

EDELCAP SECURITIES LIMITED

Corporate Identity Number: U67120MH2008PLC422229

Financial Statement for the year ended March 31, 2025



DHIRAJ & DHEERAJ
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of **Edelcap Securities Limited**

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS Financial Statements of **Edelcap Securities Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

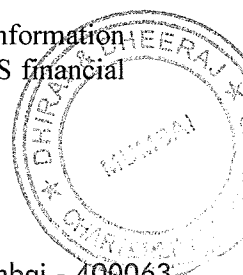
We conducted our audit of the Ind AS Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS 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 financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no key audit matters to be reported for the company for the financial year ended March 31, 2025.

Other Information

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



Our opinion on the Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

Responsibility of Management for the Ind AS 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 Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS 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 Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

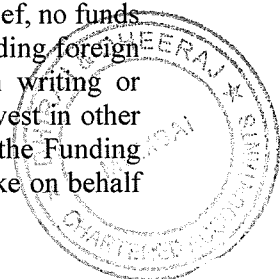
Other Matter

The financial statements of the Company for the year ended March 31, 2024, included in these financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on 07th May, 2024.



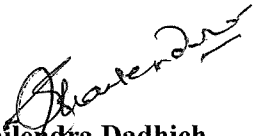
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - 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, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and



- c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

For **Dhiraj & Dheeraj**
Chartered Accountants
ICAI Firm Registration Number: **102454W**


Shalendra Dadhich
Partner
Membership Number: 425098
UDIN: 25425098BMJQIG4163
Place of Signature: Mumbai
Date: 06th May, 2025

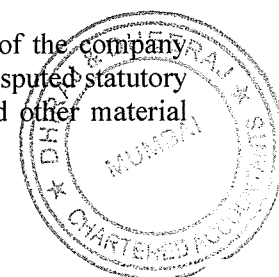


Annexure “1” to Independent Auditors’ Report

Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our Report of even date to the members of Edelcap Securities Limited on the financial statements as of and for the year ended March 31, 2025.

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

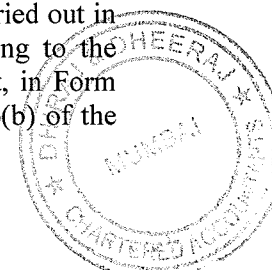
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Property, Plant and Equipment are physically verified by the Management according to a regular programme of verification under which verification is done every 3 years. In our opinion, this programme is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and the records of the Company examined by us, the Company does not own any immovable properties. Therefore, the provisions of Clause (i)(c) of the said Order are not applicable to the company.
- (d) According to the information and explanations given to us the Company has not revalued its Property, Plant and Equipment and Intangible Assets during the year ended March 31, 2025.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder, and therefore the question of our commenting on whether the company has appropriately disclosed the details in its financial statements does not arise.
- ii. (a) Based on our examination of documents and records, the Company did not own any physical inventory at any time during the year. Accordingly, clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) During the year, the company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- iii. During the year, the company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the said Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Having regard to the nature of the Companies’ business activities, reporting under clause CARO 2020 relating to maintenance of cost records under section 148(1) of the Act is not applicable to the Company.
- vii. (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is regular in depositing the undisputed statutory dues, including provident fund, income tax, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities.



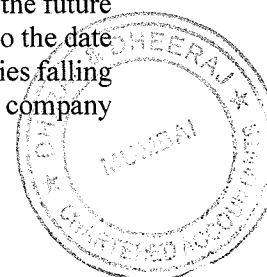
- (b) According to the information and explanations given to us and the records of the company examined by us, the dues outstanding on account of dispute are as follows:

| Name of the statute | Nature of dues | Amount (Rs.) | Period to which the amount relates | Forum where dispute is pending |
|----------------------|----------------|--------------------|------------------------------------|--------------------------------|
| Income Tax Act, 1961 | Income Tax | Rs. 24.11 Millions | A.Y. 2018-19 | CIT (A) |
| Income Tax Act, 1961 | Income Tax | Rs. 6.39 Millions | A.Y. 2017-18 | CIT (A) |

- viii. According to the information and explanations given to us and the records of the company examined by us, there is no income surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) According to the records of the company examined by us and the information and explanation given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender as at the balance sheet date.
- (b) According to the information and explanations given to us and based on our audit procedures, we report that the company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the records of the company examined by us and the information and explanations given to us, the company has not obtained any term loans.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) The company has not raised any money by way of initial public offer or further public offer (Including debt instruments) during the year. Accordingly, the reporting under Clause (x)(a) of the Order are not applicable to the Company.
- (b) The Company has not made any preferential allotment of preference shares during the year. Accordingly, the requirements of Section 42 of the Act are not applicable to the company.
- xi. (a) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the company or on the company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, report under section 143(12) of the Act, in Form ADT-4 was not required to be filed. Accordingly, the reporting under Clause (xi)(b) of the Order are not applicable to the company.

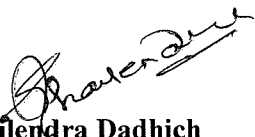


- (c) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the company. Accordingly, the reporting under Clause (xi)(c) of the Order is not applicable to the company.
- xii. The company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore the provisions of Clause (xii) of the Order are not applicable to the company.
- xiii. The company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. a) In our opinion and according to the information and explanation given to us, There is internal audit system commensurate with the size and nature of its business,
b) The reports of the Internal Auditors for the period under audit were considered by the statutory auditor
- xv. The company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause (xv) of the Order 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. Accordingly, the provisions of Clause (xvi) of the Order are not applicable to the company.
(b) The company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause (xvi)(b) of the Order is not applicable to the Company.
(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause (xvi)(c) of the Order is not applicable to the Company.
(d) Based on the information and explanations provided by the management of the Company, the Group has 1 CICs as part of the Company.
- xvii. The company has incurred cash loss of Rs. 30.18 million in the financial year however the company has not incurred cash loss in the preceding financial year.
- xviii. During the year there was a change in auditor of the company as the tenure of the previous auditor had come to an end under the provisions of the act. No concern raised by the previous auditor.
- xix. According to the information and explanations given to us and on the basis of the financial ratio ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company 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. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses (xx) (a) and (xx) (b) of the Order are not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statement of the Company. Accordingly, no comment in respect of the said clause has been included in this report.

For **Dhiraj & Dheeraj**
Chartered Accountants
ICAI Firm Registration Number: **102454W**


Shailendra Dadhich
Partner
Membership Number: 425098
UDIN: 25425098BMJQIG4163
Place of Signature: Mumbai
Date: 06th May, 2025



Annexure “2” to Independent Auditors’ Report

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

We have audited the internal financial controls with reference to Ind AS financial statements of **Edelcap Securities Limited** (“the Company”) as of March 31, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

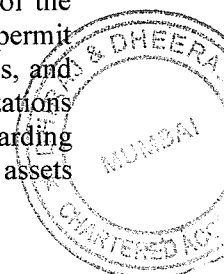
Our responsibility is to express an opinion on the Company’s internal financial controls with reference to these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance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

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

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

Meaning of Internal Financial Controls with Reference to these Ind AS Financial Statements

A Company’s internal financial controls with reference to Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial controls with reference to Ind AS 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.



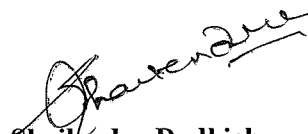
Inherent Limitations of Internal Financial Controls with Reference to Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to these Ind AS 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 Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Dhiraj & Dheeraj**
Chartered Accountants
ICAI Firm Registration Number: **102454W**


Shailendra Dadhich
Partner
Membership Number: 425098
UDIN: 25425098BMJQIG4163
Place of Signature: Mumbai
Date: 06th May, 2025



Edelcap Securities Limited**Balance Sheet**

(Currency : Indian rupees in millions)

| | Note | As at 31 March 2025 Audited | As at 31 March 2024 Audited |
|---|--------|-----------------------------------|-----------------------------------|
| ASSETS | | | |
| Financial assets | | | |
| Cash and cash equivalents | 7 | 550.90 | 111.94 |
| Bank balances other than cash and cash equivalents | 8 | 3.08 | 3.06 |
| Derivative financial instruments | 9 | 616.59 | 111.00 |
| Trade receivables | 10 | 0.02 | 3.65 |
| Investments | 11 | 14,812.56 | 6,094.22 |
| Other financial assets | 12 | 654.59 | 108.61 |
| | | <u>16,637.74</u> | <u>6,432.48</u> |
| Non-financial assets | | | |
| Current tax assets (net) | 13 | 84.69 | 56.99 |
| Deferred tax assets (net) | 14 | 264.17 | 274.45 |
| Property, plant and equipment | 15 (a) | 74.24 | 32.03 |
| Other Intangible assets | 15 (b) | 2.75 | 0.60 |
| Other non- financial assets | 16 | 79.38 | 105.07 |
| | | <u>505.23</u> | <u>469.14</u> |
| TOTAL ASSETS | | <u>17,142.97</u> | <u>6,901.62</u> |
| LIABILITIES AND EQUITY | | | |
| LIABILITIES | | | |
| Financial liabilities | | | |
| Derivative financial instruments | 9 | 646.55 | 32.63 |
| Trade payables | | - | - |
| (i) total outstanding dues of micro enterprises and small enterprises | | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 17 | 491.50 | 55.85 |
| Debt securities | 18 | 6,132.66 | 958.55 |
| Borrowings (other than debt securities) | 19 | 1,573.31 | 1,252.01 |
| Other financial liabilities | 20 | 176.29 | 458.69 |
| | | <u>9,020.31</u> | <u>2,757.73</u> |
| Non-financial liabilities | | | |
| Current tax liabilities (net) | 21 | 6.07 | 6.07 |
| Provisions | 22 | 46.74 | 32.36 |
| Other non-financial liabilities | 23 | 13.54 | 9.52 |
| | | <u>66.35</u> | <u>47.95</u> |
| EQUITY | | | |
| Equity share capital | 24 | 389.25 | 389.25 |
| Instruments entirely equity in nature | 25 | 7,250.00 | 3,250.00 |
| Other equity | 26 | 417.07 | 456.68 |
| | | <u>8,056.32</u> | <u>4,095.93</u> |
| TOTAL LIABILITIES AND EQUITY | | <u>17,142.97</u> | <u>6,901.61</u> |

Material accounting policy information and notes forming part of the financial statements

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This is the Balance Sheet referred to in our report of even date.

For Dhiraj & Dheeraj
Chartered Accountants
Firms' Registration No. 102454W

Shalendra Dadhich
Partner
Membership No: 425098

Mumbai
06 May 2025



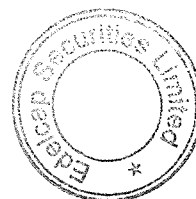
For and on behalf of Board of Directors

Ruparna Barman Roy
Executive Director
DIN - 08050620

Ritesh Jain
Chief Financial Officer
Mumbai
06 May 2025

Piyush Chamria
Executive Director
DIN - 08814424

Hiteshree Shah
Company Secretary



Edelcap Securities Limited**Statement of Profit and Loss**

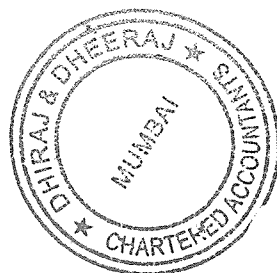
(Currency : Indian rupees in millions)

| | Note | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|------------|-------------------------------------|-------------------------------------|
| Revenue from operations | | | |
| Interest income | 27 | 111.25 | 114.01 |
| Dividend income | 28 | 2.30 | 2.25 |
| Net gain on fair value changes | 29 | 1,365.29 | 1,399.66 |
| Total revenue from operations | | 1,478.84 | 1,515.91 |
| Other income | 30 | 7.80 | 8.60 |
| Total income | | 1,486.64 | 1,524.51 |
| Expenses | | | |
| Finance costs | 31 | 412.46 | 278.76 |
| Employee benefits expense | 32 | 519.05 | 721.03 |
| Depreciation, amortisation and impairment | 15 (a & b) | 35.78 | 22.18 |
| Other expenses | 33 | 547.02 | 262.70 |
| Total expenses | | 1,514.30 | 1,284.67 |
| Profit / (Loss) before tax | | (27.65) | 239.84 |
| Tax expenses: | | | |
| Current tax | | - | - |
| Deferred tax | | 10.28 | (39.57) |
| MAT credit entitlement | | - | - |
| Deferred tax (net) | | 10.28 | (39.57) |
| Profit / (Loss) for the year | | (37.93) | 279.43 |
| Other comprehensive income (OCI) | | | |
| Items that will not be reclassified to profit or loss | | | |
| Remeasurement loss on defined benefit plans (OCI) | | (1.97) | (0.80) |
| Less: Income tax relating to items that will not be reclassified to profit or loss | | - | 0.20 |
| Other Comprehensive Income | | (1.97) | (0.60) |
| Total comprehensive income | | (39.90) | 278.83 |
| Earnings per equity share (Face value of Rs 10 each): | | | |
| Basic and diluted | 36 | (0.76) | 7.05 |
| Material accounting policy information and notes forming part of the financial statements | 1-48 | | |

This is the Statement of Profit and Loss referred to in our report of even date.

For Dhiraj & Dheeraaj
Chartered Accountants
Firms' Registration No. 102454W

Shailendra Dadhich
Shailendra Dadhich
Partner
Membership No: 425098



Mumbai
06 May 2025

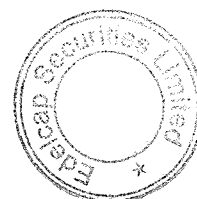
For and on behalf of Board of Directors

Rituparna Barman Roy
Rituparna Barman Roy
Executive Director
DIN - 08050620

Piyush Chamria
Piyush Chamria
Executive Director
DIN - 08814424

Ritesh Jain
Ritesh Jain
Chief Financial Officer
Mumbai
06 May 2025

Hiteshree Shah
Hiteshree Shah
Company Secretary



Edelcap Securities Limited

Cash flow statement

(Currency : Indian rupees in millions)

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|-------------------------------------|-------------------------------------|
| A Cash flow from operating activities | | |
| (Loss) / Profit before taxation | (27.65) | 239.85 |
| Adjustments for | | |
| Depreciation | 35.78 | 22.18 |
| ESOP reversal on lapse of vesting period | 0.27 | 0.30 |
| Profit on sale of fixed assets | (0.06) | (0.19) |
| Provision for gratuity and compensated absences | 10.74 | 7.17 |
| Fair value of financial instruments | 99.37 | 43.74 |
| Profit on sale of long term investment | (84.83) | - |
| Interest expense | 376.34 | 267.34 |
| Operating cash flow before working capital changes | 409.95 | 580.38 |
| Adjustments for working capital changes | | |
| Increase/(decrease) in financial liabilities (including trade payables) | 153.25 | 259.97 |
| (Decrease) / increase in non-financial liabilities | 5.68 | (10.84) |
| Decrease/ (increase) in fixed deposit including accrued interest | (0.00) | 4.30 |
| (Increase)/ decrease in derivative financial instruments | 108.33 | (73.72) |
| (Increase)/ decrease in Investment | (8,941.60) | (43.73) |
| Increase in trade receivables | 3.63 | 20.65 |
| Decrease in other financial assets | (545.97) | (91.52) |
| Increase in other non-financial assets | 25.69 | (30.46) |
| Cash (used in)/ generated from operations | (8,781.03) | 615.03 |
| Income tax paid | (27.70) | (8.69) |
| Net cash (used in)/ generated from operating activities - A | (8,808.73) | 606.34 |
| B Cash flow from investing activities | | |
| Purchase / Sale of Fixed Assets | (80.09) | (20.08) |
| Sale of Investment | 208.72 | (870.31) |
| Net cash (used in)/ generated from investing activities - B | 128.63 | (890.39) |
| C Cash flow from financing activities | | |
| Debt Securities | 5,561.50 | 958.55 |
| Borrowings (other than debt securities) (refer Note 2) | 325.80 | (320.58) |
| Proceeds from issue of Compulsorily convertible debentures | 4,000.00 | - |
| Interest paid | (768.20) | (259.26) |
| Net cash generated from/ (used in) financing activities - C | 9,119.10 | 378.71 |
| Net (decrease) / increase in cash and cash equivalents (A+B+C) | 439.00 | 94.66 |
| Cash and cash equivalents as at the beginning of the year | 111.94 | 17.28 |
| Cash and cash equivalents as at the end of the year (refer note 1) | 550.90 | 111.94 |

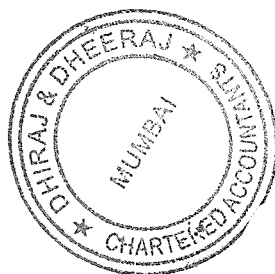
Notes:

- Cash and cash equivalents include the following:
Balances with banks:
In current accounts 550.90 111.94
- Net figures have been reported on account of volume of transactions.
This is the Cash flow statement referred to in our report of even date.

