55         | 1,449.09         |
| <b>Total Financial Assets</b>                                                   | <b>40,968.35</b>     | <b>4,510.94</b>  | <b>45,479.29</b> | <b>23,811.10</b>     | <b>1,972.84</b>  | <b>25,783.94</b> |
| <b>II Non-Financial assets</b>                                                  |                      |                  |                  |                      |                  |                  |
| (a) Current tax asset (net)                                                     | 84.66                | 19.40            | 104.06           | 73.14                | 19.40            | 92.54            |
| (b) Deferred tax assets (net)                                                   | -                    | -                | -                | -                    | -                | -                |
| (c) Property, plant and equipment                                               | -                    | 1,522.18         | 1,522.18         | -                    | 1,359.45         | 1,359.45         |
| (d) Right-of-use assets                                                         | -                    | 1,473.13         | 1,473.13         | -                    | 1,212.86         | 1,212.86         |
| (e) Intangible assets                                                           | -                    | 11,762.23        | 11,762.23        | -                    | 13,306.47        | 13,306.47        |
| (f) Other non-financial assets                                                  | 1,644.96             | 31.57            | 1,676.53         | 794.11               | 36.28            | 830.39           |
| <b>Total Non Financial Assets</b>                                               | <b>1,729.62</b>      | <b>14,808.51</b> | <b>16,538.13</b> | <b>867.25</b>        | <b>15,934.46</b> | <b>16,801.71</b> |
| <b>Total Assets</b>                                                             | <b>42,697.97</b>     | <b>19,319.45</b> | <b>62,017.42</b> | <b>24,678.35</b>     | <b>17,907.32</b> | <b>42,585.65</b> |
| <b>LIABILITIES</b>                                                              |                      |                  |                  |                      |                  |                  |
| <b>I Financial Liabilities</b>                                                  |                      |                  |                  |                      |                  |                  |
| (a) Trade payables                                                              |                      |                  |                  |                      |                  |                  |
| (i) Total outstanding dues of micro and small enterprises                       | 23.87                | -                | 23.87            | -                    | -                | -                |
| (ii) Total outstanding dues of creditors other than micro and small enterprises | 18,518.34            | -                | 18,518.34        | 10,905.81            | -                | 10,905.81        |

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024



| Particulars                            | As at March 31, 2024 |                 |                  | As at March 31, 2023 |                 |                  |
|----------------------------------------|----------------------|-----------------|------------------|----------------------|-----------------|------------------|
|                                        | Within 12 months     | After 12 months | Total            | Within 12 months     | After 12 months | Total            |
| (b) Lease liabilities                  | 430.56               | 1,120.84        | 1,551.40         | 406.60               | 861.50          | 1,268.10         |
| (c) Other financial liabilities        | 96.55                | -               | 96.55            | 61.46                | -               | 61.46            |
| <b>Total Financial Liabilities</b>     | <b>19,069.32</b>     | <b>1,120.84</b> | <b>20,190.16</b> | <b>11,373.87</b>     | <b>861.50</b>   | <b>12,235.37</b> |
| <b>II Non-Financial Liabilities</b>    |                      |                 |                  |                      |                 |                  |
| (a) Current tax liability (net)        | 146.40               | -               | 146.40           | 117.52               | -               | 117.52           |
| (b) Deferred tax liabilities (net)     | -                    | 770.44          | 770.44           | -                    | 544.17          | 544.17           |
| (c) Provisions                         | 171.45               | 412.64          | 584.09           | 210.30               | 277.87          | 488.17           |
| (d) Other non-financial liabilities    | 2,570.03             | -               | 2,570.03         | 1,773.54             | -               | 1,773.54         |
| <b>Total Non-Financial Liabilities</b> | <b>2,887.88</b>      | <b>1,183.08</b> | <b>4,070.96</b>  | <b>2,101.36</b>      | <b>822.04</b>   | <b>2,923.40</b>  |
| <b>Total Liabilities</b>               | <b>21,957.20</b>     | <b>2,303.92</b> | <b>24,261.12</b> | <b>13,475.23</b>     | <b>1,683.54</b> | <b>15,158.77</b> |

### 33 Financial Instruments

#### (i) Capital Management

The Company's objective for capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor and customer confidence, to ensure future development of its business and remain going concern. The Company is focused on keeping strong capital base to ensure independence and sustained growth in business. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented in the balance sheet. The funding requirements are predominately met through equity and out of cashflow generated from operations.

The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell non-core assets to reduce the debt.

| Particulars                     | As at          |                |
|---------------------------------|----------------|----------------|
|                                 | March 31, 2024 | March 31, 2023 |
| Debt                            | -              | -              |
| Equity                          | 37,756.30      | 27,426.88      |
| <b>Debt to Equity Ratio (%)</b> | <b>0.00%</b>   | <b>0.00%</b>   |

Lease liability arising on account of implementation of Ind AS 116 is not considered in the above working, as it is a liability.

No changes were made in the objectives, policies or processes for managing capital during the current year and previous years.



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024



### (ii) Category-wise classification of financial instruments:

The accounting classification of each category of financial instruments and their carrying amounts are set out below:

| Particulars                                        | As at March 31, 2024 |          |                  |                      |                  |
|----------------------------------------------------|----------------------|----------|------------------|----------------------|------------------|
|                                                    | Amortised Cost       | FVTOCI   | FVTPL            | Total carrying value | Total fair value |
| <b>Financial Assets</b>                            |                      |          |                  |                      |                  |
| Cash and cash equivalents                          | 1,448.59             | -        | -                | 1,448.59             | 1,448.59         |
| Bank Balances other than Cash and Cash equivalents | 11,374.43            | -        | -                | 11,374.43            | 11,374.43        |
| Securities for trade                               | -                    | -        | 1,336.22         | 1,336.22             | 1,336.22         |
| Trade receivables                                  | 12,603.10            | -        | -                | 12,603.10            | 12,603.10        |
| Loans                                              | 76.77                | -        | -                | 76.77                | 76.77            |
| Investments *                                      | 1,602.08             | -        | 12,853.00        | 14,455.08            | 14,455.08        |
| Other financial assets                             | 3,919.41             | -        | -                | 3,919.41             | 3,919.41         |
| <b>Total</b>                                       | <b>31,024.38</b>     | <b>-</b> | <b>14,189.22</b> | <b>45,213.60</b>     | <b>45,213.60</b> |
| <b>Financial Liabilities</b>                       |                      |          |                  |                      |                  |
| Trade payables                                     | 18,542.21            | -        | -                | 18,542.21            | 18,542.21        |
| Lease liabilities                                  | 1,551.40             | -        | -                | 1,551.40             | 1,551.40         |
| Other financial liabilities                        | 96.55                | -        | -                | 96.55                | 96.55            |
| <b>Total</b>                                       | <b>20,190.16</b>     | <b>-</b> | <b>-</b>         | <b>20,190.16</b>     | <b>20,190.16</b> |

| Particulars                                        | As at March 31, 2023 |          |                 |                      |                  |
|----------------------------------------------------|----------------------|----------|-----------------|----------------------|------------------|
|                                                    | Amortised Cost       | FVTOCI   | FVTPL           | Total carrying value | Total fair value |
| <b>Financial Assets</b>                            |                      |          |                 |                      |                  |
| Cash and cash equivalents                          | 1,509.59             | -        | -               | 1,509.59             | 1,509.59         |
| Bank Balances other than Cash and Cash equivalents | 4,844.24             | -        | -               | 4,844.24             | 4,844.24         |
| Securities for trade                               | -                    | -        | 765.93          | 765.93               | 765.93           |
| Trade receivables                                  | 8,635.92             | -        | -               | 8,635.92             | 8,635.92         |
| Loans                                              | 79.21                | -        | -               | 79.21                | 79.21            |
| Investments *                                      | 57.80                | -        | 8,176.46        | 8,234.26             | 8,234.26         |
| Other financial assets                             | 1,449.09             | -        | -               | 1,449.09             | 1,449.09         |
| <b>Total</b>                                       | <b>16,575.85</b>     | <b>-</b> | <b>8,942.39</b> | <b>25,518.24</b>     | <b>25,518.24</b> |
| <b>Financial Liabilities</b>                       |                      |          |                 |                      |                  |
| Trade payables                                     | 10,905.81            | -        | -               | 10,905.81            | 10,905.81        |
| Lease liabilities                                  | 1,268.10             | -        | -               | 1,268.10             | 1,268.10         |
| Other financial liabilities                        | 61.46                | -        | -               | 61.46                | 61.46            |
| <b>Total</b>                                       | <b>12,235.37</b>     | <b>-</b> | <b>-</b>        | <b>12,235.37</b>     | <b>12,235.37</b> |

\* Investments does not include investment in subsidiaries which are measured at cost.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

### (iii) Fair Value Hierarchy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

Financial assets and financial liabilities measured at fair value in the Balance Sheet are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

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

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability.

Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis.

#### (a) The Company uses the following hierarchy for determining and/or disclosing the fair value of financial assets by valuation techniques:

| Financial Assets as at March 31, 2024 | Level            |              |          |          | Total            |
|---------------------------------------|------------------|--------------|----------|----------|------------------|
|                                       | Level 1          | Level 2      | Level 3  | Total    |                  |
| At fair value through profit or loss  |                  |              |          |          |                  |
| Securities for trade                  | 1,315.82         | 20.40        | -        |          | 1,336.22         |
| Investments                           | 12,853.00        | -            | -        |          | 12,853.00        |
| <b>Total</b>                          | <b>14,168.82</b> | <b>20.40</b> | <b>-</b> | <b>-</b> | <b>14,189.22</b> |

| Financial Assets as at March 31, 2023 | Level           |              |          |          | Total           |
|---------------------------------------|-----------------|--------------|----------|----------|-----------------|
|                                       | Level 1         | Level 2      | Level 3  | Total    |                 |
| At fair value through profit or loss  |                 |              |          |          |                 |
| Securities for trade                  | 726.93          | 39.00        | -        |          | 765.93          |
| Investments                           | 8,176.46        | -            | -        |          | 8,176.46        |
| <b>Total</b>                          | <b>8,903.39</b> | <b>39.00</b> | <b>-</b> | <b>-</b> | <b>8,942.39</b> |

There is no movement from between Level 1, Level 2 and Level 3.

#### (b) Financial Instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024



### 34 Financial Risk Management, Objective and Policies

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, credit risk and market risk. Risk management policies have been established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review and reflect the changes in the policy accordingly.

The Company's Management reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

#### (a) Credit Risk:

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit Risk arises principally from the Company's cash and bank balances, trade receivables, investments, securities held for trade, loans, and security deposits.

The carrying amounts of financial assets represent the maximum credit risk exposure. Credit risk assessment on various components is described below:

##### (i) Trade receivables

The Company's trade receivables primarily include receivables from asset management companies (AMCs) for services provided and receivable from stock exchanges (for trade executed on behalf of customers) as well as clients. The Company has not made any provision on ECL on account of receivables from AMCs, Stock exchanges. These carries limited credit risk based on the financial position of parties and Company's historical experience of dealing with these parties.

The management has established accounts receivable policy under which customer accounts are regularly monitored. The Company has a dedicated risk management team, which monitors the positions, exposures, and margins on a continuous basis.

##### (ii) Cash and cash equivalents, bank deposits, investments and Securities held for trade

The Company maintains its cash and cash equivalents, bank deposits, investment, and securities held for trade with reputed banks, financial institutions, and corporates. The credit risk on these instruments is limited because the counterparties are banks and high credit rated financial institutions and corporates assigned by credit rating agencies.

##### (iii) Security Deposits and Loans

This consists of loans given to Employees and Security Deposits given to lessors as well as to utility providers like Electricity companies. These carries limited credit risk based on the financial position of parties and Company's historical experience of dealing with these parties.

##### (iv) Expected Credit Loss (ECL):

The Company follows simplified ECL method in case of Trade Receivables and the Company recognises lifetime expected losses for all trade receivables that do not constitute a financing transaction. The Company assesses the provision for ECL on each reporting dates.

For the purpose of computation of ECL, the term default implies an event where amount due towards margin requirement and/or mark to market losses for which the client was unable to provide funds / collaterals, within 90 days of its due, to bridge the shortfall, the same is termed as margin call triggered.

The Company assesses allowance for expected credit losses for Loans and other financial assets. The ECL allowance is based upon 12 months expected credit losses. These carries very minimal credit risk based on the financial position of parties and Company's historical experience of dealing with these parties. Credit Risk on Other Financial assets is considered insignificant considering the nature of such assets and absence of counterparty risk.



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

### The movement in expected credit loss:

| Particulars                             | ₹ in lakhs                              |                                         |
|-----------------------------------------|-----------------------------------------|-----------------------------------------|
|                                         | Carrying Amount<br>As at March 31, 2024 | Carrying Amount<br>As at March 31, 2023 |
| Opening balance                         | 178.11                                  | 179.02                                  |
| Impairment loss recognised / (reversed) | (0.11)                                  | (0.91)                                  |
| <b>Closing balance</b>                  | <b>178.00</b>                           | <b>178.11</b>                           |

#### (b) Market Risk:

Market risk is the risk of changes in market prices due to foreign exchange rates, interest rates which will affect the Company's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Market risk exposures are measured using sensitivity analysis. There has been no change in the measurement and management of the Company's exposure to market risks.

##### (i) Foreign currency risk

The functional currency of the Company is INR. The Company does not have material foreign currency exposure. Hence, currency risk is very limited.

##### (ii) Price Risk :

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, caused by factors specific to an individual investments, its issuer and market. The Company's exposure to price risk arises from diversified investments in mutual funds and Bonds, and Securities held for trade, and classified in the balance sheet at fair value through profit or loss.

| Changes in Prices of<br>Investments and Securities<br>held for trade | Impact on profit or loss       | ₹ in lakhs                           |                                      |
|----------------------------------------------------------------------|--------------------------------|--------------------------------------|--------------------------------------|
|                                                                      |                                | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| +10%                                                                 | Profit before tax increased by | 1,418.92                             | 894.24                               |
| -10%                                                                 | Profit before tax decreased by | (1,418.92)                           | (894.24)                             |

##### (iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk primarily arises from investments in debt oriented mutual funds and debt securities. The Company's investments in debt oriented mutual funds and debt securities are primarily short-term, which do not expose it to significant interest rate risk. Additionally, since there are no external borrowings, the Company is not exposed to interest rate risk in with respect to borrowings.

#### (c) Liquidity risk:

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities. In doing this, management considers both normal and stressed conditions. The Company also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

The Company has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term, and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves and by continuously monitoring cash flows, and by matching the maturity profiles of financial assets and liabilities.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

### Contractual maturities of financial liabilities

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2024 :

| Particulars                 | (₹ in lakhs)     |                 |                   |                  |
|-----------------------------|------------------|-----------------|-------------------|------------------|
|                             | Upto 1 year      | 1-5 years       | More than 5 years | Total            |
| <b>Liabilities</b>          |                  |                 |                   |                  |
| Trade payables              | 18,542.21        | -               | -                 | 18,542.21        |
| Lease liabilities           | 430.56           | 1,036.67        | 84.17             | 1,551.40         |
| Other financial liabilities | 96.55            | -               | -                 | 96.55            |
| <b>Total</b>                | <b>19,069.32</b> | <b>1,036.67</b> | <b>84.17</b>      | <b>20,190.16</b> |

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2023 :

| Particulars                 | (₹ in lakhs)     |               |                   |                  |
|-----------------------------|------------------|---------------|-------------------|------------------|
|                             | Upto 1 year      | 1-5 years     | More than 5 years | Total            |
| <b>Liabilities</b>          |                  |               |                   |                  |
| Trade payables              | 10,905.81        | -             | -                 | 10,905.81        |
| Lease liabilities           | 406.60           | 861.50        | -                 | 1,268.10         |
| Other financial liabilities | 61.46            | -             | -                 | 61.46            |
| <b>Total</b>                | <b>11,373.87</b> | <b>861.50</b> | <b>-</b>          | <b>12,235.37</b> |

### 35 Detail of Employees Benefits

#### (a) Defined Contribution Plans

The Company has defined contribution plan in form of Provident Fund and Employee State Insurance Scheme for qualifying employees. Under the Schemes, the Company is required to contribute a specified rates to fund the schemes.

| Particulars                     | (₹ in lakhs)                      |                                   |
|---------------------------------|-----------------------------------|-----------------------------------|
|                                 | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
| Provident Fund                  | 74.75                             | 57.82                             |
| Employee State Insurance Scheme | 19.14                             | 19.53                             |
| <b>Total</b>                    | <b>93.89</b>                      | <b>77.35</b>                      |

#### (b) Defined Benefits Plans

The Company provides for retirement benefits in the form of Gratuity. The Company's gratuity scheme (funded) provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service subject to a ceiling of ₹ 20 Lakhs. Vesting occurs upon completion of 5 years of service. The Company contributes gratuity liabilities to the Prudent Corporate Advisory Services Ltd Employee's Group Gratuity Fund ( the Trust ). Trustees administer contributions made to the Trusts and contributions are invested in Insurer Managed Funds.

The present value of the defined benefits plan was measured using the projected unit credit method.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

The following tables set out the status of the gratuity plan and amounts recognised in the financial statements:

| (i) Present value of defined benefit obligation               | (₹ in lakhs)                      |                                   |
|---------------------------------------------------------------|-----------------------------------|-----------------------------------|
|                                                               | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
| <b>Balance at the beginning of the year</b>                   | <b>514.63</b>                     | <b>432.04</b>                     |
| Current service cost                                          | 58.21                             | 52.91                             |
| Interest Cost                                                 | 38.50                             | 31.46                             |
| Past Service Cost                                             | -                                 | -                                 |
| Liability Transferred In                                      | -                                 | -                                 |
| (Liability Transferred Out)                                   | (0.26)                            | (1.87)                            |
| Remeasurement (gain)/loss:                                    |                                   |                                   |
| Actuarial (Gain)/Loss arising from Demographic adjustments    | -                                 | -                                 |
| Actuarial (Gain)/Loss due to changes in Financial Assumption  | 91.58                             | (9.04)                            |
| Actuarial (Gain)/Loss due to changes in Experience Adjustment | 50.00                             | 24.90                             |
| Benefits paid                                                 | (45.07)                           | (17.77)                           |
| <b>Balance at the end of the year</b>                         | <b>707.59</b>                     | <b>514.63</b>                     |

| (ii) Fair Value of Plan Assets                                | (₹ in lakhs)                      |                                   |
|---------------------------------------------------------------|-----------------------------------|-----------------------------------|
|                                                               | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
| <b>Fair Value of Plan Assets at the beginning of the year</b> | <b>211.26</b>                     | <b>125.42</b>                     |
| Interest Income                                               | 15.81                             | 9.12                              |
| Contributions by the Employer                                 | 100.00                            | 100.49                            |
| Expected Contributions by the Employees                       | -                                 | -                                 |
| Assets Transferred In/Acquisitions                            | -                                 | -                                 |
| (Assets Transferred Out/ Divestments)                         | -                                 | -                                 |
| (Benefit Paid from the Fund)                                  | -                                 | (17.77)                           |
| (Assets Distributed on Settlements)                           | -                                 | -                                 |
| Effects of Asset Ceiling                                      | -                                 | -                                 |
| The Effect of Changes In Foreign Exchange Rates               | -                                 | -                                 |
| Return on Plan Assets, Excluding Interest Income              | 9.21                              | (6.00)                            |
| <b>Fair Value of Plan Assets at the end of the year</b>       | <b>336.28</b>                     | <b>211.26</b>                     |
| <b>(iii) Amount Recognized in the Balance Sheet</b>           |                                   |                                   |
| (Present Value of Benefit Obligation at the end of the year)  | (707.59)                          | (514.63)                          |
| Fair Value of Plan Assets at the end of the year              | 336.28                            | 211.26                            |
| <b>Net (Liability)/Asset Recognized in the Balance Sheet</b>  | <b>(371.31)</b>                   | <b>(303.37)</b>                   |



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

|                                                                                             | (₹ in lakhs)                         |                                      |
|---------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| (iv) Cost of the defined benefit plan for the year                                          | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Current service cost                                                                        | 58.21                                | 54.91                                |
| Interest cost                                                                               | 22.70                                | 22.34                                |
| Past service cost                                                                           | -                                    | -                                    |
| (Expected Contributions by the Employees)                                                   | -                                    | -                                    |
| (Gains)/Losses on Curtailments And Settlements                                              | -                                    | -                                    |
| Net Effect of Changes in Foreign Exchange Rates                                             | -                                    | -                                    |
| <b>Expense recognised in the Statement of Profit and Loss</b>                               | <b>80.91</b>                         | <b>75.25</b>                         |
| (v) <b>Recognised in other Comprehensive Income</b>                                         |                                      |                                      |
| Remeasurement on the net defined benefit liability:                                         |                                      |                                      |
| Actuarial (Gain)/Loss arising from Demographic Adjustments                                  | -                                    | -                                    |
| Actuarial (Gain)/Loss due to changes in Financial Assumption                                | 91.58                                | (9.04)                               |
| Actuarial (Gain)/Loss due to changes in Experience Adjustment                               | 50.00                                | 24.90                                |
| Return on Plan Assets, Excluding Interest Income                                            | (9.21)                               | 6.00                                 |
| Change in Asset Ceiling                                                                     | -                                    | -                                    |
| <b>Recognised in the Other Comprehensive Income</b>                                         | <b>132.37</b>                        | <b>21.86</b>                         |
| <b>Total cost of the defined benefit plan for the year</b>                                  | <b>213.28</b>                        | <b>97.11</b>                         |
| (vi) <b>The major categories of the fair value of the total plan assets are as follows:</b> |                                      |                                      |
| Insurer Managed Funds*                                                                      | 100%                                 | 100%                                 |

\*In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

|                                                                                                                                                                                                                                                                                       | (₹ in lakhs)                                           |                                                        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|--------------------------------------------------------|
| (vii) Experience Adjustment                                                                                                                                                                                                                                                           | For the year ended<br>March 31, 2024                   | For the year ended<br>March 31, 2023                   |
| Defined benefit obligation at the end of year                                                                                                                                                                                                                                         | (707.59)                                               | (514.63)                                               |
| Plan assets at the end of year                                                                                                                                                                                                                                                        | 336.28                                                 | 211.26                                                 |
| <b>Net Obligation at the end of year</b>                                                                                                                                                                                                                                              | <b>(371.31)</b>                                        | <b>(303.37)</b>                                        |
| Experience adjustment on plan liabilities gain/(loss)                                                                                                                                                                                                                                 | (50.00)                                                | (24.90)                                                |
| Actuarial (gain)/loss due to changes in assumptions                                                                                                                                                                                                                                   | (82.37)                                                | 3.03                                                   |
| (viii) <b>Principal actuarial assumptions:</b>                                                                                                                                                                                                                                        |                                                        |                                                        |
| The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate, the salary growth rate, attrition rate and the average life expectancy. The assumptions used for the valuation of the defined benefit obligation are as follows: |                                                        |                                                        |
| Discount rate (p.a.)                                                                                                                                                                                                                                                                  | 7.21%                                                  | 7.48%                                                  |
| Expected rate of salary increase (p.a.)                                                                                                                                                                                                                                               | 7%                                                     | 6%                                                     |
| Mortality                                                                                                                                                                                                                                                                             | Indian Assured Lives<br>Mortality 2012-2014<br>(Urban) | Indian Assured Lives<br>Mortality 2012-2014<br>(Urban) |
| Rate of employees turnover (p.a.)                                                                                                                                                                                                                                                     |                                                        |                                                        |
| For Service 4 years and Below                                                                                                                                                                                                                                                         | 15%                                                    | 15%                                                    |
| For Service 5 years and Above                                                                                                                                                                                                                                                         | 2%                                                     | 2%                                                     |
| Retirement age                                                                                                                                                                                                                                                                        | 58 years                                               | 58 years                                               |

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

Estimates of future salary increase takes into account: inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The plan exposes the Company to significant actuarial risks such as interest rate risk and inflation risk:

**Inflation risk** – A significant proportion of the defined benefit liability is linked to inflation. An increase in the inflation rate will increase the Company's liability.

**Interest rate risk** – The present value of the defined benefit liability is calculated using a discount rate prevailing market yields of Indian government securities. A decrease in discount rate will increase the Company's defined benefit liability.

(ix) **Sensitivity analysis in respect of the actuarial assumptions used in calculation of defined benefit obligation is given below:**

|                                                         | (₹ in lakhs)                         |                                      |
|---------------------------------------------------------|--------------------------------------|--------------------------------------|
| Particulars                                             | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Projected Benefit Obligation on Current Assumptions     | 707.59                               | 514.63                               |
| Delta Effect of +1% Change in Rate of Discounting       | (83.72)                              | (59.51)                              |
| Delta Effect of -1% Change in Rate of Discounting       | 99.83                                | 70.83                                |
| Delta Effect of +1% Change in Rate of Salary Increase   | 82.92                                | 63.45                                |
| Delta Effect of -1% Change in Rate of Salary Increase   | (75.37)                              | (55.36)                              |
| Delta Effect of +1% Change in Rate of Employee Turnover | 4.82                                 | 10.73                                |
| Delta Effect of -1% Change in Rate of Employee Turnover | (5.56)                               | (12.28)                              |

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. In presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(x) **The weighted average duration of the benefit obligation as at March 31, 2024 is 15 years. (as at March 31, 2023 is 15 years)**

(xi) **Maturity Analysis of the Benefit Payments**

The followings are the expected future benefit payments for the defined benefit plan :

|                                | (₹ in lakhs)                         |                                      |
|--------------------------------|--------------------------------------|--------------------------------------|
| Particulars                    | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Within the next 12 months      | 19.67                                | 17.06                                |
| Between 2 to 5 years           | 96.96                                | 79.71                                |
| Beyond 5 years                 | 2002.37                              | 1482.76                              |
| <b>Total expected payments</b> | <b>2,119.00</b>                      | <b>1,579.53</b>                      |

(c) **Compensated absence:**

The employees are entitled for leave for each year of service and part thereof, subject to the limits specified, the unavailed portion of such leaves can be accumulated or encashed during/at the end of the service period up to a maximum of 100 days.

Expenses recognised in the Statement of Profit and Loss amounts to ₹ 49.78 lakhs for the year ended March 31, 2024 (March 31, 2023: ₹ 49.58 lakhs)

The current and non-current classification of obligations under defined benefit plans and other long-term benefits is done bases on the actuarial valuation reports.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

### (d) Asset - Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year -on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The Insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year ( subject to sufficiency of funds under the policy ).The policy thus mitigates the liquidity risk.

However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities . Thus, the company is exposed to movement in interest rate ( in particular , the significant fall in interest rates , which should result in a increase in liability without corresponding increase in the asset)

### 36 Related Party Disclosures

| Relationship                                                                                                             | Name of Party                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Wholly owned Subsidiary Companies</b>                                                                                 | Prutech Financial Services Private Limited<br>Gennext Insurance Brokers Private Limited<br>Prudent Broking Services Private Limited (Refer Note-43(A))                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Director / Key Management Personnel</b>                                                                               | Mr. Sanjay R Shah - Chairman and Managing Director<br>Mr. Shirish Patel - Whole Time Director and CEO<br>Mr. Chirag Ashwinkumar Shah - Whole Time Director<br>Mr. Deepak Sood - Independent Director<br>Mr. Karan Datta - Independent Director<br>Mr. Dhiraj Poddar- Nominee Director<br>Mr. Aniket Talati - Independent Director<br>Mrs. Shilpi Thapar - Independent Director<br>Mr. Chirag Kothari - Chief Financial Officer<br>Mr. Dhaval Ghetia - Company Secretary (up to 10 <sup>th</sup> November 2023)<br>Mr. Kunal Chauhan - Company Secretary (w.e.f 25 <sup>th</sup> January 2024) |
| <b>Relative of Director / Key Management Personnel</b>                                                                   | Mrs. Niketa S. Shah<br>Mr. Ramesh C Shah<br>Mrs. Maitry Sanjay Shah<br>Ms. Sakhi Sanjay Shah<br>Mrs. Falguni Chiragkumar Kothari<br>Mrs. Sunitaben Dhuvad<br>Mrs. Sonal Paresh Mehta<br>Mrs. Chetanaben Bansilal Kothari<br>Mrs. Mala Vishwakarma<br>Mrs. Meghna Chirag Shah<br>Mr. Atit Ashwinkumar Shah<br>Mr. Dhruvil Shirish Patel<br>Mr. Hemang Ashokbhai Thekadi                                                                                                                                                                                                                        |
| <b>Entities over which Director/Key Management personnel and their relatives having control or significant influence</b> | Ramesh C Shah HUF<br>Chiragkumar Bansilal Kothari HUF<br>Sanjay R Shah HUF<br>Sanjay Shah Family Trust                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Enterprise having significant influence on the company</b>                                                            | TA FDI Investors Limited (Formely Known As Wagner Limited) (up to 31st August,2023)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Employee's Group Gratuity Trust</b>                                                                                   | Prudent Corporate Advisory Services Ltd Employees Group Gratuity Fund<br>Prudent Broking Services Private Limited Employees Group Gratuity Fund.                                                                                                                                                                                                                                                                                                                                                                                                                                              |

**Note :** - The names of the related parties and nature of the relationships where control exists are disclosed irrespective of whether or not there have been transactions between the related parties. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship.