For Dhiraj & Dheeraj
Chartered Accountants
Firms' Registration No. 102454W

Shalendra Dadhich
Partner
Membership No: 425098
Mumbai
06 May 2025

Mumbai
06 May 2025



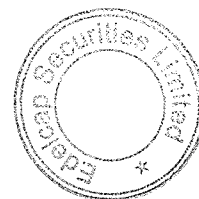
For and on behalf of Board of Directors

Rituparna Barman Roy
Rituparna Barman Roy
Executive Director
DIN - 08050620
Mumbai
06 May 2025

Ritesh Jain
Ritesh Jain
Chief Financial Officer
Mumbai
06 May 2025

Piyush Chamria
Piyush Chamria
Executive Director
DIN - 08814424

Hiteshree Shah
Hiteshree Shah
Company Secretary



Edelcap Securities Limited
Statement of Changes in Equity
(Currency : Indian rupees in millions)

(A) Equity share capital

| | As at 31 March 2025 | As at 31 March 2024 |
|--------------------------------------|------------------------|------------------------|
| Balance at the beginning of the year | 389.25 | 389.25 |
| Balance at the end of the year | <u>389.25</u> | <u>389.25</u> |

(B) Instruments entirely equity in nature- Compulsorily Convertible Debentures

| | | |
|--|-----------------|-----------------|
| Balance at the beginning of the year | 3,250.00 | 3,250.00 |
| Changes in Compulsorily convertible debentures | 4,000.00 | - |
| Balance at the end of the year | <u>7,250.00</u> | <u>3,250.00</u> |

(C) Other Equity

| | Capital Redemption Reserve | ESOP reserve | Retained earnings | Total |
|--|----------------------------|--------------|-------------------|---------|
| Balance at 31 March 2023 | 100.00 | 3.61 | 73.96 | 177.56 |
| ESOP reversal | - | - | 0.30 | 0.30 |
| Total | 100.00 | 3.61 | 74.26 | 177.86 |
| Profit for the year | - | - | 279.44 | 279.44 |
| Other comprehensive income | - | - | (0.60) | (0.60) |
| Total comprehensive income for the year | - | - | 278.84 | 278.84 |
| Balance at 31 March 2024 | 100.00 | 3.61 | 353.09 | 456.70 |
| ESOP reversal | - | - | 0.27 | 0.27 |
| Total | 100.00 | 3.61 | 353.37 | 456.98 |
| Profit for the year | - | - | (37.93) | (37.93) |
| Other comprehensive income | - | - | (1.97) | (1.97) |
| Total comprehensive income for the year | - | - | (39.90) | (39.90) |
| Balance at 31 March 2025 | 100.00 | 3.61 | 313.46 | 417.07 |

This is the Statement of Changes in Equity referred to in our report of even date.

1 Capital redemption reserve:

As per Companies Act, 2013, capital redemption reserve is created when Company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

2 ESOP reserve:

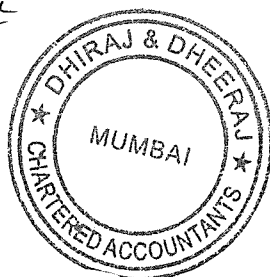
Certain of the Company's employees have been granted options to acquire equity shares of the Ultimate Parent Company (Edelweiss Financial Services Limited). This reserve represents the cost of these options based on their fair value at the grant dates as recognised over the vesting period of such options, to the extent that the Ultimate Parent Company has not recovered such cost from the Company.

For Dhiraj & Dheera
Chartered Accountants
Firms' Registration No. 102454W

Shalendra Dadhich
Shalendra Dadhich
Partner

Membership No: 425098
Mumbai
06 May 2025

Mumbai
06 May 2025



For and on behalf of Board of Directors

Rituparna Barman Roy
Rituparna Barman Roy
Executive Director
DIN - 08050620
Mumbai
06 May 2025

Ritesh Jain
Ritesh Jain
Chief Financial Officer
Mumbai
06 May 2025

Piyush Chamria
Piyush Chamria
Executive Director
DIN - 08814424

Hiteshree Shah
Hiteshree Shah
Company Secretary



Edelcap Securities Limited

Notes to the financial statements

for the year ended 31 March 2025

1. Background

Edelcap Securities Limited ('the Company') was incorporated on 11 January 2008 as a public limited company.

Edelcap Securities Limited is a wholly owned subsidiary of Edelweiss Financial Services Limited through Ecap Equities Limited and is engaged in the business of broking and trading activity as a registered Trading Member on different segments of National Stock Exchange and BSE Limited.

2. Basis of preparation of financial statements

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

The Company's financial statements have been prepared on a historical cost basis, except for certain financial instruments such as financial asset measured at fair value through other comprehensive income (FVTOCI) instruments, derivative financial instruments, fair value through profit and loss account and other financial assets held for trading, which have been measured at fair value. The Company's financial statements are presented in Indian Rupees (INR) and all values are rounded off to the nearest millions, except when otherwise indicated.

3. Presentation of financial statements

The Company presents its balance sheet in compliance with the Division III of the Schedule III to the Companies Act, 2013. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 44.

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

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the company and or its counterparties



Edelcap Securities Limited
Notes to the financial statements (*continued*)
for the year ended 31 March 2025

4. Material accounting policy Information

4.1 Revenue recognition

4.1.1 Fee income including advisory fees for services rendered is accounted over the period as the customer simultaneously receives and consumes the benefits, as the services are rendered.

4.1.2 Interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost and debt instrument measured at FVTOCI. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the financial asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

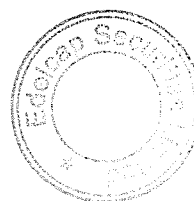
If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

For purchased or originated credit-impaired (POCI) financial assets, the Company calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortised cost of the asset. The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortised cost of the POCI assets.

4.1.3 Dividend income is recognised in statement of profit and loss when the Company's right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity, and the amount of the dividend can be measured reliably.

4.1.4 Brokerage income is recognised as per contracted rates at the time of execution of transactions on behalf of the customers on the trade date.



Edelcap Securities Limited
Notes to the financial statements (*continued*)
for the year ended 31 March 2025

Material accounting policy (continued)

4.2 Financial Instruments

4.2.1 Date of recognition

Financial assets and financial liabilities, with the exception of borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades; purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. The Company recognises borrowings when funds are available for utilisation to the Company.

4.2.2 Initial measurement of financial instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

4.2.3 Day 1 profit or loss

When the transaction price of the financial instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in statement of profit and loss when the inputs become observable, or when the instrument is derecognised.

4.3 Classification of financial instruments

4.3.1 Financial assets:

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost
- Fair value through other comprehensive income [FVTOCI]
- Fair value through profit or loss [FVTPL]

The Company measures debt financial assets that meet the following conditions at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



Edelcap Securities Limited
Notes to the financial statements (*continued*)
for the year ended 31 March 2025

Material accounting policy (continued)

Sale that occur for below reason are considered as consistent with business model whose objective is to hold financial assets in order to collect contractual cash flows

- if those sales are infrequent (even if significant in value) or insignificant in value both individually and in aggregate (even if frequent).
- If such sales are made close to maturity of financial asset and proceeds from sale approximate the collection of the remaining contractual cashflow.
- Selling a financial asset because of significant increase in credit risk.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the financial asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the 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.

Other than above classification of amortised cost and FVTOCI, all other financial assets are initially measured at fair value and subsequently measured at FVTPL.

4.3.1.1 Amortized cost and Effective interest rate method (EIR)

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

4.3.1.2 Financial assets held for trading

The Company classifies financial assets as held for trading when they have been purchased or issued primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there evidence of a recent pattern of short-term profit is taking. Held-for-trading assets and liabilities are recorded and measured in the balance sheet at fair value.

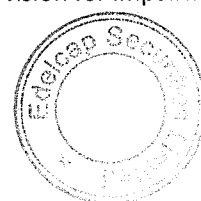
4.3.1.3 Financial asset measured at FVTOCI

Unrealised gains or losses on debt instruments measured at FVTOCI are recognised in other comprehensive income, and on derecognition of such instrument accumulated gains or losses are recycled to statement of profit and loss. Interest income on such instrument is recognised in statement of profit and loss as per EIR method.

4.3.1.4 Investment in equity instruments

The Company subsequently measures all equity investments at fair value through profit or loss, unless the management has elected to classify irrevocably some of its strategic equity investments to be measured at FVTOCI, when such instruments meet the definition of Equity under Ind AS and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Investments in subsidiaries and associates is measured at cost less provision for impairment.



Edelcap Securities Limited
Notes to the financial statements (*continued*)
for the year ended 31 March 2025

Material accounting policy (continued)

4.3.2 Financial liabilities

All financial liabilities are measured at amortised cost except loan commitments, financial guarantees, and derivative financial liabilities.

4.3.2.1 Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the instrument.

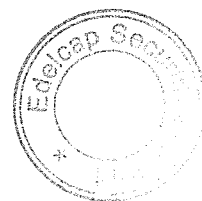
The Company issues benchmark linked non-convertible debentures, the return of which is linked to performance of specified indices over the period of the debenture. Such debentures have a component of an embedded derivative which is fair valued at a reporting date. The resultant 'net unrealised loss or gain' on the fair valuation of these embedded derivatives is recognised in the statement of profit and loss. The debt component of such debentures is measured at amortised cost using yield to maturity basis.

4.3.2.2 Financial assets and financial liabilities at fair value through profit or loss

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis:

- The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis; or
- The liabilities are part of a group of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; or
- The liabilities containing one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited.

Financial assets and financial liabilities at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in statement of profit and loss with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Company's own credit risk. Such changes in fair value are recorded in the own credit reserve through OCI and do not get recycled to the profit or loss. Interest earned or incurred on instruments designated at FVTPL is accrued in interest income or finance cost, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.



Edelcap Securities Limited
Notes to the financial statements (*continued*)
for the year ended 31 March 2025

Material accounting policy (continued)

4.3.2.3 Financial guarantee:

Financial guarantees are contracts that require the Company to make specified payments to reimburse to holder for loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of a debt instrument.

Financial guarantee issued or commitments to provide a loan at below market interest rate are initially measured at fair value and the initial fair value is amortised over the life of the guarantee or the commitment. Subsequently they are measured at higher of this amortised amount and the amount of loss allowance.

4.3.2.4 Loan commitment

Undrawn loan commitments are commitments under which, the Company is required to provide a loan with pre-specified terms to the customer during the duration of commitment.

4.3.3 Financial liabilities and equity instruments

Financial 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.

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.

4.3.4 Derivatives

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and interest rate swaps.

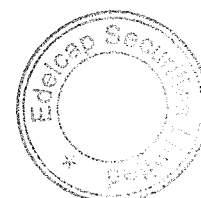
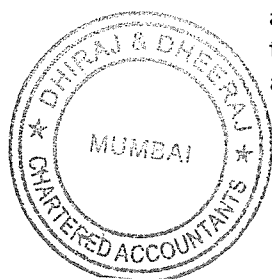
Company has designed a risk strategy based to cover exposure on issuance of Benchmark Linked Debentures, by entering into a derivative contracts either to minimise the loss or to earn a minimum committed income by entering into a combination of derivative contracts (say for example purchased call and put options) with a wide range of strike prices.

Derivatives are initially recognised at fair value and are subsequently re-measured at fair value through profit or loss. The resulting gain or loss is recognised in statement of profit and loss immediately.

Embedded derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, foreign exchange rate, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract.

Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value



Edelcap Securities Limited
Notes to the financial statements (*continued*)
for the year ended 31 March 2025

Material accounting policy (*continued*)

with changes in fair value recognised in statement of profit and loss, unless designated as effective hedging instruments.

4.4 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

4.5 Derecognition of financial assets and financial liabilities

4.5.1 Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised financial asset are classified as Stage 1 for ECL measurement purposes, unless the new financial asset is deemed to be POCI.

When assessing whether or not to derecognise a financial assets, amongst others, the Company considers the following factors:

- Change in currency of the loan
- Introduction of an equity feature
- Change in counterparty

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

4.5.2 Derecognition of financial assets other than due to substantial modification

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

- The Company has transferred its contractual rights to receive cash flows from the financial asset; or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following conditions are met:

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates



Edelcap Securities Limited
Notes to the financial statements (*continued*)
for the year ended 31 March 2025

Material accounting policy (*continued*)

- The Company cannot sell or pledge the original asset other than as security to the eventual recipients

The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset; or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

4.5.3 Derecognition of financial liabilities

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

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the financial liability and the consideration paid, including modified contractual cash flow recognised as new financial liability, is recognised in the statement of profit and loss.

4.6 Impairment of financial assets

The Company records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with loan commitment and financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and lease receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables. However, if receivables contain a significant financing component, the Company chooses as its accounting policy to measure the loss allowance by applying general approach to measure ECL.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk (SICR) since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial



Edelcap Securities Limited
Notes to the financial statements (*continued*)
for the year ended 31 March 2025

Material accounting policy (*continued*)

recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses (12m ECL). The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default (EAD), for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

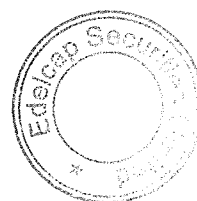
For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

If a financial instrument includes both a loan (i.e. financial asset) and an undrawn commitment (i.e. loan commitment) component and the Company cannot separately identify the ECL on the loan commitment component from those on the financial asset component, the ECL on the loan commitment have been recognised together with the loss allowance for the financial asset. To the extent that the combined ECL exceed the gross carrying amount of the financial asset, the ECL have been recognised as a provision. Also, for other loan commitments and all financial guarantee contracts, the loss allowance has been recognised as a provision.

4.7 Collateral valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the balance sheet. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a periodical basis. However, some collateral, for example, cash or securities relating to margining requirements, is valued daily.

To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models.



Edelcap Securities Limited

Notes to the financial statements *(continued)*

for the year ended 31 March 2025

Material accounting policy (continued)

4.8 Collateral repossessed

The Company's policy is to determine whether a repossessed asset can be best used for its internal operations or should be sold. Assets determined to be useful for the internal operations are transferred to their relevant asset category at the lower of their repossessed value or the carrying value of the original secured asset. Assets for which selling is determined to be a better option are transferred to assets held for sale at their fair value (if financial assets) and fair value less cost to sell for non-financial assets at the repossession date in, line with the Company's policy.

In its normal course of business, the Company does not physically repossess properties or other assets in its retail portfolio, but engages external agents to recover funds, generally at auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors.

4.9 Write off

Financial assets are written off either partially or in their entirety only when the Company has no reasonable expectation of recovery.

4.10 Determination of fair value

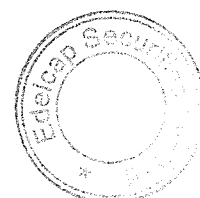
The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

- Level 1 financial instruments –Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.
- Level 2 financial instruments–Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.



Edelcap Securities Limited

Notes to the financial statements (*continued*)

for the year ended 31 March 2025

Material accounting policy (*continued*)

- Level 3 financial instruments –Those that include one or more unobservable input that is significant to the measurement as whole. For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company periodically reviews its valuation techniques including the adopted methodologies and model calibrations.

Therefore, the Company applies various techniques to estimate the credit risk associated with its financial instruments measured at fair value, which include a portfolio-based approach that estimates the expected net exposure per counterparty over the full lifetime of the individual assets, in order to reflect the credit risk of the individual counterparties for non-collateralised financial instruments.

The Company evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary based on the facts at the end of the reporting period.

4.11 Earnings per share

Basic earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding for the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

4.12 Foreign currency transactions

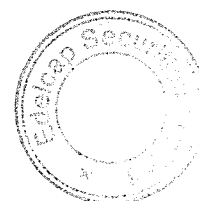
The financial statements are presented in Indian Rupees. Transactions in currencies other than Indian Rupees (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences on monetary items are recognised in statement of profit and loss in the period in which they arise.

4.13 Retirement and other employee benefit

4.13.1 Provident fund and national pension scheme

The Company contributes to a recognised provident fund and national pension scheme which is a defined contribution scheme. The contributions are accounted for on an accrual basis and recognised in the statement of profit and loss.



Edelcap Securities Limited

Notes to the financial statements (*continued*)

for the year ended 31 March 2025

Material accounting policy (*continued*)

4.13.2 Gratuity

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted. The present value of the obligation under such benefit plan is determined based on independent actuarial valuation using the Projected Unit Credit Method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

4.13.3 Compensated Absences

The eligible employees of the Company are permitted to carry forward certain number of their annual leave entitlement to subsequent years, subject to a ceiling. The Company recognises the charge in the statement of profit and loss and corresponding liability on such non-vesting accumulated leave entitlement based on a valuation by an independent actuary. The cost of providing annual leave benefits is determined using the projected unit credit method.

4.13.4 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services that are granted by the ultimate parent Company are measured by reference to the fair value of the equity instruments at the grant date.

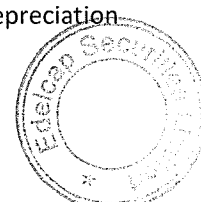
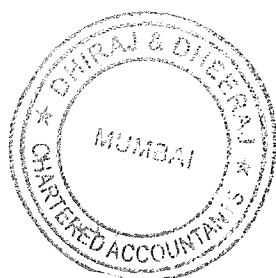
The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the 'ESOP reserve'. In cases where the share options granted vest in instalments over the vesting period, the Company treats each instalment as a separate grant, because each instalment has a different vesting period, and hence the fair value of each instalment differs.

4.14 Property, plant and equipment

Property plant and equipment is stated at cost excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent costs incurred on an item of property, plant and equipment is recognised in the carrying amount thereof when those costs meet the recognition criteria as mentioned above. Repairs and maintenance are recognised in profit or loss as incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives. Depreciation



Edelcap Securities Limited

Notes to the financial statements (*continued*)

for the year ended 31 March 2025

Material accounting policy (*continued*)

is provided on a written down value basis from the date the asset is ready for its intended use or put to use whichever is earlier. In respect of assets sold, depreciation is provided upto the date of disposal.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its tangible assets recognised as of 1 April 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

As per the requirement of Schedule II of the Companies Act, 2013, the Company has evaluated the useful lives of the respective fixed assets which are as per the provisions of Part C of the Schedule II for calculating the depreciation. The estimated useful lives of the fixed assets are as follows:

Estimated useful lives of the assets are as follows:

| Class of assets | Useful Life |
|---|-------------|
| Furniture and fittings | 10 years |
| Office equipments | 5 years |
| Computers and data processing units - Servers and networks | 6 years |
| Computers and data processing units - End user devices, such as desktops, laptops, etc. | 3 years |

4.15 Intangible assets

The Company's intangible assets mainly include the value of computer software. An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

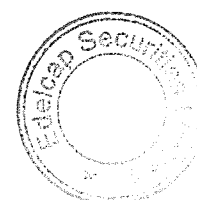
Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets with finite lives are amortised over the useful economic life.

4.16 Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

4.17 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.



Edelcap Securities Limited
Notes to the financial statements (*continued*)
for the year ended 31 March 2025

Material accounting policy (*continued*)

4.18 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 the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

4.19 Income tax expenses

Income tax expense represents the sum of the tax currently payable and deferred tax (net).

4.19.1 Current tax

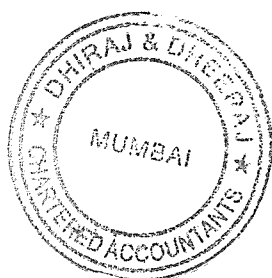
The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

4.19.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax assets are also recognised with respect to carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

It is probable that taxable profit will be available against which a deductible temporary difference, unused tax loss or unused tax credit can be utilised when there are sufficient taxable temporary differences which are expected to reverse in the period of reversal of deductible temporary difference or in periods in which a tax loss can be carried forward or back. When this is not the case, deferred tax asset is recognised to the extent it is probable that:



Edelcap Securities Limited
Notes to the financial statements (*continued*)
for the year ended 31 March 2025

Material accounting policy (*continued*)

- the entity will have sufficient taxable profit in the same period as reversal of deductible temporary difference or periods in which a tax loss can be carried forward or back; or
- tax planning opportunities are available that will create taxable profit in appropriate periods.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

5 Critical accounting judgements and Key sources of estimation uncertainty

In the application of the Company's accounting policies, the management is required to make judgments', estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

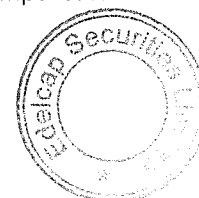
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

5.1 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

a. Business model assessment

Classification and measurement of financial assets depends on the results of the solely payments of principal and interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance is measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated.



Edelcap Securities Limited
Notes to the financial statements (*continued*)
for the year ended 31 March 2025

Material accounting policy (*continued*)

The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the quantum, the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

b. Significant increase in credit risk

ECL is measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

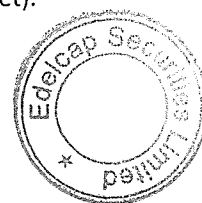
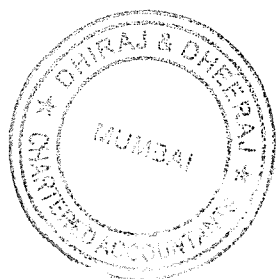
c. Consolidation of structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. In the context of the Company, structured entities comprise securitisation trusts in asset reconstruction business, mutual fund schemes and alternative investment funds / schemes thereof. The Company consolidates the structured entities that it controls. When making this judgement, the Company also considers voting and similar rights available to itself and other parties, who may limit the Company's ability to control, including rights to appoint, reassign or remove members of the structured entity's key management personnel who have the ability to direct the relevant activities, the exposure to variability of returns and whether the Company has the ability to use its power to affect the amount of the Company's returns i.e. the variability of returns in relation to the total returns of the investee entity.

d. Determining lease term for lease contracts with renewal and termination option:

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain, whether or not, to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control that affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation of the leased asset).



Edelcap Securities Limited
Notes to the financial statements (*continued*)
for the year ended 31 March 2025

Material accounting policy (*continued*)

5.2 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, as described below. The Company based its assumptions and estimates on parameters available when the stand-alone financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a. Fair value of financial instruments

The fair value of financial instruments 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 another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

For Investments made into Security receipts (SRs), Company uses discounted cash flow model, given that the SRs are less liquid instruments. Expected cash flow levels including timing of cash flows are estimated by using quantitative and qualitative measures regarding the characteristics of the underlying assets including default rates, nature and value of collaterals, manner of resolution and other economic drivers. For any valuation which are based on models, Judgements and estimates are applied, which include considerations of liquidity, credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

b. Impairment of financial assets

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- PD calculation includes historical data, assumptions and expectations of future conditions.



Edelcap Securities Limited
Notes to the financial statements (*continued*)
for the year ended 31 March 2025

Material accounting policy (*continued*)

- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life-time expected credit loss and the qualitative assessment.
- The segmentation of financial assets when their ECL is assessed on a collective basis.
- Development of ECL models, including the various formulas and the choice of inputs.
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EAD and LGD.
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

It is Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

c. Effective interest rate method

The Company's EIR methodology recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of characteristics of the product life cycle

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes fee income/expense that are integral parts of the instrument.

d. Accounting for deferred taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. 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.

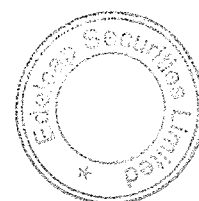
The Company has recognised deferred tax assets on carried forward tax losses where the Company believes that the said deferred tax assets shall be recoverable based on the estimated future taxable income which in turn is based on approved business plans and budgets. The losses are allowed to be carried forward to the years in which the Company expects that there will be sufficient taxable profits to offset these losses.

e. Estimating the incremental borrowing rate:

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. Incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

6. Standards issued but not yet effective

There are no new standard or amendment issued but not effective.



Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

| | As at 31 March 2025 | As at 31 March 2024 |
|--|------------------------|------------------------|
| 7 Cash and cash equivalents | | |
| Balances with banks | | |
| - in current accounts | 550.90 | 111.94 |
| | <u>550.90</u> | <u>111.94</u> |
| 8 Bank balances other than cash and cash equivalents | | |
| Fixed deposits, held as margin money | 2.98 | 2.98 |
| Accrued interest on fixed deposits | 0.10 | 0.09 |
| | <u>3.08</u> | <u>3.07</u> |
| 8.1 Encumbrances' on fixed deposits held by the Company | | |
| The Company has pledged fixed deposits aggregating to Rs. 2.98 millions with National Stock exchange for meeting margin requirements (Previous year: Rs. 2.98 millions). | | |
| 9 Derivative financial instruments | | |
| Premium paid on outstanding exchange traded options (including MTM) | 56.64 | 0.88 |
| Embedded derivatives in market-linked debentures (asset) | 559.95 | 110.12 |
| | <u>616.59</u> | <u>111.00</u> |



Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

9 Derivative financial instruments

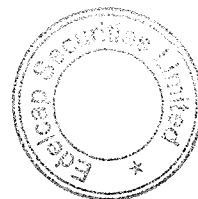
The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

| 31 March 2025 | | | | | | |
|--|-----------------------|--------------------|---------------------------|-----------------------|-------------------|-------------------------------|
| Particulars | Notional | | Fair value of asset (INR) | Notional | | Fair value of liability (INR) |
| | Unit | Notional amount * | | Unit | Notional amount * | |
| (i) Equity linked derivatives | | | | | | |
| -Stock Futures | Number of shares | 33,99,655 | 18.53 | Number of shares | 40,14,086 | 39.24 |
| -Options purchased | Number of shares | 2,99,975 | 3.73 | Number of shares | - | - |
| -Options sold (written) | Number of shares | - | - | Number of shares | 97,350 | 0.77 |
| Less: amounts offset (refer Note in offsetting disclosure) | | (33,99,655) | (18.53) | | (40,14,086) | (39.24) |
| Subtotal (i) | | 2,99,975.00 | 3.73 | | 97,350 | 0.77 |
| (ii) Index linked derivatives | | | | | | |
| -Index Futures | Number of index units | 1,17,495 | 18.91 | Number of index units | - | - |
| -Options purchased | Number of index units | 5,43,610 | 52.91 | Number of index units | - | - |
| -Options sold (written) | Number of index units | - | - | Number of index units | 3,87,325 | 100.02 |
| Less: amounts offset (refer Note in offsetting disclosure) | | (1,17,495) | (18.91) | | - | - |
| Subtotal (ii) | | 5,43,610 | 52.91 | | 3,87,325 | 100.02 |
| (iii) Embedded derivatives | | | | | | |
| - In market linked debentures | Number of index units | - | 559.95 | Number of index units | - | 545.76 |
| Subtotal(iii) | | - | 559.95 | | - | 545.76 |
| Total derivative financial instruments | | 8,43,585 | 616.59 | | 4,84,675 | 646.55 |

* Notional amount represents quantity in case of equity linked and index linked derivatives

| 31 March 2024 | | | | | | |
|--|-----------------------|--------------------|---------------------|-----------------------|--------------------|-------------------------|
| Particulars | Notional | | Fair value of asset | Notional | | Fair value of liability |
| | Unit | Notional amount * | | Unit | Notional amount * | |
| (i) Equity linked derivatives | | | | | | |
| -Stock Futures | Number of shares | 17,77,026 | 12.84 | Number of shares | 13,18,208 | 4.51 |
| -Options purchased | Number of shares | - | - | Number of shares | 375 | 0.02 |
| -Others | (text) | - | - | (text) | - | - |
| Less: amounts offset (refer Note in offsetting disclosure) | | (17,77,026) | (12.84) | | (13,18,208) | (4.51) |
| Subtotal (i) | | - | - | | 375 | 0.02 |
| (ii) Index linked derivatives | | | | | | |
| -Index Futures | Number of index units | 27,565 | 2.98 | Number of index units | - | - |
| -Options purchased | Number of index units | 2,11,650 | 0.88 | Number of index units | 1,11,540 | 5.02 |
| Less: amounts offset (refer Note in offsetting disclosure) | | (27,565) | (2.98) | | - | - |
| Subtotal (ii) | | 2,11,650 | 0.88 | | 1,11,540 | 5.02 |
| (iii) Embedded derivatives | | | | | | |
| - In market linked debentures | Number of index units | - | 110.12 | | - | 27.59 |
| Subtotal(iii) | | - | 110.12 | | - | 27.59 |
| Total derivative financial instruments | | 2,11,650.00 | 111.00 | | 1,11,915.00 | 32.63 |

* Notional amount represents quantity in case of equity linked and index linked derivatives



Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

9 Derivatives Offsetting

Financial assets subject to offsetting, netting arrangements

| At 31 March 2025 | Offsetting recognised in balance sheet | | Total assets |
|-----------------------------|--|----------------|---------------------------------|
| Particulars | Gross asset before offset | Amount offset* | Recognised in the balance sheet |
| Derivative financial assets | 654.03 | 37.44 | 616.59 |

* As at the reporting date 31-Mar-2025 the amount of cash margin received that has been offset against the gross derivative assets is Rs.3.74 millions

| At 31 March 2024 | Offsetting recognised in balance sheet | | Total assets |
|-----------------------------|--|----------------|---------------------------------|
| Particulars | Gross asset before offset | Amount offset* | Recognised in the balance sheet |
| Derivative financial assets | 126.82 | 15.82 | 111.00 |

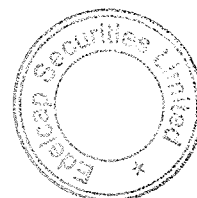
* As at the reporting date 31-Mar-2024 the amount of cash margin received that has been offset against the gross derivative assets is Rs.15.82 millions

| At 31 March 2025 | Offsetting recognised in balance sheet | | Total liabilities |
|----------------------------------|--|----------------|---------------------------------|
| Particulars | Gross asset before offset | Amount offset* | Recognised in the balance sheet |
| Derivative financial liabilities | 685.79 | 39.24 | 646.55 |

* As at the reporting date 31-Mar-2025, the amount of cash margin that has been offset against the gross derivative liability is Rs.3.92 millions

| At 31 March 2024 | Offsetting recognised in balance sheet | | Total liabilities |
|----------------------------------|--|----------------|---------------------------------|
| Particulars | Gross asset before offset | Amount offset* | Recognised in the balance sheet |
| Derivative financial liabilities | 37.14 | 4.51 | 32.63 |

* As at the reporting date 31-Mar-2024, the amount of cash margin that has been offset against the gross derivative liability is Rs.4.51 millions