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

### Transactions with the Related Parties

| Particulars                                                              | For the year ended<br>March 31, 2024 | (₹ in lakhs)<br>For the year ended<br>March 31, 2023 |
|--------------------------------------------------------------------------|--------------------------------------|------------------------------------------------------|
| <b>Transactions with Director / Key Management Personnel</b>             |                                      |                                                      |
| <b>Salary Expenses</b>                                                   | <b>1,010.28</b>                      | <b>977.94</b>                                        |
| Mr. Sanjay Shah                                                          | 225.60                               | 207.00                                               |
| Mr. Shirish Patel                                                        | 734.40                               | 725.28                                               |
| Mr. Chirag Kothari                                                       | 44.97                                | 39.68                                                |
| Mr. Dhaval Ghetia                                                        | 3.83                                 | 5.98                                                 |
| Mr. Kunal Chauhan                                                        | 1.48                                 | -                                                    |
| <b>Rent Expense</b>                                                      | <b>5.40</b>                          | <b>5.40</b>                                          |
| Mr. Sanjay Shah                                                          | 5.40                                 | 5.40                                                 |
| <b>Final Dividend on Equity Shares</b>                                   | <b>285.93</b>                        | <b>190.62</b>                                        |
| Mr. Sanjay Shah                                                          | 269.30                               | 179.53                                               |
| Mr. Shirish Patel                                                        | 16.36                                | 10.91                                                |
| Mr. Chirag Shah                                                          | 0.26                                 | 0.17                                                 |
| Mr. Chirag Kothari                                                       | 0.01                                 | 0.01                                                 |
| <b>Sitting Fees - Board Meetings</b>                                     | <b>15.75</b>                         | <b>20.25</b>                                         |
| Mr. Karan Datta                                                          | 3.75                                 | 4.50                                                 |
| Mr. Deepak Sood                                                          | 4.50                                 | 5.25                                                 |
| Ms. Shilpi Thapar                                                        | 4.50                                 | 6.00                                                 |
| Mr. Aniket Talati                                                        | 3.00                                 | 4.50                                                 |
| <b>Fixed Commission Expense</b>                                          | <b>36.00</b>                         | <b>36.00</b>                                         |
| Mr. Karan Datta                                                          | 15.00                                | 15.00                                                |
| Mr. Deepak Sood                                                          | 15.00                                | 15.00                                                |
| Ms. Shilpi Thapar                                                        | 6.00                                 | 6.00                                                 |
| <b>Brokerage and Demat Income</b>                                        | <b>0.41</b>                          | <b>0.13</b>                                          |
| Mr. Shirish Patel                                                        | 0.39                                 | 0.08                                                 |
| Mr. Chirag Shah                                                          | 0.02                                 | 0.05                                                 |
| <b>Loan Taken from</b>                                                   | <b>-</b>                             | <b>800.00</b>                                        |
| Mr Sanjay Shah                                                           | -                                    | 800.00                                               |
| <b>Loan Repaid to</b>                                                    | <b>-</b>                             | <b>800.00</b>                                        |
| Mr Sanjay Shah                                                           | -                                    | 800.00                                               |
| <b>Interest Expense</b>                                                  | <b>-</b>                             | <b>2.08</b>                                          |
| Mr Sanjay Shah                                                           | -                                    | 2.08                                                 |
| <b>Transactions with Relative of Director / Key Management Personnel</b> |                                      |                                                      |
| <b>Final Dividend on Equity Shares</b>                                   | <b>93.55</b>                         | <b>62.36</b>                                         |
| Mr. Ramesh Shah                                                          | 9.19                                 | 6.12                                                 |
| Mrs. Maitry Shah                                                         | 41.40                                | 27.60                                                |
| Mrs. Niketa Shah                                                         | 1.50                                 | 1.00                                                 |
| Mrs. Falguni Chiragkumar Kothari                                         | *                                    | *-                                                   |
| Mrs. Sunitaben Dhuvad                                                    | 0.02                                 | 0.02                                                 |
| Mrs. Chetanaben Bansilal Kothari                                         | 0.01                                 | *-                                                   |



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

| Particulars                                                                                                      | (₹ in lakhs)                         |                                      |
|------------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                                                                  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Mrs. Sonal Paresh Mehta                                                                                          | 0.02                                 | 0.02                                 |
| Ms. Sakhi Shah                                                                                                   | 41.40                                | 27.60                                |
| Mrs. Meghna Chirag Shah                                                                                          | 0.01                                 | -                                    |
| <b>Rent Expense</b>                                                                                              | <b>5.84</b>                          | <b>5.56</b>                          |
| Mrs. Niketa Shah                                                                                                 | 5.84                                 | 5.56                                 |
| <b>Salary Expenses</b>                                                                                           | <b>49.12</b>                         | <b>15.00</b>                         |
| Ms. Maitry Shah                                                                                                  | 28.00                                | 15.00                                |
| Mrs. Mala Vishwakarma                                                                                            | 5.03                                 | -                                    |
| Mr. Hemang Ashokbhai Thekadi                                                                                     | 16.09                                | -                                    |
| <b>Sale of Bond</b>                                                                                              | <b>-</b>                             | <b>9.78</b>                          |
| Mrs. Falguni Chiragkumar Kothari                                                                                 | -                                    | 9.78                                 |
| <b>Brokerage and Demat Income</b>                                                                                | <b>0.52</b>                          | <b>3.77</b>                          |
| Mrs. Niketa Shah                                                                                                 | 0.36                                 | 0.04                                 |
| Mr. Ramesh C Shah                                                                                                | *                                    | 3.64                                 |
| Mrs. Chetanaben Bansilal Kothari                                                                                 | 0.03                                 | 0.05                                 |
| Mrs. Meghna Chirag Shah                                                                                          | 0.02                                 | 0.01                                 |
| Mr. Dhruvil Shirish Patel                                                                                        | *-                                   | -                                    |
| Mr. Atit Ashwinkumar Shah                                                                                        | 0.10                                 | 0.03                                 |
| Mr. Hemang Ashokbhai Thekadi                                                                                     | 0.01                                 | *                                    |
| <b>Transactions with Subsidiaries of Prudent Corporate Advisory Services Limited</b>                             |                                      |                                      |
| <b>Brokerage and Demat Income</b>                                                                                | <b>1.52</b>                          | <b>0.02</b>                          |
| Gennext Insurance Brokers Private Limited                                                                        | 1.51                                 | 0.01                                 |
| Prutech Financial Services Private Limited                                                                       | 0.01                                 | 0.01                                 |
| <b>Sale of Bond</b>                                                                                              | <b>-</b>                             | <b>348.49</b>                        |
| Gennext Insurance Brokers Private Limited                                                                        | -                                    | 348.49                               |
| <b>Employee benefit transfer Out</b>                                                                             | <b>0.26</b>                          | <b>1.87</b>                          |
| Gennext Insurance Brokers Private Limited                                                                        | 0.26                                 | 1.87                                 |
| <b>Transaction with Entities over which Director/Key Management personnel and their relatives having control</b> |                                      |                                      |
| <b>Final Dividend on Equity Shares</b>                                                                           | <b>0.08</b>                          | <b>*-</b>                            |
| Chiragkumar Bansilal Kothari HUF                                                                                 | *-                                   | *-                                   |
| Ramesh C Shah HUF                                                                                                | 0.06                                 | *-                                   |
| Sanjay Shah Family Trust                                                                                         | 0.02                                 | -                                    |
| <b>Transaction with Enterprise having significant influence in the company</b>                                   |                                      |                                      |
| <b>Final Dividend on Equity Shares</b>                                                                           | <b>149.51</b>                        | <b>99.67</b>                         |
| TA FDI Investors Limited (Formerly Known As Wagner Limited)                                                      | 149.51                               | 99.67                                |
| <b>Transaction with Employee's Group Gratuity Trust</b>                                                          |                                      |                                      |
| <b>Contribution to Group Gratuity Fund</b>                                                                       | <b>100.00</b>                        | <b>100.00</b>                        |
| Prudent Corporate Advisory Services Ltd Employees Group Gratuity Fund                                            | 100.00                               | 100.00                               |



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

| Particulars                                                                       | (₹ in lakhs)            |                         |
|-----------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| <b>Outstanding Balances</b>                                                       |                         |                         |
| <b>Outstanding with Director / Key Management Personnel</b>                       |                         |                         |
| <b>Salary Payable</b>                                                             | <b>96.08</b>            | <b>219.57</b>           |
| Mr. Sanjay Shah                                                                   | 3.80                    | 0.25                    |
| Mr. Shirish Patel                                                                 | 86.90                   | 214.01                  |
| Mr. Chirag Kothari                                                                | 4.72                    | 4.39                    |
| Mr. Dhaval Ghetia                                                                 | -                       | 0.92                    |
| Mr. Kunal Chauhan                                                                 | 0.66                    | -                       |
| <b>Outstanding with Subsidiary of Prudent Corporate Advisory Services Limited</b> |                         |                         |
| <b>Trade Payable</b>                                                              | <b>0.26</b>             | <b>1.87</b>             |
| Gennext Insurance Brokers Private Limited                                         | 0.26                    | 1.87                    |
| <b>Outstanding with Relative of Director / Key Management Personnel</b>           |                         |                         |
| <b>Salary Payable</b>                                                             | <b>6.39</b>             | <b>1.62</b>             |
| Ms. Maitry Shah                                                                   | 3.25                    | 1.62                    |
| Mrs. Mala Vishwakarma                                                             | 1.27                    | -                       |
| Mr. Hemang Ashokbhai Thekadi                                                      | 1.87                    | -                       |
| <b>Short Term Employee Benefit Expenses</b>                                       |                         |                         |
| Salary to KMP                                                                     | 1,010.28                | 977.94                  |
| Salary to Relative of KMP                                                         | 49.12                   | 15.00                   |
| <b>Total compensation paid to key management personnel</b>                        | <b>1059.40</b>          | <b>992.94</b>           |

### Terms and conditions of transactions with related parties

As the liabilities for defined benefit obligations and compensated absences are provided based on actuarial valuation for the company as a whole, the amount pertaining to Key management personnel has not been included.

\*- Figure nullified in conversion of ₹ in lakhs

### 37 Details on list of Investments in Subsidiaries as per Ind AS 27

| Particulars                                                 | (₹ in lakhs)                         |                                      |
|-------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                             | Proportion of ownership interest     |                                      |
|                                                             | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Investment in Subsidiaries                                  |                                      |                                      |
| Prutech Financial Services Private Limited                  | 100%                                 | 100%                                 |
| Prudent Broking Services Private Limited (Refer Note-43(A)) | 100%                                 | 100%                                 |
| Gennext Insurance Brokers Private Limited                   | 100%                                 | 100%                                 |

All companies are incorporated and having primary place of business is in India.



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

### 38 Operating Segment

The Company determines Operating Segments as components of an entity for which discrete financial information is available that is evaluated regularly by chief operating decision maker (CODM), in deciding how to allocate resources and assessing performance. The Company's activities revolve around distribution of Financial Products i.e. Mutual Funds, Bonds, Fixed Deposits, Insurance, Structured Products etc. Various financial products are aggregated into one reportable segment being agency nature of business under "Fees and Commission" in accordance with aggregation criteria. Aggregation is done due to the similarities of the products and services provided to the customers and similarities in method used to provide services and regulatory environment.

Considering the nature of Company's business, as well as based on reviews by CODM to make decisions about resource allocation and performance measurement, there is only one reportable segment in accordance with the requirements of Ind AS - 108 - "Operating Segments", prescribed under Companies (Indian Accounting Standards) Rules, 2015.

### 39 Foreign currency transactions

| Particulars                                                        | (₹ in lakhs)                         |                                      |
|--------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                    | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| <b>Expenditure incurred in foreign currency (on accrual basis)</b> |                                      |                                      |
| Business promotion expenses                                        | 10.14                                | 0.12                                 |
| Software Expenses (included in Miscellaneous Expenses)             | 0.16                                 | 0.40                                 |
| Recruitment Expenses (included in Miscellaneous Expenses)          | 7.19                                 | -                                    |
| Membership and Subscription Expense                                | 3.15                                 | 3.81                                 |
| <b>Total</b>                                                       | <b>20.64</b>                         | <b>4.33</b>                          |
| <b>Income earned in foreign currency (on accrual basis)</b>        |                                      |                                      |
| Brokerage Income                                                   | 25.39                                | -                                    |
| <b>Total</b>                                                       | <b>25.39</b>                         | <b>-</b>                             |

### 40 Corporate Social Responsibility

| Particulars                                                                                                    | (₹ in lakhs)                         |                                      |
|----------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                                                                | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Gross amount required to be spent by the company during the Year (under section 135 of the companies Act 2013) | 156.78                               | 107.37                               |
| (The amount set off in financial year from the excess spent of earlier financial year)                         | (2.51)                               | (1.87)                               |
| Amount of Expenditure incurred                                                                                 | 157.64                               | 108.01                               |
| Construction/ acquisition of assets                                                                            | -                                    | -                                    |
| On purpose other than above                                                                                    | 157.64                               | 108.01                               |
| (Excess amount spent for the financial year)                                                                   | (3.37)                               | (2.51)                               |
| Liability incurred by entering into contractual obligations                                                    | -                                    | -                                    |

#### Nature of CSR activities:

- Educational infrastructure & systems strengthening
- Nurture women entrepreneurship & employability
- General community infrastructure support & welfare initiatives
- Nurturing aquatic & terrestrial ecosystems for better environment & reduced emissions
- Public health infrastructure, capacity building & support programs
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare.
- Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports

## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are promoting education, art and culture, healthcare, destitute care, women entrepreneurship & employability and rehabilitation, environment sustainability, disaster relief and Public health. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

As per notification issued by Ministry of Corporate Affairs dated January 22, 2021, where a company spends an amount in excess of requirement provided under sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years.

- Gross amount required to be spent during the year ₹ 156.78 lakhs (previous year ₹ 107.37 lakhs)
- Excess amount to be set off against succeeding three financial years ₹ 3.37 lakhs (previous year ₹ 2.51 lakhs)

**41** The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules thereunder are yet to be framed. Accordingly, the actual impact of this change will be assessed and accounted for when the notification becomes effective.

### 42 Standards issued but not effective

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. During the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the company.

### 43 Events Occuring After Balance Sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approved Standalone Financial Statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the Standalone Financial Statements as of August 08, 2024 there is no significant events occurred, except disclosed.

The Board of Directors have recommended a final dividend of ₹ 2/- (face value of ₹5/- each) (40%) per equity share for the year ended March 31, 2024 on 4,14,06,680 equity shares, amounting ₹828.13/- lakhs subject to the approval of the shareholders at the ensuing Annual General Meeting and is not recognised as a liability.

### 43(A) Amalgamation of Prudent Broking Services Private Limited with the Company w.e.f April 01, 2023.

On July 25, 2023, the Board of Directors of Prudent Corporate Advisory Services Limited ("PCASL" or "the Company") approved a Scheme of Amalgamation between Prudent Broking Services Private Limited ("PBSPL"), a wholly owned subsidiary, and PCASL and their respective shareholders and creditors, effective from the appointed date of April 01, 2023 (the "Amalgamation Scheme"). PBSPL is a Clearing member of National Stock Exchange of India (NSE), Bombay Stock Exchange Limited (BSE), Multi Commodity of India Limited (MCX), and Member of Metropolitan Stock Exchange of India Limited, (MSEI), National Commodities and Derivatives Exchange Limited (NCDEX) and a depository participant with Central Depository Services (India) Limited (CDSL). PBSPL is engaged in the business of stock, currency and commodity broking, providing margin trading facility, depository services and earns brokerage, fees, commission, research analysis, interest income and other investment related services to its clients.

The Company has received approval for the Scheme from the Office of the Regional Director ("RD"), North Western Region, Ministry of Corporate Affairs ("MCA"), Ahmedabad (Gujarat) vide confirmation order dated August 02, 2024. The Scheme has accordingly been given effect in these financial statements of the Company. The transaction being a common control transaction, as per the requirement of Appendix C of Ind AS 103 on Business Combination, the financial information in the financial statements in respect of prior periods has been restated as if the amalgamation has occurred from the beginning of the preceding period in the financial statements of PCASL. Accordingly, the equity of PCASL as at April 01, 2022, being the beginning date of the preceding period has been restated as under to reflect the impact of the merger of PBSPL.



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

| Balances of Other Equity of PCASL as at April 01, 2022 | Amount (₹ in Lakhs) |
|--------------------------------------------------------|---------------------|
| Equity Share Capital (PBSPL)                           | 109.11              |
| Securities Premium (PBSPL)                             | 1,615.78            |
| Retained Earnings (PBSPL)                              | 445.87              |
| Less: Investment in PBSPL                              | (1,935.57)          |
| <b>Net Increase in Retained Earnings of PCASL</b>      | <b>235.19</b>       |
| Add: PCASL's Other Equity before Merger                | 17,589.49           |
| <b>PCASL's Other Equity after Merger</b>               | <b>17,824.68</b>    |

### 43(B) Compliance With Number Of Layers Of Companies:

The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

### 44 Contingent Liabilities and Commitments

#### (a) Contingent liabilities

| Particulars                                                                                | (₹ in lakhs)                         |                                      |
|--------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                                            | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| <b>(1) Claims against the Company not acknowledged as debt:</b>                            |                                      |                                      |
| (i) Disputed Income Tax demand (Refer Note 1)                                              | 568.26                               | 538.47                               |
| (ii) Disputed Goods and Services Tax demand (includes Interest and Penalty (Refer Note 2)) | 108.61                               |                                      |
| <b>Total</b>                                                                               | <b>676.87</b>                        | <b>538.47</b>                        |
| <b>(2) Bank Guarantee with Exchanges as margin requirement</b>                             | <b>1,990.00</b>                      | <b>1,990.00</b>                      |
| <b>Total</b>                                                                               | <b>1,990.00</b>                      | <b>1,990.00</b>                      |

Note-1.1 The Assessment Unit of Income Tax has issued an order under Section 147 of the Income Tax Act, 1961, confirming the income tax demand of ₹ 20.69 lakhs for the Assessment Year 2016-17 and ₹ 9.10 lakhs for Assessment Year 2018-19. In both the Assessment Year, tax demanded was based on the denial of exemption for a portion of dividend income. The company has paid ₹ 4.14 lakhs under protest for AY 2016-17. Further, the company has filed an appeal against these assessment orders during the current year, and both matters are currently pending with the National Faceless Appeal Centre (NFAC). Based on prior experience management is reasonably confident that during the current year, no material impact on the financial position or performance of the company is envisaged."

Note-1.2 The PBSPL, has received an assessment order under Section 147 read with Section 144B of the Income Tax Act, 1961, passed by the Assessment Unit of the Income Tax Department on September 29, 2021. The order demands an additional tax liability of ₹538.47 lakhs for the Assessment Year 2013-14. This demand arises from an addition made under Section 68 read with Section 115BBE of the Income Tax Act. PBSPL has contested the order by filing an appeal before the Commissioner of Income Tax (Appeals) on October 13, 2021. In connection with the appeal, PBSPL has deposited ₹50.00 lakhs under protest. The matter is currently pending before the National Faceless Appeal Centre (NFAC).

Note-1.3 The PBSPL has also received notices under Section 148 for the reopening of assessments under Section 147 read with Section 144B of the Income Tax Act, 1961 for the Assessment Years 2014-15, 2015-16, 2016-17, and 2017-18. These notices were issued on grounds similar to those in the Assessment Year 2013-14. PBSPL responded by filing writ petitions with the Gujarat High Court, which resulted in a stay on the proceedings. Subsequently, based on a Supreme Court judgment, the Income Tax Department was permitted to reissue notices under Section 148A(b). PBSPL received these notices for all the aforementioned years in June 2022 and filed its replies on June 27, 2022. Favorable orders have since been received by PBSPL, stating that these matters are not fit cases for the issuance of notices under Section 148 of the Income Tax Act. Consequently, the assessments for all these years have been dropped.



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

Note-2.1 The Company has received various assessment order from Assistant Commissioner/Deputy Commissioner of Central/State Tax in the state of Gujarat, Maharashtra, Telangana, and West Bengal for raising total demand of GST of ₹ 91.55 lakhs (including interest and penalty specified in orders) on various matters like Input Tax Credit (ITC) disallowance due to mismatch with GSTR-2A, non-short reversal of ITC on exempt supplies, ineligible/blocked ITC availed. The Company has paid ₹ 4.65 lakhs under protest during the current year. The Company has filed an appeal with Appellate Authority and the same is yet to be concluded as on the reporting date. 21

Note-2.2 The Company has received show cause notice in the state of Gujarat (FY 2019-20) for raising total demand of GST ₹ 17.06 lakhs (excluding interest and penalty) on various matters like Input Tax Credit (ITC) disallowance due to mismatch with GSTR-2A, non-short reversal of ITC on exempt supplies, ineligible/blocked ITC availed, short payment of tax but didn't receive further demand order and the same is yet to be concluded as on the reporting date. Accordingly, the Company has disclosed such demand amount under as contingent liabilities. Most of the issues of litigation pertaining to the GST Act are based on the interpretation of the respective laws and rules thereunder. Management has been opined by its legal counsel that many of the issues raised by tax authorities will not be sustainable in the law as they are covered by judgements of respective judicial authorities, which supports its contention. During the current year, no material impact on the financial position or performance of the company is envisaged.

(b) Prudent Broking Services Private Limited (PBSPL) ("Trading member") had entered into an agreement with IL&FS Securities Services Ltd ("ISSL" or "Clearing Member") for appointing ISSL as Company's Clearing Member for Derivative Segment. As a part of the agreement, the Trading Member had to place margins with Clearing Member for trading member's client open positions. As at year end March 2019, this margin amount placed by PBSPL with ISSL amounted to ₹ 213.91 Lakhs. In July 2019, the National Stock Exchange ("NSE") disabled the terminals of ISSL citing shortfalls in payments by ISSL which resulted in the trading members not being able to place trades for its clients. Considering the IL&FS crisis, PBSPL obtained NOC from ISSL and appointed Axis Bank Limited as its Clearing Member. Since the margin amount had not been released by ISSL, PBSPL and other trading members along with the Association of National Exchanges Members of India (ANMI) filed an Interlocutory Application in the Supreme Court of India on September 26, 2019 requesting the release of the funds by ISSL. The Supreme Court dismissed this interlocutory application in December 2020 and asked the parties to file case with lower authorities. Thereafter, PBSPL filed a complaint with NSE's Grievance Redressal Committee (GRC) on December 28, 2020. GRC has accepted PBSPL's claim of ₹ 204.67 Lakhs in the committee meeting held on July 15, 2021. Further, ANMI has filed an interlocutory application under Rule 31 of National Company Law Appellate Tribunal Rules, 2016 on behalf of Trading Members, which was admitted on December 01, 2021 and the matter is still pending. Considering the facts of the case, the management of PBSPL has already provided Rs 213.91 Lakhs as impairment allowance in FY. 2020-21, The PBSPL has received the GRC order and directed ISSL to pay ₹ 204.67 Lakhs. The PBSPL has received ₹ 203.67 Lakhs against Derivative Segment on September 21, 2022 subsequently PBSPL has reversed the impairment provision amounting to ₹ 203.67 Lakhs. Balance ₹ 1 Lakhs against Debt Segment is still pending. (Refer Note 10 and 27(A)).

#### (c) Capital commitments and other commitments

Based on the information available with the company, there is no capital commitments and other commitments as on March 31, 2024.

45 On October 20, 2022 the Company acquired Mutual Fund Assets under Management ("AUM") of iFAST Financial India Private Limited (iFAST). The Company has paid ₹ 226.23/- lakhs (excluding taxes) as consideration for the same. The said AUM has been transferred from iFAST ARN to the Company's ARN in the same month. Based on the analysis performed by the management of the Company, the said transaction has been accounted for as an asset acquisition w.e.f. October 1, 2022. Based on the analysis performed by the management of the Company, it has concluded that the acquisition does not qualify as a "Business" as per the definition provided in Ind AS 103 "Business Combination". Consequently, the said acquisition is accounted for as an asset acquisition. As required under Ind-AS 38, the Company has considered various factors such as its ability to retain the customers and generate revenue over a sustainable period, technical and technological changes expected, the industry growth prospects and the leverage of its existing physical and digital infrastructure to serve these customers and concluded that the cost of acquiring the customer folios should be amortized over a 10 year period on a straight line basis.



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

### 46 Other statutory information

- (a) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- (b) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (c) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
  - (ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (d) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
  - (ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- (e) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (f) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (g) The Company does not have any transactions with companies which are struck off.
- (h) The Company has not taken any loan from bank or financial institutions. Consequently filling of quarterly returns or statements of current assets with bank or financial institutions is not applicable to Company.

**47** Additional regulatory information required under (WB)(xiv) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Company as it is in Distribution of Mutual Fund, Stock broking and other Financial and Non Financial Product Distribution business and not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.

### 48 Disclosure for maintenance of books with audit trail

The Ministry of Corporate Affairs(MCA) has issued a notification dated 24th March 2021 (Companies(Accounts) Amendments Rules,2021) which is effective from April 01,2023, states that every Company which uses accounting software for maintaining its books of account shall use only such accounting software which has a feature of recording audit trail of each and every transaction, and further 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.

In respect of primary accounting software used from April 01, 2023 to June 30, 2023, there was no feature of recording the audit trail (edit log). Thereafter, the Company has upgraded to advanced version of the accounting software having feature of recording audit trail for all transactions, and creating an edit log of each change made along with the date when such changes were made and also audit trail cannot be disabled.



## Notes to the Standalone Financial Statements

for the year ended 31 March 2024

In respect of software related to Mutual Fund Business which is internally developed software by the Company, the audit trail feature related to who has made the changes in the rate master was not enabled throughout the year at user name level but it is enabled at computer system level. W.e.f April 01, 2024, the same has been updated and now recording of audit trail feature at user name level is enabled. Further no audit trail was enabled for all relevant transactions at the database level to log any direct data changes.

Further, no instance of audit trail feature being tampered with was noted in respect of accounting software for which the audit trail feature was enabled and operating.

**49** The standalone financial statements were authorized for issue in accordance with a resolution of the Board of Directors on August 08, 2024.

**For Deloitte Haskins & Sells**  
Chartered Accountants

**Hardik Sutaria**  
Partner

Place : Ahmedabad  
Date: August 08, 2024

**For and on behalf of the Board of Directors of Prudent Corporate Advisory Services Limited**

**Sanjay Shah**  
Chairman and Managing Director  
DIN : 00239810

**Chirag Kothari**  
Chief Financial Officer

Place : Ahmedabad  
Date: August 08, 2024

**Shirish Patel**  
Whole Time Director and CEO  
DIN : 00239732

**Kunal Chauhan**  
Company Secretary

**Chirag Shah**  
Whole Time Director  
DIN : 01480310





## To The Members of Prudent Corporate Advisory Services Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of **Prudent Corporate Advisory Services Limited** ("the Parent") and its subsidiaries, which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated 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, and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries, referred to in the Other Matters section below, the aforesaid consolidated 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, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") 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 Consolidated Financial Statements section of our report. We are independent of the Group, 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 consolidated 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 and other auditors in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including annexures thereof, Management Discussion and Analysis, Business Responsibility and Sustainability Report and Corporate Governance Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.
- 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 Consolidated Financial Statements

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



In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 Parent/ Holding Company has adequate internal financial controls with reference to consolidated 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we

are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances,



we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs.13,906.13 lakhs as at March 31, 2024, total revenues of Rs.11,718.35 lakhs and net cash (outflows) amounting to Rs. 289.01 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries, referred to in the Other Matters section above we report, to the extent applicable that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law maintained by the Group including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, and the reports of the other auditors except for not complying with the requirement of audit trail as stated in (i)(vi) below.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Parent as on March 31, 2024 taken

on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.
- g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary companies, incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
- 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 and based on the auditor's reports of subsidiary companies, the remuneration paid by the Parent and such subsidiary companies, to their respective 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:
    - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 48 to the consolidated financial statements.
    - ii) The Group did not have 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 Parent, and its subsidiary companies, incorporated in India.
    - iv) (a) The respective Managements of the Parent and its subsidiaries, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, to the best of their knowledge and belief, as disclosed in the note 50(c) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such



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

(b) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, that, to the best of their knowledge and belief, as disclosed in the note 50(d) to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries, from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries, 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 have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v) The final dividend proposed in the previous year, declared and paid by the Parent, during the year is in accordance with section 123 of the Act, as applicable.
 

As stated in note 47 to the consolidated financial statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi) Based on our examination which included test checks, the Parent Company has used accounting softwares for maintaining its books of accounts for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for

all relevant transactions recorded in the software except that

- in respect of one accounting software, the audit trail feature (edit log) facility was not there from April 01, 2023 to June 30, 2023. Subsequently, from July 01, 2023 the audit trail feature was enabled and operated throughout the period for all relevant transactions recorded in the software. (Refer Note 52 of the Consolidated Financial Statements)
- in respect of software related to Mutual Fund business, the audit trail feature related to who has made the changes in the rate master was not enabled throughout the year; further no audit trail was enabled for all relevant transactions at the database level to log any direct data changes. Consequent to this, we are unable to comment whether there were any instances of the audit trail feature being tampered with. (Refer Note 52 of the Consolidated Financial Statements)

Further, during the course of audit, we have not come across any instance of audit trail feature being Tampered with in respect of the accounting softwares 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 April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 117365W)

**Hardik Sutaria**  
(Partner)

Place: Ahmedabad  
Date: August 08, 2024

(Membership No. 116642  
UDIN:24116642BKDLED1732)

## Independent Auditor's Report

### ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRUDENT CORPORATE ADVISORY SERVICES LIMITED

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

#### Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as at and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of Prudent Corporate Advisory Services Limited (hereinafter referred to as "Parent") and its subsidiary companies, which are companies incorporated in India, as of that date.

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

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

#### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India, 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 consolidated 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 consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India.

#### Meaning of Internal Financial Controls with reference to consolidated financial statements

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

## Independent Auditor's Report

regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

#### Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to consolidated

financial statements established by the respective companies 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.

#### Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to two subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 117365W)

**Hardik Sutaria**  
(Partner)  
Place: Ahmedabad (Membership No. 116642)  
Date: August 08, 2024 UDIN:24116642BKDLED1732



## Consolidated Balance Sheet

as at March 31, 2024

| Particulars                                                                                | Note | ₹ in lakhs              |                         |
|--------------------------------------------------------------------------------------------|------|-------------------------|-------------------------|
|                                                                                            |      | As at<br>31 March, 2024 | As at<br>March 31, 2023 |
| <b>ASSETS</b>                                                                              |      |                         |                         |
| <b>I Financial Assets</b>                                                                  |      |                         |                         |
| (a) Cash and cash equivalents                                                              | 4    | 1,820.12                | 2,170.13                |
| (b) Bank balances other than (a) above                                                     | 5    | 11,384.43               | 4,854.25                |
| (c) Securities for trade                                                                   | 9    | 1,336.22                | 765.93                  |
| (d) Trade receivables                                                                      | 6    | 14,161.29               | 10,326.38               |
| (e) Loans                                                                                  | 7    | 102.14                  | 93.55                   |
| (f) Investments                                                                            | 10   | 24,597.31               | 14,293.91               |
| (g) Other financial assets                                                                 | 8    | 4,107.57                | 1,559.75                |
| <b>Total Financial Assets</b>                                                              |      | <b>57,509.08</b>        | <b>34,063.90</b>        |
| <b>II Non-Financial Assets</b>                                                             |      |                         |                         |
| (a) Current tax asset (net)                                                                | 33   | 570.04                  | 171.40                  |
| (b) Deferred tax assets (net)                                                              | 33   | 97.73                   | 86.98                   |
| (c) Property, plant and equipment                                                          | 11   | 1,631.07                | 1,475.06                |
| (d) Right-of-use assets                                                                    | 12   | 1,926.34                | 1,630.70                |
| (e) Intangible assets                                                                      | 13   | 11,763.84               | 13,308.04               |
| (f) Other non-financial assets                                                             | 14   | 2,257.44                | 1,253.86                |
| <b>Total Non-Financial Assets</b>                                                          |      | <b>18,246.46</b>        | <b>17,926.04</b>        |
| <b>Total Assets</b>                                                                        |      | <b>75,755.54</b>        | <b>51,989.94</b>        |
| <b>LIABILITIES AND EQUITY</b>                                                              |      |                         |                         |
| <b>Liabilities</b>                                                                         |      |                         |                         |
| <b>I Financial Liabilities</b>                                                             |      |                         |                         |
| (a) Trade payables                                                                         | 15   |                         |                         |
| (a) Total outstanding dues of micro enterprises and small enterprises                      |      | 23.87                   | -                       |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises |      | 20,457.31               | 11,651.66               |
| (c) Lease liabilities                                                                      | 17   | 2,031.54                | 1,701.66                |
| (d) Other financial liabilities                                                            | 18   | 96.88                   | 61.49                   |
| <b>Total Financial Liabilities</b>                                                         |      | <b>22,609.60</b>        | <b>13,414.81</b>        |
| <b>II Non-Financial Liabilities</b>                                                        |      |                         |                         |
| (a) Current tax liability (net)                                                            | 33   | 147.55                  | 374.94                  |
| (b) Deferred tax liability (net)                                                           | 33   | 921.63                  | 664.57                  |
| (c) Provisions                                                                             | 19   | 678.48                  | 540.97                  |
| (d) Other non-financial liabilities                                                        | 20   | 3,262.86                | 1,997.01                |
| <b>Total Non-Financial Liabilities</b>                                                     |      | <b>5,010.52</b>         | <b>3,577.49</b>         |
| <b>Equity</b>                                                                              |      |                         |                         |
| (a) Equity share capital                                                                   | 21   | 2,070.33                | 2,070.33                |
| (b) Instrument entirely equity in nature                                                   | 22   | -                       | -                       |
| (c) Other equity                                                                           | 23   | 46,065.09               | 32,927.31               |
| <b>Equity attributable to owners of the Company</b>                                        |      | <b>48,135.42</b>        | <b>34,997.64</b>        |
| <b>Total Equity</b>                                                                        |      | <b>48,135.42</b>        | <b>34,997.64</b>        |
| <b>Total Liabilities and Equity</b>                                                        |      | <b>75,755.54</b>        | <b>51,989.94</b>        |

The accompanying notes are an integral part of these Consolidated Financial Statements.  
In terms of our report of even date attached

**For Deloitte Haskins & Sells**  
Chartered Accountants

**Hardik Sutaria**  
Partner

Place : Ahmedabad  
Date: August 08, 2024

**For and on behalf of the Board of Directors of  
Prudent Corporate Advisory Services Limited**

**Sanjay Shah**  
Chairman and Managing Director  
DIN : 00239810

**Chirag Kothari**  
Chief Financial Officer

Place : Ahmedabad  
Date: August 08, 2024

**Shirish Patel**  
Whole Time Director and CEO  
DIN : 00239732

**Kunal Chauhan**  
Company Secretary

**Chirag Shah**  
Whole Time Director  
DIN : 01480310

## Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

| Particulars                                                                      | Note | ₹ in lakhs                           |                                      |
|----------------------------------------------------------------------------------|------|--------------------------------------|--------------------------------------|
|                                                                                  |      | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| <b>Revenue from Operations</b>                                                   |      |                                      |                                      |
| <b>I</b> Commission and fees income                                              | 24   | 79,906.75                            | 60,483.81                            |
| <b>II</b> Interest income                                                        | 25   | 490.34                               | 475.05                               |
| <b>III</b> Net gain on fair value changes                                        | 26   | 112.02                               | 173.86                               |
| <b>Total Revenue from Operations</b>                                             |      | <b>80,509.11</b>                     | <b>61,132.72</b>                     |
| <b>IV</b> Other Income                                                           | 27   | 1,960.71                             | 754.50                               |
| <b>V Total Income (I) + (II) + (III) + (IV)</b>                                  |      | <b>82,469.82</b>                     | <b>61,887.22</b>                     |
| <b>VI Expenses:</b>                                                              |      |                                      |                                      |
| Commission and fees expense                                                      |      | 43,539.22                            | 32,761.43                            |
| Employee benefits expense                                                        | 28   | 9,284.76                             | 8,328.60                             |
| Finance costs                                                                    | 29   | 209.22                               | 207.05                               |
| Impairment on financial instruments                                              | 30   | (0.11)                               | (204.58)                             |
| Depreciation and amortization expense                                            | 31   | 2,482.32                             | 2,403.26                             |
| Other expenses                                                                   | 32   | 8,370.32                             | 2,709.45                             |
| <b>Total Expenses (VI)</b>                                                       |      | <b>63,885.73</b>                     | <b>46,205.21</b>                     |
| <b>VII Profit before Tax (V) - (VI)</b>                                          |      | <b>18,584.09</b>                     | <b>15,682.01</b>                     |
| <b>VIII Tax expense / (Benefit)</b>                                              | 33   |                                      |                                      |
| Current tax                                                                      |      | 4,423.55                             | 3,470.61                             |
| Deferred tax                                                                     |      | 285.42                               | 542.55                               |
| <b>Total Tax Expense (VIII)</b>                                                  |      | <b>4,708.97</b>                      | <b>4,013.16</b>                      |
| <b>IX Profit after Tax for the year (VII) - (VIII)</b>                           |      | <b>13,875.12</b>                     | <b>11,668.85</b>                     |
| <b>X Other Comprehensive Income (OCI)</b>                                        |      |                                      |                                      |
| (i) Items that will not be reclassified to statement of profit or loss           |      |                                      |                                      |
| (a) Remeasurement of the defined benefit plans                                   |      | (155.33)                             | (24.69)                              |
| (b) Income tax relating to items that will not be reclassified to profit or loss |      | 39.10                                | 6.21                                 |
| <b>Total Other Comprehensive Income/(Loss) (X)</b>                               |      | <b>(116.23)</b>                      | <b>(18.48)</b>                       |
| <b>XI Total Comprehensive Income for the year (IX) +/- (X)</b>                   |      | <b>13,758.89</b>                     | <b>11,650.37</b>                     |
| <b>XII Profit for the year</b>                                                   |      | <b>13,875.12</b>                     | <b>11,668.85</b>                     |
| Attributable to :                                                                |      |                                      |                                      |
| Equity holders of the Parent                                                     |      | 13,875.12                            | 11,668.85                            |
| Non Controlling interest                                                         |      | -                                    | -                                    |
| <b>XIII Total Comprehensive Income (TCI)</b>                                     |      | <b>13,758.89</b>                     | <b>11,650.37</b>                     |
| Attributable to :                                                                |      |                                      |                                      |
| Equity holders of the Parent                                                     |      | 13,758.89                            | 11,650.37                            |
| Non Controlling interest                                                         |      | -                                    | -                                    |
| <b>XII Earnings per equity share</b>                                             | 34   |                                      |                                      |
| - Basic [in ₹]                                                                   |      | 33.51                                | 28.18                                |
| - Diluted [in ₹]                                                                 |      | 33.51                                | 28.18                                |

The accompanying notes are an integral part of these Consolidated Financial Statements.  
In terms of our report of even date attached

**For Deloitte Haskins & Sells**  
Chartered Accountants

**Hardik Sutaria**  
Partner

Place : Ahmedabad  
Date: August 08, 2024

**For and on behalf of the Board of Directors of  
Prudent Corporate Advisory Services Limited**

**Sanjay Shah**  
Chairman and Managing Director  
DIN : 00239810

**Chirag Kothari**  
Chief Financial Officer

Place : Ahmedabad  
Date: August 08, 2024

**Shirish Patel**  
Whole Time Director and CEO  
DIN : 00239732

**Kunal Chauhan**  
Company Secretary

**Chirag Shah**  
Whole Time Director  
DIN : 01480310

## Consolidated Statement of Cash Flows

for the year ended March 31, 2024



Contd...

| Particulars                                                                 | ₹ in lakhs                           |                                      |
|-----------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                             | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| <b>A CASH FLOW FROM OPERATING ACTIVITIES</b>                                |                                      |                                      |
| <b>Profit before tax</b>                                                    | <b>18,584.09</b>                     | <b>15,682.01</b>                     |
| Adjustment for                                                              |                                      |                                      |
| Add : Depreciation and amortization expense                                 | 2,482.32                             | 2,403.26                             |
| Add : Finance costs                                                         | 209.22                               | 207.05                               |
| Less: Impairment for trade receivables reversed                             | (0.11)                               | (0.91)                               |
| Less: Impairment allowances for margin money reversed                       | -                                    | (203.67)                             |
| Add : Net Loss on sale of property, plant and equipment                     | 8.65                                 | 4.34                                 |
| Less: Dividend income                                                       | (51.04)                              | (15.18)                              |
| Add : Unrealised loss on securities held for trade                          | 6.20                                 | 10.15                                |
| Less: Net gain on financial instruments measured at FVTPL                   | (1,287.03)                           | (405.79)                             |
| Less: Sundry Balance Written back                                           | (27.26)                              | -                                    |
| Less: Profit on cancellation of lease contract                              | (26.19)                              | (19.92)                              |
| Less : Interest income                                                      | (446.58)                             | (146.84)                             |
| <b>Operating Profit before Working Capital Changes</b>                      | <b>19,452.27</b>                     | <b>17,514.50</b>                     |
| <b>Changes in working capital:</b>                                          |                                      |                                      |
| (Increase) / decrease in Bank balances other than Cash and cash equivalents | (1,719.06)                           | (646.59)                             |
| (Increase) / decrease in Trade receivables                                  | (3,834.80)                           | (952.08)                             |
| (Increase) / decrease in Loans                                              | (8.59)                               | (28.47)                              |
| (Increase) / decrease in Other financial assets                             | (2,473.47)                           | 88.57                                |
| (Increase) / decrease in Other non-financial assets                         | (970.91)                             | (653.79)                             |
| (Increase) / decrease in Securities held for trade                          | (576.49)                             | 263.43                               |
| Increase / (decrease) in Trade payables                                     | 8,829.52                             | (402.23)                             |
| Increase / (decrease) in Other financial liabilities                        | 35.35                                | (422.75)                             |
| Increase / (decrease) in Other non-financial liabilities                    | 1,293.10                             | 311.29                               |
| Increase / (decrease) in Provisions                                         | (17.82)                              | 15.39                                |
| <b>Cash Generated from Operations</b>                                       | <b>20,009.11</b>                     | <b>15,087.27</b>                     |
| Less : Direct tax (paid)                                                    | (5,049.60)                           | (3,060.44)                           |
| <b>Net Cash Generated from Operating Activities (A)</b>                     | <b>14,959.51</b>                     | <b>12,026.83</b>                     |
| <b>B CASH FLOW FROM INVESTING ACTIVITIES</b>                                |                                      |                                      |
| Purchase of property, plant and equipment and intangible assets             | (481.77)                             | (182.32)                             |
| Acquisition of customer folios                                              | -                                    | (226.23)                             |
| Purchase of investments                                                     | (64,083.27)                          | (34,791.82)                          |
| Proceeds from sale of Investments                                           | 55,066.90                            | 24,825.29                            |
| Proceeds from sale of property, plant and equipment                         | 2.64                                 | 3.71                                 |
| Dividend income                                                             | 51.04                                | 15.18                                |
| Bank deposits withdrawn                                                     | 297.83                               | -                                    |
| Bank deposits (placed)                                                      | (5,000.00)                           | (286.09)                             |
| Interest received                                                           | 236.96                               | 72.38                                |
| <b>Net Cash Used in Investing Activities (B)</b>                            | <b>(13,909.67)</b>                   | <b>(10,569.90)</b>                   |

## Consolidated Statement of Cash Flows

for the year ended March 31, 2024



| Particulars                                                         | ₹ in lakhs                           |                                      |
|---------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                     | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| <b>C CASH FLOW FROM FINANCING ACTIVITIES</b>                        |                                      |                                      |
| Proceeds from borrowings                                            | 2,633.75                             | 8,818.00                             |
| Repayment of borrowings                                             | (2,633.75)                           | (8,818.00)                           |
| Principal payment of lease liabilities                              | (569.56)                             | (537.02)                             |
| Interest paid on lease                                              | (168.80)                             | (143.66)                             |
| Dividend paid                                                       | (621.07)                             | (414.07)                             |
| Finance costs paid                                                  | (40.42)                              | (63.85)                              |
| <b>Net Cash Used in Financing Activities (C)</b>                    | <b>(1,399.85)</b>                    | <b>(1,158.60)</b>                    |
| <b>Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b> | <b>(350.01)</b>                      | <b>298.33</b>                        |
| Cash and cash equivalents at the beginning of the year              | 2,170.13                             | 1,871.80                             |
| <b>Cash and Cash Equivalents at the end of the year</b>             | <b>1,820.12</b>                      | <b>2,170.13</b>                      |
| <b>Cash and Cash Equivalents Comprises of:</b>                      |                                      |                                      |
| Cash on hand                                                        | 3.39                                 | 3.24                                 |
| Balances with banks                                                 |                                      |                                      |
| - In current accounts                                               | 1,816.73                             | 2,166.89                             |
| <b>Total Cash and Cash Equivalents (Refer Note : 4)</b>             | <b>1,820.12</b>                      | <b>2,170.13</b>                      |

### Notes:

- The Consolidated Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of the Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).
- Disclosure with regards to changes in liabilities arising from financing activities as set out in Ind AS 7 -Statement of Cash Flows is presented under Note 18.

The accompanying notes are an integral part of these Consolidated Financial Statements.  
In terms of our report of even date attached

**For Deloitte Haskins & Sells**  
Chartered Accountants

**Hardik Sutaria**  
Partner

Place : Ahmedabad  
Date: August 08, 2024

**For and on behalf of the Board of Directors of  
Prudent Corporate Advisory Services Limited**

**Sanjay Shah**  
Chairman and Managing Director  
DIN : 00239810

**Chirag Kothari**  
Chief Financial Officer

Place : Ahmedabad  
Date: August 08, 2024

**Shirish Patel**  
Whole Time Director and CEO  
DIN : 00239732

**Kunal Chauhan**  
Company Secretary

**Chirag Shah**  
Whole Time Director  
DIN : 01480310

## Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

Contd...

### A. Equity share capital - Refer Note 21

| Particulars                           | (₹ in lakhs) |
|---------------------------------------|--------------|
|                                       | Amount       |
| Balance as at April 01, 2022          | 2,070.33     |
| Add: Issued of shares during the year | -            |
| Balance as at March 31, 2023          | 2,070.33     |
| Add: Issued of shares during the year | -            |
| Balance as at March 31, 2024          | 2,070.33     |

### B. Instrument entirely equity in nature - Refer Note 22

| Particulars                           | (₹ in lakhs) |
|---------------------------------------|--------------|
|                                       | Amount       |
| Balance as at April 01, 2022          | -            |
| Add: Issued of shares during the year | -            |
| Balance as at March 31, 2023          | -            |
| Add: Issued of shares during the year | -            |
| Balance as at March 31, 2024          | -            |

### C. Other equity - Refer Note 23

| Particulars                                                                 | Reserves and Surplus |                 |                  | Total             |                                      |                          | (₹ in lakhs)     |
|-----------------------------------------------------------------------------|----------------------|-----------------|------------------|-------------------|--------------------------------------|--------------------------|------------------|
|                                                                             | Securities Premium   | Capital Reserve | General Reserves | Retained Earnings | Attributable to owners of the parent | Non Controlling Interest | Total            |
| Balance as at April 01, 2022                                                | 95.35                | 214.62          | 100.00           | 21,281.03         | 21,691.00                            | -                        | 21,691.00        |
| Less: Transfer to retained earnings on account of merger (Refer Note-47(A)) | -                    | (4.70)          | -                | -                 | (4.70)                               | -                        | (4.70)           |
| Add: Transfer from capital reserve on account of merger (Refer Note-47(A))  | -                    | -               | -                | 4.70              | 4.70                                 | -                        | 4.70             |
| Add: Net Profit for the year                                                | -                    | -               | -                | 11,668.85         | 11,668.85                            | -                        | 11,668.85        |
| Add/(Less): Re-measurement of the defined benefit plans (net of tax)        | -                    | -               | -                | (18.48)           | (18.48)                              | -                        | (18.48)          |
| <b>Total Comprehensive income/(loss) for the year</b>                       | -                    | -               | -                | <b>11,650.37</b>  | <b>11,650.37</b>                     | -                        | <b>11,650.37</b> |
| (Less): Final dividend on Equity Shares paid during the year                | -                    | -               | -                | (414.07)          | (414.07)                             | -                        | (414.07)         |
| Balance as at March 31, 2023                                                | 95.35                | 209.92          | 100.00           | 32,522.03         | 32,927.31                            | -                        | 32,927.31        |
| Add: Net Profit for the year                                                | -                    | -               | -                | 13,875.12         | 13,875.12                            | -                        | 13,875.12        |
| Add/(Less): Re-measurement of the defined benefit plans (net of tax)        | -                    | -               | -                | (116.23)          | (116.23)                             | -                        | (116.23)         |
| <b>Total Comprehensive income/(loss) for the year</b>                       | -                    | -               | -                | <b>13,758.89</b>  | <b>13,758.89</b>                     | -                        | <b>13,758.89</b> |
| (Less): Final dividend on Equity Shares paid during the year                | -                    | -               | -                | (621.10)          | (621.10)                             | -                        | (621.10)         |
| Balance as at March 31, 2024                                                | 95.35                | 209.92          | 100.00           | 45,659.82         | 46,065.09                            | -                        | 46,065.09        |

The accompanying notes are an integral part of these Consolidated Financial Statement.

In terms of our report of even date attached

**For Deloitte Haskins & Sells**  
Chartered Accountants

**Hardik Sutaria**  
Partner

Place : Ahmedabad  
Date: August 08, 2024

**For and on behalf of the Board of Directors of Prudent Corporate Advisory Services Limited**

**Sanjay Shah**  
Chairman and Managing Director  
DIN : 00239810

**Chirag Kothari**  
Chief Financial Officer

Place : Ahmedabad  
Date: August 08, 2024

**Shirish Patel**  
Whole Time Director and CEO  
DIN : 00239732

**Kunal Chauhan**  
Company Secretary

**Chirag Shah**  
Whole Time Director  
DIN : 01480310



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2024



## 1 Corporate information

Prudent Corporate Advisory Services Limited (“the Company”) Prudent Corporate Advisory Services Limited (“the Company”) or “the Parent Company”) together with its subsidiaries (collectively referred to as “the Group”) are engaged in the business of distribution of financial products. The Company was incorporated on June 4, 2003 under the provisions of Companies Act, 1956 and is Public Company domiciled in India. Its registered office is situated at Prudent House, Panjra Pole Cross Road, Nr. Polytechnic, Ambawadi, Ahmedabad, Gujarat, India. As on May 20, 2022, the Parent Company concluded its Initial Public Offering (“IPO”) through offer for sale of equity Shares by the existing shareholders and its equity shares are listed on recognised stock exchanges of India.

The Company is mainly engaged in business of distribution of various mutual funds existing in India and also registered as a stock broker with the Securities and Exchange Board of India (“SEBI”). It is a member of NSE, BSE, MCX and NCDEX and is engaged in the business of providing broking services to its clients and a depository participant with Central Depository Services (India) Limited (CDSL). Apart from distributing mutual funds, the Company, along with its subsidiaries is also engaged in distribution of various products like: Insurance products, PMS Products, Unlisted Securities, Bonds/FDs, AIFs, NPS, Stock broker, Liquiloan etc.

On July 25, 2023, the Board of Directors of the Parent Company approved the scheme of amalgamation of Prudent Broking Services Private Limited (“PBSPL”), a wholly owned subsidiary, with Prudent Corporate Advisory Services Limited (“PCASL”), effective from the appointed date of April 01, 2023 (the “Amalgamation Scheme”).

Prudent Broking Services Private Limited (PBSPL) is a wholly-owned subsidiary of Prudent Corporate Advisory Services Limited (PCASL). PBSPL is registered as both a stock broker and a commodity broker with the Securities and Exchange Board of India (SEBI), as well as with NSE, BSE, MCX, and NCDEX. The company is engaged in stock broking, commodity broking, research analysis, and other investment-related services to its clients.

The Parent Company has received approval for the Scheme from the Office of the Regional Director (“RD”), North Western Region, Ministry of Corporate Affairs (“MCA”), Ahmedabad (Gujarat) vide confirmation order dated August 02, 2024. This order approved the Scheme of Amalgamation between Prudent Broking Services Private Limited (Transferor Company) with Prudent Corporate Advisory Services Limited (Transferee Company) and their respective shareholders and creditors in terms of Section 233 of the Companies Act, 2013 read with Rule 25 of The Companies (Compromise, Arrangement and Amalgamation) Rules, 2016.

The above transaction do not have an impact on the Consolidated financial statements of the Parent Company.

The entities considered for consolidation and their nature of operations are as follows:

- (i) Gennext Insurance Brokers Private Limited, a 100% subsidiary of PCASL, is an IRDA registered direct Insurance Broker- Life and General and it distributes various Insurance products both offline as well as online.
- (ii) Prutech Financial Services Private Limited (Prutech), a 100% subsidiary of PCASL, is SEBI registered investment Adviser offering financial planning services to its clients.

## 2 Basis of preparation and Presentation:

### A Basis of preparation and Statement of Compliance:

The Consolidated Financial Statements of the Company and its subsidiaries (together known as the “Group”) comprise of the Consolidated Balance Sheet as at March 31, 2024 and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income) and the Consolidated Statement of Changes in Equity and the Consolidated statement of Cash Flows for the year ended March 31, 2024 and the Summary of Significant Accounting Policies and other explanatory information, (together referred to as the “ Consolidated Financial Statement”).

The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, the provisions of the Companies Act, 2013 (“the Act”) to the extent notified, and other accounting principles generally accepted in India. These Consolidated Financial Statements have been approved by the board of directors in its meeting held on August 08, 2024.

These Consolidated Financial Statements have been prepared under historical cost convention on accrual basis except certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies. Historical cost is generally based on the fair value of consideration given in exchange for goods and services.

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by the Group, to all the periods presented in the said Consolidated financial statements.

The preparation of the said Consolidated financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Group accounting policies. The areas where estimates are significant to the Consolidated financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 2F.



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

The Consolidated financial statements are based on the classification provisions contained in Ind AS 1, ‘Presentation of Financial Statements’ and Division III of Schedule III of the Act .

## B Basis of Consolidation

The Consolidated Financial Statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to March 31, 2024. Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affects its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company’s voting rights in an investee are sufficient to give it power, including:

- the size of the Company’s holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders’ meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the period are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group’s accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group’s equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests’ proportionate share of the fair value of the acquiree’s identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests’ share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group’s interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group’s interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non- controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable Ind ASs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition



for subsequent accounting under Ind AS 109 when applicable, or the cost of initial recognition of an investment in an associate or a joint venture.

**C Basis of Measurement**

The Consolidated Financial Statement have been prepared on accrual and going concern basis under the historical cost convention except for certain class of financial assets/liabilities and net liability for defined benefit plans that are measured at fair value. The accounting policies have been consistently applied by the Group unless otherwise stated.

**D Functional and Presentation Currency**

The Consolidated Financial Statement have been prepared and presented in Indian Rupees (INR), which is also the Group's functional currency.

**E Rounding off**

All amounts disclosed in the Consolidated Financial Statement and notes have been rounded off to the nearest Lakhs, unless otherwise stated.

**F Key accounting estimates and judgement:**

The preparation of Consolidated Financial Statement requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial period, are included in the following notes:

**(i) Depreciation / amortisation and Useful life of property, plant and equipment and Intangible Assets**

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates. (Refer note 3A, 3 B & 49)

**(ii) Measurement of defined benefit obligations**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. (Refer Note 35 (b)(viii))

**(iii) Recognition and measurement of provisions and contingencies**

The Group recognises a provision if it is probable that an outflow of cash or other economic resources will be required to settle the provision. If an outflow is not probable, the item is treated as a contingent liability. Risks and uncertainties are taken into account in measuring a provision. (Refer Note 3J)

**(iv) Recognition of deferred tax assets**

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies and future recoverability of deferred tax assets. (Refer Note 3I)

**(v) Impairment of financial assets**

The Group recognises loss allowances for expected credit losses on its financial assets measured at amortised cost. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. (Refer note 3E(2)(v) & 30)

**(vi) Fair Value Measurement**

Fair value is the price at the measurement date, at which an asset can be sold or paid to transfer a liability, in an orderly transaction between market participants. The Group's accounting policies require, measurement of certain financial / non-financial assets and liabilities at fair values (either on a recurring or non-recurring basis). Also, the fair values of financial instruments measured at amortised cost are required to be disclosed in the said Consolidated Financial Statement .

The Group is required to classify the fair valuation method of the financial / non-financial assets and



liabilities, either measured or disclosed at fair value in the consolidated financial statements, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurement). Accordingly, the Group 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 three levels of the fair-value-hierarchy are described below:

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

Level 2: Significant inputs to the fair value measurement are directly or indirectly observable

Level 3: Significant inputs to the fair value measurement are unobservable.

**(vii) Assessment of Business Combination**

The management of the Group has assessed whether the said acquisition meets the definition of Business in accordance with Ind AS 103 Business Combination. In making such assessment, the management has exercised judgement while evaluating all the relevant facts and circumstances of the acquisition, including those related to inputs, substantive processes and outputs and concluded that the acquisition does not qualify as a Business in accordance with Ind AS 103 as Group has only acquired customer folios and accordingly, the same has been accounted as acquisition of intangible assets under Ind AS 38. (Refer note - 49)

**3 Summary of Material Accounting Policies**

**A Property, Plant and Equipment**

Items of property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost is inclusive of freight, duties, taxes or levies (net of recoverable taxes) and any directly attributable cost of bringing the assets to their working condition for intended use.

Property, plant and equipment which are not ready for intended use as on the date of Consolidated Balance Sheet are disclosed as "Capital work-in-progress".

Items of Property, Plant and Equipment that have been retired from active use and are held for disposal are stated at the lower of their net carrying amount and net realisable value and are shown separately in the financial statements. Any write-down in this regard is recognised immediately in the Consolidated Statement of Profit and Loss.

An item of Property, Plant and Equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognised in the Consolidated Statement of Profit and Loss.

Depreciable amount for assets is the cost of an assets less its estimated residual value. Based on management's evaluation, useful life prescribed in Schedule II of the Act represent actual useful life of Property, Plant and Equipment. Accordingly, the Group has used useful lives as mentioned in Schedule II of the Act to provide depreciation of different class of its Property, Plant and Equipment. The Group provides depreciation on reducing balance method as per the useful life mentioned in Schedule II of the Act. Out of the total assets, 3.21% of the assets are depreciated on straight line basis.

The estimated useful lives of Property, Plant and Equipment are as follows :

| Class of assets        | Useful Life (in years) |
|------------------------|------------------------|
| Building               | 30 to 60 Years         |
| Office Equipment       | 5 to 10 Years          |
| Furniture and Fixtures | 5 to 10 Years          |
| Computer Equipment     | 3 to 6 Years           |
| Vehicles               | 8 to 10 Years          |

Depreciation on additions is being provided on pro rata basis from the date of such additions. Depreciation on assets sold, discarded, disabled or demolished during the period is being provided up to the date in which such assets are sold, discarded, disabled or demolished.

**B Intangibles assets**

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial period end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Consolidated Statement of Profit and Loss.



The estimated useful lives of intangible assets are as follows:

| Class of assets | Useful Life (in years)   |
|-----------------|--------------------------|
| Software        | 5 Years                  |
| Customer Folios | 10 years (Refer note 49) |

### C Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of non-financial assets, other than deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of such asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal 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 the risks specific to the asset or CGU for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

Reversal of impairment losses recognised in earlier periods is recorded when there is an indication that the impairment losses recognised for the asset/cash generating unit no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for that asset/cash generating unit in earlier periods. Reversal of impairment loss is directly recognised in the Consolidated statement of Profit and Loss.

### D Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Consolidated Statement of Profit and Loss in the period in which they are incurred.

### E 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 of another entity. The financial instruments are recognised in the Consolidated Balance Sheet when the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial instruments at initial recognition.

#### (1) Initial Recognition and Measurements

A financial asset and financial liability is initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the Consolidated Statement of Profit and Loss.

Where the fair value of a financial asset or financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Consolidated Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred

appropriately and recognized as a gain or loss in the Consolidated Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial assets or financial liability.

Trade receivables that do not contain a significant financing component are measured at transaction price.