Edelcap Securities Limited**Notes to the financial statements (Continued)**

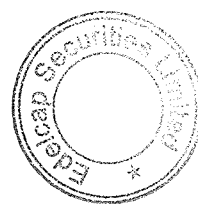
(Currency : Indian rupees in millions)

10 Trade receivables:

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---------------|---------------|
| Receivables considered good - Unsecured | 0.02 | 3.30 |
| Receivables considered good - Unsecured - Group | - | 0.35 |
| | 0.02 | 3.65 |
| Less : Allowance for expected credit losses | - | - |
| | 0.02 | 3.65 |

Ageing of Trade receivables

| Trade receivables days past due | Less than 6 months | 6 months -1 year | 1-2 years | Total |
|--|--------------------|------------------|-----------|-------|
| As at March 31, 2025 | | | | |
| Undisputed Trade receivables – considered good | 0.02 | - | - | 0.02 |
| Net carrying amount | 0.02 | - | - | 0.02 |
| As at March 31, 2024 | | | | |
| Undisputed Trade receivables – considered good | 3.65 | - | - | 3.65 |
| Net carrying amount | 3.65 | - | - | 3.65 |



Edelcap Securities Limited

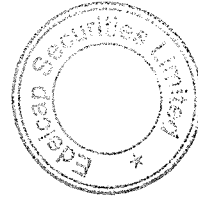
Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

11 Investments

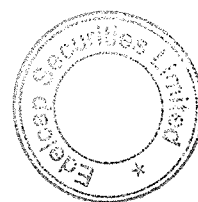
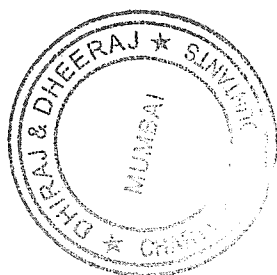
| Particulars | 31 March 2025 | | | | 31 March 2024 | | | |
|---|-----------------------------------|---|------------------|------------------|-----------------------------------|---|-----------------|-----------------|
| | At fair value through P&L Account | At cost (Other companies, subsidiaries, associates, and joint ventures) | Total | Total | At fair value through P&L Account | At cost (Other companies, subsidiaries, associates, and joint ventures) | Total | Total |
| | | | | | | | | |
| Investments in other companies | | | | | | | | |
| Equity | 289.58 | - | 289.58 | | 476.75 | - | 476.75 | |
| Mutual Fund | 103.17 | - | 103.17 | 392.74 | 989.31 | - | 989.31 | 1,466.06 |
| Investments in subsidiaries | | | | | | | | |
| Equity | - | 2,384.39 | 2,384.39 | 2,384.39 | - | 2,384.39 | 2,384.39 | 2,384.39 |
| Investments in group companies | | | | | | | | |
| Equity* | - | 221.86 | 221.86 | 221.86 | - | 345.74 | 345.74 | 345.74 |
| Preference shares (convertible) | - | - | - | - | - | - | - | - |
| Investments in Debt securities of other companies | 11,813.58 | - | 11,813.58 | 11,813.58 | 1,898.03 | - | 1,898.03 | 1,898.03 |
| TOTAL - Gross (A) | 12,206.32 | 2,606.25 | 14,812.56 | 14,812.56 | 3,364.09 | 2,730.13 | 6,094.22 | 6,094.22 |
| (i) Investments outside India | - | - | - | - | - | - | - | - |
| (ii) Investment in India | 12,206.32 | 2,606.25 | 14,812.56 | 14,812.56 | 3,364.09 | 2,730.13 | 6,094.22 | 6,094.22 |
| Total (B) | 12,206.32 | 2,606.25 | 14,812.56 | 14,812.56 | 3,364.09 | 2,730.13 | 6,094.22 | 6,094.22 |
| Less: Allowance for impairment (C) | - | - | - | - | - | - | - | - |
| Total Net (A-C) | 12,206.32 | 2,606.25 | 14,812.56 | 14,812.56 | 3,364.09 | 2,730.13 | 6,094.22 | 6,094.22 |

*Note - Investment in Equity shares amounting to Rs. 221.86 millions (Previous year Rs. 221.86 millions) is pledged against Non Convertible Debentures issued by group company.



Edelcap Securities Limited
(Currency : Rs in millions)

| | | As at 31 March 2025 | | | As at 31 March 2024 | | |
|--------------------------------|--|---------------------|------------|---------------|---------------------|------------|----------|
| | | Quantity | Face Value | Amount | Quantity | Face Value | Amount |
| Investments | | | | | | | |
| Non-Current Investments | | | | | | | |
| A | Investments in equity instruments of subsidiaries (fully paid up) | | | | | | |
| | Carried at Cost (Unquoted) | | | | | | |
| | Edelweiss Retail Finance Limited | 3,02,58,333 | 10 | 2,384.39 | 3,02,58,333 | 10 | 2,384.39 |
| B | Investments in equity instruments of group companies (fully paid up) (Unquoted) | | | | | | |
| | Carried at Cost | | | | | | |
| | Edelweiss Asset Reconstruction Company Limited | 1,05,64,536 | 10 | 221.86 | 1,05,64,536 | 10 | 221.86 |
| | Allium Finance Private Limited | - | - | - | 9,91,056 | 10 | 123.88 |
| C | Equity shares (quoted) | | | | | | |
| | Adani Green Energy Limited | - | - | - | 651 | 10 | 1.19 |
| | Apar Industries Limited | - | - | - | 430 | 10 | 3.00 |
| | Blue Star Limited | - | - | - | 946 | 2 | 1.20 |
| | Central Depository Services (India) Limited | - | - | - | 1,000 | 10 | 1.71 |
| | Century Textiles and Industries Limited | - | - | - | 1,850 | 10 | 3.02 |
| | CG Power And Industrial Solutions Limited | - | - | - | 10,100 | 2 | 5.46 |
| | Chalet Hotels Limited | - | - | - | 10,519 | 10 | 9.29 |
| | Delhivery Limited | - | - | - | 15,000 | 1 | 6.68 |
| | EIH Limited | - | - | - | 13,962 | 10 | 6.28 |
| | Gujarat Pipavav Port Limited | - | - | - | 14,000 | 10 | 2.98 |
| | Hindustan Copper Limited | 3,726 | 5 | 0.82 | 21,200 | 5 | 5.89 |
| | Housing & Urban Development Corporation Limited | - | - | - | 6,397 | 10 | 1.20 |
| | Intellect India Limited | - | - | - | 3,000 | 5 | 3.29 |
| | Indian Railway Finance Corporation Limited | - | - | - | 8,475 | 10 | 1.21 |
| | Kalyan Jewellers Limited | - | - | - | 5,000 | 10 | 2.14 |
| | Kingfa Science & Technology Limited | - | - | - | 375 | 10 | 0.73 |
| | KPIT Technologies Limited | - | - | - | 900 | 10 | 1.34 |
| | Linde India Limited | - | - | - | 200 | 10 | 1.28 |
| | Max Healthcare Institute Limited | - | - | - | 1,228 | 10 | 1.01 |
| | Mangalore Refinery and Petrochemicals Limited | - | - | - | 5,527 | 10 | 1.21 |
| | National Aluminium Company Limited | - | - | - | 10,300 | 5 | 1.57 |
| | FSN E-Commerce Ventures Nykaa Limited | - | - | - | 1,00,001 | 1 | 16.20 |
| | Oil India Limited | - | - | - | 2,000 | 10 | 1.20 |
| | Persistent Systems Limited | - | - | - | 1,200 | 5 | 4.78 |
| | PB Fintech Limited | - | - | - | 2,000 | 2 | 2.25 |
| | Rico Auto Limited | - | - | - | 13,700 | 1 | 1.99 |
| | Sobha Limited | - | - | - | 2,000 | 10 | 2.90 |
| | Solar Industries India Limited | - | - | - | 372 | 2 | 3.27 |
| | Tube Investments of India Limited | - | - | - | 535 | 1 | 2.00 |
| | Varun Beverages Limited | - | - | - | 857 | 5 | 1.20 |
| | Veranda Learning Solutions Limited | - | - | - | 30,000 | 10 | 5.36 |
| | Zee Entertainment Enterprises Limited | - | - | - | 17,025 | 1 | 2.36 |
| | Zomato Limited | - | - | - | 2,00,000 | 1 | 36.42 |
| | Hindustan Construction Company Limited - Rights | - | - | - | 32,169 | 10 | 1.02 |
| | Kesoram Industries Limited | - | - | - | 1,00,000 | 10 | 17.12 |
| | Religare Enterprises Limited | - | - | - | 1,21,188 | 10 | 25.36 |
| | Route Mobile Limited | - | - | - | 88,058 | 10 | 141.09 |
| | South Indian Bank Limited - Rights | - | - | - | 41,00,000 | 1 | 96.63 |
| | Tata Motors - DVR Limited | - | - | - | 81,440 | 2 | 53.52 |
| | Borosil Renewables Ltd | 3000 | 1 | 1.44 | - | - | - |
| | BSE Limited | 125 | 2 | 0.68 | - | - | - |
| | Cigniti Technologies Ltd | 19561 | 10 | 28.64 | - | - | - |
| | DOMS Industries Limited | 250 | 10 | 0.72 | - | - | - |
| | Heubach Colorants Ind Ltd | 320 | 10 | 0.19 | - | - | - |
| | ICICI Bank Limited | 670 | 2 | 0.90 | - | - | - |
| | Indusind Bank Limited | 500 | 10 | 0.32 | - | - | - |
| | ITD Cementation India Ltd | 140094 | 1 | 78.07 | - | - | - |
| | Inox Wind Energy Limited | 4910 | 10 | 47.42 | - | - | - |
| | JK Cement Limited | 500 | 10 | 2.47 | - | - | - |
| | Kolte Patil Dev. Ltd | 92339 | 2 | 29.90 | - | - | - |
| | Manappuram Finance Ltd | 136000 | 2 | 31.65 | - | - | - |
| | Mazagon Dock Shipbuilders Limited | 3850 | 5 | 10.18 | - | - | - |
| | Medicamen Biotech Ltd. | 20000 | 10 | 9.60 | - | - | - |
| | MTAR Technologies Limited | 700 | 10 | 0.90 | - | - | - |
| | Narayana Hrudayalaya Ltd | 500 | 10 | 0.85 | - | - | - |
| | Orient Cement Ltd. | 67714 | 1 | 23.02 | - | - | - |
| | Shivalik Rasayan Ltd. | 10000 | 5 | 6.29 | - | - | - |
| | Spectrum Electric Ind Ltd | 3700 | 10 | 7.61 | - | - | - |
| | Sundaram Finance Ltd | 627 | 10 | 2.87 | - | - | - |
| | Suzlon Energy Limited | 88764 | 2 | 5.03 | - | - | - |
| | | | | 289.58 | 476.34 | | |



Edelcap Securities Limited
(Currency : Rs in millions)

| | As at 31 March 2025 | | | As at 31 March 2024 | | |
|--|---------------------|------------|------------------|---------------------|------------|-----------------|
| | Quantity | Face Value | Amount | Quantity | Face Value | Amount |
| D Equity shares (unquoted) | | | | | | |
| Klass Pack Limited - Demerger | - | 1 | - | 750 | 1 | 0.07 |
| National Peroxide Limited - Demerger | - | 10 | - | 650 | 10 | 0.35 |
| Five Core Electronics Limited | 23,000 | 10 | 0.00 | 23,000 | 10 | 0.00 |
| | | | <u>0.00</u> | | | <u>0.42</u> |
| E Debentures and bonds (Quoted) | | | | | | |
| 10.34% Edelweiss Rural & Corporate Services Limited 09.05.2025 Bonds | - | - | 0.00 | 1 | 10,00,000 | 1.04 |
| 10EFCL17DEC2027 | 14,001 | 1,00,000 | 1,472.98 | - | - | - |
| 103SEFCL10MAR2028 | 59,999 | 1,00,000 | 6,225.79 | - | - | - |
| EDEL FINANCE COMPANY LIMITEDA6C304A | 3,300.00 | 100000.00 | 330.00 | - | - | - |
| EDEL FINANCE COMPANY LIMITEDA6C304A01 | 8,000.00 | 100000.00 | 800.00 | - | - | - |
| ECAP EQUITIES LIMITED (FORMERLY KNOWN AS EDEL LAND LIMITED)J4C401A | 22,610.00 | 100000.00 | 2,263.60 | 17,001.00 | 1,00,000 | 1,708.90 |
| ECAP EQUITIES LIMITED (FORMERLY KNOWN AS EDEL LAND LIMITED)G6C401A | 348.00 | 100000.00 | 36.69 | - | - | - |
| ECAP EQUITIES LIMITED (FORMERLY KNOWN AS EDEL LAND LIMITED)G6C401A01 | 1,205.00 | 100000.00 | 127.03 | - | - | - |
| ECAP EQUITIES LIMITED (FORMERLY KNOWN AS EDEL LAND LIMITED)B7H402A06 | 3,300.00 | 100000.00 | 328.71 | - | - | - |
| ECAP EQUITIES LIMITED (FORMERLY KNOWN AS EDEL LAND LIMITED)G6C401A02 | 300.00 | 100000.00 | 31.63 | - | - | - |
| ECAP EQUITIES LIMITED (FORMERLY KNOWN AS EDEL LAND LIMITED)G6C402A01 | 200.00 | 100000.00 | 21.00 | - | - | - |
| ECAP EQUITIES LIMITED (FORMERLY KNOWN AS EDEL LAND LIMITED) B5J201A | 71.00 | 100000.00 | 87.24 | - | - | - |
| EDEL FINANCE COMPANY LIMITEDB7G301A15 | 506.00 | 100000.00 | 55.15 | - | - | - |
| EDEL FINANCE COMPANY LIMITEDC6G309A11 | 305.00 | 100000.00 | 33.76 | - | - | - |
| Edel Finance Company Limited - F7F702A | - | - | - | 10.00 | 1,00,000 | 1.07 |
| Ecap Equities Limited - G6L101A | - | - | - | 150.00 | 10,00,000 | 187.03 |
| | | | <u>11,813.58</u> | | | <u>1,898.03</u> |
| F Mutual funds (unquoted) | | | | | | |
| HDFC Overnight Fund - Growth (HDFCOFG) | - | - | - | 1,11,118 | - | 394.82 |
| SBI Overnight Fund - Direct Plan - Growth (SBI OFDPG) | 24,839.41 | - | 103.17 | 98,224 | - | 382.66 |
| Axis Overnight Fund - Direct Plan - Growth (AXIS OFDPG) | - | - | - | 1,67,243 | - | 211.82 |
| | | | <u>103.17</u> | | | <u>989.31</u> |
| Total Investment | | | <u>14,812.56</u> | | | <u>6,094.22</u> |

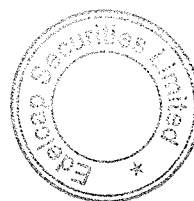
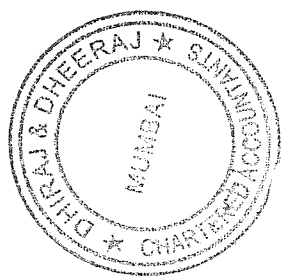


Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

| | As at 31 March 2025 | As at 31 March 2024 |
|--|------------------------|------------------------|
| 12 Other financial assets | | |
| (Unsecured, considered good) | | |
| Deposits placed with/exchange/depositories | 0.43 | 0.43 |
| Deposits- others | 0.27 | 0.27 |
| Margin placed with broker | 649.29 | 107.14 |
| Dividend receivable | 0.01 | - |
| Advances recoverable in cash or in kind or for value to be received | 3.19 | 0.47 |
| Loans and advances to employees | 1.41 | 0.30 |
| | <u>654.59</u> | <u>108.61</u> |
| 13 Current tax assets (net) | | |
| Advance income taxes (net of provision for tax) | 84.69 | 56.99 |
| | <u>84.69</u> | <u>56.99</u> |
| 14 Deferred tax assets (net) | | |
| Deferred tax assets | | |
| <u>Property, plant and equipment and intangibles</u> | | |
| Difference between book and tax depreciation (including intangibles) | - | - |
| <u>Investments and other financial instruments</u> | | |
| Unrealised loss on Derivatives | 15.45 | - |
| <u>Employee benefit obligations</u> | | |
| Provision for leave accumulation | 2.31 | 1.35 |
| Disallowances under section 43B of the Income Tax Act, 1961 | 30.47 | 26.02 |
| <u>Unused tax losses</u> | | |
| Accumulated Losses | 269.33 | 271.34 |
| Others | 12.59 | - |
| (A) | <u>330.16</u> | <u>298.71</u> |
| Deferred tax liabilities | | |
| <u>Property, plant and equipment and intangibles</u> | | |
| Difference between book and tax depreciation (including intangibles) | 0.72 | 0.01 |
| <u>Investments and other financial instruments</u> | | |
| Unrealised gain on derivatives | - | 12.85 |
| Fair valuation of investments | 65.26 | 11.40 |
| <u>Borrowings</u> | | |
| Disallowances under section 43B of the Income Tax Act, 1961 | - | - |
| (B) | <u>65.99</u> | <u>24.26</u> |
| (A-B) | <u>264.17</u> | <u>274.45</u> |



Edelcap Securities Limited**Notes to the financial statements (Continued)**

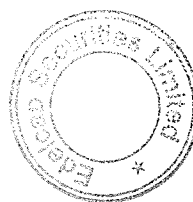
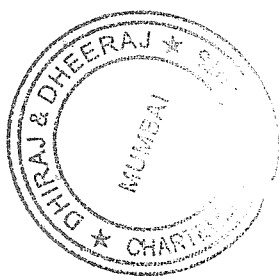
(Currency : Indian rupees in millions)

14.1 Income tax disclosure:**(a) The components of income tax expense for the years ended 31 March 2025 and 31 March 2024 are:**

| Particulars | 31 March 2025 | 31 March 2024 |
|--|---------------|----------------|
| Adjustment in respect of current income tax of prior years | - | - |
| Deferred tax relating to origination and reversal of temporary differences | 277.38 | 221.65 |
| Deferred tax recognised on unused tax credit or unused tax losses | (267.11) | (261.22) |
| Total tax charge | 10.28 | (39.57) |
| Current tax | - | - |
| Deferred tax | 10.28 | (39.57) |

(b) Reconciliation of total tax charge

| Particulars | 31 March 2025 | 31 March 2024 |
|--|---------------|----------------|
| Accounting profit before tax as per financial statements | (27.65) | 239.84 |
| Tax rate (in percentage) | 25.17% | 25.17% |
| Income tax expense calculated based on this tax rate | (6.96) | 60.37 |
| Adjustment in respect of current income tax of prior years | - | - |
| Effect of non-deductible expenses: | | |
| Effect of non-recognition of deferred tax asset on previous year losses consider in current year | 17.83 | (99.62) |
| Others | (0.60) | (0.32) |
| Tax charge for the year recorded in P&L | 10.28 | (39.57) |



Edelcap Securities Limited

Notes to the financial statements (Continued)

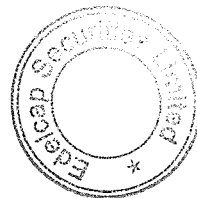
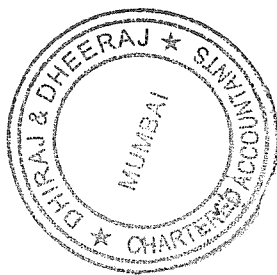
(Currency : Indian rupees in millions)

14.1 Income tax disclosure:

(c) The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

| | Opening deferred tax asset / (liability) | Movement for the period (2024-25) | | | Closing deferred tax asset / (liability) |
|---|--|-----------------------------------|--|----------------|--|
| | | Recognised in profit or loss | Recognised in other comprehensive income | Total movement | |
| Deferred taxes in relation to: | | | | | |
| Property, Plant and Equipment | (0.01) | (0.82) | - | (0.82) | (0.83) |
| Investment | (11.40) | 18.43 | - | 18.43 | 7.03 |
| Employee benefits obligations | 27.37 | 4.94 | - | 4.94 | 32.30 |
| Fair valuation of derivatives | (12.85) | (41.53) | - | (41.53) | (54.38) |
| Unused tax losses (including but not limited to business losses, unabsorbed depreciation) | 271.34 | 8.70 | - | 8.70 | 280.04 |
| Total | 274.45 | (10.28) | - | (10.28) | 264.17 |

| | Opening deferred tax asset / (liability) | Movement for the period (2023-24) | | | Closing deferred tax asset / (liability) |
|---|--|-----------------------------------|--|----------------|--|
| | | Recognised in profit or loss | Recognised in other comprehensive income | Total movement | |
| Deferred taxes in relation to: | | | | | |
| Property, Plant and Equipment | (0.23) | 0.22 | - | 0.22 | (0.01) |
| Trade receivable | 0.02 | (0.02) | - | (0.02) | - |
| Other investments (equity instruments) | - | - | - | - | - |
| Investment | (1.50) | (9.90) | - | (9.90) | (11.40) |
| Employee benefits obligations | 32.61 | (5.45) | 0.20 | (5.25) | 27.37 |
| Fair valuation of derivatives | 0.05 | (12.91) | - | (12.91) | (12.85) |
| Unused tax losses (including but not limited to business losses, unabsorbed depreciation) | 203.71 | 67.63 | - | 67.63 | 271.34 |
| Total | 234.68 | 39.57 | 0.20 | 39.77 | 274.45 |



Edelcap Securities Limited

Notes to the financial statements (continued)

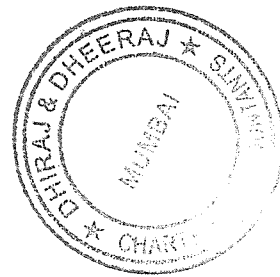
(Currency : Indian rupees in millions)

15 (a) Property, Plant and Equipment

| Description of assets | Gross block | | | Depreciation | | | Net block |
|-------------------------|-----------------------|------------------------------|------------------------------|------------------------|------------------------|------------------------------|------------------------|
| | As at 1 April 2024 | Additions during the year | Disposals during the year | As at 31 March 2025 | Charge for the year | Disposals during the year | As at 31 March 2025 |
| Office equipments | 1.11 | - | - | 1.11 (0.01) | 0.35 | 0.34 | 0.69 |
| Furnitures and fixtures | 0.09 | 0.19 | - | 0.27 | 0.01 | 0.05 | 0.06 |
| Computers | 80.78 | 79.58 | 6.52 | 153.83 | 49.58 | 34.09 | 80.21 |
| Total : A | 81.97 | 79.77 | 6.52 | 155.20 | 49.94 | 34.49 | 80.97 |

(b) Other Intangible Assets

| Description of assets | Gross block | | | Depreciation | | | Net block |
|-----------------------|-----------------------|------------------------------|------------------------------|------------------------|------------------------|------------------------------|------------------------|
| | As at 1 April 2024 | Additions during the year | Disposals during the year | As at 31 March 2025 | Charge for the year | Disposals during the year | As at 31 March 2025 |
| Computer software | 3.24 | 3.44 | - | 6.68 | 2.64 | 1.29 | 3.93 |
| Total : B | 3.24 | 3.44 | - | 6.68 | 2.64 | 1.29 | 3.93 |



Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

| | As at 31 March 2025 | As at 31 March 2024 |
|--|------------------------|------------------------|
| 16 Other non-financial assets | | |
| (Unsecured, considered good) | | |
| Input tax credit | 61.94 | 91.63 |
| Advances to others | 0.01 | 0.01 |
| Prepaid expenses | 15.27 | 10.76 |
| Vendor advances | 1.65 | 2.57 |
| Advance to employee | 0.44 | 0.10 |
| Advances recoverable in cash or in kind or for value to be received (non-financial assets) | 0.07 | - |
| | <u>79.38</u> | <u>105.07</u> |
| 17 Trade payables | | |
| Total outstanding dues of micro enterprises and small enterprises | - | - |
| Total outstanding dues to creditors other than micro enterprises and small enterprises | 491.50 | 55.85 |
| | <u>491.50</u> | <u>55.85</u> |
| Outstanding for less than 1 year from due date of payment | | |
| (i) MSME | - | - |
| (ii) Others | 491.50 | 55.85 |
| | <u>491.50</u> | <u>55.85</u> |

Unbilled amount due of March 2025 is Rs 23.24 millions (March 2024 Rs 6.55 millions).

17.1 Details of dues to micro and small enterprises

Trade payables includes Rs. Nil (Previous year: Rs. Nil) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. Rs. NIL Millions interest has been paid by the Company during the year to "Suppliers" registered under this act. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said act.



Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

18 Debt securities

| Particulars | As at 31 March 2025 | As at 31 March 2024 |
|-----------------------------------|------------------------|------------------------|
| Secured | | |
| Non-convertible debentures* | 6,132.66 | 958.55 |
| Total | 6,132.66 | 958.55 |
| (i) Debt securities outside India | - | - |
| (ii) Debt securities in India | 6,132.66 | 958.55 |
| Total | 6,132.66 | 958.55 |

*The debentures issued under Debenture Trust Deed (DTD) dated 18 January 2024 are initially secured by way of Pari Passu charge on investments including convertible and non-convertible security/ies, any other financial assets of the Company to the extent 1x security cover sufficient to discharge the principal and interest amount at all times for its then outstanding debentures issued under the said DTD.

The debentures issued under Debenture Trust Deed dated 15 September 2024 are secured by charge on CCD's made in Ecap Equities Limited to the extent equal to 1x times the principal and interest amount i.e. redemption value of debentures.

The debentures issued under Debenture Trust Deed dated 16 December 2024 are secured by charge on CCD's made in Ecap Equities Limited to the extent equal to 1x times the principal and interest amount i.e. redemption value of debentures.

The issue proceeds of Non-Convertible Debentures (NCDs) issued by the Company are being utilized as per the objects stated in the offer document. Further, there have been no deviations in the use of proceeds of issue of NCDs from the objects stated in the offer

Debt Securities as at 31 March 2025

| Maturities | <1 years | 1-3 years | > 3 years | Total |
|----------------------------|----------|--------------|-----------------|-----------------|
| 8.00 - 8.99% | - | - | - | - |
| 9.00 - 9.99% | - | - | - | - |
| Various (benchmark linked) | - | 2,588 | 3,544.98 | 6,132.66 |
| Total | - | 2,588 | 3,544.98 | 6,132.66 |

Debt Securities as at 31 March 2024

| Maturities | <1 years | 1-3 years | > 3 years | Total |
|----------------------------|----------|-----------|---------------|---------------|
| 8.00 - 8.99% | - | - | - | - |
| 9.00 - 9.99% | - | - | - | - |
| Various (benchmark linked) | - | - | 958.55 | 958.55 |
| Total | - | - | 958.55 | 958.55 |

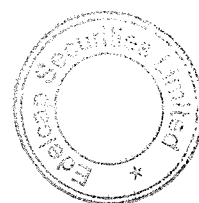
19 Borrowings (other than debt securities)- at amortised cost

| | 31 March 2025 | 31 March 2024 |
|------------------------------|------------------|------------------|
| Unsecured | | |
| Loan From related parties* | 1,573.31 | 1,252.01 |
| Total - Gross | 1,573.31 | 1,252.01 |
| (i) Borrowings outside India | - | - |
| (ii) Borrowings in India | 1,573.31 | 1,252.01 |
| | 1,573.31 | 1,252.01 |
| *(at interest rate of) | 11.90% to 14.70% | 11.38% to 13.96% |

20 Other financial liabilities

Other payables
Accrued salaries and benefits
Payable under SLBM trading - Equity

| | As at 31 March 2025 | As at 31 March 2024 |
|-------------------------------------|------------------------|------------------------|
| Other payables | 0.65 | 1.47 |
| Accrued salaries and benefits | 175.65 | 410.27 |
| Payable under SLBM trading - Equity | - | 46.95 |
| | 176.29 | 458.69 |

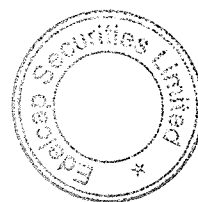


Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

| | As at 31 March 2025 | As at 31 March 2024 |
|--|------------------------|------------------------|
| 21 Current tax liabilities (net) | | |
| Provision for taxation (net of advance tax) | 6.07 | 6.07 |
| | <u>6.07</u> | <u>6.07</u> |
| 22 Provisions | | |
| Provision for employee benefits | | |
| Non-Current | | |
| Gratuity | 36.36 | 27.01 |
| Compensated leave absences | 7.27 | 5.36 |
| Gratuity | 36.36 | 22.89 |
| Compensated leave absences | 7.27 | 4.46 |
| Current provisions | | |
| Gratuity short term | - | 4.12 |
| Compensated absences short term | - | 0.90 |
| Provision for capital expenditure | 3.09 | - |
| | <u>46.74</u> | <u>32.36</u> |
| 23 Other non-financial liabilities | | |
| Withholding taxes, goods and service tax and other taxes payable | 13.00 | 9.42 |
| Others | 0.53 | 0.10 |
| | <u>13.54</u> | <u>9.52</u> |



Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

| | As at 31 March 2025 | As at 31 March 2024 |
|---|--------------------------------|--------------------------------|
| 24 Equity share capital | | |
| Authorised : | | |
| 50,000,000 (Previous year: 50,000,000) equity shares of Rs. 10 each | 500.00 | 500.00 |
| | <u>500.00</u> | <u>500.00</u> |
| Issued, Subscribed and Paid up: | | |
| 38,925,000 (Previous year: 38,925,000) equity shares of Rs. 10 each | 389.25 | 389.25 |
| | <u>389.25</u> | <u>389.25</u> |
| Movement in share capital : | | |
| | 31 March 2025 | 31 March 2024 |
| | No. of shares Amount | No. of shares Amount |
| Outstanding at the beginning of the year | 3,89,25,000 389.25 | 3,89,25,000 389.25 |
| Outstanding at the end of the year | <u>3,89,25,000 389.25</u> | <u>3,89,25,000 389.25</u> |

b. Terms/rights attached to equity shares :

The Company has only one class of equity shares having a par value of Rs. 10. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shares held by holding/ultimate holding company and/or their subsidiaries/associates

| | As at 31 March 2025 | | As at 31 March 2024 | |
|---|---------------------|---------------|---------------------|---------------|
| | No of shares | % | No of shares | % |
| Holding company | | | | |
| Ecap Equities Limited, the holding company and its nominees | 3,89,25,000 | 100.00 | 3,89,25,000 | 100.00 |
| | <u>3,89,25,000</u> | <u>100.00</u> | <u>3,89,25,000</u> | <u>100.00</u> |

25 Instruments entirely equity in nature

| | As at 31 March 2025 | | As at 31 March 2024 | |
|--|---------------------|-----------------|---------------------|-----------------|
| | No of CCDs | Amount | No of CCDs | Amount |
| 0.01% Compulsorily Convertible Debentures (CCDs) of Rs.10 each | 72,50,00,000 | 7,250.00 | 32,50,00,000 | 3,250.00 |
| | <u>72,50,00,000</u> | <u>7,250.00</u> | <u>32,50,00,000</u> | <u>3,250.00</u> |

a. Movement in instruments during the year :

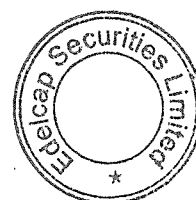
| | As at 31 March 2025 | | As at 31 March 2024 | |
|--|---------------------|-----------------|---------------------|-----------------|
| | No of CCDs | Amount | No of CCDs | Amount |
| 0.01% Compulsorily Convertible Debentures (CCDs) | | | | |
| Outstanding at the beginning of the year | 32,50,00,000 | 3,250.00 | - | - |
| Issued during the year | 40,00,00,000 | 4,000.00 | 32,50,00,000 | 3,250.00 |
| Outstanding at the end of the year | <u>72,50,00,000</u> | <u>7,250.00</u> | <u>32,50,00,000</u> | <u>3,250.00</u> |

b. Terms/rights attached to Instruments entirely equity in nature :