#### (2) Subsequent Measurements

##### (a) Financial Assets

For purposes of subsequent measurement, financial assets are classified based on assessment of business model in which they are held. This assessment is done for portfolio of the financial assets. The relevant categories are as below:

##### (i) At amortised cost:

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL):

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

##### (ii) At fair value through Other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

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

##### (iii) At fair value through profit and loss (FVTPL)

Financial assets which are not measured at amortised cost and are held for trading are measured at FVTPL. Fair value changes related to such financial assets are recognised in the Consolidated Statement of Profit and Loss.

Based on the Group's business model, the Group has classified its securities held for

trade, Investment in Equity Shares and Investment in Mutual Funds at FVTPL.

#### (iv) Investment in Equity Instruments

Equity investments are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For equity instruments other than held for trading, the Group has irrevocable option to present in Other Comprehensive Income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Where the Group classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts of profit or loss from OCI to Statement of Profit and Loss, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated Statement of Profit and Loss.

#### (v) Impairment of Financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss, otherwise lifetime ECL is used.

However, only in case of trade receivables, the Group applies the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Expected credit losses rate the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Group estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.



**(vi) Derecognition of Financial Assets**

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Consolidated Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Consolidated Statement of Profit and Loss on disposal of that financial asset.

**(b) Financial Liabilities**

All financial liabilities of the Group are subsequently measured at amortized cost using the effective interest method or at FVTPL.

**(i) At amortised cost:**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Consolidated Statement of Profit and Loss.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

**(ii) At Fair Value through Profit and Loss:**

A financial liability may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability whose performance is evaluated on a fair value basis, in accordance with the Group's documented risk management.

Fair value changes related to such financial liabilities are recognised in the Consolidated Statement of Profit and Loss.

**(iii) Derecognition of Financial Liabilities**

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Consolidated Statement of Profit and Loss.

**(iv) Offsetting of financial assets and financial liabilities**

Financial assets and financial liabilities are offset when the Group has a legally enforceable right (not contingent on future events) to off-set the recognised amounts either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

**(3) Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument as per the relevant accounting standard.

Ordinary shares are classified as Equity when the Group has an un-conditional right to avoid delivery of cash

or another financial asset, that is, when the dividend and repayment of capital are at the sole and absolute discretion of the Group and there is no contractual obligation whatsoever to that effect.

**(4) Derivative Financial Instruments**

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. The resulting gain or loss is recognised in Consolidated Statement of Profit and Loss immediately.

**F Foreign currency transactions**

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transactions. Monetary assets and liabilities outstanding at the period-end are translated at the rate of exchange prevailing at the period-end and the gain or loss, is recognised in the Consolidated Statement of Profit and Loss.

Foreign currency monetary items (other than derivative contracts) of the Group, outstanding at the Balance Sheet date are restated at the period-end rates. Non-monetary items of the Group are carried at historical cost.

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Group are recognised as income or expense in the Consolidated Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

**G Revenue Recognition**

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Group 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 Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

**Step 4:** Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the group expects to be entitled in exchange for satisfying each performance obligation.

**Step 5:** Recognise revenue when (or as) the Group satisfies a performance obligation

Revenue from contracts with customers is recognised when control of the services are transferred to the customer which can be either at a point in time or over time, at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services.

Revenue recognized are exclusive of goods and service tax, stamp duties and other levies by Security Exchange Board of India (SEBI) and exchanges.

The Company recognises revenue from the following major sources:

- Commission and Fees Income from distribution of financial products (i.e. Mutual Funds, Bonds, Fixed Deposits, Non-convertible Debentures, Insurance products, etc.)
- Brokerage Income from stock broking business.
- Commission Income from Sale of Properties

**Commission and Fees Income relating to Distribution of Financial Products:**

Fees on distribution services are recognized at a point in time when the service obligations are completed and when the terms of contracts are fulfilled.

**Commission and Fees Income relating to Stock Broking :**

Revenue from contract with customer is recognised point in time when performance obligation is satisfied. Income from broking activities is accounted for on the trade date of transactions.

**Commission Income from Sale of Properties:**

Brokerage income from sale of non-financial properties is recognised at the point the sale when the performance obligation which gives rise to the commission income is satisfied and when the right to receive the income is established. The date of the agreement is considered as point in time when the performance obligation is satisfied.



## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024



Revenues in excess of invoicing are classified as contract assets (referred to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (referred to as income received in advance or unearned revenue).

### Interest Income

Interest income on financial assets is recognised using the Effective Interest Rate (EIR) method. The EIR is the rate that exactly discounts estimated future cash flows of the financial asset through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument.

### Dividend Income

Dividend income is recognised when the right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

## H Employees Benefit

Employee benefits include short term employee benefits, provident fund, employee's state insurance, gratuity and compensated absences.

### Short term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Group recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

### Defined Contribution Plan

The Group's contribution to Provident Fund and Employee State Insurance Scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. The Group does not carry any further obligations, apart from the contributions made on a monthly basis.

### Defined Benefit Plan

The Group provides for the gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Group liability is actuarially determined (using the

Projected Unit Credit method) at the end of each year. The Group's contributes Gratuity liabilities to the Trusts. Trustees administer contributions made to the Trusts and contributions are invested in Insurer Managed Funds. Net Obligation is recognised as an assets/liability.

Re-measurements of the net defined benefit liability comprising actuarial gains and losses (excluding amounts included in net interest on the net defined benefit liability) and, are recognized in Other Comprehensive Income. Such re-measurements are not reclassified to the Consolidated Statement of Profit and Loss in the subsequent year. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income.

### Long-term employee benefits

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the period are treated as other long term employee benefits and is unfunded. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of the each period. Actuarial losses/gains are recognised in the Consolidated Statement of Profit and Loss in the period in which they arise.

## I Current and deferred tax

Tax on Income comprises current and deferred tax.

### Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the reporting period in accordance with the Income-tax Act, 1961 enacted in India and any adjustment to the tax payable or receivable in respect of previous periods. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantially enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

### Deferred tax

Deferred tax is recognised for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is



## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

also recognised in respect of carried forward tax losses and tax credits subject to the assessment of reasonable certainty of recovery. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Deferred tax relating to items recognised outside the Consolidated Statement of Profit and Loss is recognised outside with the underlying items i.e. either in the statement of other comprehensive income or directly in equity as relevant.

## J Provisions and contingent liabilities:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Consolidated Statement of Profit and Loss net of any reimbursement. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

## K Leases: Right-of-use assets and Lease liabilities

### i) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

## The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

### i) Right-of-use assets

The Company recognises right-of-use assets ("RoU Assets") at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The Group recognises right-of-use assets ("RoU Assets") at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 3(C) Impairment of non-financial assets.

### ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments



also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

### iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### The Group as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods

so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

#### L Cash and Cash Equivalents

Cash and cash equivalents in the Consolidated Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents for the purpose of Consolidated Statement of Cash Flow comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less.

#### M Earning per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

#### N Dividend on Ordinary Shares

The Group recognizes a liability to make cash or non-cash distributions to equity holders of the Group when the distribution is authorized and the distribution is no longer at the discretion of the Group. As per the Act, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

#### O Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108 - Operating Segments, the CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

#### P Cash flow statement

Cash flows are reported using the indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular operating, investing and financing activities of the Group are segregated based upon the available information.



#### Q Contract balances

Trade Receivables : A receivable represents the Group right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration due.

Contract Liability : A contract liability is the obligation to transfer goods and services to the customer for which the Group has received the consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognized as revenue when the Group performs obligations under the contract. The same is disclosed as "Advance from customers" under Other non-financial liabilities.

#### R Business Combination: Methods of Accounting for Common Control Business Combinations

A Common control business combination, involving entities or business in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where control is not transitory, is accounted for in accordance with Appendix C to Ind AS 103 "Business Combination". The company accounts for Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made only to harmonize material accounting policies.
- The financial information in the financial statements in respect of prior period are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.
- The identity of the reserves are preserved and appear in the financial statements of the transferee in same form in which they appeared in the financial statements of the transferor.

- The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserves.

The amalgamation was accounted as a common control business combination in accordance with the accounting prescribed under "pooling of interest" method in Appendix C of the Indian Accounting Standard (Ind AS) 103 - "Business Combinations" and as per the specific provisions of the Scheme. Accordingly, the Scheme has been given effect to in these financial statements and all assets, liabilities and reserves and income and expenditure of the Transferor companies stand transferred at carrying value and vested in the Transferee Company. The inter-corporate investments / deposits / loans and advances or any receivables and payables between and amongst the Amalgamated Company and the Amalgamating companies will stand eliminated by set-off against each other and be cancelled.

No shares were issued to give effect of the said amalgamation since the wholly owned subsidiary companies merged with the Parent/Holding Company. The difference between the equity share capital of the transferor companies and the carrying value of investments in the said transferee companies in the books of the transferee Company is recognised as capital reserve (refer statement of changes in equity). Pursuant to the scheme, the company has adjusted the debit balance of capital reserve (including capital reserve arising on account of amalgamation) and debit balance of amalgamation adjustment reserve account in the books of the Company post amalgamations against the Securities Premium Account of the Company, as per the terms of the Approved scheme.

As per the approved scheme of amalgamation, the amalgamating companies carried their respective business for and on behalf of the Company from the appointed date till the effective date



## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

### 4 Cash and Cash equivalents

| Particulars                  | (₹ in lakhs)            |                         |
|------------------------------|-------------------------|-------------------------|
|                              | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| (measured at amortised cost) |                         |                         |
| Cash on Hand                 | 3.39                    | 3.24                    |
| Balance with Banks:          |                         |                         |
| - In current accounts        | 1,816.73                | 2,166.89                |
| <b>Total</b>                 | <b>1,820.12</b>         | <b>2,170.13</b>         |

### 5 Bank Balances other than cash and cash equivalents

| Particulars                                                                          | (₹ in lakhs)            |                         |
|--------------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                      | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| (measured at amortised cost)                                                         |                         |                         |
| Deposits held as Margin Money *                                                      | 20.00                   | 20.00                   |
| Bank Deposits with remaining maturities more than 3 months but less than 12 months * | 11,277.33               | 4,800.20                |
| Interest accrued but not due on Bank Deposits                                        | 87.03                   | 33.98                   |
| Earmarked balances with bank (unpaid dividend account)                               | 0.07                    | 0.07                    |
| <b>Total</b>                                                                         | <b>11,384.43</b>        | <b>4,854.25</b>         |

#### \* Break up of Fixed Deposits with banks

| Particulars                                                                                    | (₹ in lakhs)            |                         |
|------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                                | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| Fixed Deposits under lien with Pension Fund Regulatory and Development Authority.(PFRDA)       | 20.00                   | 20.00                   |
| Fixed Deposits under lien with Stock Exchange to meet margin requirement                       | 5,171.50                | 3,473.51                |
| Fixed Deposits for Bank Guarantee                                                              | 995.00                  | 1,025.00                |
| Fixed Deposits pledged with bank for securing overdraft facilities                             | 3.00                    | 5.00                    |
| Fixed Deposits under lien with Insurance Regulatory Development Authority of India.(IRDAI)     | 10.00                   | 10.00                   |
| Fixed Deposits free from Charges                                                               | 5,097.83                | -                       |
| Fixed Deposits under lien marked in favour of Bank for utilisation of non fund credit facility | -                       | 286.69                  |
| <b>Total</b>                                                                                   | <b>11,297.33</b>        | <b>4,820.20</b>         |

## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

### 6 Trade receivables

| Particulars                                                       | (₹ in lakhs)            |                         |
|-------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| (measured at amortised cost)                                      |                         |                         |
| <b>Unsecured :</b>                                                |                         |                         |
| <b>Receivable from Clients/customers</b>                          |                         |                         |
| Considered Good                                                   | 14066.54                | 10,150.82               |
| Significant increase in credit risk                               | 0.34                    | 0.45                    |
| Credit Impaired                                                   | 177.66                  | 177.66                  |
|                                                                   | <b>14244.54</b>         | <b>10,328.93</b>        |
| Less : Allowance for expected credit Loss                         | (178.00)                | (178.11)                |
|                                                                   | <b>14,066.54</b>        | <b>10,150.82</b>        |
| Receivable from Exchanges (Considered Good)                       | 94.75                   | 175.56                  |
| <b>Total</b>                                                      | <b>14,161.29</b>        | <b>10,326.38</b>        |
| <b>Movement in expected credit loss allowance are as follows:</b> |                         |                         |
| <b>Balance as at beginning of the year</b>                        | <b>178.11</b>           | <b>179.02</b>           |
| Add: Provisions during the year (Refer note : 30 & 40 )           | (0.11)                  | (0.91)                  |
| Less: Amount written off during the year                          |                         |                         |
| <b>Balance as at end of the year</b>                              | <b>178.00</b>           | <b>178.11</b>           |

- (a) Carrying value of trade receivables may be affected by the changes in credit risk of the counterparties as explained in Note 40
- (b) No Trade receivables are due from directors or other officers of the Company. No trade receivables are due from firms or private companies in which any director is a partner, member or director.
- (c) The Group has duly provided its services and fulfilled the performance obligations for the month of March 2024 in March 2024 and for March 2023 in March 2023 itself, but as a part of its routine procedure, the group has raised the invoices subsequent to the month. Since, the Group has the unconditional right to consideration and only the act of billing has been deferred, the same has been classified as Trade Receivable. This has been duly reflected as unbilled in the trade receivable ageing.

| Particulars                                                                       | Outstanding for following periods from due date of payment |                 |                       |                      |              |             |                         | Total            |
|-----------------------------------------------------------------------------------|------------------------------------------------------------|-----------------|-----------------------|----------------------|--------------|-------------|-------------------------|------------------|
|                                                                                   | Unbilled                                                   | Not due         | Less than<br>6 Months | 6 Months<br>- 1 year | 1 - 2 Year   | 2 -3 year   | More<br>than 3<br>years |                  |
|                                                                                   |                                                            |                 |                       |                      |              |             |                         |                  |
| (I) Undisputed Trade Receivable - Considered good                                 | 23.43                                                      | 1,088.99        | 13,020.51             | 9.86                 | 18.46        | 0.04        | -                       | 14,161.29        |
| (II) Undisputed Trade Receivable - which have significant increase in credit risk | -                                                          | 0.05            | 0.22                  | 0.01                 | 0.05         | 0.01        | -                       | 0.34             |
| (III) Disputed Trade Receivable - Credit impaired                                 | -                                                          | -               | -                     | -                    | -            | -           | 177.66                  | 177.66           |
|                                                                                   | 23.43                                                      | 1,089.04        | 13,020.73             | 9.87                 | 18.51        | 0.05        | 177.66                  | 14,339.29        |
| Less : Allowance for expected credit Loss                                         | -                                                          | -               | -                     | -                    | -            | -           | -                       | (178.00)         |
| <b>Total</b>                                                                      | <b>23.43</b>                                               | <b>1,089.04</b> | <b>13,020.73</b>      | <b>9.87</b>          | <b>18.51</b> | <b>0.05</b> | <b>177.66</b>           | <b>14,161.29</b> |

## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024



| Trade receivable as at March 31, 2023                                             |                                                            |               |                    |                   |             |             |                   |                  | (₹ in lakhs) |
|-----------------------------------------------------------------------------------|------------------------------------------------------------|---------------|--------------------|-------------------|-------------|-------------|-------------------|------------------|--------------|
| Particulars                                                                       | Outstanding for following periods from due date of payment |               |                    |                   |             |             |                   | Total            |              |
|                                                                                   | Unbilled                                                   | Not due       | Less than 6 Months | 6 Months - 1 year | 1 - 2 Year  | 2 - 3 year  | More than 3 years |                  |              |
| (I) Undisputed Trade Receivable - Considered good                                 | 1,656.77                                                   | 829.76        | 7,805.93           | 31.75             | 2.13        | 0.04        | -                 | 10,326.38        |              |
| (II) Undisputed Trade Receivable - which have significant increase in credit risk | -                                                          | 0.07          | 0.25               | 0.03              | 0.09        | 0.01        | -                 | 0.45             |              |
| (III) Disputed Trade Receivable - Credit impaired                                 | -                                                          | -             | -                  | -                 | -           | -           | 177.66            | 177.66           |              |
|                                                                                   | 1,656.77                                                   | 829.83        | 7,806.18           | 31.78             | 2.22        | 0.05        | 177.66            | 10,504.49        |              |
| Less : Allowance for expected credit Loss                                         | -                                                          | -             | -                  | -                 | -           | -           | -                 | (178.11)         |              |
| <b>Total</b>                                                                      | <b>1,656.77</b>                                            | <b>829.83</b> | <b>7,806.18</b>    | <b>31.78</b>      | <b>2.22</b> | <b>0.05</b> | <b>177.66</b>     | <b>10,326.38</b> |              |

### 7 Loans

| Particulars                                                 | (₹ in lakhs)         |                      |
|-------------------------------------------------------------|----------------------|----------------------|
|                                                             | As at March 31, 2024 | As at March 31, 2023 |
| <i>(Unsecured, considered good unless otherwise stated)</i> |                      |                      |
| <i>(measured at amortised cost)</i>                         |                      |                      |
| Loans and Advances to Employees                             | 102.14               | 93.55                |
| <b>Total</b>                                                | <b>102.14</b>        | <b>93.55</b>         |

### 8 Other financial assets

| Particulars                                                 | (₹ in lakhs)         |                      |
|-------------------------------------------------------------|----------------------|----------------------|
|                                                             | As at March 31, 2024 | As at March 31, 2023 |
| <i>(Unsecured, considered good unless otherwise stated)</i> |                      |                      |
| <i>(measured at amortised cost)</i>                         |                      |                      |
| Deposits with Exchanges                                     | 556.20               | 798.81               |
| Margins with Exchanges and clearing member                  | 3,060.31             | 394.84               |
| Less : Impairment Allowances (Refer Note : 30 & 48(b))      | (1.00)               | (1.00)               |
|                                                             | <b>3,059.31</b>      | <b>393.84</b>        |
| Deposit for leased premises                                 | 283.55               | 253.45               |
| Other Receivables                                           | 11.12                | 3.76                 |
| Less : Impairment Allowances                                | -                    | -                    |
|                                                             | <b>11.12</b>         | <b>3.76</b>          |
| Interest Receivable                                         | 114.94               | 59.89                |
| Interest accrued on Bond                                    | 23.66                | -                    |
| Amount Paid under Protest (Refer Note : 48(a))              | 58.79                | 50.00                |
| <b>Total</b>                                                | <b>4,107.57</b>      | <b>1,559.75</b>      |

\* The above deposits includes ₹ 556.20 lakhs and ₹ 529.20 lakhs in March 31, 2024 and March 31, 2023 respectively which are lien marked in favour of stock exchange as security deposit and minimum base capital requirements.

## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024



### 9 Securities for trade

| Particulars                                                      | (₹ in lakhs)         |                      |
|------------------------------------------------------------------|----------------------|----------------------|
|                                                                  | As at March 31, 2024 | As at March 31, 2023 |
| <b>Quoted - measured at Fair value through profit and loss</b>   |                      |                      |
| Bonds (ii)                                                       | 1,315.82             | 726.93               |
| <b>Unquoted - measured at Fair value through profit and loss</b> |                      |                      |
| Equity Share (i)                                                 | 20.40                | 39.00                |
| <b>Total</b>                                                     | <b>1,336.22</b>      | <b>765.93</b>        |

#### (i) Equity Shares - Securities for trade

| Particulars                          | As at March 31, 2024 |                     |              | As at March 31, 2023 |                     |              |
|--------------------------------------|----------------------|---------------------|--------------|----------------------|---------------------|--------------|
|                                      | Number of shares     | FV per share (in ₹) | Value        | Number of shares     | FV per share (in ₹) | Value        |
| <b>Unquoted Shares</b>               |                      |                     |              |                      |                     |              |
| Fino Paytech Limited                 | 11,030               | 10                  | 17.32        | 11,130               | 10                  | 16.69        |
| HDB Financial Services Limited       | 340                  | 10                  | 3.08         | -                    | -                   | -            |
| Reliance Retail Limited              | -                    | -                   | -            | 990                  | 10                  | 22.28        |
| Kurlon Enterprises Limited           | -                    | -                   | -            | 4                    | 5                   | 0.02         |
| Cochin International Airport Limited | -                    | -                   | -            | 3                    | 10                  | 0.01         |
| <b>Total</b>                         |                      |                     | <b>20.40</b> |                      |                     | <b>39.00</b> |

#### (ii) Bonds - Securities for trade

| Particulars                                        | As at March 31, 2024 |                    |       | As at March 31, 2023 |                    |       |
|----------------------------------------------------|----------------------|--------------------|-------|----------------------|--------------------|-------|
|                                                    | Number of Bonds      | FV per Bond (in ₹) | Value | Number of Bonds      | FV per Bond (in ₹) | Value |
| <b>Quoted Bonds</b>                                |                      |                    |       |                      |                    |       |
| Bank of Maharashtra 2025@7.75%                     | 1                    | 1,000,000          | 9.95  | 4                    | 1,000,000          | 39.79 |
| Ghazibad Nagar Nigam 2026@8.10%                    | 11                   | 142,900            | 16.05 | 1                    | 142,900            | 1.46  |
| India Grid Trust 2031@8.20%                        | -                    | -                  | -     | 1,125                | 1,000              | 14.27 |
| ECL Finance Limited 2028@9.85%                     | -                    | -                  | -     | 350                  | 1,000              | 3.47  |
| Piramal Capital and Housing Finance Ltd 2031@6.75% | 1,300                | 950                | 9.79  | 7,646                | 950                | 60.23 |
| Nabard Tax Free Bond 2026@7.29%                    | -                    | -                  | -     | 600                  | 1,000              | 6.30  |
| Tata Capital Housing Finance Ltd 2032@7.50%        | -                    | -                  | -     | 2                    | 1,000,000          | 19.49 |
| GOI 2035 @ 6.67%                                   | 20,500               | 100                | 20.20 | -                    | -                  | -     |
| Mahindra & Mahindra Financial Ser Ltd 2027@8%      | -                    | -                  | -     | 1,300                | 1,000              | 12.94 |
| Edelweiss Housing Finance Ltd 2026@10%             | -                    | -                  | -     | 163                  | 1,000              | 1.68  |
| Andra Pradesh State Beverages Cor Ltd 2030 @ 9.62% | 2                    | 1,000,000          | 20.80 | 2                    | 1,000,000          | 20.00 |



## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

| Particulars                                        | (₹ in lakhs)         |                    |       |                      |                    |       |
|----------------------------------------------------|----------------------|--------------------|-------|----------------------|--------------------|-------|
|                                                    | As at March 31, 2024 |                    |       | As at March 31, 2023 |                    |       |
|                                                    | Number of Bonds      | FV per Bond (in ₹) | Value | Number of Bonds      | FV per Bond (in ₹) | Value |
| Andra Pradesh State Beverages Cor Ltd 2031@9.62%   | 3                    | 1,000,000          | 31.35 | 1                    | 1,000,000          | 10.12 |
| GOI 2027 @ 7.38%                                   | -                    | -                  | -     | 19,500               | 100                | 20.28 |
| GOI 2032 @ 6.54%                                   | 6,000                | 100                | 5.71  | 20,000               | 100                | 19.03 |
| Edelweiss Housing Finance Ltd 2025@8.70%           | -                    | -                  | -     | 72                   | 1,000              | 0.72  |
| Aditya Birla Finance Ltd 2026@7.95%                | 5                    | 1,000,000          | 50.00 | 7                    | 1,000,000          | 69.99 |
| Edelweiss Retail Finance Ltd 2028@8.88%            | 664                  | 1,000              | 6.14  | -                    | -                  | -     |
| GA SDL 2029 @ 7.22%                                | -                    | -                  | -     | 4,000                | 100                | 4.02  |
| Gujarat SDL 2032 @ 7.77%                           | -                    | -                  | -     | 30,000               | 100                | 30.90 |
| Andhra Pradesh State Beverages Corp Ltd 2024@9.62% | -                    | -                  | -     | 2                    | 1,000,000          | 20.01 |
| Andra Pradesh State Beverages Cor Ltd 2029@9.62%   | -                    | -                  | -     | 2                    | 1,000,000          | 20.13 |
| Andhra Pradesh State Beverages 2025@9.62%          | -                    | -                  | -     | 1                    | 1,000,000          | 9.98  |
| Andra Pradesh State Beverages Cor Ltd 2027@9.62%   | 1                    | 1,000,000          | 10.15 | 1                    | 1,000,000          | 10.00 |
| Andra Pradesh State Beverages Cor Ltd 2028@9.62%   | -                    | -                  | -     | 1                    | 1,000,000          | 9.99  |
| APSBCL 2032@9.62% 310522                           | -                    | -                  | -     | 1                    | 1,000,000          | 10.00 |
| Canfin Homes Ltd 2026@8.45%                        | -                    | -                  | -     | 3                    | 100,000            | 3.00  |
| Edelweiss Housing Finance Ltd 2033@10%             | 954                  | 1,000              | 9.38  | 3,500                | 1,000              | 34.82 |
| Housing Development Finance Co Ltd 2033@7.97%      | -                    | -                  | -     | 38                   | 100,000            | 38.07 |
| SGS 2033 @ 7.64%                                   | -                    | -                  | -     | 60,000               | 100                | 60.05 |
| SGS 2033 @ 7.66%                                   | 20,000               | 100                | 20.03 | 20,000               | 100                | 20.03 |
| SGS 2033 @ 7.67%                                   | 40,000               | 100                | 40.10 | 40,000               | 100                | 40.08 |
| SGS 2033 @ 7.72%                                   | -                    | -                  | -     | 20,000               | 100                | 20.05 |
| SGS 2036 @ 7.64%                                   | 22,000               | 100                | 22.02 | 30,000               | 100                | 30.02 |
| Tata Capital Housing Finance Ltd 2026@6.50%        | -                    | -                  | -     | 4                    | 1,000,000          | 38.32 |
| 360 One Prime Ltd 2029@9.66%                       | 5,026                | 1,000              | 50.31 | -                    | -                  | -     |
| Ahmedabad Municipal Corporation 2029@7.90%(SIT)    | 10                   | 100,000            | 10.01 | -                    | -                  | -     |
| Andra Pradesh State Bev Cor Ltd 2026@9.62% (SIT)   | 2                    | 1,000,000          | 20.28 | -                    | -                  | -     |
| Asirvad Microfinance Ltd 2026@11.90%               | 61                   | 100,000            | 59.78 | -                    | -                  | -     |
| CreditAccess Grameen Ltd 2028@9.70%                | 6,900                | 1,000              | 69.35 | -                    | -                  | -     |
| Edelweiss Financial Services Ltd 2026@9.39%        | 2,280                | 1,000              | 21.98 | -                    | -                  | -     |



## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

| Particulars                                         | (₹ in lakhs)         |                    |        |                      |                    |       |
|-----------------------------------------------------|----------------------|--------------------|--------|----------------------|--------------------|-------|
|                                                     | As at March 31, 2024 |                    |        | As at March 31, 2023 |                    |       |
|                                                     | Number of Bonds      | FV per Bond (in ₹) | Value  | Number of Bonds      | FV per Bond (in ₹) | Value |
| Edelweiss Housing Finance Ltd 2026@10% (NIDO)       | 2,084                | 1,000              | 21.50  | -                    | -                  | -     |
| Edelweiss Housing Finance Ltd 2033@10.45%           | 460                  | 1,000              | 4.46   | -                    | -                  | -     |
| ESAF Small Finance Bank Ltd 2030@11%                | 50                   | 100,000            | 50.00  | -                    | -                  | -     |
| HDB Financial Services Ltd 2027@8.3324%             | 15                   | 100,000            | 15.10  | -                    | -                  | -     |
| HDFC Credila Financial Services Ltd 2029@8.85%      | 3                    | 1,000,000          | 30.53  | -                    | -                  | -     |
| HDFC Credila Financial Services Ltd 2031@7.23%      | 2                    | 1,000,000          | 19.05  | -                    | -                  | -     |
| IIFL Finance Ltd 2026@8.75%                         | 161                  | 1,000              | 1.52   | -                    | -                  | -     |
| IIFL Home Finance Ltd 2027@8.20%                    | 1,513                | 1,000              | 14.07  | -                    | -                  | -     |
| IIFL Samasta Finance Limited 2026@10%               | 2,242                | 1,000              | 22.47  | -                    | -                  | -     |
| IIFL Samasta Finance Limited 2028@10.50%            | 2,367                | 1,000              | 23.55  | -                    | -                  | -     |
| Indiabulls Housing Finance Ltd 2026@8.85%           | 2,400                | 1,000              | 23.17  | -                    | -                  | -     |
| Kerala Infrastructure Investment Fund 2027@8.95%    | 10                   | 100,000            | 9.98   | -                    | -                  | -     |
| Kerala Infrastructure Investment Fund 2028@8.95%    | 70                   | 100,000            | 70.31  | -                    | -                  | -     |
| Kerala Infrastructure Investment Fund 2029@8.95%    | 40                   | 100,000            | 40.18  | -                    | -                  | -     |
| Kerala Infrastructure Investment Fund 2030@8.95%    | 60                   | 100,000            | 60.16  | -                    | -                  | -     |
| Kerala Infrastructure Investment Fund 2031@8.95%    | 20                   | 100,000            | 20.05  | -                    | -                  | -     |
| Muthoot Fincorp Ltd 2029@9.35%                      | 4,662                | 1,000              | 45.69  | -                    | -                  | -     |
| Muthoot Microfin Ltd 2026@11%                       | 46                   | 80,000             | 37.35  | -                    | -                  | -     |
| Navi Finserv Ltd.2027@10.65%                        | 400                  | 1,000              | 4.00   | -                    | -                  | -     |
| Satin Creditcare Network Ltd 2025@10.85%            | 22                   | 100,000            | 21.46  | -                    | -                  | -     |
| Satin Creditcare Network Ltd 2026@10.85%            | 15                   | 100,000            | 15.05  | -                    | -                  | -     |
| SGS 2033 @ 7.67% Assam                              | 10,000               | 100                | 10.02  | 10,000               | 100                | 10.02 |
| Spandana Sphoorty Financial Ltd 2025@10.11%         | 147                  | 100,000            | 144.34 | -                    | -                  | -     |
| Star Health And Allied Insu Com Ltd.2026@8.75%(SIT) | 4                    | 100,000            | 40.01  | -                    | -                  | -     |
| U.P.Power Corpeoation Ltd 2027@9.70%                | 1                    | 1,000,000          | 10.21  | -                    | -                  | -     |
| UPPCL NCD 2026 @ 9.75%                              | 4                    | 1,000,000          | 40.66  | -                    | -                  | -     |
| UPPCL NCD 2027 @ 9.75%                              | 1                    | 1,000,000          | 10.42  | -                    | -                  | -     |





## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

| Particulars                      | (₹ in lakhs)         |                    |                 |                      |                    |               |
|----------------------------------|----------------------|--------------------|-----------------|----------------------|--------------------|---------------|
|                                  | As at March 31, 2024 |                    |                 | As at March 31, 2023 |                    |               |
|                                  | Number of Bonds      | FV per Bond (in ₹) | Value           | Number of Bonds      | FV per Bond (in ₹) | Value         |
| Muthoot finance ltd bond 2031@8% | 740                  | 1,000              | 7.13            | 1,740                | 1,000              | 17.69         |
| <b>Total</b>                     |                      |                    | <b>1,315.82</b> |                      |                    | <b>726.93</b> |

### 10 Investments

| Particulars                                                | (₹ in lakhs)         |                               |               |                      |                               |               |
|------------------------------------------------------------|----------------------|-------------------------------|---------------|----------------------|-------------------------------|---------------|
|                                                            | As at March 31, 2024 |                               |               | As at March 31, 2023 |                               |               |
|                                                            | Face Value (₹)       | No. of Shares / Units / bonds | Value         | Face Value (₹)       | No. of Shares / Units / bonds | Value         |
| <b>(i) Investments in Preference Shares</b>                |                      |                               |               |                      |                               |               |
| <i>(Quoted - measured at amortised cost)</i>               |                      |                               |               |                      |                               |               |
| IL&FS Limited                                              |                      |                               |               |                      |                               |               |
| 2021 Non Convertible Redeemable Preference Shares @ 16.06% | 7,500                | 760                           | 95.00         | 7,500                | 760                           | 95.00         |
| Less: Impairment allowances                                | -                    | -                             | (95.00)       | -                    | -                             | (95.00)       |
| 2021 Non Convertible Redeemable Preference shares @ 15.99% | 7,500                | 40                            | 5.00          | 7,500                | 40                            | 5.00          |
| Less: Impairment allowances                                | -                    | -                             | (5.00)        | -                    | -                             | (5.00)        |
| Tata Capital Limited 2024@7.15%                            | 1,000                | 5,000                         | 49.88         | 1,000                | 5,000                         | 49.88         |
| Tata Capital Limited 2024@7.50%                            | 1,000                | 9,599                         | 98.89         | 1,000                | 9,599                         | 98.89         |
| <b>Total</b>                                               |                      |                               | <b>148.77</b> |                      |                               | <b>148.77</b> |
| <b>(ii) Investments in Bonds</b>                           |                      |                               |               |                      |                               |               |
| <i>(Quoted - measured at amortised cost)</i>               |                      |                               |               |                      |                               |               |
| 9.75% Uttar Pradesh Power Corporation Ltd. 2024            | 1,000,000            | 1                             | 7.56          | 1,000,000            | 1                             | 10.06         |
| 11.01% Meghalaya Energy Corporation Ltd. 14/01/2031        | 1,000,000            | 1                             | 10.61         | 1,000,000            | 1                             | 10.61         |
| 9.90% Central Bank of India 2023                           | -                    | -                             | -             | 1,000,000            | 1                             | 10.67         |
| IIFCL Bond 2029 @ 8.73%                                    | 1,000                | 670                           | 7.92          | 1,000                | 670                           | 7.92          |
| 7.80% CANFIN Homes Ltd 2025                                | 1,000,000            | 20                            | 200.26        | 1,000,000            | 20                            | 200.26        |
| 7.90% M&M Financial Services Ltd 2027                      | 1,000,000            | 20                            | 200.70        | 1,000,000            | 20                            | 200.70        |
| Bajaj Housing Finance Ltd.2027                             | 1,000,000            | 20                            | 199.58        | 1,000,000            | 20                            | 199.57        |
| 7.95% L & T Finan Ltd. 2026                                | 1,000,000            | 20                            | 200.22        | 1,000,000            | 20                            | 200.22        |
| 8.45% Can Fin Home Ltd. 2026                               | 100,000              | 150                           | 150.14        | 100,000              | 150                           | 150.14        |
| LIC Housing Finance Ltd. 7.13% 2031                        | 1,000,000            | 10                            | 98.89         | 1,000,000            | 10                            | 98.89         |
| TATA Capital Housing Finance Ltd. 7.75% 2027               | 1,000,000            | 20                            | 202.75        | 1,000,000            | 20                            | 202.75        |
| 7.95% Aditya Birla Finance Ltd. 2026                       | 1,000,000            | 20                            | 200.18        | 1,000,000            | 20                            | 200.17        |



## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

| Particulars                                                      | (₹ in lakhs)         |                               |                 |                      |                               |                 |
|------------------------------------------------------------------|----------------------|-------------------------------|-----------------|----------------------|-------------------------------|-----------------|
|                                                                  | As at March 31, 2024 |                               |                 | As at March 31, 2023 |                               |                 |
|                                                                  | Face Value (₹)       | No. of Shares / Units / bonds | Value           | Face Value (₹)       | No. of Shares / Units / bonds | Value           |
| A K Capital Finance Ltd MLD 2024                                 | 1,000,000            | 5                             | 49.88           | 1,000,000            | 5                             | 49.88           |
| 8.10% M & M Financial Services Ltd. 2026                         | 1,000,000            | 20                            | 200.22          | -                    | -                             | -               |
| 8.60% Poonawalla Housing Fin. Ltd 2024                           | 100,000              | 200                           | 200.09          | -                    | -                             | -               |
| 8.09% TOYOTA Financial Services India Ltd. 2028                  | 100,000              | 200                           | 200.32          | -                    | -                             | -               |
| 8.25% HDFC Credila Financial Services Ltd 2028                   | 100,000              | 200                           | 204.50          | -                    | -                             | -               |
| 8.15% Sundaram Home Fin. Ltd. 2025                               | 100,000              | 500                           | 500.78          | -                    | -                             | -               |
| Ahmedabad Municipal Corporation 2029@7.90%                       | 100,000              | 200                           | 200.20          | -                    | -                             | -               |
| Andra Pradesh State Bev Cor Ltd 2026@9.62%                       | 1,000,000            | 10                            | 101.33          | -                    | -                             | -               |
| Axis Finance Limited 2029@8.14%                                  | 100,000              | 300                           | 300.00          | -                    | -                             | -               |
| ICICI Home Finance 2026@8.061%                                   | 100,000              | 300                           | 300.00          | -                    | -                             | -               |
| IDBI 2030@9.50                                                   | 1,000,000            | 10                            | 100.00          | -                    | -                             | -               |
| Indore Municipal Corporation 2026@8.25%                          | 250                  | 60,000                        | 150.08          | -                    | -                             | -               |
| Shriram Housing Finance Ltd 2026@8.80%                           | 100,000              | 200                           | 198.65          | -                    | -                             | -               |
| Star Health And Allied Insu Company Ltd.2026@8.75%               | 1,000,000            | 20                            | 194.02          | -                    | -                             | -               |
| 7.90% AMC Feb 2029                                               | 100,000              | 200                           | 200.20          | -                    | -                             | -               |
| 8.061% ICICI HF 2026                                             | 100,000              | 200                           | 200.00          | -                    | -                             | -               |
| 8.25% Indore Municipal Corporation 20/02/2026                    | 250                  | 40,000                        | 100.05          | -                    | -                             | -               |
| 8.75% Star Health And Allied Insurance Company Limited NCD       | 1,000,000            | 20                            | 194.02          | -                    | -                             | -               |
| 8.80% Shriram Housing Finance Limited                            | 100,000              | 100                           | 99.33           | -                    | -                             | -               |
| <b>Total</b>                                                     |                      |                               | <b>5,172.48</b> |                      |                               | <b>1,541.84</b> |
| <b>(iii) Investments in Equity Shares</b>                        |                      |                               |                 |                      |                               |                 |
| <i>(Quoted - measured at Fair value through profit and loss)</i> |                      |                               |                 |                      |                               |                 |
| HEC Infra Projects Limited                                       | 10                   | 36,000                        | 24.50           | 10.00                | 36,000                        | 10.46           |
| Maheshwari Logistics Limited                                     | 10                   | 12,000                        | 7.39            | 10.00                | 12,000                        | 9.56            |
| Reliance Nippon Life Asset Management Limited                    | -                    | -                             | -               | 10.00                | 1,514                         | 3.18            |
| Wealth First Portfolio Managers Limited                          | 10                   | 5,000                         | 31.28           | 10.00                | 5,000                         | 14.23           |
| <b>Total</b>                                                     |                      |                               | <b>63.17</b>    |                      |                               | <b>37.43</b>    |
| <b>(iv) Investments in Mutual Funds</b>                          |                      |                               |                 |                      |                               |                 |

## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

| Particulars                                                        | (₹ in lakhs)         |                                        |                  |                      |                                        |                  |
|--------------------------------------------------------------------|----------------------|----------------------------------------|------------------|----------------------|----------------------------------------|------------------|
|                                                                    | As at March 31, 2024 |                                        |                  | As at March 31, 2023 |                                        |                  |
|                                                                    | Face Value<br>(₹)    | No. of<br>Shares /<br>Units /<br>bonds | Value            | Face Value<br>(₹)    | No. of<br>Shares<br>/ Units /<br>bonds | Value            |
| <b>(Unquoted - measured at Fair value through profit and loss)</b> |                      |                                        |                  |                      |                                        |                  |
| Axis Strategic Bond Fund                                           |                      | 964,100                                | 242.68           |                      | 964,100                                | 224.87           |
| SBI Liquid Fund                                                    |                      | 1                                      | 10.02            |                      | -                                      | 42.13            |
| Reliance ETF Liquidbees                                            |                      | 1                                      | 0.01             |                      | 0.65                                   | 0.01             |
| Mirae Asset Large Cap Fund Growth Plan                             |                      | -                                      | -                |                      | 89,051                                 | 68.26            |
| Nippon India Multi Cap Fund-Growth Plan Growth Option              |                      | 69,027                                 | 168.85           |                      | 45,599                                 | 74.28            |
| ICICI Prudential Bluechip Fund Growth                              |                      | -                                      | -                |                      | 106,025                                | 71.60            |
| SBI Focused Equity Fund Regular Plan Growth                        |                      | -                                      | -                |                      | 30,921                                 | 67.31            |
| HDFC Corporate Bond Fund                                           |                      | 800,075                                | 234.70           |                      | 800,075                                | 217.46           |
| HDFC Low Duration Fund                                             |                      | 554,916                                | 292.19           |                      | 554,916                                | 272.36           |
| ICICI Prudential Savings Fund                                      |                      | 84,018                                 | 414.41           |                      | 84,018                                 | 384.37           |
| Kotak Bond short term fund                                         |                      | 732,761                                | 346.05           |                      | 732,761                                | 323.27           |
| Nippon India corporate bond fund                                   |                      | 439,742                                | 237.29           |                      | 439,742                                | 220.14           |
| Nippon India short term Fund                                       |                      | 488,882                                | 232.83           |                      | 488,882                                | 216.91           |
| Aditya Birla Sun Life Liquid Fund                                  |                      | 1,907,760                              | 7,357.27         |                      | 701,871                                | 2,525.31         |
| Axis ultra short term fund                                         |                      | 22,518,701                             | 3,045.50         |                      | 31,385,780                             | 3,976.87         |
| Nippon India ultra short term duration fund                        |                      | -                                      | -                |                      | 112,442                                | 3,880.72         |
| Nippon India Ultra Short Duration Fund                             |                      | 74,626                                 | 2,754.00         |                      | -                                      | -                |
| ICICI Prudential Bluechip Fund Growth                              |                      | 166,155                                | 159.74           |                      | -                                      | -                |
| Mirae Asset Large Cap Fund Growth Plan                             |                      | 143,912                                | 138.77           |                      | -                                      | -                |
| SBI Focused Equity Fund Regular Plan Growth                        |                      | 49,325                                 | 144.31           |                      | -                                      | -                |
| SBI Short Term Debt Fund                                           |                      | 295,329                                | 85.77            |                      | -                                      | -                |
| Aditya Birla Sun Life Arbitrage Fund                               |                      | 12,471,191                             | 3,038.92         |                      | -                                      | -                |
| <b>Total</b>                                                       |                      |                                        | <b>18,903.31</b> |                      |                                        | <b>12,565.87</b> |
| <b>(v) Investments in Mutual Funds</b>                             |                      |                                        |                  |                      |                                        |                  |
| <b>(Quoted - measured at Fair value through profit and loss)</b>   |                      |                                        |                  |                      |                                        |                  |
| HDFC Charity Fund                                                  |                      | 2,999,850                              | 309.58           |                      | -                                      | -                |
| <b>Total</b>                                                       |                      |                                        | <b>309.58</b>    |                      |                                        | <b>-</b>         |
| <b>Total (i) + (ii) + (iii) + (iv) + (v)</b>                       |                      |                                        | <b>24,597.31</b> |                      |                                        | <b>14,293.91</b> |
| Aggregate amount of Quoted Investments                             |                      |                                        | 5,694.00         |                      |                                        | 1,728.04         |
| Market value of Quoted Investments                                 |                      |                                        | 5,392.32         |                      |                                        | 1,704.00         |
| Aggregate amount of Unquoted Investments                           |                      |                                        | 18,903.31        |                      |                                        | 12,565.87        |

## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

### 11 Property, Plant and Equipment

| Particulars                                    | (₹ in lakhs)  |               |               |                        |                  |               |                 |
|------------------------------------------------|---------------|---------------|---------------|------------------------|------------------|---------------|-----------------|
|                                                | Land *        | Buildings *   | Computer      | Furniture and Fixtures | Office Equipment | Vehicles      | Total           |
| <b>Gross Block</b>                             |               |               |               |                        |                  |               |                 |
| <b>Deemed Cost</b>                             |               |               |               |                        |                  |               |                 |
| <b>As at April 01, 2022</b>                    | <b>402.71</b> | <b>741.01</b> | <b>500.09</b> | <b>407.17</b>          | <b>223.30</b>    | <b>163.90</b> | <b>2,437.93</b> |
| Addition during the year                       | -             | -             | 111.75        | 19.13                  | 26.21            | 20.54         | 177.63          |
| Deduction/Adjustment during the year           | -             | -             | (79.39)       | (17.70)                | (6.11)           | -             | (103.20)        |
| <b>As at March 31, 2023</b>                    | <b>402.71</b> | <b>741.01</b> | <b>532.45</b> | <b>408.60</b>          | <b>243.13</b>    | <b>184.44</b> | <b>2,512.36</b> |
| Addition during the year                       | -             | -             | 140.13        | 128.29                 | 49.09            | 130.51        | 448.02          |
| Deduction/Adjustment during the year           | -             | -             | (35.74)       | (16.62)                | (13.26)          | (1.50)        | (67.12)         |
| <b>As at March 31, 2024</b>                    | <b>402.71</b> | <b>741.01</b> | <b>636.84</b> | <b>520.27</b>          | <b>278.96</b>    | <b>313.45</b> | <b>2,893.26</b> |
| <b>Accumulated Depreciation</b>                |               |               |               |                        |                  |               |                 |
| <b>As at April 01, 2022</b>                    | <b>-</b>      | <b>113.17</b> | <b>259.73</b> | <b>202.89</b>          | <b>125.55</b>    | <b>92.65</b>  | <b>872.27</b>   |
| Depreciation for the year                      | -             | 33.28         | 114.56        | 53.99                  | 35.35            | 22.74         | 259.92          |
| Deduction/Adjustment during the year           | -             | -             | (77.99)       | (11.83)                | (5.07)           | -             | (94.89)         |
| <b>As at March 31, 2023</b>                    | <b>-</b>      | <b>146.45</b> | <b>374.58</b> | <b>245.05</b>          | <b>155.83</b>    | <b>115.36</b> | <b>1,037.30</b> |
| Depreciation for the year                      | -             | 31.92         | 126.02        | 59.17                  | 36.14            | 27.35         | 280.60          |
| Deduction/Adjustment during the year           | -             | -             | (33.88)       | (10.56)                | (10.69)          | (0.58)        | (55.71)         |
| <b>As at March 31, 2024</b>                    | <b>-</b>      | <b>178.37</b> | <b>446.72</b> | <b>293.66</b>          | <b>181.28</b>    | <b>142.13</b> | <b>1,262.19</b> |
| <b>Net Carrying Value as at March 31, 2024</b> | <b>402.71</b> | <b>562.64</b> | <b>170.12</b> | <b>226.61</b>          | <b>97.68</b>     | <b>171.32</b> | <b>1,631.07</b> |
| <b>Net Carrying Value as at March 31, 2023</b> | <b>402.71</b> | <b>594.56</b> | <b>157.87</b> | <b>163.55</b>          | <b>87.30</b>     | <b>69.08</b>  | <b>1,475.06</b> |

\* The title deeds of all the immovable properties, (other than immovable properties where the Group is the lessee and the lease agreements are duly executed in favour of the Group) are held in the name of the Group as at the balance sheet date.

### 12 Right-of-use assets

| Particulars            | (₹ in lakhs)                         |                           |                          |                              |                                         |
|------------------------|--------------------------------------|---------------------------|--------------------------|------------------------------|-----------------------------------------|
|                        | Carrying Amount as at April 01, 2023 | Additions during the year | Deletion during the year | Amortization during the year | Net carrying value as at March 31, 2024 |
| <b>Office Premises</b> | 1,630.70                             | 1,172.95                  | (221.00)                 | (656.31)                     | 1,926.34                                |
| <b>Total</b>           | <b>1,630.70</b>                      | <b>1,172.95</b>           | <b>(221.00)</b>          | <b>(656.31)</b>              | <b>1,926.34</b>                         |
| Particulars            | (₹ in lakhs)                         |                           |                          |                              |                                         |
|                        | Carrying Amount as at April 01, 2022 | Additions during the year | Deletion during the year | Amortization during the year | Net Carrying Value as at March 31, 2023 |
| <b>Office Premises</b> | 1,263.84                             | 1,105.62                  | (131.69)                 | (607.09)                     | 1,630.70                                |
| <b>Total</b>           | <b>1,263.84</b>                      | <b>1,105.62</b>           | <b>(131.69)</b>          | <b>(607.09)</b>              | <b>1,630.70</b>                         |

(a) The Group has leases for the office premises. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected in the Balance Sheet as a right-of-use asset and a lease liability. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

### 13 Intangible assets

| Particulars                                      | (₹ in lakhs)      |                                           |                  |
|--------------------------------------------------|-------------------|-------------------------------------------|------------------|
|                                                  | Computer Software | Customer Folios<br>(Refer Note - 3B & 49) | Total            |
| <b>Gross Block</b>                               |                   |                                           |                  |
| <b>Deemed Cost</b>                               |                   |                                           |                  |
| <b>As at April 01, 2022</b>                      | <b>92.92</b>      | <b>15,100.00</b>                          | <b>15,192.92</b> |
| Additions during the year                        | 4.71              | 226.23                                    | 230.94           |
| Deduction/Adjustment during the year             | (0.07)            | -                                         | (0.07)           |
| <b>As at March 31, 2023</b>                      | <b>97.56</b>      | <b>15,326.23</b>                          | <b>15,423.79</b> |
| Additions during the year                        | 1.22              | -                                         | 1.22             |
| Deduction/Adjustment during the year             | (3.48)            | -                                         | (3.48)           |
| <b>As at March 31, 2024</b>                      | <b>95.30</b>      | <b>15,326.23</b>                          | <b>15,421.53</b> |
| <b>Accumulated Depreciation and Amortisation</b> |                   |                                           |                  |
| <b>As at April 01, 2022</b>                      | <b>62.44</b>      | <b>517.12</b>                             | <b>579.56</b>    |
| Additions during the year                        | 14.97             | 1,521.28                                  | 1,536.25         |
| Deduction/Adjustment during the year             | (0.06)            | -                                         | (0.06)           |
| <b>As at March 31, 2023</b>                      | <b>77.35</b>      | <b>2,038.40</b>                           | <b>2,115.75</b>  |
| Additions during the year                        | 8.59              | 1,536.82                                  | 1,545.41         |
| Deduction/Adjustment during the year             | (3.47)            | -                                         | (3.47)           |
| <b>As at March 31, 2024</b>                      | <b>82.47</b>      | <b>3,575.22</b>                           | <b>3,657.69</b>  |
| <b>Net Carrying Value as at March 31, 2024</b>   | <b>12.83</b>      | <b>11,751.01</b>                          | <b>11,763.84</b> |
| <b>Net Carrying Value as at March 31, 2023</b>   | <b>20.21</b>      | <b>13,287.83</b>                          | <b>13,308.04</b> |

### 14 Other non-financial assets

| Particulars                         | (₹ in lakhs)            |                         |
|-------------------------------------|-------------------------|-------------------------|
|                                     | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| Capital Advances                    | 32.67                   | -                       |
| Balance with Government Authorities | 2.73                    | 4.11                    |
| Advances to Suppliers               | 1,610.64                | 1,048.25                |
| Prepaid Expenses                    | 220.54                  | 201.26                  |
| GST Credit Receivable               | 387.01                  | -                       |
| Other Receivable                    | 3.85                    | 0.24                    |
| <b>Total</b>                        | <b>2,257.44</b>         | <b>1,253.86</b>         |

## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

### 15 Trade payables (at amortised cost)

| Particulars                                                                            | (₹ in lakhs)            |                         |
|----------------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                        | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| Total outstanding dues of micro enterprises and small enterprises                      | 23.87                   | -                       |
| Total outstanding dues of creditors other than micro enterprises and small enterprises |                         |                         |
| - Payable to Clients                                                                   | 10,867.43               | 5,710.51                |
| - Payable to Exchanges                                                                 | 73.32                   | 4.75                    |
| - Payable to Vendors                                                                   | 9,516.56                | 5,936.40                |
| <b>Total</b>                                                                           | <b>20,481.18</b>        | <b>11,651.66</b>        |

#### Trade Payable as at March 31, 2024

| Particulars  | (₹ in lakhs) |                 |                     |             |             |                      | Total            |
|--------------|--------------|-----------------|---------------------|-------------|-------------|----------------------|------------------|
|              | Unbilled     | Not due         | Less than<br>1 Year | 1 - 2 Year  | 2 - 3 year  | More than<br>3 years |                  |
| (I) MSME     | -            | -               | 23.87               | -           | -           | -                    | 23.87            |
| (II) Others  | 16.66        | 1,741.52        | 18,694.93           | 4.13        | 0.07        | -                    | 20,457.31        |
| <b>Total</b> | <b>16.66</b> | <b>1,741.52</b> | <b>18,718.80</b>    | <b>4.13</b> | <b>0.07</b> | <b>-</b>             | <b>20,481.18</b> |

#### Trade Payable as at March 31, 2023

| Particulars  | (₹ in lakhs)  |               |                     |             |            |                      | Total            |
|--------------|---------------|---------------|---------------------|-------------|------------|----------------------|------------------|
|              | Unbilled      | Not due       | Less than<br>1 Year | 1 - 2 Year  | 2 - 3 year | More than<br>3 years |                  |
| (I) MSME     | -             | -             | -                   | -           | -          | -                    | -                |
| (II) Others  | 824.82        | 641.37        | 10,183.81           | 1.66        | -          | -                    | 11,651.66        |
| <b>Total</b> | <b>824.82</b> | <b>641.37</b> | <b>10,183.81</b>    | <b>1.66</b> | <b>-</b>   | <b>-</b>             | <b>11,651.66</b> |

### 16 Details of dues to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006. This information has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by auditors.

| Particulars                                                                                                                                                                                                                                                                | (₹ in lakhs)            |                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                                                                                                                                                                                                            | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| (i) The amounts remaining unpaid to any supplier at the end of the year                                                                                                                                                                                                    |                         |                         |
| 1. Principal Amount                                                                                                                                                                                                                                                        | 23.87                   | -                       |
| 2. Interest Amount                                                                                                                                                                                                                                                         | -                       | -                       |
| (ii) The amounts of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006                                                                                                                                                                               | -                       | -                       |
| (iii) The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.                                                                                                                                                  | -                       | -                       |
| (iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.                                                                                                                                                                               | -                       | -                       |
| (v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006 | -                       | -                       |



## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024



### 17 Lease Liabilities (at amortised cost)

| Particulars           | (₹ in lakhs)            |                         |
|-----------------------|-------------------------|-------------------------|
|                       | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| Opening Balance       | 1,701.66                | 1,317.80                |
| Additions             | 1,139.95                | 1,071.51                |
| Adjustment / Deletion | 0.08                    | -                       |
| Finance Cost          | 168.80                  | 143.66                  |
| Cancellation of Lease | (240.51)                | (150.63)                |
| Lease Payments        | (738.44)                | (680.68)                |
| <b>Total</b>          | <b>2,031.54</b>         | <b>1,701.66</b>         |

#### Lease payments not recognised as a liability

The Group has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

The expense relating to payment not included in the measurement of the lease liability mainly pertains to the short term leases.

Future minimum lease payments under leases together with the present value of the net minimum lease payments are as follows.

| Particulars                                    | (₹ in lakhs)                 |                                                  |                            |                              |                                                  |                            |
|------------------------------------------------|------------------------------|--------------------------------------------------|----------------------------|------------------------------|--------------------------------------------------|----------------------------|
|                                                | As at March 31, 2024         |                                                  |                            | As at March 31, 2023         |                                                  |                            |
|                                                | Minimum<br>Lease<br>Payments | Finance charge<br>allocated to<br>future periods | Present<br>Value of<br>MLP | Minimum<br>Lease<br>Payments | Finance charge<br>allocated to<br>future periods | Present<br>Value of<br>MLP |
| Within 1 year                                  | 724.62                       | 153.39                                           | 571.23                     | 654.62                       | 126.40                                           | 528.22                     |
| 1 to 5 Years                                   | 1,592.49                     | 222.95                                           | 1,369.54                   | 1,319.97                     | 156.01                                           | 1,163.96                   |
| More than 5 Years                              | 99.43                        | 8.66                                             | 90.77                      | 10.32                        | 0.84                                             | 9.48                       |
| <b>Total minimum lease payments</b>            | <b>2,416.54</b>              | <b>385.00</b>                                    | <b>2,031.54</b>            | <b>1,984.91</b>              | <b>283.25</b>                                    | <b>1,701.66</b>            |
| Less: Amounts representing finance charges     | (385.00)                     | -                                                | -                          | (283.25)                     | -                                                | -                          |
| <b>Present value of minimum lease payments</b> | <b>2,031.54</b>              |                                                  | <b>2,031.54</b>            | <b>1,701.66</b>              |                                                  | <b>1,701.66</b>            |

## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024



### 18 Other financial liabilities

| Particulars                                | (₹ in lakhs)            |                         |
|--------------------------------------------|-------------------------|-------------------------|
|                                            | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| (at amortised cost)                        |                         |                         |
| Security deposits received                 | 84.30                   | 59.69                   |
| Unpaid dividends                           | 0.10                    | 0.07                    |
| Interest accrued but not due on borrowings | 1.13                    | 0.25                    |
| Other payable                              | 11.35                   | 1.48                    |
| <b>Total</b>                               | <b>96.88</b>            | <b>61.49</b>            |

Disclosure of changes in liabilities arising from financing activities - Ind AS 7 Statement of Cash Flows, including changes arising from cash flows and non-cash changes is as under:

| Particulars                             | (₹ in lakhs)      |                                                 |                |
|-----------------------------------------|-------------------|-------------------------------------------------|----------------|
|                                         | Lease Liabilities | Borrowings &<br>Interest Accrued<br>but not due | Total          |
| <b>As at 1<sup>st</sup> April, 2022</b> | <b>1317.80</b>    | <b>0.72</b>                                     | <b>1318.52</b> |
| Addition during the year                | 1,071.51          | -                                               | 1,071.51       |
| Adjustments/(deletion)                  | (150.63)          | -                                               | (150.63)       |
| Charged to Profit and Loss              | 143.66            | 63.38                                           | 207.04         |
| Cash flow movement                      | (680.68)          | (63.85)                                         | (744.53)       |
| <b>As at March 31, 2023</b>             | <b>1701.66</b>    | <b>0.25</b>                                     | <b>1701.91</b> |
| Addition during the year                | 1,139.95          | -                                               | 1,139.95       |
| Adjustments/(deletion)                  | (240.43)          | -                                               | (240.43)       |
| Charged to Profit and Loss              | 168.80            | 41.30                                           | 210.10         |
| Cash flow movement                      | (738.44)          | (40.42)                                         | (778.86)       |
| <b>As at March 31, 2024</b>             | <b>2031.54</b>    | <b>1.13</b>                                     | <b>2032.67</b> |

### 19 Provisions

| Particulars                                   | (₹ in lakhs)            |                         |
|-----------------------------------------------|-------------------------|-------------------------|
|                                               | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| Provision for gratuity (Refer Note 35)        | 428.13                  | 326.40                  |
| Provision for compensated absences (unfunded) | 250.35                  | 214.57                  |
| <b>Total</b>                                  | <b>678.48</b>           | <b>540.97</b>           |

### 20 Other non-financial liabilities

| Particulars                                            | (₹ in lakhs)            |                         |
|--------------------------------------------------------|-------------------------|-------------------------|
|                                                        | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| Advance received from customers (Contract liabilities) | 3.11                    | 0.18                    |
| Statutory dues                                         | 3259.75                 | 1996.83                 |
| <b>Total</b>                                           | <b>3,262.86</b>         | <b>1,997.01</b>         |

## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

### 21 Equity Share capital

| Particulars                                                                                                                                                                                                                                                                                                                                                                                        | (₹ in lakhs)            |                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                    | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| Authorised                                                                                                                                                                                                                                                                                                                                                                                         |                         |                         |
| 5,40,00,000 Equity shares of ₹ 5/- each *                                                                                                                                                                                                                                                                                                                                                          | 2,700.00                | 2,400.00                |
| (March 31, 2023: 4,80,00,000 Equity shares of ₹ 5/- each)                                                                                                                                                                                                                                                                                                                                          |                         |                         |
| *Pursuant to the Scheme of Amalgamation u/s 233 of the Companies Act, 2013 for amalgamation of Prudent Broking Services Private Limited (Transferor Company) with the Parent Company, with effect from April 01, 2023 (appointed date), Authorised Share Capital of Prudent Broking Services Private Limited ₹ 3,00,00,000/- has been added in the Authorised Share Capital of the Parent Company. | <b>2,700.00</b>         | <b>2,400.00</b>         |
| Issued, subscribed and fully paid up                                                                                                                                                                                                                                                                                                                                                               |                         |                         |
| 4,14,06,680 Equity shares of ₹ 5/- each fully paid-up                                                                                                                                                                                                                                                                                                                                              | 2,070.33                | 2,070.33                |
| (March 31, 2023: 4,14,06,680 Equity shares of ₹ 5/- each fully paid-up)                                                                                                                                                                                                                                                                                                                            |                         |                         |
| <b>Total issued, subscribed and fully paid-up share capital</b>                                                                                                                                                                                                                                                                                                                                    | <b>2,070.33</b>         | <b>2,070.33</b>         |

#### (i) Reconciliation of number of shares

| Equity Shares                       | (₹ in lakhs)      |                 |
|-------------------------------------|-------------------|-----------------|
|                                     | Number of Shares  | Amount          |
| Balance as at April 01, 2022        | 41,406,680        | 2,070.33        |
| Add : Issued during the year        | -                 | -               |
| Balance as at March 31, 2023        | 41,406,680        | 2,070.33        |
| Add : Issued during the year        | -                 | -               |
| <b>Balance as at March 31, 2024</b> | <b>41,406,680</b> | <b>2,070.33</b> |

#### (ii) Rights, preferences and restrictions attached to Equity shares

The Parent Company has only one class of equity shares having a par value of ₹5/- per share. Each shareholder of equity shares is entitled to one vote per share. The Parent Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive the remaining assets of the Parent Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### (iii) Details of shareholders holding more than 5% of the aggregate shares in the Parent Company

| Equity Shares                                                | As at March 31, 2024 |           |
|--------------------------------------------------------------|----------------------|-----------|
|                                                              | Number of Shares     | % Holding |
| Sanjay Rameshchandra Shah                                    | 17,952,250           | 43.36%    |
| Maitry Sanjaybhai Shah                                       | 2,760,000            | 6.67%     |
| Sakhi Sanjaybhai Shah                                        | 2,760,000            | 6.67%     |
| DSP Small Cap Fund                                           | 3,298,521            | 7.97%     |
| Zulia Investments Pte. Ltd.                                  | 3,251,932            | 7.85%     |
| TA FDI Investors Limited (Formerly Known As Wagner Limited)* | 2,916,961            | 7.04%     |

\* Subsequent to the year end, TA FDI Investors Limited (Formerly Known As Wagner Limited) had sold its entire stake of 29,16,961 number of shares bearing 7.04 % of its total holding on 28th May, 2024.

## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

| Equity Shares                                               | As at March 31, 2023 |           |
|-------------------------------------------------------------|----------------------|-----------|
|                                                             | Number of Shares     | % Holding |
| Sanjay Rameshchandra Shah                                   | 17,952,250           | 43.36%    |
| Maitry Sanjaybhai Shah                                      | 2,760,000            | 6.67%     |
| Sakhi Sanjaybhai Shah                                       | 2,760,000            | 6.67%     |
| TA FDI Investors Limited (Formerly Known As Wagner Limited) | 9,967,299            | 24.07%    |

#### (iv) Details of share held by Promoters/Promoter Group as at March 31, 2024

| Promoter Name                 | Number of Shares  | % Total shares | % Change during the year |
|-------------------------------|-------------------|----------------|--------------------------|
| Sanjay Rameshchandra Shah     | 17,952,250        | 43.36%         | 0.00%                    |
| Maitry Sanjaybhai Shah        | 2,760,000         | 6.67%          | 0.00%                    |
| Sakhi Sanjaybhai Shah         | 2,760,000         | 6.67%          | 0.00%                    |
| Rameshchandra Chimanlal Shah  | 612,400           | 1.48%          | 0.00%                    |
| Niketa Sanjay Shah            | 100,000           | 0.24%          | 0.00%                    |
| Ramesh Chimanlal Shah (HUF)   | 4,000             | 0.01%          | 0.00%                    |
| Sonal Paresh Mehta            | 1,500             | 0.00%          | 0.00%                    |
| Sunitaben Chetankumar Dhuwad  | 1,500             | 0.00%          | 0.00%                    |
| Mayank Ashokkumar Thekdi      | 1,250             | 0.00%          | 0.00%                    |
| Hemang Ashokbhai Thekadi      | 775               | 0.00%          | 0.00%                    |
| Sanjay Shah Family Trust      | 1,000             | 0.00%          | 0.00%                    |
| Vimalkumar Ashokkumar Thekadi | -                 | 0.00%          | 0.00%                    |
| <b>Total</b>                  | <b>24,194,675</b> | <b>58.43%</b>  |                          |

#### Details of share held by Promoters/Promoter Group as at March 31, 2023

| Promoter Name                 | Number of Shares  | % Total shares | % Change during the year |
|-------------------------------|-------------------|----------------|--------------------------|
| Sanjay Rameshchandra Shah     | 17,952,250        | 43.36%         | 0.00%                    |
| Maitry Sanjaybhai Shah        | 2,760,000         | 6.67%          | 0.00%                    |
| Sakhi Sanjaybhai Shah         | 2,760,000         | 6.67%          | 0.00%                    |
| Rameshchandra Chimanlal Shah  | 612,400           | 1.48%          | 1.41%                    |
| Niketa Sanjay Shah            | 100,000           | 0.24%          | 0.24%                    |
| Ramesh Chimanlal Shah (HUF)   | 4,000             | 0.01%          | 0.00%                    |
| Sonal Paresh Mehta            | 1,500             | 0.00%          | 0.00%                    |
| Sunitaben Chetankumar Dhuwad  | 1,500             | 0.00%          | 0.00%                    |
| Mayank Ashokkumar Thekdi      | 1,250             | 0.00%          | 0.00%                    |
| Hemang Ashokbhai Thekadi      | 775               | 0.00%          | 0.00%                    |
| Sanjay Shah Family Trust      | 1,000             | 0.00%          | 0.00%                    |
| Vimalkumar Ashokkumar Thekadi | -                 | 0.00%          | 0.00%                    |
| <b>Total</b>                  | <b>24,194,675</b> | <b>58.43%</b>  |                          |

## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024



### 22 Instrument entirely equity in nature

| Particulars                                                                                                             | (₹ in lakhs)            |                         |
|-------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                                                         | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| <b>Authorised</b>                                                                                                       |                         |                         |
| 20,00,000 Preference shares of ₹ 5/- each<br>(March 31, 2023: 20,00,000 Preference shares of ₹ 5/- each)                | 100.00                  | 100.00                  |
|                                                                                                                         | 100.00                  | 100.00                  |
| <b>Issued, subscribed and fully paid up</b>                                                                             |                         |                         |
| Nil Preference Share of ₹ 5/- each fully paid-up<br>(March 31, 2023: Nil Preference Shares of ₹ 5/- each fully paid-up) | -                       | -                       |
| <b>Total</b>                                                                                                            | -                       | -                       |

#### (i) Reconciliation of number of shares

| Preference shares                   | (₹ in lakhs)        |        |
|-------------------------------------|---------------------|--------|
|                                     | Number of<br>Shares | Amount |
| <b>Balance as at April 01, 2022</b> | -                   | -      |
| Add : Issue during the year         | -                   | -      |
| <b>Balance as at March 31, 2023</b> | -                   | -      |
| Add : Issue during the year         | -                   | -      |
| <b>Balance as at March 31, 2024</b> | -                   | -      |

### 23 Other equity

| Particulars                                                                 | (₹ in lakhs)            |                         |
|-----------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                             | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| <b>(a) Securities Premium</b>                                               |                         |                         |
| <b>Balance as at beginning of the year</b>                                  | 95.35                   | 95.35                   |
| Add: Amount received during the year                                        | -                       | -                       |
| <b>Balance as at end of the year</b>                                        | 95.35                   | 95.35                   |
| <b>(b) General Reserves</b>                                                 |                         |                         |
| <b>Balance as at beginning of the year</b>                                  | 100.00                  | 100.00                  |
| Add: Addition during the year                                               | -                       | -                       |
| <b>Balance as at end of the year</b>                                        | 100.00                  | 100.00                  |
| <b>(c) Balance as at beginning of the year</b>                              | 209.92                  | 214.62                  |
| Add: Addition during the year                                               | -                       | -                       |
| Less: Transfer to retained earnings on account of merger (Refer Note-47(A)) | -                       | (4.70)                  |
| <b>Balance as at end of the year</b>                                        | 209.92                  | 209.92                  |
| <b>(d) Retained Earnings</b>                                                |                         |                         |
| <b>Balance as at beginning of the year</b>                                  | 32,522.03               | 21,281.03               |
| Add: Transfer from capital reserve on account of merger (Refer Note-47(A))  | -                       | 4.70                    |
| Add : Net Profit for the year                                               | 13,875.12               | 11,668.85               |
| Add : Re-measurement of the defined benefit plans (net of tax)              | (116.23)                | (18.48)                 |
| <b>Balance as at end of the year</b>                                        | 45,659.82               | 32,522.03               |



## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

### Distribution made and proposed

| Particulars                                                                                                                                                                                                                                                     | (₹ in lakhs)            |                         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                                                                                                                                                                                                 | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| <b>Cash Dividend on Equity Share declared and paid</b>                                                                                                                                                                                                          |                         |                         |
| Final Dividend for the year ended March 31, 2023 (₹ 1.5/- per share) and March 31, 2022 (₹ 1/- per share)                                                                                                                                                       | 621.10                  | 414.07                  |
|                                                                                                                                                                                                                                                                 | <b>621.10</b>           | <b>414.07</b>           |
| <b>Proposed Dividend on Equity Shares</b>                                                                                                                                                                                                                       |                         |                         |
| Final Dividend for the year ended March 31, 2024 proposed in the board meeting held on May 06, 2024 at ₹2/- per Share ##. (Final dividend for the previous year ended March 31, 2023 was decided ₹1.5 per share in the board meeting scheduled on May 24, 2023) | 828.13                  | 621.10                  |
|                                                                                                                                                                                                                                                                 | <b>828.13</b>           | <b>621.10</b>           |

##The Board of Directors of the Parent Company have recommended a final dividend of ₹2/- (Face value of ₹5/- each) (40%) per equity share for the year ended March 31, 2024 on 4,14,06,680 equity shares, amounting ₹828.13/- lakhs subject to the approval of the shareholders at the ensuing Annual General Meeting.

The description of the nature and purpose of each reserve within Other equity is as follows:

#### (i) Securities Premium

Securities premium is received by the Parent Company on issue of shares at premium. This balance will be utilised in accordance with the provisions of Section 52 of the Act towards issuance of fully paid bonus shares, write-off of preliminary expenses, commission/discount expenses on issue of shares/debentures, premium payable on redemption of redeemable preference shares/debentures and buy back of its own shares/securities under Section 68 of the Act.

#### (ii) General Reserves

General reserve is a free reserve, retained from the Group profits and can be utilized upon fulfilling certain conditions in accordance with statute of the relevant Act.

#### (iii) Capital Reserves

Capital reserve on consolidation was created on account of acquisition of subsidiary companies. The balance in this reserve will get transferred at the time of disposal of the relevant investments.

#### (iv) Retained Earnings

Retained earnings comprise balances of accumulated (undistributed) profit and loss at each year end and balances of remeasurement of net defined benefit plans, less any transfers to general reserve that can be distributed by the Group as dividend to its shareholders in compliance with the requirements of the Act.



## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

### 24 Commission and fees income

| Particulars                                                                           | (₹ in lakhs)                                 |                                              |
|---------------------------------------------------------------------------------------|----------------------------------------------|----------------------------------------------|
|                                                                                       | For the year ended<br>March 31, 2024         | For the year ended<br>March 31, 2023         |
| Commission and fees income from                                                       |                                              |                                              |
| Distribution of mutual fund products                                                  | 63,777.81                                    | 50,166.83                                    |
| Distribution of insurance products                                                    | 11,081.02                                    | 7,059.66                                     |
| Stock broking and allied services                                                     | 2,364.95                                     | 1,739.44                                     |
| Other financial and non-financial products                                            | 2,682.97                                     | 1,517.88                                     |
| <b>Total</b>                                                                          | <b>79,906.75</b>                             | <b>60,483.81</b>                             |
| <b>(a) Reconciliation of gross revenue with revenue from contracts with customers</b> | <b>For the year ended<br/>March 31, 2024</b> | <b>For the year ended<br/>March 31, 2023</b> |
| Gross revenue (i.e. Contracted Price)                                                 | 79,906.75                                    | 60,483.81                                    |
| Less: Discounts, rebates, price concessions etc.                                      | -                                            | -                                            |
| <b>Total</b>                                                                          | <b>79,906.75</b>                             | <b>60,483.81</b>                             |
| <b>(b) Revenue from Geographical Markets</b>                                          | <b>For the year ended<br/>March 31, 2024</b> | <b>For the year ended<br/>March 31, 2023</b> |
| India                                                                                 | 79,881.36                                    | 60,483.81                                    |
| Outside India                                                                         | 25.39                                        | -                                            |
| <b>Total</b>                                                                          | <b>79,906.75</b>                             | <b>60,483.81</b>                             |
| <b>(c) Timing of Recognition of Revenue</b>                                           | <b>For the year ended<br/>March 31, 2024</b> | <b>For the year ended<br/>March 31, 2023</b> |
| Revenue recognised for services provided at point of time                             | 79,906.75                                    | 60,483.81                                    |
| Revenue recognised for services provided over a period of time                        | -                                            | -                                            |
| <b>Total</b>                                                                          | <b>79,906.75</b>                             | <b>60,483.81</b>                             |

There are no external customers who represents 10 % or more of the Group's total revenue for the year ended March 31, 2024. (Previous year ₹ Nil)

## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

### 25 Interest income

| Particulars                       | (₹ in lakhs)                         |                                      |
|-----------------------------------|--------------------------------------|--------------------------------------|
|                                   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Interest on                       |                                      |                                      |
| Deposits and margin with exchange | 227.25                               | 183.15                               |
| Delayed payments from customers   | 262.20                               | 289.75                               |
| Others                            | 0.89                                 | 2.15                                 |
| <b>Total</b>                      | <b>490.34</b>                        | <b>475.05</b>                        |

### 26 Net gain on fair value changes

| Particulars                                                                    | (₹ in lakhs)                         |                                      |
|--------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                                | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Net gain/ (loss) on financial instruments at fair value through profit or loss |                                      |                                      |
| Securities held for trading - designated at fair value through profit and loss | 112.02                               | 173.86                               |
| <b>Total</b>                                                                   | <b>112.02</b>                        | <b>173.86</b>                        |
| Fair Value changes:                                                            |                                      |                                      |
| Realised                                                                       | 118.22                               | 184.01                               |
| Unrealised                                                                     | (6.20)                               | (10.15)                              |
| <b>Total</b>                                                                   | <b>112.02</b>                        | <b>173.86</b>                        |

### 27 Other income

| Particulars                                                      | (₹ in lakhs)                         |                                      |
|------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Interest income on financial assets - measured at amortised cost |                                      |                                      |
| - Bonds                                                          | 291.41                               | 102.37                               |
| - Deposits with banks                                            | 126.67                               | 17.04                                |
| - Loans to employees                                             | 6.54                                 | 5.69                                 |
| - Others                                                         | 21.96                                | 21.74                                |
| Net gain on financial instruments measured at FVTPL              | 1,287.03                             | 405.79                               |
| Dividend income                                                  | 51.04                                | 15.18                                |
| Gain on premature termination of lease contract                  | 26.19                                | 19.92                                |
| Marketing and advertisement income                               | 117.00                               | 162.05                               |
| Miscellaneous income                                             | 32.87                                | 4.72                                 |
| <b>Total</b>                                                     | <b>1,960.71</b>                      | <b>754.50</b>                        |

## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024



### 28 Employee benefits expense

| Particulars                                                   | (₹ in lakhs)                         |                                      |
|---------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                               | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Salaries, wages and bonus                                     | 8,625.17                             | 7,775.68                             |
| Contribution to provident fund and other fund (Refer Note 35) | 108.61                               | 83.48                                |
| Compensated absence expense (Refer Note 35)                   | 60.80                                | 59.51                                |
| Gratuity expenses (Refer Note 35)                             | 96.58                                | 87.93                                |
| Staff welfare expenses                                        | 393.60                               | 322.00                               |
| <b>Total</b>                                                  | <b>9,284.76</b>                      | <b>8,328.60</b>                      |

### 29 Finance costs

| Particulars                                                          | (₹ in lakhs)                         |                                      |
|----------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                      | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Interest Expense on financial liabilities measured at amortised cost |                                      |                                      |
| Unsecured loan from related party                                    | -                                    | 0.39                                 |
| Lease liabilities (Refer Note : 17)                                  | 168.80                               | 143.66                               |
| Others                                                               | 18.44                                | 25.85                                |
| Bank Charges and other borrowing costs                               | 21.98                                | 37.15                                |
| <b>Total</b>                                                         | <b>209.22</b>                        | <b>207.05</b>                        |

### 30 Impairment on financial instruments

| Particulars                                                        | (₹ in lakhs)                         |                                      |
|--------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                    | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Impairment of financial instruments measured at amortised cost:    |                                      |                                      |
| Trade receivables (Refer note : 6)                                 | (0.11)                               | (0.91)                               |
| Margin with clearing member (including others) {Refer Note 48(ii)} | -                                    | (203.67)                             |
| <b>Total</b>                                                       | <b>(0.11)</b>                        | <b>(204.58)</b>                      |

### 31 Depreciation and amortization expense

| Particulars                                                 | (₹ in lakhs)                         |                                      |
|-------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                             | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Depreciation on Property, plant & equipment (Refer Note 11) | 280.60                               | 259.92                               |
| Amortization on ROU (Refer Note 12)                         | 656.31                               | 607.09                               |
| Amortization of Intangible assets (Refer Note 13)           | 1,545.41                             | 1,536.25                             |
| <b>Total</b>                                                | <b>2,482.32</b>                      | <b>2,403.26</b>                      |



## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

### 32 Other expenses

| Particulars                                                      | (₹ in lakhs)                         |                                      |
|------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                  | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Rent                                                             | 61.05                                | 31.36                                |
| Business promotion expenses                                      | 1,332.74                             | 765.55                               |
| Postage and communication expenses                               | 245.74                               | 195.85                               |
| Electricity expenses                                             | 121.31                               | 105.66                               |
| Office expenses                                                  | 114.54                               | 100.52                               |
| Loss on sale of Property, plant and equipment                    | 8.65                                 | 4.34                                 |
| Expenditure on corporate social responsibility (Refer Note : 44) | 215.73                               | 139.81                               |
| Repair and Maintenance                                           |                                      |                                      |
| - Building                                                       | 32.00                                | 44.17                                |
| - Others                                                         | 37.68                                | 48.66                                |
| Computer, software and maintenance expenses                      | 165.99                               | 148.85                               |
| Insurance expenses                                               | 130.47                               | 125.64                               |
| Travelling and conveyance expenses                               | 359.91                               | 295.18                               |
| Legal and professional expenses                                  | 337.11                               | 245.98                               |
| Commission and Sitting fees to director                          | 57.75                                | 62.25                                |
| Printing and stationery expenses                                 | 55.08                                | 70.56                                |
| Rates and taxes                                                  | 39.18                                | 46.48                                |
| Membership and subscription                                      | 39.67                                | 29.37                                |
| POS Training & Development expense                               | 709.42                               | 75.97                                |
| Business Support & Marketing services                            | 3,621.41                             | -                                    |
| POS Recruitment Expense                                          | 233.98                               | -                                    |
| Claim Support expense                                            | 40.29                                | -                                    |
| Auditor's remuneration (Refer note a)                            | 46.19                                | 52.86                                |
| ARN Recruitment expenses                                         | 225.23                               | -                                    |
| Miscellaneous expenses                                           | 139.20                               | 120.39                               |
| <b>Total</b>                                                     | <b>8,370.32</b>                      | <b>2,709.45</b>                      |

#### (a) Payment to auditors

| Particulars                             | (₹ in lakhs)                         |                                      |
|-----------------------------------------|--------------------------------------|--------------------------------------|
|                                         | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| As auditor (excluding applicable taxes) |                                      |                                      |
| Statutory audit fee                     | 41.74                                | 49.11                                |
| Certification fees                      | 4.45                                 | 3.75                                 |
| Others                                  | -                                    | -                                    |
| <b>Total</b>                            | <b>46.19</b>                         | <b>52.86</b>                         |

## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

### 33 Income tax expense

| Particulars                                                                       | (₹ in lakhs)                         |                                      |
|-----------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                                   | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| <b>(i) Income tax expense recognised in Statement of Profit and Loss and OCI:</b> |                                      |                                      |
| <b>A Income tax expense recognised in Statement of Profit and loss:</b>           |                                      |                                      |
| Current tax                                                                       |                                      |                                      |
| In respect of current year                                                        | 4,424.98                             | 3,470.39                             |
| In respect of earlier years                                                       | (1.43)                               | 0.22                                 |
|                                                                                   | <b>4,423.55</b>                      | <b>3,470.61</b>                      |
| Deferred tax                                                                      |                                      |                                      |
| In respect of current year                                                        | 285.42                               | 542.55                               |
|                                                                                   | <b>285.42</b>                        | <b>542.55</b>                        |
| <b>Total Tax expense debited to consolidated statement of Profit and Loss</b>     | <b>4708.97</b>                       | <b>4013.16</b>                       |
| <b>B Income tax expense recognised in OCI:</b>                                    |                                      |                                      |
| Deferred tax                                                                      |                                      |                                      |
| In respect of current year                                                        | (39.10)                              | (6.21)                               |
|                                                                                   | <b>(39.10)</b>                       | <b>(6.21)</b>                        |

#### (ii) Reconciliation of tax expense and the accounting profit

The major components of tax expense and the reconciliation of the expected tax expense based on the effective tax rate of the group at 25.17% and the reported tax expense in profit or loss are as follows:

| Particulars                                                                             | (₹ in lakhs)                         |                                      |
|-----------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                                         | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| <b>Profit before tax</b>                                                                | <b>18,584.09</b>                     | <b>15,682.01</b>                     |
| <b>Tax Rate applied</b>                                                                 | 25.17%                               | 25.17%                               |
| <b>Income tax expense calculated at the applicable tax rate on Profit before tax</b>    | <b>4,677.62</b>                      | <b>3,947.16</b>                      |
| Adjustment in Tax due to the following (tax benefit)/tax expenses                       |                                      |                                      |
| Expenses not deductible for tax purpose (net)                                           | 40.52                                | 29.61                                |
| Income Chargeable at Different tax rate                                                 | -                                    | (1.30)                               |
| Effects of unused tax losses and unabsorbed depreciation not recognised as deferred tax | (1.04)                               | -                                    |
| Adjustment in respect to previous years                                                 | 0.04                                 | 0.22                                 |
| Others                                                                                  | (8.17)                               | 37.47                                |
| <b>Tax expenses recognised during the year</b>                                          | <b>4708.97</b>                       | <b>4013.16</b>                       |
| <b>Effective Tax Rate</b>                                                               | <b>25.34%</b>                        | <b>25.59%</b>                        |

## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

### (iii) Deferred tax

Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of deductible temporary differences.

| Break up of Deferred tax (liabilities)/assets         | (₹ in lakhs)            |                                                  |                   |                         |
|-------------------------------------------------------|-------------------------|--------------------------------------------------|-------------------|-------------------------|
|                                                       | As at<br>April 01, 2023 | Recognised in<br>Statement of Profit<br>and Loss | Recognised in OCI | As at<br>March 31, 2024 |
| <b>Deferred Tax Assets (A)</b>                        |                         |                                                  |                   |                         |
| Property, Plant and Equipment                         | 7.08                    | 2.23                                             | -                 | 9.31                    |
| Employee Benefit Obligations                          | 12.16                   | 6.05                                             | 4.04              | 22.25                   |
| Fair valuation of Financial Instruments               | (0.42)                  | 0.04                                             | -                 | (0.37)                  |
| Impact on account of Right of Use and Lease Liability | 0.79                    | (0.12)                                           | -                 | 0.67                    |
| Impairment of Financial Assets                        | 67.37                   | (1.50)                                           | -                 | 65.87                   |
| Others                                                | -                       | -                                                | -                 | -                       |
| <b>Total (A)</b>                                      | <b>86.98</b>            | <b>6.70</b>                                      | <b>4.04</b>       | <b>97.73</b>            |
| <b>Deferred Tax Liabilities (B)</b>                   |                         |                                                  |                   |                         |
| Property, Plant and Equipment                         | (720.02)                | (244.85)                                         | -                 | (964.87)                |
| Employee Benefit Obligations                          | 124.26                  | 22.52                                            | 35.06             | 181.84                  |
| Fair valuation of Financial Instruments               | (70.75)                 | (89.22)                                          | -                 | (159.97)                |
| Impact on account of Right of Use and Lease Liability | 1.74                    | -                                                | -                 | 1.74                    |
| Impairment of Financial Assets                        | -                       | -                                                | -                 | -                       |
| Others                                                | 0.20                    | 19.43                                            | -                 | 19.63                   |
| <b>Total (B)</b>                                      | <b>(664.57)</b>         | <b>(292.12)</b>                                  | <b>35.06</b>      | <b>(921.63)</b>         |
| <b>Total (Net) (A+B)</b>                              | <b>(577.59)</b>         | <b>(285.42)</b>                                  | <b>39.10</b>      | <b>(823.90)</b>         |
| Break up of Deferred tax (liabilities)/assets         | (₹ in lakhs)            |                                                  |                   |                         |
|                                                       | As at<br>April 01, 2022 | Recognised in<br>Statement of profit<br>and Loss | Recognised in OCI | As at<br>March 31, 2023 |
| <b>Deferred Tax Assets (A)</b>                        |                         |                                                  |                   |                         |
| Property, Plant and Equipment                         | 6.63                    | 0.45                                             | -                 | 7.08                    |
| Employee Benefit Obligations                          | 9.51                    | 1.83                                             | 0.82              | 12.16                   |
| Fair valuation of Financial Instruments               | (0.36)                  | (0.06)                                           | -                 | (0.42)                  |
| Impact on account of Right of Use and Lease Liability | 0.83                    | (0.04)                                           | -                 | 0.79                    |
| Impairment of Financial Assets                        | 122.41                  | (55.04)                                          | -                 | 67.37                   |
| Others                                                | -                       | -                                                | -                 | -                       |
| <b>Total (A)</b>                                      | <b>139.02</b>           | <b>(52.86)</b>                                   | <b>0.82</b>       | <b>86.98</b>            |
| <b>Deferred Tax Liabilities (B)</b>                   |                         |                                                  |                   |                         |
| Property, Plant and Equipment                         | (270.65)                | (449.37)                                         | -                 | (720.02)                |
| Employee Benefit Obligations                          | 116.96                  | 1.91                                             | 5.39              | 124.26                  |
| Fair valuation of Financial Instruments               | (27.51)                 | (43.24)                                          | -                 | (70.75)                 |
| Impact on account of Right of Use and Lease Liability | 2.62                    | (0.88)                                           | -                 | 1.74                    |
| Impairment of Financial Assets                        | -                       | -                                                | -                 | -                       |
| Others                                                | (1.69)                  | 1.89                                             | -                 | 0.20                    |
| <b>Total (B)</b>                                      | <b>(180.27)</b>         | <b>(489.69)</b>                                  | <b>5.39</b>       | <b>(664.57)</b>         |
| <b>Total (Net) (A+B)</b>                              | <b>(41.25)</b>          | <b>(542.55)</b>                                  | <b>6.21</b>       | <b>(577.59)</b>         |



## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024



There are certain income-tax related legal proceedings which are pending against the Group. Potential liabilities, if any have been adequately provided for, and the Group does not currently estimate any probable material incremental tax liabilities in respect of these matters. (Refer Note - 48)

### 34 Earning per share (EPS)

| Particulars                                                          | (₹ in lakhs)                         |                                      |
|----------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                      | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Net Profit / (Loss) after tax for calculation of EPS                 | 13,875.12                            | 11,668.85                            |
| Weighted average number of equity shares for calculating Basic EPS   | 41,406,680                           | 41,406,680                           |
| Weighted average number of equity shares for calculating Diluted EPS | 41,406,680                           | 41,406,680                           |
| Nominal value per share (in ₹)                                       | 5.00                                 | 5.00                                 |
| Basic Earning Per Share (in ₹)                                       | 33.51                                | 28.18                                |
| Diluted Earning Per Share (in ₹)                                     | 33.51                                | 28.18                                |

### 35 Detail of Employees Benefits

#### (a) Defined Contribution Plans

The Group has defined contribution plan in form of Provident Fund and Employee State Insurance Scheme for qualifying employees. Under the Schemes, the Group is required to contribute a specified rates to fund the schemes.

| Contribution to                 | (₹ in lakhs)                         |                                      |
|---------------------------------|--------------------------------------|--------------------------------------|
|                                 | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Provident Fund                  | 87.46                                | 62.03                                |
| Employee State Insurance Scheme | 21.15                                | 21.45                                |
| <b>Total</b>                    | <b>108.61</b>                        | <b>83.48</b>                         |

#### (b) Defined Benefits Plans

The Group provides for retirement benefits in the form of Gratuity. The Group's gratuity scheme (funded) provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service subject to a ceiling of ₹ 20 Lakhs Vesting occurs upon completion of 5 years of service. The Entity contributes gratuity liabilities to the respective entity Employee Group Gratuity Fund (the Trust). Trustees administrator contributions made to the Trusts and contributions are invested in Insurer Managed Funds.