The interest rate is 0.01% per annum and CCDs will be convertible into equity shares within period not exceeding 5 years from the date of issue.

c. Details of holders holding more than 5%

| | As at 31 March 2025 | | As at 31 March 2024 | |
|-----------------------|---------------------|-------------|---------------------|-------------|
| | No. of CCD's | % | No. of CCD's | % |
| Ecap Equities Limited | 72,50,00,000 | 100% | 32,50,00,000 | 100% |
| | <u>72,50,00,000</u> | <u>100%</u> | <u>32,50,00,000</u> | <u>100%</u> |



Edelcap Securities Limited**Notes to the financial statements (Continued)**

(Currency : Indian rupees in millions)

26 Other Equity**Capital redemption reserve**

Opening balance

Add : Additions during the year

Deemed capital contribution - ESOP

Opening balance

Add : Additions during the year

Opening balance

Add: Profit / (Loss) for the year

Add: ESOP reversal on lapse of vesting period

Add: Other comprehensive income for the year

Amount available for appropriation

Appropriations:

**As at
31 March 2025****As at
31 March 2024**

100.00

-

100.00

3.61

-

3.61

353.09

(37.93)

0.27

(1.97)

313.46

-

313.46

417.07

100.00

-

100.00

3.61

-

3.61

73.95

279.43

0.30

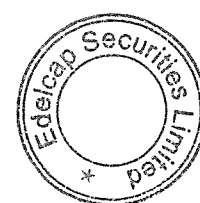
(0.60)

353.08

-

353.08

456.69



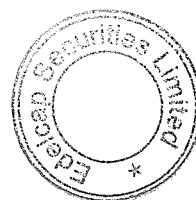
Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|-------------------------------------|-------------------------------------|
| Revenue from operations | | |
| 27 Interest Income | | |
| On financial assets measured at amortised cost | | |
| Interest on deposits with bank | | |
| Interest income on fixed deposits | 0.29 | 9.47 |
| Investments | | |
| On margin with brokers | 5.98 | 0.66 |
| On financial assets classified at fair value through profit or loss | | |
| Interest Income - Others | 0.10 | 0.07 |
| On financial assets classified at fair value through profit or loss | | |
| Interest income from Debt instruments held as Investment | 104.88 | 103.81 |
| | <u>111.25</u> | <u>114.01</u> |
| 28 Dividend income | | |
| Dividend on Investment | 2.30 | 2.25 |
| | <u>2.30</u> | <u>2.25</u> |
| 29 Net gain on fair value changes | | |
| Net gain on fair value changes | | |
| On trading portfolio | | |
| Investments | | |
| Profit / (loss) on trading of securities (net) | 402.67 | 94.34 |
| Profit on Stake sale (Allium Finance Private Limited) | 84.83 | - |
| Fair value gain - P&L - equity | (36.05) | 41.70 |
| Fair value gain - P&L - debt | 135.42 | 2.03 |
| Profit / (loss) on equity derivative instruments (net) | 778.41 | 1,281.38 |
| Profit on trading in currency derivative instruments (net) | - | 0.10 |
| Profit on interest rate derivative instruments (net) | - | (19.89) |
| | <u>1,365.29</u> | <u>1,399.66</u> |
| Fair value changes: | | |
| - Realised | 1,327.30 | 1,330.75 |
| - Unrealised | 37.99 | 68.91 |
| Total net gain/loss on fair value changes | <u>1,365.29</u> | <u>1,399.66</u> |
| 30 Other income | | |
| Credit Balance Written Back* | 0.32 | 0.00 |
| Profit on sale of fixed assets (net) | 0.06 | 0.19 |
| Interest income on income tax refund | - | 0.89 |
| Miscellaneous income | 7.42 | 7.52 |
| | <u>7.80</u> | <u>8.60</u> |

*0.00 represents amounts less than 5,000



Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

For the year ended
31 March 2025

For the year ended
31 March 2024

31 Finance costs

On Financial liabilities measured at amortised cost

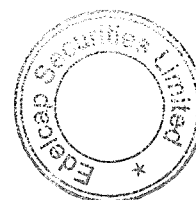
| | | |
|---|---------------|---------------|
| Interest on Margin | 36.12 | 9.70 |
| Interest on loan from fellow subsidiaries | 78.52 | 263.24 |
| Cost of benchmark linked debentures | 292.26 | 1.61 |
| Interest on debentures | 0.40 | 0.33 |
| Financial and bank charges | 2.50 | 2.16 |
| Interest - others | 2.65 | 1.72 |
| | <u>412.46</u> | <u>278.76</u> |

32 Employee benefit expenses

| | | |
|--|---------------|---------------|
| Salaries and wages | 487.72 | 695.57 |
| Contribution to provident and other funds | 19.20 | 16.07 |
| Expense on employee stock option scheme (ESOP) | 0.04 | 0.22 |
| Expense on Employee Stock Appreciation Rights | 0.46 | 0.13 |
| Staff welfare expenses | 11.63 | 9.04 |
| | <u>519.05</u> | <u>721.03</u> |

32.1 Employee stock option plans

The Holding Company (Edelweiss Financial Services Limited ("EFSL")) has Employee Stock Option Plans in force. Based on such ESOP schemes, parent entity has granted an ESOP option to acquire equity shares of EFSL that would vest in a graded manner to company's employees. Based on group policy / arrangement, EFSL has charged the fair value of such stock options, Company has accepted such cross charge and recognised the same under the employee cost.

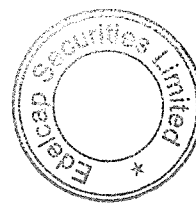


Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|--|-------------------------------------|-------------------------------------|
| 33 Other expenses | | |
| Advertisement and business promotion | 1.48 | 1.33 |
| Auditors' remuneration (<i>refer note below</i>) | 1.84 | 1.42 |
| Communication | 3.99 | 2.60 |
| Computer expenses | 63.27 | 43.22 |
| Computer software | 14.02 | 10.12 |
| Clearing and custodian charges | 26.57 | 20.33 |
| Dematerialisation charges | 0.03 | - |
| Directors' sitting fees | 0.15 | - |
| Electricity charges | 2.47 | 1.94 |
| Foreign exchange loss (net) | 0.01 | 0.27 |
| Insurance | 0.54 | 0.37 |
| Legal and professional fees | 69.70 | 18.61 |
| Membership and subscription | 12.17 | 8.53 |
| Office expenses | 20.12 | 11.96 |
| Postage and courier | 0.07 | 0.12 |
| Printing and stationery | 0.30 | 0.17 |
| Rates and taxes | 0.03 | 0.02 |
| Rating support fees | 0.34 | - |
| Rent | 31.46 | 26.80 |
| Repairs and maintenance | 0.86 | 1.32 |
| ROC expenses | 0.04 | 0.04 |
| Securities transaction tax | 112.68 | 50.47 |
| Seminar and conference | 0.39 | 0.11 |
| Goods and service tax expenses | 87.09 | 11.28 |
| Stamp duty | 7.51 | 4.99 |
| Stock exchange expenses | 55.60 | 32.12 |
| Travelling and conveyance | 30.44 | 7.14 |
| Warehousing charges | 0.06 | - |
| Miscellaneous expenses | 0.34 | (0.10) |
| Outside Services Cost - Operations | 0.83 | - |
| Housekeeping and security charges | 2.62 | 7.52 |
| | 547.02 | 262.70 |
| 33.1 Auditors' remuneration: | | |
| As auditors | 1.82 | 1.40 |
| Others | 0.03 | 0.02 |
| | 1.85 | 1.42 |



Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

33 Other expenses (continued)

33.2 Foreign currency transaction

The Company has incurred an amount of Rs. 39.98 millions (Previous year: Rs. 22.55 millions) in foreign currency related to expenses. Earning in foreign exchange Nil (Previous year: Nil).

33.3 Cost sharing

Edelweiss Financial Services Limited, being the ultimate holding company along with fellow subsidiaries incurs expenditure like Group mediclaim, insurance, rent, electricity charges, technology charges etc. which is for the common benefit of itself and its certain subsidiaries, fellow subsidiaries including the Company. This cost so expended is reimbursed by the Company on the basis of number of employees, area occupied, actual identifications, etc. Accordingly, and as identified by the management, the expenditure heads in note 34 include reimbursements paid and are net of reimbursements received based on the management's best estimate.

33.4 Corporate social responsibility (CSR)

As per the provisions of section 135 of the Companies Act, 2013,

The Company is not required to spend any amount during the year (Previous year: Nil).



Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

34 Segment Reporting

The Company's business is organised and management reviews the performance based on the business segments as mentioned below:

| Segment | Activities covered |
|------------------------|---|
| Capital based business | Interest Income on loans and other capital based activities |
| Agency business | Broking, advisory and product distribution services |
| Treasury | Income from treasury operations, income from investments, interest income on debt instruments and dividend income |

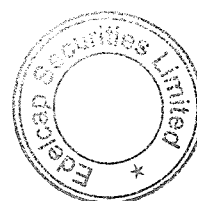
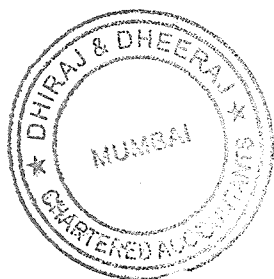
Income for each segment has been specifically identified. Expenditures, assets and liabilities are either specifically identified with individual segments or have been allocated to segments on a systematic/reasonable basis.

Based on such allocations, segment disclosures relating to revenue, results, assets and liabilities have been prepared.

Since the business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

The following table gives information as required under the Ind AS -108 - Operating Segment Reporting:

| | Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|------------|-------------------------------------|-------------------------------------|-------------------------------------|
| I | Segment revenue | | |
| | a) Capital based business | 84.83 | - |
| | b) Agency business | - | - |
| | c) Treasury | 1,401.81 | 1,523.04 |
| | d) Unallocated | - | 1.48 |
| | Total income | 1,486.64 | 1,524.52 |
| II | Segment results | | |
| | a) Capital based business | 84.83 | - |
| | b) Agency business | - | - |
| | c) Treasury | (112.49) | 238.38 |
| | d) Unallocated | - | 1.47 |
| | Total | (27.65) | 239.85 |
| | Less : Provision for taxation | 10.28 | (39.57) |
| | (Loss)/Profit after taxation | (37.93) | 279.43 |
| III | Segment assets | | |
| | a) Capital based business | 2,606.25 | 2,730.12 |
| | b) Agency business | - | - |
| | c) Treasury | 14,125.95 | 3,748.44 |
| | d) Unallocated | 410.77 | 423.06 |
| | Total | 17,142.97 | 6,901.62 |
| IV | Segment Liabilities | | |
| | a) Capital based business | 1,199.50 | - |
| | b) Agency business | - | - |
| | c) Treasury | 7,683.13 | 2,790.18 |
| | d) Unallocated | 204.03 | 15.50 |
| | Total | 9,086.66 | 2,805.68 |

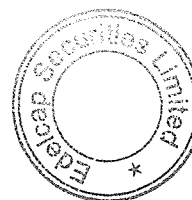


Edelcap Securities Limited

Related Parties disclosure in accordance with Ind AS 24:

i. List of related parties and relationship:

| | |
|---|---|
| Name of related parties by whom control is exercised | Edelweiss Financial Services Limited (Ultimate holding company) ECap Equities Limited (Holding company) |
| Name of related parties over whom control is exercised | Edelweiss Retail Finance Limited |
| Fellow Subsidiaries (with whom transactions have taken place) | Edel Finance Company Limited ECap Equities Limited Edelweiss Financial Services Limited Edelweiss Rural and Corporate Services Limited Edel Investments Limited Ecap Securities and Investments Limited Edelweiss Retail Finance Limited Edelweiss Asset Reconstruction Company Limited Edel Finance Company Limited ECL Finance Limited Edelweiss Investment Adviser Limited Allium Finance Private Limited |
| Key Management Personnel (with whom transactions have taken place) | Rituparna Barman Roy - Executive Director Piyush Chamria - Executive Director Apoorva Rastogi - Executive Director Ritesh Jain - Chief Financial Officer Hiteshree Shah - Company Secretary |



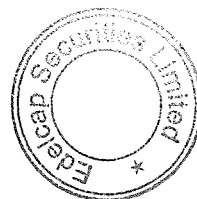
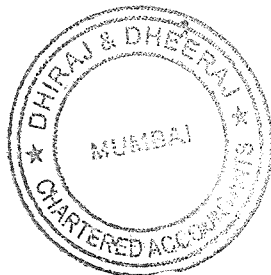
Edelcap Securities Limited

(Currency : Rs in millions)

35 Related Parties disclosure in accordance with Ind AS 24 (continued):

ii Transactions with related parties :

| Sr. No. | Nature of transaction | Related party name | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---------|--|---|-----------------------------------|-----------------------------------|
| | Capital account transactions during the Year | | | |
| 1 | Sale of Investments in equity instruments of group company | Edel Finance Company Limited | 208.51 | - |
| 2 | Issuance of Compulsorily convertible debentures held by | ECap Equities Limited | 4,000.00 | - |
| | Current account transactions during the year | | | |
| 3 | Short term loans taken from | ECap Equities Limited | 8,979.50 | 4,199.40 |
| | | Edelweiss Financial Services Limited | 450.00 | - |
| | | Edelweiss Rural and Corporate Services Limited | - | 1,316.50 |
| | | Edel Finance Company Limited | 1,560.00 | 2,547.30 |
| 4 | Short term loans repaid to | ECap Equities Limited | 10,213.70 | 2,965.20 |
| | | Edel Finance Company limited | - | 4,102.08 |
| | | Edelweiss Financial Services Limited | 450.00 | - |
| | | Edelweiss Rural and Corporate Services Limited | - | 1,316.50 |
| 5 | Margin placed with broker | Edel Investments Limited | 177.09 | 84.53 |
| 6 | Margin withdrawn from broker | Edel Investments Limited | 178.70 | 84.37 |
| 7 | Interest expense on loan from | ECap Equities Limited | 75.47 | 145.02 |
| | | Edelweiss Financial Services Limited | 0.59 | - |
| | | Edelweiss Rural and Corporate Services Limited | - | 6.32 |
| | | Edel Finance Company Limited | 2.46 | 111.90 |
| 8 | Interest income on Debt instruments | Edelweiss Rural and Corporate Services Limited | 53.67 | 103.81 |
| | | Edel Finance Company Limited | 51.21 | - |
| 9 | Interest expense on CCDs from | ECap Equities Limited | 0.40 | 0.33 |
| 10 | Interest income on NLD | Edel Finance Company Ltd | 163.26 | - |
| | | ECap Equities Limited | 180.48 | - |
| 11 | Cost reimbursements paid to | Edelweiss Rural and Corporate Services Limited | 67.24 | 65.10 |
| | | Edel Investments Limited | 8.48 | 2.76 |
| | | Edelweiss Financial Services Limited | 0.17 | 0.52 |
| 12 | ESOP and SAR expense paid to | Edelweiss Financial Services Limited | 0.50 | 0.35 |
| 13 | Sale of Fixed Asset to | Edelweiss Rural and Corporate Services Limited | 0.59 | 0.93 |
| | | ECap Equities Limited | 0.76 | 1.74 |
| | | Edel Investments Limited | 1.45 | 5.32 |
| | | ECap Securities and Investments Limited | 0.02 | - |
| 14 | Purchase of Fixed Asset from | ECap Equities Limited | 0.17 | 0.90 |
| | | Edelweiss Rural and Corporate Services Limited | 0.04 | 0.12 |
| | | Edel Investments Limited | 13.66 | 2.73 |
| 15 | Brokerage paid to | Edel Investments Limited | 15.37 | 9.22 |
| 16 | Amt paid to broker for Cash segment | Edel Investments Limited | 13,986.17 | 14,950.19 |
| 17 | Amt received from broker for Cash segment | Edel Investments Limited | 14,160.65 | 14,604.31 |
| 18 | Remuneration paid to | Key Management Personnel Rituparna Barman Roy Piyush Chamria Apoorva Rastogi Ritesh Jain Hiteshree Shah Akash Soni Sonal Deshpande | 41.60 | 23.88 |
| 19 | Purchase of Debt Securities | ECap Equities Limited | 1,104.79 | 1,702.14 |
| | | Edel Investments Limited | 333.79 | - |
| | | Edelweiss Investment Adviser Limited | 171.79 | - |
| | | Edelweiss Rural and Corporate Services Limited | 1,068.18 | 115.63 |
| | | ECap Equities Limited | 2,484.85 | - |
| | | Edel Finance Company Limited | 6,501.88 | - |
| 20 | Sale of Debt Securities | Edelweiss Rural and Corporate Services Limited | 2,047.79 | - |
| | | Edel Finance Company Limited | 1.04 | - |
| | | Edel Investments Limited | 291.66 | - |
| | | ECap Equities Limited | - | 1,400.68 |
| 21 | Redemption of Debt securities | ECap Equities Limited | 207.48 | 1,080.40 |
| 22 | Consultancy and other advisory fees paid to | Edelweiss Alternative Asset Advisors Limited | - | 0.13 |