The present value of the defined benefits plan was measured using the projected unit credit method.

The following tables set out the status of the gratuity plan and amounts recognised in the Consolidated Financial Statement:

#### (i) Present value of defined benefit obligation

| Particulars                                                         | (₹ in lakhs)                         |                                      |
|---------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                     | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| <b>Balance at the beginning of the year</b>                         | <b>592.10</b>                        | <b>495.58</b>                        |
| Current service cost                                                | 72.15                                | 66.42                                |
| Interest cost                                                       | 44.31                                | 36.09                                |
| Liability transferred in/ acquisitions                              | -                                    | -                                    |
| (Liability transferred out/ divestments)                            | -                                    | -                                    |
| Remeasurement (gain)/loss:                                          |                                      |                                      |
| Actuarial (gain)/loss arising from demographic assumptions          | -                                    | -                                    |
| Actuarial (gain)/loss arising from experience adjustments           | 116.67                               | 30.21                                |
| Actuarial (gain)/loss arising from changes financial in assumptions | 50.00                                | (13.99)                              |
| Benefits paid                                                       | (50.18)                              | (22.21)                              |
| Past service cost                                                   | -                                    | -                                    |
| <b>Balance at the end of the year</b>                               | <b>825.05</b>                        | <b>592.10</b>                        |

## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024



### (ii) Fair Value of Plan Assets

|                                                               | (₹ in lakhs)                         |                                      |
|---------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                               | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| <b>Fair Value of Plan Assets at the beginning of the year</b> | <b>265.70</b>                        | <b>180.94</b>                        |
| Interest income                                               | 19.88                                | 13.21                                |
| Contributions by the employer                                 | 100.00                               | 100.75                               |
| Expected contributions by the employees                       | -                                    | -                                    |
| (Benefit paid from the fund)                                  | -                                    | (20.73)                              |
| (Assets distributed on settlements)                           | -                                    | -                                    |
| Effects of Asset Ceiling                                      | -                                    | -                                    |
| Return on plan assets, excluding interest income              | 11.34                                | (8.47)                               |
| <b>Fair Value of Plan Assets at the end of the year</b>       | <b>396.92</b>                        | <b>265.70</b>                        |

### (iii) Amount Recognized in the Balance Sheet

| Particulars                                                  | (₹ in lakhs)                         |                                      |
|--------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                              | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| (Present Value of Benefit Obligation at the end of the year) | (825.05)                             | (592.10)                             |
| Fair Value of Plan Assets at the end of the year             | 396.92                               | 265.70                               |
| <b>Net (Liability)/Asset Recognized in the Balance Sheet</b> | <b>(428.13)</b>                      | <b>(326.40)</b>                      |

### (iv) Cost of the defined benefit plan for the year

| Particulars                                                   | (₹ in lakhs)                         |                                      |
|---------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                               | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Current service cost                                          | 72.15                                | 66.42                                |
| Interest cost                                                 | 24.43                                | 21.51                                |
| Past service cost                                             | -                                    | -                                    |
| (Expected contributions by the employees)                     | -                                    | -                                    |
| (Gains)/losses on curtailments and settlements                | -                                    | -                                    |
| Net effect of changes in foreign exchange rates               | -                                    | -                                    |
| <b>Expense recognised in the Statement of Profit and Loss</b> | <b>96.58</b>                         | <b>87.93</b>                         |

### (v) Recognised in other Comprehensive Income

|                                                               | (₹ in lakhs)                         |                                      |
|---------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                               | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| <b>Remeasurement on the net defined benefit liability:</b>    |                                      |                                      |
| Actuarial (gain)/loss arising from demographic adjustments    | -                                    | -                                    |
| Actuarial (gain)/loss due to changes in financial assumption  | 50.00                                | (13.99)                              |
| Actuarial (gain)/loss due to changes in experience adjustment | 116.67                               | 30.21                                |

## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024



|                                                            | (₹ in lakhs)                         |                                      |
|------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                            | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Return on plan assets, excluding interest income           | (11.34)                              | 8.47                                 |
| Change in asset ceiling                                    | -                                    | -                                    |
| <b>Recognised in the Other Comprehensive Income</b>        | <b>155.33</b>                        | <b>24.69</b>                         |
| <b>Total cost of the defined benefit plan for the year</b> | <b>251.91</b>                        | <b>112.62</b>                        |

(vi) The major categories of the fair value of the total plan assets are as follows:

|                       | (₹ in lakhs)                         |                                      |
|-----------------------|--------------------------------------|--------------------------------------|
| Particulars           | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Insurer Managed Funds | 100%                                 | 100%                                 |

In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

(vii) Experience Adjustment

|                                                       | (₹ in lakhs)                         |                                      |
|-------------------------------------------------------|--------------------------------------|--------------------------------------|
| Particulars                                           | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Defined benefit obligation at the end of year         | 825.05                               | 592.10                               |
| Plan assets at the end of year                        | 396.92                               | 265.70                               |
| <b>Net Obligation at the end of year</b>              | <b>(428.13)</b>                      | <b>(326.40)</b>                      |
| Experience adjustment on plan liabilities gain/(loss) | (116.67)                             | (30.21)                              |
| Actuarial (gain)/loss due to changes in assumptions   | (38.66)                              | 5.52                                 |

(viii) Principal actuarial assumptions:

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate, the salary growth rate and the average life expectancy. The assumptions used for the valuation of the defined benefit obligation are as follows:

|                                         | (₹ in lakhs)                         |                                      |
|-----------------------------------------|--------------------------------------|--------------------------------------|
| Particulars                             | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Discount rate (p.a.)                    | 7.21% to 7.22%                       | 6.82% to 7.50%                       |
| Expected rate of salary increase (p.a.) | 7%                                   | 6%                                   |



## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

|                                   | (₹ in lakhs)                                           |                                                        |
|-----------------------------------|--------------------------------------------------------|--------------------------------------------------------|
| Particulars                       | For the year ended<br>March 31, 2024                   | For the year ended<br>March 31, 2023                   |
| Mortality                         | Indian Assured Lives<br>Mortality 2012-2014<br>(Urban) | Indian Assured Lives<br>Mortality 2012-2014<br>(Urban) |
| Rate of employees turnover (p.a.) |                                                        |                                                        |
| For Service 4 years and below     | 2% to 25%                                              | 2% to 25%                                              |
| For Service 5 years and above     | 2%                                                     | 2%                                                     |
| Retirement age                    | 58 Years                                               | 58 Years                                               |

Estimates of future salary increase takes into account: inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The plan exposes the Group to significant actuarial risks such as interest rate risk and inflation risk:

**Inflation risk** – A significant proportion of the defined benefit liability is linked to inflation. An increase in the inflation rate will increase the Group's liability.

**Interest rate risk** – The present value of the defined benefit liability is calculated using a discount rate prevailing market yields of Indian government securities. A decrease in discount rate will increase the Group's defined benefit liability.

(ix) Sensitivity analysis in respect of the actuarial assumptions used in calculation of defined benefit obligation is given below:

|                                                         | (₹ in lakhs)                         |                                      |
|---------------------------------------------------------|--------------------------------------|--------------------------------------|
| Particulars                                             | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Projected Benefit Obligation on Current Assumptions     | 825.05                               | 592.10                               |
| Delta Effect of +1% Change in Rate of Discounting       | (99.03)                              | (69.36)                              |
| Delta Effect of -1% Change in Rate of Discounting       | 118.34                               | 82.71                                |
| Delta Effect of +1% Change in Rate of Salary Increase   | 99.55                                | 73.82                                |
| Delta Effect of -1% Change in Rate of Salary Increase   | (89.34)                              | (64.42)                              |
| Delta Effect of +1% Change in Rate of Employee Turnover | 5.49                                 | 12.65                                |
| Delta Effect of -1% Change in Rate of Employee Turnover | (6.36)                               | (14.49)                              |

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. In presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(x) The weighted average duration of the benefit obligation as at March 31, 2024 is 16 years. (as at March 31, 2023 is 16 years)

(xi) Maturity Analysis of the Benefit Payments

The followings are the expected future benefit payments for the defined benefit plan :

|                           | (₹ in lakhs)                         |                                      |
|---------------------------|--------------------------------------|--------------------------------------|
| Particulars               | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Within the next 12 months | 22.17                                | 19.05                                |
| Between 2 to 5 years      | 110.48                               | 89.28                                |

## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024



| Particulars                    | (₹ in lakhs)                         |                                      |
|--------------------------------|--------------------------------------|--------------------------------------|
|                                | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| Beyond 5 years                 | 2,381.65                             | 1,739.61                             |
| <b>Total expected payments</b> | <b>2,514.30</b>                      | <b>1,847.94</b>                      |

### (c) Compensated absence:

The employees are entitled for leave for each year of service and part thereof, subject to the limits specified, the unavailed portion of such leaves can be accumulated or encashed during/at the end of the service period up to a maximum of 100 days. The plan is funded.

Expenses recognised in the Statement of Profit and Loss amounts to ₹ 60.80 Lakhs for the year ended March 31, 2024 (March 31, 2023: ₹ 59.51 lakhs)

The current and non-current classification of obligations under defined benefit plans and other long-term benefits is done bases on the actuarial valuation reports.

### (d) Asset - Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year -on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of the one year. The Insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year ( subject to sufficiency of funds under the policy ). The policy thus mitigates the liquidity risk.

However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities . Thus, the company is exposed to movement in interest rate ( in particular , the significant fall in interest rates , which should result in a increase in liability without corresponding increase in the asset)

## 36 Related Party Disclosures

| Relationship                             | Name of Party                                                                |
|------------------------------------------|------------------------------------------------------------------------------|
| <b>Director/Key Management Personnel</b> | Mr. Sanjay R Shah - Chairman and Managing Director                           |
|                                          | Mr. Shirish Patel - Whole Time Director and CEO                              |
|                                          | Mr. Chirag Ashwinkumar Shah - Whole Time Director                            |
|                                          | Mr. Deepak Sood - Independent Director                                       |
|                                          | Mr. Karan Datta - Independent Director                                       |
|                                          | Mr. Dhiraj Poddar - Nominee Director                                         |
|                                          | Mr. Aniket Talati - Independent Director                                     |
|                                          | Mrs. Shilpi Thapar - Independent Director                                    |
|                                          | Mr. Chirag Kothari - Chief Financial Officer                                 |
|                                          | Mr. Dhaval Ghetia - Company Secretary (up to 10 <sup>th</sup> November 2023) |
|                                          | Mr. Kunal Chauhan - Company Secretary (w.e.f 25 <sup>th</sup> January 2024)  |
|                                          | <b>Relative of Director / Key Management Personnel</b>                       |
| Mr. Ramesh C. Shah                       |                                                                              |
| Ms. Maitry Sanjay Shah                   |                                                                              |
| Ms. Sakhi Sanjay Shah                    |                                                                              |
| Mrs. Falguni Chiragkumar Kothari         |                                                                              |
| Mrs. Sunitaben Dhuvad                    |                                                                              |
| Mrs. Chetanaben Bansilal Kothari         |                                                                              |
| Mrs. Sonal Paresh Mehta                  |                                                                              |



## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

| Relationship                                                                                                                             | Name of Party                                                                       |
|------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|                                                                                                                                          | Mrs. Mala Vishwakarma                                                               |
|                                                                                                                                          | Mrs. Meghna Chirag Shah                                                             |
|                                                                                                                                          | Mr. Atit Ashwinkumar Shah                                                           |
|                                                                                                                                          | Mr. Dhruvil Shirish Patel                                                           |
|                                                                                                                                          | Mr. Hemang Ashokbhai Thekadi                                                        |
| <b>Enterprises over which Key Management personnel having control or significant influence (With whom transactions have taken place)</b> | Ramesh C Shah HUF                                                                   |
|                                                                                                                                          | Chiragkumar Bansilal Kothari HUF                                                    |
|                                                                                                                                          | Sanjay R Shah HUF                                                                   |
|                                                                                                                                          | Sanjay Shah Family Trust                                                            |
| <b>Enterprise having significant influence on the Company</b>                                                                            | TA FDI Investors Limited (Formely Known As Wagner Limited) (up to 31st August 2023) |
| <b>Employee's Group Gratuity Trust</b>                                                                                                   | Prudent Corporate Advisory Services Ltd Employees Group Gratuity Fund.              |
|                                                                                                                                          | Gennext Insurance Brokers Private Limited Employees Group Gratuity Fund.            |
|                                                                                                                                          | Prudent Broking Services Private Limited Employees Group Gratuity Fund.             |

Notes: The names of the related parties and nature of the relationships where control exists are disclosed irrespective of whether or not there have been transactions between the related parties. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the Group`s with the related parties during the existence of the related party relationship.

Transactions with the Related Parties

| Particulars                                                 | Name of Related Party | (₹ in lakhs)                         |                                      |
|-------------------------------------------------------------|-----------------------|--------------------------------------|--------------------------------------|
|                                                             |                       | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| <b>Transaction with Director / Key Managerial Personnel</b> |                       |                                      |                                      |
| <b>Salary expense</b>                                       |                       | <b>1,192.28</b>                      | <b>1,165.94</b>                      |
| Mr. Sanjay Shah                                             |                       | 225.60                               | 207.00                               |
| Mr. Shirish Patel                                           |                       | 734.40                               | 725.28                               |
| Mr. Chirag Kothari                                          |                       | 44.97                                | 39.68                                |
| Mr. Dhaval Ghetia                                           |                       | 3.83                                 | 5.98                                 |
| Mr. Chirag Shah                                             |                       | 182.00                               | 188.00                               |
| Mr. Kunal Chauhan                                           |                       | 1.48                                 | -                                    |
| <b>Rent expense</b>                                         |                       | <b>5.40</b>                          | <b>5.40</b>                          |
| Mr. Sanjay Shah                                             |                       | 5.40                                 | 5.40                                 |
| <b>Final dividend on equity shares</b>                      |                       | <b>285.93</b>                        | <b>190.62</b>                        |
| Mr. Sanjay Shah                                             |                       | 269.30                               | 179.53                               |
| Mr. Shirish Patel                                           |                       | 16.36                                | 10.91                                |
| Mr. Chirag Shah                                             |                       | 0.26                                 | 0.17                                 |
| Mr. Chirag Kothari                                          |                       | 0.01                                 | 0.01                                 |
| Mr. Dhaval Ghetia                                           |                       | *-                                   | *-                                   |
| <b>Sitting fees - board meetings</b>                        |                       | <b>18.75</b>                         | <b>23.25</b>                         |
| Mr. Karan Datta                                             |                       | 3.75                                 | 4.50                                 |
| Mr. Deepak Sood                                             |                       | 4.50                                 | 5.25                                 |
| Ms. Shilpi Thapar                                           |                       | 4.50                                 | 6.00                                 |
| Mr. Aniket Talati                                           |                       | 6.00                                 | 7.50                                 |



## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024



| Particulars                              | Name of Related Party | (₹ in lakhs)                         |                                      |
|------------------------------------------|-----------------------|--------------------------------------|--------------------------------------|
|                                          |                       | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| <b>Fixed commission expense</b>          |                       | <b>39.00</b>                         | <b>39.00</b>                         |
| Mr. Karan Datta                          |                       | 15.00                                | 15.00                                |
| Mr. Deepak Sood                          |                       | 15.00                                | 15.00                                |
| Ms. Shilpi Thapar                        |                       | 6.00                                 | 6.00                                 |
| Mr. Aniket Talati                        |                       | 3.00                                 | 3.00                                 |
| <b>Brokerage, demat and other income</b> |                       | <b>0.41</b>                          | <b>0.22</b>                          |
| Mr. Shirish Patel                        |                       | 0.39                                 | 0.16                                 |
| Mr. Chirag Shah                          |                       | 0.02                                 | 0.05                                 |
| Mr. Chirag Kothari                       |                       | -                                    | 0.01                                 |
| <b>Loan taken from</b>                   |                       | <b>-</b>                             | <b>800.00</b>                        |
| Mr. Sanjay Shah                          |                       | -                                    | 800.00                               |
| <b>Loan repaid to</b>                    |                       | <b>-</b>                             | <b>800.00</b>                        |
| Mr. Sanjay Shah                          |                       | -                                    | 800.00                               |
| <b>Interest expense</b>                  |                       | <b>-</b>                             | <b>2.08</b>                          |
| Mr. Sanjay Shah                          |                       | -                                    | 2.08                                 |

| Particulars                                                             | Name of Related Party | (₹ in lakhs)                         |                                      |
|-------------------------------------------------------------------------|-----------------------|--------------------------------------|--------------------------------------|
|                                                                         |                       | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| <b>Transaction with Relative of Director / Key Management Personnel</b> |                       |                                      |                                      |
| <b>Final dividend on equity shares</b>                                  |                       | <b>93.55</b>                         | <b>62.36</b>                         |
| Mr. Ramesh C Shah                                                       |                       | 9.19                                 | 6.12                                 |
| Ms. Maitry Shah                                                         |                       | 41.40                                | 27.60                                |
| Ms. Sakhi Shah                                                          |                       | 41.40                                | 27.60                                |
| Mrs. Niketa S. Shah                                                     |                       | 1.50                                 | 1.00                                 |
| Mrs. Falguni Chiragkumar Kothari                                        |                       | *-                                   | *-                                   |
| Mrs. Sunitaben Dhuvad                                                   |                       | 0.02                                 | 0.02                                 |
| Mrs. Chetanaben Bansilal Kothari                                        |                       | 0.01                                 | *-                                   |
| Mrs. Sonal Paresh Mehta                                                 |                       | 0.02                                 | 0.02                                 |
| Mrs. Meghna Chirag Shah                                                 |                       | 0.01                                 | -                                    |
| Mr. Atit Ashwinkumar Shah                                               |                       | *-                                   | -                                    |
| <b>Rent expense</b>                                                     |                       | <b>5.84</b>                          | <b>5.56</b>                          |
| Mrs. Niketa S. Shah                                                     |                       | 5.84                                 | 5.56                                 |
| <b>Salary expense</b>                                                   |                       | <b>49.12</b>                         | <b>15.00</b>                         |
| Ms. Maitry Shah                                                         |                       | 28.00                                | 15.00                                |
| Mrs. Mala Vishwakarma                                                   |                       | 5.03                                 | -                                    |
| Mr. Hemang Ashokbhai Thekadi                                            |                       | 16.09                                | -                                    |
| <b>Sale of bonds</b>                                                    |                       | <b>-</b>                             | <b>9.78</b>                          |
| Mrs. Falguni Chiragkumar Kothari                                        |                       | -                                    | 9.78                                 |
| <b>Brokerage, demat and other income</b>                                |                       | <b>0.55</b>                          | <b>3.76</b>                          |
| Mrs. Niketa S. Shah                                                     |                       | 0.36                                 | 0.05                                 |
| Mrs. Chetanaben Bansilal Kothari                                        |                       | 0.03                                 | 0.05                                 |
| Mr. Ramesh C Shah                                                       |                       | -                                    | 3.64                                 |
| Mrs. Falguni Chiragkumar Kothari                                        |                       | -                                    | 0.01                                 |
| Mr. Hemang Ashokbhai Thekadi                                            |                       | 0.01                                 | -                                    |
| Mr. Atit Ashwinkumar Shah                                               |                       | 0.11                                 | -                                    |
| Ms. Maitry Shah                                                         |                       | 0.02                                 | -                                    |
| Mrs. Meghna Chirag Shah                                                 |                       | 0.02                                 | 0.01                                 |



## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

| Particulars                                                                                     | Name of Related Party | (₹ in lakhs)                         |                                      |
|-------------------------------------------------------------------------------------------------|-----------------------|--------------------------------------|--------------------------------------|
|                                                                                                 |                       | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| <b>Transaction with Enterprises over which Director/Key Management personnel having control</b> |                       |                                      |                                      |
| <b>Brokerage, demat and other income</b>                                                        |                       | <b>-</b>                             | <b>0.01</b>                          |
| Sanjay R Shah HUF                                                                               |                       | *-                                   | *-                                   |
| Ramesh C Shah HUF                                                                               |                       | -                                    | 0.01                                 |
| Chiragkumar Bansilal Kothari HUF                                                                |                       | *-                                   | *-                                   |
| <b>Final dividend on equity shares</b>                                                          |                       | <b>0.08</b>                          | <b>-</b>                             |
| Chiragkumar Bansilal Kothari HUF                                                                |                       | *-                                   | *-                                   |
| Ramesh C Shah HUF                                                                               |                       | 0.06                                 | *-                                   |
| Sanjay Shah Family Trust                                                                        |                       | 0.02                                 | -                                    |
| <b>Transaction with Enterprise having significant influence in the Group</b>                    |                       |                                      |                                      |
| <b>Final dividend on equity shares</b>                                                          |                       | <b>149.51</b>                        | <b>99.67</b>                         |
| TA FDI Investors Limited (Formerly Known As Wagner Limited)                                     |                       | 149.51                               | 99.67                                |
| <b>Transaction with Employee's Group Gratuity Trust</b>                                         |                       |                                      |                                      |
| <b>Contribution to Group Gratuity Fund</b>                                                      |                       | <b>100.00</b>                        | <b>100.00</b>                        |
| Prudent Corporate Advisory Services Ltd Employees Group Gratuity Fund                           |                       | 100.00                               | 100.00                               |

| Particulars                                                             | Name of Related Party | (₹ in lakhs)            |                         |
|-------------------------------------------------------------------------|-----------------------|-------------------------|-------------------------|
|                                                                         |                       | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
| <b>Outstanding Balances</b>                                             |                       |                         |                         |
| <b>Outstanding with Director / Key Managerial Personnel</b>             |                       |                         |                         |
| <b>Salary payable</b>                                                   |                       | <b>142.58</b>           | <b>269.67</b>           |
| Mr. Sanjay Shah                                                         |                       | 3.80                    | 0.25                    |
| Mr. Shirish Patel                                                       |                       | 86.90                   | 214.01                  |
| Mr. Chirag Kothari                                                      |                       | 4.72                    | 4.39                    |
| Mr. Dhaval Ghetia                                                       |                       | -                       | 0.92                    |
| Mr. Chirag Shah                                                         |                       | 46.50                   | 50.10                   |
| Mr. Kunal Chauhan                                                       |                       | 0.66                    | -                       |
| <b>Outstanding with relative of director / Key managerial personnel</b> |                       |                         |                         |
| <b>Salary payable</b>                                                   |                       | <b>6.39</b>             | <b>1.62</b>             |
| Ms. Maitry Shah                                                         |                       | 3.25                    | 1.62                    |
| Mrs. Mala Vishwakarma                                                   |                       | 1.27                    | -                       |
| Mr. Hemang Ashokbhai Thekadi                                            |                       | 1.87                    | -                       |
| <b>Trade payable</b>                                                    |                       | <b>-</b>                | <b>-</b>                |
| Mrs. Chetanaben Bansilal Kothari                                        |                       | *-                      | *-                      |

| Particulars                                                | (₹ in lakhs)                         |                                      |
|------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                            | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| <b>Short Term Employee Benefit Expenses</b>                |                                      |                                      |
| Salary to KMP                                              | 1,192.28                             | 1,165.94                             |
| Salary to Relative of KMP                                  | 49.12                                | 15.00                                |
| <b>Total compensation paid to key management personnel</b> | <b>1,241.40</b>                      | <b>1,180.94</b>                      |

### Note:-

#### Terms and conditions of transactions with related parties

As the liabilities for defined benefit obligations and compensated absences are provided based on actuarial valuation for the group as a whole, the amount pertaining to Key Management Personnel has not been included.

\*- Figure nullified in conversion of ₹ in lakhs

## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024



### 37. Details on list of Investments in Subsidiaries as per Ind AS 27

| Particulars                                                 | Proportion of ownership interest  |                                   |
|-------------------------------------------------------------|-----------------------------------|-----------------------------------|
|                                                             | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
| <b>Investment in Subsidiaries</b>                           |                                   |                                   |
| Prudent Broking Services Private Limited (Refer Note-47(A)) | 100%                              | 100%                              |
| Prutech Financial Services Private Limited                  | 100%                              | 100%                              |
| Gennext Insurance Brokers Private Limited                   | 100%                              | 100%                              |

All companies are incorporated and having primary place of business is in India.

### 38 Maturity Analysis of Assets and Liabilities

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

(₹ in lakhs)

| Particulars                                                                                 | As at March 31, 2024 |                  |                  | As at March 31, 2023 |                  |                  |
|---------------------------------------------------------------------------------------------|----------------------|------------------|------------------|----------------------|------------------|------------------|
|                                                                                             | Within 12 months     | After 12 months  | Total            | Within 12 months     | After 12 months  | Total            |
| <b>ASSETS</b>                                                                               |                      |                  |                  |                      |                  |                  |
| <b>I Financial assets</b>                                                                   |                      |                  |                  |                      |                  |                  |
| (a) Cash and cash equivalents                                                               | 1,820.12             | -                | 1,820.12         | 2,170.13             | -                | 2,170.13         |
| (b) Bank balances other than (a) above                                                      | 10,799.00            | 585.43           | 11,384.43        | 4,580.63             | 273.62           | 4,854.25         |
| (c) Securities for trade                                                                    | 1,336.22             | -                | 1,336.22         | 765.93               | -                | 765.93           |
| (d) Trade receivables                                                                       | 14,161.29            | -                | 14,161.29        | 10,326.38            | -                | 10,326.38        |
| (e) Loans                                                                                   | 68.97                | 33.17            | 102.14           | 53.20                | 40.35            | 93.55            |
| (f) Investments                                                                             | 13,669.52            | 10,927.79        | 24,597.31        | 10,456.40            | 3,837.51         | 14,293.91        |
| (g) Other financial assets                                                                  | 3,341.96             | 765.61           | 4,107.57         | 862.41               | 697.34           | 1,559.75         |
| <b>Total Financial Assets</b>                                                               | <b>45,197.08</b>     | <b>12,312.00</b> | <b>57,509.08</b> | <b>29,215.08</b>     | <b>4,848.82</b>  | <b>34,063.90</b> |
| <b>II Non-Financial assets</b>                                                              |                      |                  |                  |                      |                  |                  |
| (a) Current tax asset (net)                                                                 | 550.64               | 19.40            | 570.04           | 152.00               | 19.40            | 171.40           |
| (b) Deferred tax assets (net)                                                               | -                    | 97.73            | 97.73            | -                    | 86.98            | 86.98            |
| (c) Property, plant and equipment                                                           | -                    | 1,631.07         | 1,631.07         | -                    | 1,475.06         | 1,475.06         |
| (d) Right-of-use assets                                                                     | -                    | 1,926.34         | 1,926.34         | -                    | 1,630.70         | 1,630.70         |
| (e) Intangible assets                                                                       | -                    | 11,763.84        | 11,763.84        | -                    | 13,308.04        | 13,308.04        |
| (f) Other non-financial assets                                                              | 2,234.34             | 23.10            | 2,257.44         | 1,214.02             | 39.84            | 1,253.86         |
| <b>Total Non Financial Assets</b>                                                           | <b>2,784.98</b>      | <b>15,461.48</b> | <b>18,246.46</b> | <b>1,366.02</b>      | <b>16,560.02</b> | <b>17,926.04</b> |
| <b>Total Assets</b>                                                                         | <b>47,982.06</b>     | <b>27,773.48</b> | <b>75,755.54</b> | <b>30,581.10</b>     | <b>21,408.84</b> | <b>51,989.94</b> |
| <b>LIABILITIES</b>                                                                          |                      |                  |                  |                      |                  |                  |
| <b>I Financial Liabilities</b>                                                              |                      |                  |                  |                      |                  |                  |
| (a) Trade payables                                                                          |                      |                  |                  |                      |                  |                  |
| (i) Total outstanding dues of micro enterprises and small enterprises                       | 23.87                | -                | 23.87            | -                    | -                | -                |
| (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises | 20,457.31            | -                | 20,457.31        | 11,651.66            | -                | 11,651.66        |
| (b) Lease liabilities                                                                       | 571.23               | 1,460.31         | 2,031.54         | 528.22               | 1,173.44         | 1,701.66         |
| (c) Other financial liabilities                                                             | 96.88                | -                | 96.88            | 61.49                | -                | 61.49            |
| <b>Total Financial Liabilities</b>                                                          | <b>21,149.29</b>     | <b>1,460.31</b>  | <b>22,609.60</b> | <b>12,241.37</b>     | <b>1,173.44</b>  | <b>13,414.81</b> |

## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024



(₹ in lakhs)

| Particulars                            | As at March 31, 2024 |                 |                  | As at March 31, 2023 |                 |                  |
|----------------------------------------|----------------------|-----------------|------------------|----------------------|-----------------|------------------|
|                                        | Within 12 months     | After 12 months | Total            | Within 12 months     | After 12 months | Total            |
| <b>II Non-Financial Liabilities</b>    |                      |                 |                  |                      |                 |                  |
| (a) Current tax liability (net)        | 147.55               | -               | 147.55           | 374.94               | -               | 374.94           |
| (b) Deferred tax liability (net)       | -                    | 921.63          | 921.63           | -                    | 664.57          | 664.57           |
| (c) Provisions                         | 294.94               | 383.54          | 678.48           | 235.70               | 305.27          | 540.97           |
| (d) Other non-financial liabilities    | 3,262.86             | -               | 3,262.86         | 1,997.01             | -               | 1,997.01         |
| <b>Total Non-Financial Liabilities</b> | <b>3,705.36</b>      | <b>1,305.17</b> | <b>5,010.52</b>  | <b>2,607.65</b>      | <b>969.84</b>   | <b>3,577.49</b>  |
| <b>Total Liabilities</b>               | <b>24,854.65</b>     | <b>2,765.48</b> | <b>27,620.12</b> | <b>14,849.02</b>     | <b>2,143.29</b> | <b>16,992.30</b> |

### 39 Financial Instruments

#### (i) Capital Management

The Group's objective for capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor and customer confidence, to ensure future development of its business and remain going concern. The Group is focused on keeping strong capital base to ensure independence and sustained growth in business. The Group determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The Group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented in the balance sheet. The funding requirements are predominately met through equity and revenue generated from operations.