Edelcap Securities Limited

(Currency : Rs in millions)

35 Related Parties disclosure in accordance with Ind AS 24 (continued):

ii Transactions with related parties :

| Sr. No. | Nature of transaction | Related party name | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---------|---|--|-----------------------------------|-----------------------------------|
| | Balances with Related Parties | | | |
| 23 | Compulsorily convertible debentures held by | ECap Equities Limited | 7,250.00 | 3,250.00 |
| 24 | Short term loans taken from | Edel Finance Company Limited | 1,560.00 | 1,234.20 |
| 25 | Interest payable on loans taken from | ECap Equities Limited | 10.87 | 8.63 |
| | | Edelweiss Rural and Corporate Services Limited | - | 2.86 |
| | | Edel Finance Company Limited | 2.44 | 6.31 |
| 26 | Interest receivable on debt instrument | Edel Finance Company Limited | 77.32 | 0.02 |
| 27 | Trade payables to | Edelweiss Rural and Corporate Services Limited | 6.33 | 4.91 |
| | | Edel Investments Limited | 1.40 | 39.75 |
| | | ECap Equities Limited | - | 1.28 |
| 28 | Other payable to | Edelweiss Rural and Corporate Services Limited | - | 0.51 |
| | | ECL Finance Limited | - | 0.50 |
| | | ECap Equities Limited | - | 0.01 |
| | | Edel Investments Limited | 0.05 | 0.41 |
| | | Edelweiss Financial Services Limited | 0.27 | 0.05 |
| 29 | Other Receivable from | Edelweiss Financial Services Limited | 0.01 | - |
| | | ECap Equities Limited | - | 0.16 |
| | | Edelweiss Rural and Corporate Services Limited | - | 0.03 |
| | | Edel Investments Limited | 3.06 | - |
| | | ECL Finance Limited | - | 0.16 |
| 30 | Investment in Debt securities | Edel Finance Company Limited | 7,698.77 | 1.01 |
| 31 | Investments in equity shares of | Edelweiss Retail Finance Limited | 2,384.39 | 2,384.39 |
| | | Edelweiss Asset Reconstruction Company Limited | 221.86 | 221.86 |
| | | Allium Finance Private Limited | - | 123.88 |
| 32 | Investment in Market Linked Debentures | Edel Finance Company limited | 1,218.91 | 1.07 |
| | | ECap Equities Limited | 2,895.90 | 1,895.93 |
| 33 | Margin payable to | Edel Investments Limited | 371.71 | - |

Note:

Note 1 : Loan given/taken to/from parties and margin money placed / refund received with/ from related parties are disclosed based on the aggregate debit amount given/taken and p

Note 2 : As part of fund based activities, intergroup company loans and advances activities undertaken are generally in the nature of loans repayable at any time before maturity. Such loans and advances, voluminous in nature, are carried on at arm's length and in the ordinary course of business. Pursuant to Ind AS 24 - Related Party Disclosures, sum of loans taken and repaid are disclosed. Interest expenses on such loans and advances are disclosed on the basis of full amounts of such loans and advances taken and repaid.

Note 3 : Information relating to remuneration paid to key managerial person mentioned above excludes provision made for gratuity, leave encashment and deferred bonus which are provided for group of employees on an overall basis. These are included on cash basis. The variable compensation included herein is on cash basis.

Note 4 : Disclosure under section 100(4) of the Companies Act, 2013 for loans and guarantee : Loans have been given for general business purpose.



Edelcap Securities Limited

Notes to the financial statements (continued)

(Currency : Indian rupees in millions)

36 Earnings per share

In accordance with Indian Accounting Standard 33 – “Earnings Per Share” prescribed by Companies (Accounts) Rules, 2015, the computation of earnings per share is set out below:

| Particulars | 31 March 2025 | 31 March 2024 |
|---|---------------|---------------|
| (a) Profit / (loss) after tax | (37.93) | 279.42 |
| Less: dividend on preference share capital | - | - |
| Net profit / (loss) for the year attributable to equity shareholders | (37.93) | 279.42 |
| (b) Calculation of weighted average number of equity Shares of Rs. 10 each | | |
| Number of shares outstanding at the beginning of the year | 3,89,25,000 | 3,89,25,000 |
| Number of Shares issued during the year | - | - |
| Number of shares on conversion of Compulsorily Convertible Debentures (CCDs) | 5,91,82,500 | 6,82,500 |
| Total number of equity shares outstanding at the end of the year | 9,81,07,500 | 3,96,07,500 |
| Weighted average number of equity shares outstanding during the year (based on the date of issue of shares) | 5,02,10,240 | 3,96,07,500 |
| (c) Basic and diluted earnings per share (in rupees) (a)/(b) | (0.76) | 7.05 |

37 Contingent liabilities and capital commitments

Contingent liabilities

The Company has pending taxation matters of Rs 3.4 millions as at balance sheet date (Previous year: Rs. 3.4 millions).

The Company has received demand notices from tax authorities on account of disallowance of expenditure for earning exempt income under Section 14A of Income Tax Act 1961 read with Rule 8D of the Income Tax Rules, 1962. The company has filed appeal/s and is defending its position. Based on the favourable outcome in Appellate proceedings in the past and as advised by the tax advisors, company is reasonably certain about sustaining its position in the pending cases, hence the possibility of outflow of resources embodying economic benefits on this ground is remote.

Capital commitments

The Company has no capital commitments at the balance sheet date (Previous year: Rs. Nil).

38 Risk management framework:-

a) Governance framework

The primary objective of the company's risk and financial management framework is to protect the company's shareholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Key management recognises the critical importance of having efficient and effective risk management systems in place.

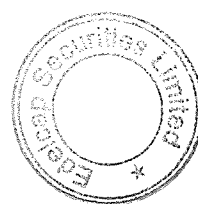
b) Approach to capital management

Company objectives when managing capital, are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

Company monitors capital using debt-equity ratio, which is total debt divided by total equity.

| Particulars | 31 March 2025 | 31 March 2024 |
|--------------------|---------------|---------------|
| Total Debt | 7,705.97 | 2,210.56 |
| Equity | 8,056.32 | 4,095.93 |
| Net Debt to Equity | 0.96 | 0.54 |



Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

39 Disclosure pursuant to Indian Accounting Standard 19 - Employee benefits

a) Defined contribution plan (Provident fund):

Amount of Rs. 18.09 millions (Previous year: Rs. 14.70 millions) is recognised as expenses and included in "Employee benefit" – Note 33 in the statement of profit and loss.

b) Defined benefit plan - Gratuity

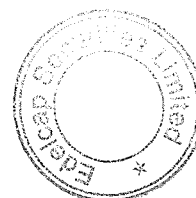
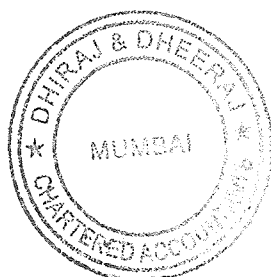
The following tables summarize the components of the net employee benefit expenses recognized in the profit and loss account and the funded status and amounts recognized in the balance sheet for the Gratuity benefit plan.

Reconciliation of Defined Benefit Obligation (DBO)

| | 31 March 2025 | 31 March 2024 |
|--|---------------|---------------|
| Present Value of DBO at Start of the year | 27.01 | 25.52 |
| <i>Service Cost</i> | | |
| a. Current Service Cost | 4.77 | 4.04 |
| b. Past Service Cost | - | - |
| c. Loss/(Gain) from Settlement | - | - |
| Interest Cost | 2.08 | 1.74 |
| Benefits Paid | (2.15) | (4.02) |
| <i>Re-measurements</i> | | |
| a. Actuarial Loss/(Gain) from changes in demographic assumptions | - | - |
| b. Actuarial Loss/(Gain) from changed in financials assumptions | 1.42 | 0.15 |
| c. Actuarial Loss/(Gain) from experience over last past year | 0.55 | 0.65 |
| Transfer In / (Out) | 2.69 | (1.07) |
| Present Value of DBO at end of the year | 36.36 | 27.01 |

Reconciliation of Fair Value of Plan Assets

| | 31 March 2025 | 31 March 2024 |
|---|---------------|---------------|
| Fair Value of Plan Assets at start of the year | - | - |
| <i>Contributions by Employer</i> | 2.15 | 4.02 |
| Benefits Paid | (2.15) | (4.02) |
| Interest Income Plan Assets | - | - |
| <i>Re-measurements</i> | - | - |
| Return on plan assets excluding amount including in net interest on the net defined benefit liability / (asset) | - | - |
| Effect of acquisition / (divestiture) | - | - |
| Changes in foreign exchange rate | - | - |
| Fair Value of Plan Assets at end of the year | - | - |
| <i>Actual Return on Plan Assets</i> | - | - |
| <i>Expected Employer Contributions for the coming year</i> | - | - |



Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

39 Disclosure pursuant to Indian Accounting Standard 19 - Employee benefits

Expenses recognised in the Profit and Loss Account

| | 31 March 2025 | 31 March 2024 |
|---|---------------|---------------|
| <i>Service Cost</i> | | |
| a.Current Service Cost | 4.77 | 4.04 |
| b.Past Service Cost | - | - |
| c.Loss/(Gain) from Settlement | - | - |
| Net Interest on net defined benefit liability / (asset) | 2.08 | 1.74 |
| Changes in foreign exchange rate | - | - |
| Employer Expenses | 6.85 | 5.77 |

Net Liability / (Asset) recognised in the Balance sheet

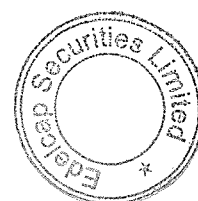
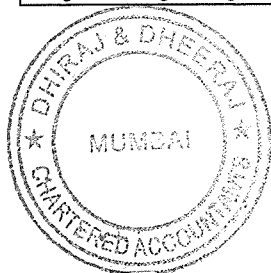
| | 31 March 2025 | 31 March 2024 |
|---|---------------|---------------|
| Present Value of DOB | 36.36 | 27.01 |
| Fair Value of Plan Assets | - | - |
| Liability / (Asset) recognised in the Balance Sheet | 36.36 | 27.01 |
| Funded Status [Surplus/ (Deficit)] | (36.36) | (27.01) |
| Of which, Short term Liability | 5.29 | 4.12 |
| Experience Adjustment on Plan Liabilities:(Gain)/Loss | 0.55 | 0.65 |

Percentage Break-down of Total Plan Assets

| | 31 March 2025 | 31 March 2024 |
|---|---------------|---------------|
| Equity instruments | 0.0% | 0.0% |
| Debt instruments | 0.0% | 0.0% |
| Real estate | 0.0% | 0.0% |
| Derivatives | 0.0% | 0.0% |
| Investment Funds with Insurance Company | 0.0% | 0.0% |
| Of which, Unit Linked | 0.0% | 0.0% |
| Of which, Traditional/ Non-Unit Linked | 0.0% | 0.0% |
| Asset-backed securities | 0.0% | 0.0% |
| Structured debt | 0.0% | 0.0% |
| Cash and cash equivalents | 0.0% | 0.0% |
| Total | 0.0% | 0.0% |

Actuarial assumptions:

| | 31 March 2025 | 31 March 2024 |
|---|---------------------|---------------------|
| Salary Growth Rate (% p.a) | 7% p.a | 7% p.a |
| Discount Rate (% p.a) | 6.3% p.a | 7% p.a |
| Interest Rate on Net DBO / (Asset) (%) | 7% p.a | 7.1% p.a |
| Withdrawal Rate (% p.a) | 16% p.a | 16% p.a |
| Mortality Rate | IALM 2012-14 (Ult.) | IALM 2012-14 (Ult.) |
| Weighted average duration of the obligation | 3.5 Years | 3.5 Years |



Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

39 Disclosure pursuant to Indian Accounting Standard 19 - Employee benefits

Movement in Other Comprehensive Income

| | 31 March 2025 | 31 March 2024 |
|---|----------------|----------------|
| Balance at start of year (Loss)/ Gain | (11.31) | (10.50) |
| <i>Re-measurements on DBO</i> | | |
| a.Actuarial Loss/(Gain) from changes in demographic assumptions | - | - |
| b.Actuarial Loss/(Gain) from changed in financials assumptions | (1.42) | (0.15) |
| c.Actuarial Loss/(Gain) from experience over last past year | (0.55) | (0.65) |
| <i>Re-measurements on Plan Assets</i> | | |
| Return on plan assets excluding amount including in net interest on the net defined benefit liability / (asset) | - | - |
| Balance at end of year (Loss)/ Gain | (13.28) | (11.31) |

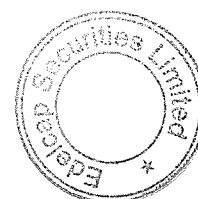
Sensitivity Analysis

| DOB increases / (decreases) by | 31 March 2025 | 31 March 2024 |
|---|---------------|-------------------|
| 1 % Increase in Salary Growth Rate | 1.79 | 1.44 |
| 1 % Decrease in Salary Growth Rate | (1.64) | (1.39) |
| 1 % Increase in Discount Rate | (1.63) | (1.38) |
| 1 % Decrease in Discount Rate | 1.82 | 1.45 |
| 1 % Increase in Withdrawal Rate | (0.07) | Negligible change |
| 1 % Decrease in Withdrawal Rate | 0.07 | Negligible change |
| Mortality (Increase in expected lifetime by 1 year) | 0.00 | Negligible change |
| Mortality (Increase in expected lifetime by 3 year) | 0.00 | Negligible change |

Note: The sensitivity is performed on the DBO at the respective valuation date by modifying one parameter whilst retaining other parameters constant. There are no changes from the previous period to the methods and assumptions underlying the sensitivity analyses.

Movement in Surplus / (Deficit)

| | 31 March 2025 | 31 March 2024 |
|---|----------------|----------------|
| Surplus / (Deficit) at start of year | (27.01) | (25.52) |
| Net (Acquisition) / Divestiture | - | - |
| Net Transfer (In)/ Out | (2.69) | 1.07 |
| <i>Movement during the year</i> | | |
| Current Service Cost | (4.77) | (4.04) |
| Past Service Cost | | |
| Net Interest on net DBO | (2.08) | (1.74) |
| Changes in foreign exchange rate | | |
| Re-measurements | (1.97) | (0.80) |
| Contributions / Benefits | 2.15 | 4.02 |
| Surplus / (Deficit) at end of year | (36.36) | (27.01) |



Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

40 Liquidity risk:

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Company could be required to pay its trade payables earlier than expected.