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell non-core assets to reduce the debt.

(₹ in lakhs)

| Particulars                     | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------|----------------------|----------------------|
| Debt                            | -                    | -                    |
| Equity                          | 48,135.42            | 34,997.64            |
| <b>Debt to Equity Ratio (%)</b> | <b>0.00%</b>         | <b>0.00%</b>         |

Lease liability arising on account of implementation of Ind AS 116 is not considered in the above working, as it is a liability.

No changes were made in the objectives, policies or processes for managing capital during the current year and previous years.

## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024



### (ii) Category-wise financial instruments:

The accounting classification of each category of financial instruments and their carrying amounts are set out below:

| Financial Assets as at March 31, 2024              | As at March 31, 2024 |          |                  |                      |                  |
|----------------------------------------------------|----------------------|----------|------------------|----------------------|------------------|
|                                                    | Amortised Cost       | FVTOCI   | FVTPL            | Total carrying value | Total fair value |
| Cash and Cash equivalents                          | 1,820.12             | -        | -                | 1,820.12             | 1,820.12         |
| Bank Balances other than cash and cash equivalents | 11,384.43            | -        | -                | 11,384.43            | 11,384.43        |
| Securities for trade                               | -                    | -        | 1,336.22         | 1,336.22             | 1,336.22         |
| Trade receivables                                  | 14,161.29            | -        | -                | 14,161.29            | 14,161.29        |
| Loans                                              | 102.14               | -        | -                | 102.14               | 102.14           |
| Investments                                        | 5,321.25             | -        | 19,276.06        | 24,597.31            | 24,295.63        |
| Other financial assets                             | 4,107.57             | -        | -                | 4,107.57             | 4,107.57         |
| <b>Total</b>                                       | <b>36,896.80</b>     | <b>-</b> | <b>20,612.28</b> | <b>57,509.08</b>     | <b>57,207.40</b> |
| <b>Financial Liabilities as at March 31, 2024</b>  |                      |          |                  |                      |                  |
| Trade payables                                     | 20,481.18            | -        | -                | 20,481.18            | 20,481.18        |
| Lease liabilities                                  | 2,031.54             | -        | -                | 2,031.54             | 2,031.54         |
| Other financial liabilities                        | 96.88                | -        | -                | 96.88                | 96.88            |
| <b>Total</b>                                       | <b>22,609.60</b>     | <b>-</b> | <b>-</b>         | <b>22,609.60</b>     | <b>22,609.60</b> |

| Financial Assets as at March 31, 2023              | As at March 31, 2023 |          |                  |                      |                  |
|----------------------------------------------------|----------------------|----------|------------------|----------------------|------------------|
|                                                    | Amortised Cost       | FVTOCI   | FVTPL            | Total carrying value | Total fair value |
| Cash and Cash equivalents                          | 2,170.13             | -        | -                | 2,170.13             | 2,170.13         |
| Bank Balances other than cash and cash equivalents | 4,854.25             | -        | -                | 4,854.25             | 4,854.25         |
| Securities for trade                               | -                    | -        | 765.93           | 765.93               | 765.93           |
| Trade receivables                                  | 10,326.38            | -        | -                | 10,326.38            | 10,326.38        |
| Loans                                              | 93.55                | -        | -                | 93.55                | 93.55            |
| Investments                                        | 1,690.61             | -        | 12,603.30        | 14,293.91            | 14,269.87        |
| Other financial assets                             | 1,559.75             | -        | -                | 1,559.75             | 1,559.75         |
| <b>Total</b>                                       | <b>20,694.67</b>     | <b>-</b> | <b>13,369.23</b> | <b>34,063.90</b>     | <b>34,039.86</b> |
| <b>Financial Liabilities as at March 31, 2023</b>  |                      |          |                  |                      |                  |
| Trade payables                                     | 11,651.66            | -        | -                | 11,651.66            | 11,651.66        |
| Lease liabilities                                  | 1,701.66             | -        | -                | 1,701.66             | 1,701.66         |
| Other financial liabilities                        | 61.49                | -        | -                | 61.49                | 61.49            |
| <b>Total</b>                                       | <b>13,414.81</b>     | <b>-</b> | <b>-</b>         | <b>13,414.81</b>     | <b>13,414.81</b> |

For description of the Group's financial instrument risks, including risk management objectives and policies is given in, Note 40. The methods used to measure financial assets and liabilities reported at fair value are described in the note below.

### (iii) Fair Value Hierarchy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

Financial assets and financial liabilities measured at fair value in the Balance Sheet are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

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

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis.



## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

(a) The Group uses the following hierarchy for determining and/or disclosing the fair value of financial assets by valuation techniques:

| Financial Assets as at March 31, 2024        | (₹ in lakhs)     |              |          |                  |
|----------------------------------------------|------------------|--------------|----------|------------------|
|                                              | Level 1          | Level 2      | Level 3  | Total            |
| <b>At fair value through profit or loss</b>  |                  |              |          |                  |
| Securities for trade                         | 1,315.82         | 20.40        | -        | 1,336.22         |
| Investments                                  | 19,276.06        | -            | -        | 19,276.06        |
| <b>Total</b>                                 | <b>20,591.88</b> | <b>20.40</b> | <b>-</b> | <b>20,612.28</b> |
| <b>Financial Assets as at March 31, 2023</b> |                  |              |          |                  |
| <b>At fair value through profit or loss</b>  |                  |              |          |                  |
| Securities for trade                         | 726.93           | 39.00        | -        | 765.93           |
| Investments                                  | 12,603.30        | -            | -        | 12,603.30        |
| <b>Total</b>                                 | <b>13,330.23</b> | <b>39.00</b> | <b>-</b> | <b>13,369.23</b> |

There is no movement from between Level 1, Level 2 and Level 3.

### (b) Financial Instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

### 40 Financial Risk Management, Objective and Policies

The Group's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, credit risk and market risk. Risk management policies have been established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review and reflect the changes in the policy accordingly.

The Group's Management reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

#### (a) Credit Risk:

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit Risk arises principally from the Company's cash and bank balances, trade receivables, investments, securities held for trade, loans, and security deposits.

The carrying amounts of financial assets represent the maximum credit risk exposure. Credit risk assessment on various components is described below:

##### (i) Trade receivables

The Group's trade receivables primarily include receivables from asset management companies (AMCs) for services provided, receivable from stock exchanges (for trade executed on behalf of customers) as well as clients and receivable from insurance companies. The group has not made any provision on ECL on account of receivables from AMCs, Stock exchanges and Insurance companies.

The group's management as established accounts receivable policy under which customer accounts are regularly monitored. The group has a dedicated risk management team, which monitors the positions, exposures and margin on a continuous basis.

##### (ii) Cash and cash equivalents, bank deposits, investments and Securities held for trade

The Group maintains its cash and cash equivalents, bank deposits, investment, and securities held for trade with reputed banks, financial institutions, and corporates. The credit risk on these instruments is limited because the counterparties are banks and high credit rated financial institutions and corporates assigned by credit rating agencies.



## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024



### (iii) Security Deposits and Loans

This consists of loans given to Employees and Security Deposits given to lessors as well as to utility providers like Electricity companies. These carries limited credit risk based on the financial position of parties and Group's historical experience of dealing with these parties.

### (iv) Expected Credit Loss (ECL):

The Company follows simplified ECL method in case of Trade Receivables and the Company recognises lifetime expected losses for all trade receivables that do not constitute a financing transaction. The Company assesses the provision for ECL on each reporting dates.

For the purpose of computation of ECL, the term default implies an event where amount due towards margin requirement and/or mark to market losses for which the client was unable to provide funds / collaterals, within 90 days of its due, to bridge the shortfall, the same is termed as margin call triggered.

The Company assesses allowance for expected credit losses for Loans and other financial assets. The ECL allowance is based upon 12 months expected credit losses. These carries very minimal credit risk based on the financial position of parties and Company's historical experience of dealing with these parties. Credit Risk on Other Financial assets is considered insignificant considering the nature of such assets and absence of counterparty risk.

#### The movement in expected credit loss:

| Particulars                             | (₹ in lakhs)                            |                                         |
|-----------------------------------------|-----------------------------------------|-----------------------------------------|
|                                         | Carrying Amount<br>As at March 31, 2024 | Carrying Amount<br>As at March 31, 2023 |
| Opening balance                         | 178.11                                  | 179.02                                  |
| Impairment loss recognised / (reversed) | (0.11)                                  | (0.91)                                  |
| <b>Closing balance</b>                  | <b>178.00</b>                           | <b>178.11</b>                           |

### (b) Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include foreign currency receivables, deposits, investments in mutual funds.

Market risk exposures are measured using sensitivity analysis. There has been no change in the measurement and management of the Group's exposure to market risks.

#### (i) Foreign currency risk

The functional currency of the Company is INR. The Company does not have material foreign currency exposure. Hence, currency risk is very limited.

#### (ii) Price Risk :

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, caused by factors specific to an individual investments, its issuer and market. The Group's exposure to price risk arises from diversified investments in mutual funds and Bonds, and Securities held for trade, and classified in the balance sheet at fair value through profit or loss.

| Changes in Prices<br>of Investments and<br>Securities held for trade | Impact on profit or loss       | (₹ in lakhs)         |                      |
|----------------------------------------------------------------------|--------------------------------|----------------------|----------------------|
|                                                                      |                                | As at March 31, 2024 | As at March 31, 2023 |
| +10%                                                                 | Profit before tax increased by | 2,061.22             | 1,336.92             |
| -10%                                                                 | Profit before tax decreased by | (2061.22)            | (1,336.92)           |



## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

### (iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk primarily arises from investments in debt oriented mutual funds and debt securities. The Company's investments in debt oriented mutual funds and debt securities are primarily short-term, which do not expose it to significant interest rate risk.

All the borrowings of the group are fixed interest rate bearing instruments and hence there is no significant impact of movement in interest rate.

### (c) Liquidity risk:

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Group's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities. In doing this, management considers both normal and stressed conditions. The Group also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

The Group has established an appropriate liquidity risk management framework for the management of the Group's short-term, medium-term, and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and by continuously monitoring cash flows, and by matching the maturity profiles of financial assets and liabilities.

### Contractual maturities of financial liabilities and assets

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2024:

| Particulars                 | (₹ in lakhs)     |                 |                   |                  |
|-----------------------------|------------------|-----------------|-------------------|------------------|
|                             | Upto 1 year      | 1-5 years       | More than 5 years | Total            |
| <b>Liabilities</b>          |                  |                 |                   |                  |
| Trade payables              | 20,481.18        | -               | -                 | 20,481.18        |
| Lease liabilities           | 571.23           | 1,369.54        | 90.77             | 2,031.54         |
| Other financial liabilities | 96.88            | -               | -                 | 96.88            |
| <b>Total</b>                | <b>21,149.29</b> | <b>1,369.54</b> | <b>90.77</b>      | <b>22,609.60</b> |

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2023 :

| Particulars                 | (₹ in lakhs)     |                 |                   |                  |
|-----------------------------|------------------|-----------------|-------------------|------------------|
|                             | Upto 1 year      | 1-5 years       | More than 5 years | Total            |
| <b>Liabilities</b>          |                  |                 |                   |                  |
| Trade payables              | 11,651.66        | -               | -                 | 11,651.66        |
| Lease liabilities           | 528.22           | 1,163.96        | 9.48              | 1,701.66         |
| Other financial liabilities | 61.49            | -               | -                 | 61.49            |
| <b>Total</b>                | <b>12,241.37</b> | <b>1,163.96</b> | <b>9.48</b>       | <b>13,414.81</b> |





## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are promoting education, art and culture, healthcare, destitute care, women entrepreneurship & employability and rehabilitation, environment sustainability, disaster relief and Public health. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

As per notification issued by Ministry of Corporate Affairs dated January 22, 2021, where a company spends an amount in excess of requirement provided under sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years.

(i) Gross amount required to be spent during the year ₹214.48 Lakhs (previous year ₹139.86 Lakhs)

(ii) Excess amount to be set off against succeeding three financial years ₹5.62 Lakhs (previous year ₹4.37 Lakhs)

**45** The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules thereunder are yet to be framed. Accordingly, the actual impact of this change will be assessed and accounted for when the notification becomes effective.

### 46 Standards issued but not effective

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. During the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the company.

### 47 Events Occurring After Balance Sheet Date

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approved Consolidated Financial Statement to determine the necessity for recognition and/or reporting of any of these events and transactions in the Consolidated Financial Statement as of August 08, 2024 there is no significant events occurred, except disclosed.

The Board of Directors of Parent Company have recommended a final dividend of ₹2/- (face value of ₹5/- each) (40%) per equity share for the year ended March 31, 2024 on 4,14,06,680 equity shares, amounting ₹828.13/- lakhs subject to the approval of the shareholders at the ensuing Annual General Meeting and is not recognised as a liability.

### 47(A) Amalgamation of Prudent Broking Services Private Limited with the Parent Company w.e.f April 01, 2023.

On July 25, 2023, the Board of Directors of Prudent Corporate Advisory Services Limited ("PCASL" or "the Parent Company") approved a Scheme of Amalgamation between Prudent Broking Services Private Limited ("PBSPL"), a wholly owned subsidiary, and PCASL and their respective shareholders and creditors, effective from the appointed date of April 01, 2023 (the "Amalgamation Scheme"). PBSPL is a Clearing member of National Stock Exchange of India (NSE), Bombay Stock Exchange Limited (BSE), Multi Commodity of India Limited (MCX), and Member of Metropolitan Stock Exchange of India Limited, (MSEI), National Commodities and Derivatives Exchange Limited (NCDEX) and a depository participant with Central Depository Services (India) Limited (CDSL). PBSPL is engaged in the business of stock, currency and commodity broking, providing margin trading facility, depository services and earns brokerage, fees, commission, research analysis, interest income and other investment related services to its clients.

The Parent Company has received approval for the Scheme from the Office of the Regional Director ("RD"), North Western Region, Ministry of Corporate Affairs ("MCA"), Ahmedabad (Gujarat) vide confirmation order dated August 02, 2024. The transaction being a common control transaction in accordance with Appendix C of Ind-AS 103, does not have any impact on the consolidated financial statements of the Group.

### 47 (B) Compliance With Number Of Layers Of Companies:

The Group is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.



## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

### 48 Additional Information to the Consolidated Financial Statement

#### (a) Contingent liabilities

| Particulars                                                                                | (₹ in lakhs)                         |                                      |
|--------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                                            | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
| <b>(1) Claims against the Company not acknowledged as debt:</b>                            |                                      |                                      |
| (i) Disputed Income Tax demand (Refer note-1)                                              | 568.26                               | 538.47                               |
| (ii) Disputed Goods and Services Tax demand (includes Interest and Penalty) (Refer Note-2) | 108.61                               | -                                    |
| <b>Total</b>                                                                               | <b>676.87</b>                        | <b>538.47</b>                        |
| <b>(2) Bank Guarantee with Exchanges as margin requirement</b>                             | <b>1,990.00</b>                      | <b>1,990.00</b>                      |
| <b>Total</b>                                                                               | <b>1,990.00</b>                      | <b>1,990.00</b>                      |

Note-1.1 The Assessment Unit of Income Tax has issued an order under Section 147 of the Income Tax Act, 1961, confirming the income tax demand of Rs. 20.69 lakhs for the Assessment Year 2016-17 and Rs. 9.10 lakhs for Assessment Year 2018-19. In both the Assessment Year, tax demanded was based on the denial of exemption for a portion of dividend income. The Parent Company has paid Rs. 4.14 lakhs under protest for AY 2016-17. Further, the Parent Company has filed an appeal against these assessment orders during the current year, and both matters are currently pending with the National Faceless Appeal Centre (NFAC).

Based on prior experience management is reasonably confident that during the current year, no material impact on the financial position or performance of the Parent Company is envisaged.

Note 1.2 The PBSPL, has received an assessment order under Section 147 read with Section 144B of the Income Tax Act, 1961, passed by the Assessment Unit of the Income Tax Department on September 29, 2021. The order demands an additional tax liability of ₹538.47 lakhs for the Assessment Year 2013-14. This demand arises from an addition made under Section 68 read with Section 115BBE of the Income Tax Act. PBSPL has contested the order by filing an appeal before the Commissioner of Income Tax (Appeals) on October 13, 2021. In connection with the appeal, PBSPL has deposited ₹50.00 lakhs under protest. The matter is currently pending before the National Faceless Appeal Centre (NFAC).

Note 1.3 The PBSPL has also received notices under Section 148 for the reopening of assessments under Section 147 read with Section 144B of the Income Tax Act, 1961 for the Assessment Years 2014-15, 2015-16, 2016-17, and 2017-18. These notices were issued on grounds similar to those in the Assessment Year 2013-14. PBSPL responded by filing writ petitions with the Gujarat High Court, which resulted in a stay on the proceedings. Subsequently, based on a Supreme Court judgment, the Income Tax Department was permitted to reissue notices under Section 148A(b). PBSPL received these notices for all the aforementioned years in June 2022 and filed its replies on June 27, 2022.

Favorable orders have since been received by PBSPL, stating that these matters are not fit cases for the issuance of notices under Section 148 of the Income Tax Act. Consequently, the assessments for all these years have been dropped.

Note-2.1 The Parent Company has received various assessment order from Assistant Commissioner/Deputy Commissioner of Central/State Tax in the state of Gujarat, Maharashtra, Telangana, and West Bengal for raising total demand of GST of ₹ 91.55 lakhs (including interest and penalty specified in orders) on various matters like Input Tax Credit (ITC) disallowance due to mismatch with GSTR-2A, non-short reversal of ITC on exempt supplies, ineligible/blocked ITC availed. The Company has paid ₹ 4.65 lakhs under protest during the current year. The Company has filed an appeal with Appellate Authority and the same is yet to be concluded as on the reporting date.

Note-2.2 The Parent Company has received show cause notice in the state of Gujarat (FY 2019-20) for raising total demand of GST ₹ 17.06 lakhs (excluding interest and penalty) on various matters like Input Tax Credit (ITC) disallowance due to mismatch with GSTR-2A, non-short reversal of ITC on exempt supplies, ineligible/blocked ITC availed, short payment of tax but didn't receive further demand order and the same is yet to be concluded as on the reporting date. Accordingly, the Company has disclosed such demand amount under as contingent liabilities.





## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

Most of the issues of litigation pertaining to the GST Act are based on the interpretation of the respective laws and rules thereunder. Management has been opined by its legal counsel that many of the issues raised by tax authorities will not be sustainable in the law as they are covered by judgements of respective judicial authorities, which supports its contention. During the current year, no material impact on the financial position or performance of the company is envisaged.

- (b) The Prudent Broking Services Private Limited (PBSPL) ("Trading member") had entered into an agreement with IL&FS Securities Services Ltd ("ISSL" or "Clearing Member") for appointing ISSL as Company's Clearing Member for Derivative Segment. As a part of the agreement, the Trading Member had to place margins with Clearing Member for trading member's client open positions. As at year end March 2019, this margin amount placed by PBSPL with ISSL amounted to ₹ 213.91 Lakhs. In July 2019, the National Stock Exchange("NSE") disabled the terminals of ISSL citing shortfalls in payments by ISSL which resulted in the trading members not being able to place trades for its clients. Considering the IL&FS crisis, PBSPL obtained NOC from ISSL and appointed Axis Bank Limited as its Clearing Member. Since the margin amount had not been released by ISSL, PBSPL and other trading members along with the Association of National Exchanges Members of India (ANMI) filed an Interlocutory Application in the Supreme Court of India on September 26, 2019 requesting the release of the funds by ISSL. The Supreme Court dismissed this interlocutory application in December 2020 and asked the parties to file case with lower authorities. Thereafter, PBSPL filed a complaint with NSE's Grievance Redressal Committee (GRC) on December 28, 2020. GRC has accepted PBSPL's claim of ₹ 204.67 Lakhs in the committee meeting held on July 15, 2021. Further, ANMI has filed an interlocutory application under Rule 31 of National Company Law Appellate Tribunal Rules, 2016 on behalf of Trading Members, which was admitted on December 01, 2021 and the matter is still pending. Considering the facts of the case, the management of PBSPL has already provided ₹ 213.91 Lakhs as impairment allowance in F.Y. 2020-21, The PBSPL has received the GRC order and directed ISSL to pay ₹ 204.67 Lakhs. The PBSPL has received ₹ 203.67 Lakhs against Derivative Segment on September 21, 2022 subsequently PBSPL has reversed the impairment provision amounting to ₹203.67 Lakhs. Balance ₹ 1 Lakhs against Debt Segment is still pending. (Refer Note 8 and 30).

### (c) Capital commitments and other commitments

Based on the information available with the group, there is no capital commitments and other commitments as on March 31, 2024.

- 49 On October 20, 2022, Prudent Corporate Advisory Services Limited ("Parent Company" or "PCASL") acquired Mutual Fund Assets under Management ("AUM") of iFAST Financial India Private Limited (iFAST). The Company has paid Rs.226.23/- Lakhs (excluding taxes) as consideration for the same. The said AUM has been transferred from iFAST ARN to the Company's ARN in the same month. Based on the analysis performed by the management of the Parent Company, the said transaction has been accounted for as an asset acquisition w.e.f. October 1, 2022. Based on the analysis performed by the management of the Company, it has concluded that the acquisition does not qualify as a "Business" as per the definition provided in Ind AS 103 "Business Combination". Consequently, the said acquisition is accounted for as an asset acquisition. As required under Ind-AS 38, the Company has considered various factors such as its ability to retain the customers and generate revenue over a sustainable period, technical and technological changes expected, the industry growth prospects and the leverage of its existing physical and digital infrastructure to serve these customers and concluded that the cost of acquiring the customer folios should be amortized over a 10 year period on a straight line basis.

### 50 Other statutory information

- (a) The Group does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- (b) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (c) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
- (ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.



## Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

- (d) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party. (ultimate beneficiaries) or
- (ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- (e) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (f) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (g) The Group does not have any transactions with companies which are struck off.
- (h) The Group was not required to file quarterly statement/returns of current assets with the banks or financial institutions w.r.t. secured working capital borrowings.

- 51 Additional regulatory information required under (WB)(xiv) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Group as it is in Distribution of Mutual Fund, Stock broking and other Financial and Non Financial Product Distribution business and not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.

### 52 Disclosure for maintenance of books with audit trail

The Ministry of Corporate Affairs(MCA) has issued a notification dated 24th March 2021 (Companies(Accounts) Amendments Rules,2021) which is effective from April 01,2023, states that every Company which uses accounting software for maintaining its books of account shall use only such accounting software which has a feature of recording audit trail of each and every transaction, and further 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.

In respect of primary accounting software used from April 01, 2023 to June 30, 2023, there was no feature of recording the audit trail (edit log). Thereafter, the Parent Company has upgraded to advanced version of the accounting software having feature of recording audit trail for all transactions, and creating an edit log of each change made along with the date when such changes were made and also audit trail cannot be disabled.

In respect of software related to Mutual Fund Business which is internally developed software by the Parent Company, the audit trail feature related to who has made the changes in the rate master was not enabled throughout the year at user name level but it is enabled at computer system level. W.e.f April 01, 2024, the same has been updated and now recording of audit trail feature at user name level is enabled. Further no audit trail was enabled for all relevant transactions at the database level to log any direct data changes.

Further, no instance of audit trail feature being tampered with was noted in respect of accounting software for which the audit trail feature was enabled and operating.

- 53 The Consolidated Financial Statement were authorized for issue in accordance with a resolution of the Board of Directors on August 08, 2024.

### For and on behalf of the Board of Directors of Prudent Corporate Advisory Services Limited

#### Sanjay Shah

Chairman and Managing Director  
DIN : 00239810

#### Shirish Patel

Whole Time Director and CEO  
DIN : 00239732

#### Chirag Shah

Whole Time Director  
DIN : 01480310

#### Chirag Kothari

Chief Financial Officer

#### Kunal Chauhan

Company Secretary

Place : Ahmedabad

Date: August 08, 2024

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2024

## Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

### Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

#### Part "A": Subsidiaries

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

(Figures in lakhs)

| S I . No. | Particulars                                                                                                                 | Details                                    | Details                                   |
|-----------|-----------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|-------------------------------------------|
| 1.        | Name of the subsidiary                                                                                                      | Prutech Financial Services Private Limited | Gennext Insurance Brokers Private Limited |
| 2.        | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | No                                         | No                                        |
| 3.        | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | No                                         | No                                        |
| 4.        | Share capital                                                                                                               | ₹ 10.00                                    | ₹ 87.00                                   |
| 5.        | Reserves & surplus                                                                                                          | ₹ 108.08                                   | ₹ 10439.79                                |
| 6.        | Total assets                                                                                                                | ₹ 123.73                                   | ₹ 13782.40                                |
| 7.        | Total Liabilities                                                                                                           | ₹ 5.65                                     | ₹ 3255.61                                 |
| 8.        | Investments                                                                                                                 | ₹ 113.96                                   | ₹ 10028.27                                |
| 9.        | Turnover                                                                                                                    | ₹ 60.30                                    | ₹ 11658.05                                |
| 10.       | Profit before taxation                                                                                                      | ₹ 39.99                                    | ₹ 3765.35                                 |
| 11.       | Provision for taxation & Deferred Tax                                                                                       | ₹ 10.19                                    | ₹ 969.60                                  |
| 12.       | Profit after taxation                                                                                                       | ₹ 29.80                                    | ₹ 2795.75                                 |
| 13.       | Proposed Dividend                                                                                                           | Nil                                        | Nil                                       |
| 14.       | % of shareholding                                                                                                           | 100.00%                                    | 100.00%                                   |

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations – **No**
- Names of subsidiaries which have been liquidated or sold during the year– **No**
- Turnover includes Revenue from operations and Other income.

#### For and on behalf of the Board of Directors of Prudent Corporate Advisory Services Limited

|                                                                        |                                                                       |                                                             |                                                  |                                           |
|------------------------------------------------------------------------|-----------------------------------------------------------------------|-------------------------------------------------------------|--------------------------------------------------|-------------------------------------------|
| <b>Sanjay Shah</b><br>Chairman and Managing Director<br>DIN : 00239810 | <b>Shirish Patel</b><br>Whole Time Director and CEO<br>DIN : 00239732 | <b>Chirag Shah</b><br>Whole Time Director<br>DIN : 01480310 | <b>Chirag Kothari</b><br>Chief Financial Officer | <b>Kunal Chauhan</b><br>Company Secretary |
|------------------------------------------------------------------------|-----------------------------------------------------------------------|-------------------------------------------------------------|--------------------------------------------------|-------------------------------------------|

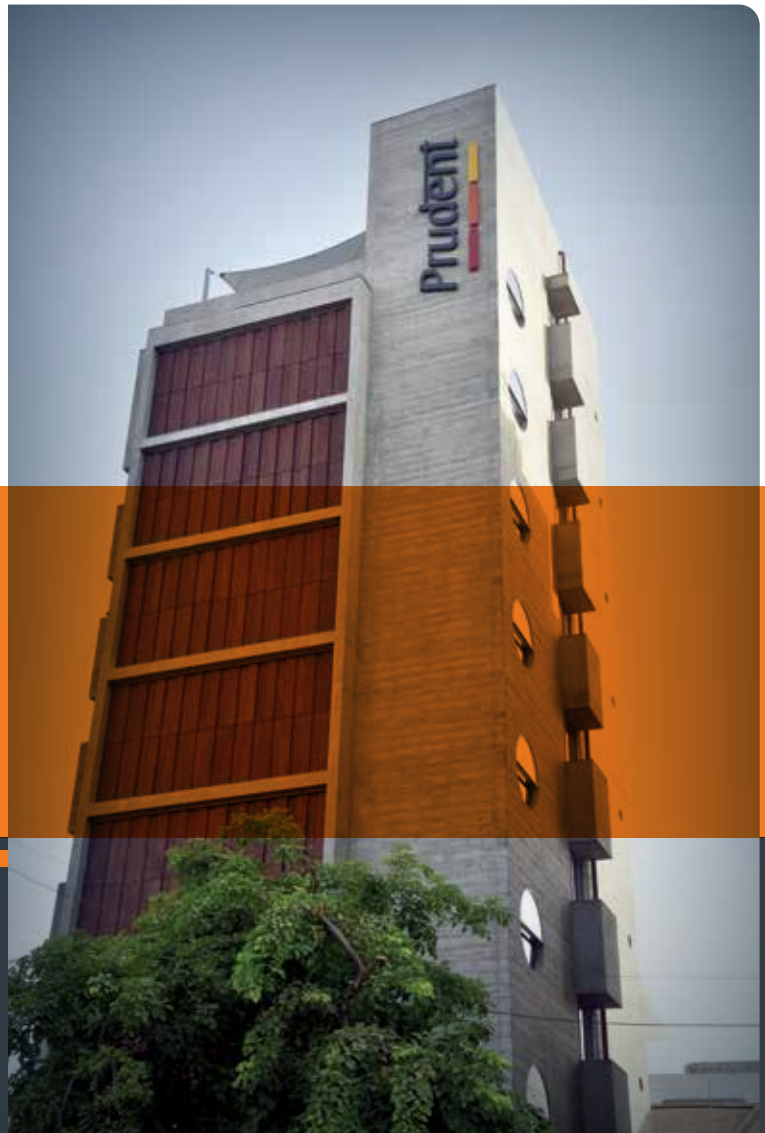
Place : Ahmedabad  
Date: August 08, 2024





# Prudent

— Money through wisdom —



**Registered Office:**

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3 Devang Park Society,  
Panjrapole Cross Road,  
Ambawadi, Ahmedabad 380015

**Corporate Office:**

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Telli Gally Junction,  
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Mumbai 400069

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