A. Analysis of non-derivative financial liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's non-derivative financial liabilities.

Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Company expects that the counterparties will not request repayment on the earliest date it could be required to pay.

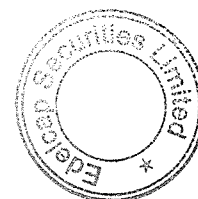
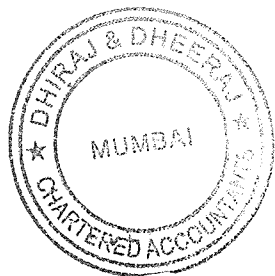
| As at 31 March 2025 | 0 to 6 months | 6 months to 1 year | 1 year to 3 years | 3 years to 5 years | Over 5 years | Total |
|--|-----------------|--------------------|-------------------|--------------------|--------------|-----------------|
| Trade payables | 112.04 | - | - | - | - | 112.04 |
| Trade payables - Group | 379.46 | - | - | - | - | 379.46 |
| Debt Securities | - | - | 2,587.68 | 3,544.98 | - | 6,132.66 |
| Borrowing (other than debt securities) - Group | 1,573.31 | - | - | - | - | 1,573.31 |
| Other financial liabilities | 175.97 | - | - | - | - | 175.97 |
| Other financial liabilities - Group | 0.32 | - | - | - | - | 0.32 |
| Total undiscounted non-derivative financial | 2,241.10 | - | 2,587.68 | 3,544.98 | - | 8,373.76 |

| As at 31 March 2024 | 0 to 6 months | 6 months to 1 year | 1 year to 3 years | 3 years to 5 years | Over 5 years | Total |
|--|---------------|--------------------|-------------------|--------------------|--------------|-----------------|
| Trade payables | 9.59 | - | - | - | - | 9.59 |
| Trade payables - Group | 46.26 | - | - | - | - | 46.26 |
| Debt Securities | - | - | - | 958.55 | - | 958.55 |
| Borrowing (other than debt securities) - Group | - | 1,252.02 | - | - | - | 1,252.02 |
| Other financial liabilities | 457.21 | - | - | - | - | 457.21 |
| Other financial liabilities - Group | 1.47 | - | - | - | - | 1.47 |
| Total undiscounted non-derivative financial | 514.53 | 1,252.02 | - | 958.55 | - | 2,725.10 |

B. Analysis of non-derivative financial assets by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's non-derivative financial assets.

| As at 31 March 2025 | 0 to 6 months | 6 months to 1 year | 1 year to 3 years | 3 years to 5 years | Over 5 years | Total |
|--|-----------------|--------------------|-------------------|--------------------|-----------------|------------------|
| Cash and cash equivalent and other bank balances | 550.90 | 3.08 | - | - | - | 553.98 |
| Trade Receivables - Others | 0.02 | - | - | - | - | 0.02 |
| Investments | 479.98 | 76.16 | 11,650.19 | - | 2,606.25 | 14,812.56 |
| Other financial assets | 652.49 | 1.41 | 0.70 | - | - | 654.60 |
| Total | 1,683.38 | 80.64 | 11,650.88 | - | 2,606.25 | 16,021.15 |



Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

40 Liquidity risk:

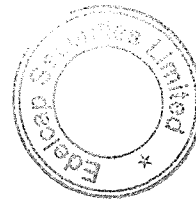
| As at 31 March 2024 | 0 to 6 months | 6 months to 1 year | 1 year to 3 years | 3 years to 5 years | Over 5 years | Total |
|--|---------------|--------------------|-------------------|--------------------|--------------|----------|
| Cash and cash equivalent and other bank balances | 111.94 | 3.06 | - | - | - | 115.00 |
| Trade Receivables - Group | 0.35 | - | - | - | - | 0.35 |
| Trade Receivables - Others | 3.30 | - | - | - | - | 3.30 |
| Investments | 3,364.09 | - | - | - | 2,730.13 | 6,094.22 |
| Other financial assets | 87.28 | 0.30 | 0.70 | - | - | 88.28 |
| Total | 3,566.96 | 3.36 | 0.70 | - | 2,730.13 | 6,301.16 |

C. Maturity analysis for derivatives:

All derivatives which are entered into for trading purposes are shown in the earliest time band. With respect to other derivatives, the remaining contractual maturity information has been given based on undiscounted cash flows.

| As at 31 March 2025 | 0 to 6 months | 6 months to 1 year | 1 year to 3 years | 3 years to 5 years | Over 5 years | Total |
|---|---------------|--------------------|-------------------|--------------------|--------------|---------|
| Net settled derivatives entered into for trading purposes | (44.15) | - | - | 14.19 | - | (29.96) |
| Total | (44.15) | - | - | 14.19 | - | (29.96) |

| As at 31 March 2024 | 0 to 6 months | 6 months to 1 year | 1 year to 3 years | 3 years to 5 years | Over 5 years | Total |
|---|---------------|--------------------|-------------------|--------------------|--------------|-------|
| Net settled derivatives entered into for trading purposes | (4.16) | - | - | 82.53 | - | 78.38 |
| Total | (4.16) | - | - | 82.53 | - | 78.38 |



Edelcap Securities Limited**Notes to the financial statements (Continued)**

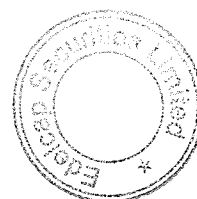
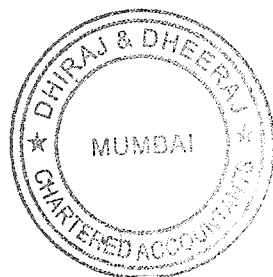
(Currency : Indian rupees in millions)

40 Fair Values of Financial Instruments**(a) Fair Value Hierarchy**

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy

| Particulars | 31 March 2025 | | | |
|---|-----------------|----------|-----------------|------------------|
| | Level 1 | Level 2 | Level 3 | Total |
| Assets measured at fair value on a recurring basis | | | | |
| Derivative financial instruments (assets): | | | | |
| Exchange-traded derivatives | 56.64 | - | - | 56.64 |
| Embedded derivative assets in market-linked debentures | - | - | 559.95 | 559.95 |
| Total derivative financial instruments (assets) | 56.64 | - | 559.95 | 616.59 |
| Investments | | | | |
| Other debt securities and preference shares | 7,698.77 | - | 4,114.81 | 11,813.58 |
| Mutual fund units | 103.17 | - | - | 103.17 |
| Equity instruments | 289.58 | - | 0.00 | 289.58 |
| Total Investments | 8,091.51 | - | 4,114.81 | 12,206.32 |
| Total financial assets measured at fair value on a recurring basis | 8,148.15 | - | 4,674.76 | 12,822.91 |

| Particulars | 31 March 2025 | | | |
|--|---------------|----------|---------------|---------------|
| | Level 1 | Level 2 | Level 3 | Total |
| Liabilities measured at fair value on a recurring basis - | | | | |
| Derivative financial instruments (Liabilities): | | | | |
| Exchange-traded derivatives | 100.79 | - | - | 100.79 |
| Embedded derivatives in market-linked debentures | - | - | 545.76 | 545.76 |
| Total derivative financial instruments (liabilities) | 100.79 | - | 545.76 | 646.55 |



Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

40 Fair Values of Financial Instruments

(a) Fair Value Hierarchy

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy

| Particulars | 31 March 2024 | | | |
|--|---------------|---------|----------|----------|
| | Level 1 | Level 2 | Level 3 | Total |
| Assets measured at fair value on a recurring basis | | | | |
| Derivative financial instruments (assets): | | | | |
| Exchange-traded derivatives | 16.70 | - | - | 16.70 |
| Embedded derivative assets in market-linked debentures | - | - | 110.12 | 110.12 |
| Total derivative financial instruments (assets) | 16.70 | - | 110.12 | 126.82 |
| Investment | | | | |
| Other debt securities and preference shares | - | 1.03 | 1,897.00 | 1,898.03 |
| Mutual fund units | 989.31 | - | - | 989.31 |
| Equity instruments | 476.34 | - | 0.42 | 476.75 |
| Total Investments | 1,465.64 | 1.03 | 1,897.42 | 3,364.09 |
| Total financial assets measured at fair value on a recurring basis | 1,482.34 | 1.03 | 2,007.54 | 3,490.91 |

| Particulars | 31 March 2024 | | | |
|---|---------------|---------|---------|-------|
| | Level 1 | Level 2 | Level 3 | Total |
| Liabilities measured at fair value on a recurring basis - | | | | |
| Derivative financial instruments (Liabilities): | | | | |
| Exchange-traded derivatives | 9.55 | - | - | 9.55 |
| Embedded derivatives in market-linked debentures | - | - | 27.59 | 27.59 |
| Payable under SLBM trading - Equity | 46.95 | - | - | 46.95 |
| Total derivative financial instruments (liabilities) | 56.50 | - | 27.59 | 84.09 |

Fair valuation techniques:

(i) Equity instruments and units of Alternative Investment Funds

The majority of equity instruments are actively traded on recognized stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1. Units held in AIFs are measured based on fund net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are generally Level 3. Equity instruments in non-listed entities are initially recognised at transaction price and re-measured at each reporting date at valuation provided by external valuer at instrument level. Unlisted equity securities are classified at Level 3.

(ii) Debt securities

Whilst most of these instruments are standard fixed or floating rate securities, however nifty linked debentures have embedded derivative characteristics. Fair value of these instruments is derived based on the indicative quotes of price and yields prevailing in the market as at the reporting date. Company has used quoted price of national stock exchange wherever bonds are traded actively. In cases where debt securities are not actively traded Company has used CRISIL Corporate Bond Valuer model for measuring fair value.

(iii) Derivatives

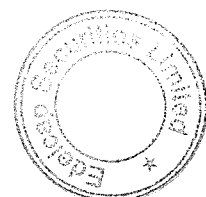
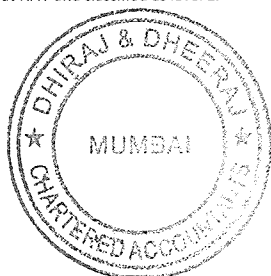
The Company enters into derivative financial instruments with various counter-parties, primarily banks with investment grade credit ratings. Derivatives valued using valuation techniques with market observable inputs are exchange traded futures and options contracts. The most frequently applied valuation techniques include quoted price for exchange traded derivatives and Black Scholes models (for option valuation).

(iv) Embedded derivatives

An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. The Company determines valuation using valuation models taking Inputs from observable market (Indices) data wherever possible, including prices available from exchanges, dealers, brokers. The Company classifies valuation of these embedded derivative at level 3.

(v) Mutual Funds

Open-ended funds that are redeemable at any time, and reports daily Net Asset Value (NAV) and for which sufficient subscriptions and redemptions occur at NAV, are measured at NAV and classified as level 1.



Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

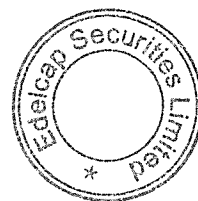
40 Fair values of financial instruments (continued)

(b) Financial instruments not measured at fair value

The following table sets out the fair values of financial instruments not measured at fair value and analysing them by the level in the fair value hierarchy into which each fair value measurement is categorised.

| Particulars | 31 March 2025 | | | |
|---|-----------------------|------------------|---------------|-----------------|
| | Total carrying amount | Total fair value | Level 1 | Level 2 |
| Financial assets: | | | | |
| Cash and cash equivalent | 550.90 | 550.90 | 550.90 | - |
| Bank balances other than cash and cash equivalent | 3.08 | 3.08 | 3.08 | - |
| Trade receivables | 0.02 | 0.02 | - | 0.02 |
| Investments at cost | 2,606.25 | 2,606.25 | - | 2,606.25 |
| Other financial assets | 654.59 | 654.59 | - | 654.59 |
| Total | 3,814.83 | 3,814.83 | 553.98 | 3,260.85 |
| Financial liabilities: | | | | |
| Trade payables | 112.04 | 112.04 | - | 112.04 |
| Trade payables - Group | 379.46 | 379.46 | - | 379.46 |
| Debt securities | 6,132.66 | 6,132.66 | - | 6,132.66 |
| Borrowing (other than debt securities) - Group | 1,573.31 | 1,573.31 | - | 1,573.31 |
| Other financial liabilities - group | 0.32 | 0.32 | - | 0.32 |
| Other financial liabilities | 175.97 | 175.97 | - | 175.97 |
| Total | 8,373.76 | 8,373.76 | - | 8,373.76 |

| Particulars | 31 March 2024 | | | |
|---|-----------------------|------------------|---------------|-----------------|
| | Total carrying amount | Total fair value | Level 1 | Level 2 |
| Financial assets: | | | | |
| Cash and cash equivalent | 111.94 | 111.94 | 111.94 | - |
| Bank balances other than cash and cash equivalent | 3.06 | 3.06 | 3.06 | - |
| Trade receivables | 3.30 | 3.30 | - | 3.30 |
| Trade receivables - Group | 0.35 | 0.35 | - | 0.35 |
| Investments at cost | 2,730.13 | 2,730.13 | - | 2,730.13 |
| Other financial assets | 108.61 | 108.61 | - | 108.61 |
| Total | 2,957.39 | 2,957.39 | 115.00 | 2,842.39 |
| Financial liabilities: | | | | |
| Trade payables | 9.59 | 9.59 | - | 9.59 |
| Trade payables - Group | 46.26 | 46.26 | - | 46.26 |
| Debt securities | 958.53 | 958.53 | - | 958.53 |
| Borrowing (other than debt securities) Group | 1,252.01 | 1,252.01 | - | 1,252.01 |
| Other financial liabilities - group | 1.47 | 1.47 | - | 1.47 |
| Other financial liabilities | 410.27 | 410.27 | - | 410.27 |
| Total | 2,678.13 | 2,678.13 | - | 2,678.13 |



Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

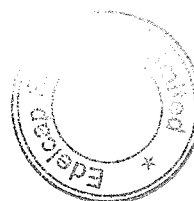
40 Fair values of financial instruments (continued)

(c) Movement in level 3 financial instruments measured at fair value

The following table shows a reconciliation of the opening balances and the closing balances for fair value measurements in Level 3 of the fair value hierarchy.

| Particulars | Investment - Nifty linked debentures | Embedded derivative in market-linked debentures Asset | Embedded derivative in market-linked debentures Liabilities | Total |
|---|--------------------------------------|---|---|------------|
| At 1 April 2024 | 1,897.00 | 110.12 | (27.59) | 1,979.53 |
| Purchase | 3,267.85 | 423.36 | (523.37) | 3,167.84 |
| Sales/Redemption | (1,004.95) | - | - | (2,009.90) |
| Gains / (losses) for the period (2024-25) recognised in profit or loss (including accrued interest) | (45.09) | 26.47 | 5.19 | (13.43) |
| At 31 March 2025 | 4,114.81 | 559.95 | (545.76) | 3,124.04 |
| Unrealised gains / (losses) related to balances held at the end of the period | 67.22 | 26.47 | 5.19 | 98.88 |

| Particulars | Investment - Nifty linked debentures | Embedded derivative in market-linked debentures | Embedded derivative in market-linked debentures Liabilities | Total |
|---|--------------------------------------|---|---|------------|
| At 1 April 2023 | 975 | - | - | 975 |
| Purchase | 2,006.68 | - | - | 2,006.68 |
| Sales/Redemption | (1,081.40) | - | - | (1,081.40) |
| Issuances | - | 109.72 | (26.44) | 83.28 |
| Gains / (losses) for the period (2023-24) recognised in profit or loss | (3.28) | 0.40 | (1.15) | (4.02) |
| At 31 March 2024 | 1,897.00 | 110.12 | (27.59) | 1,979.53 |
| Unrealised gains / (losses) related to balances held at the end of the period | (2.03) | 0.40 | (1.15) | (2.77) |



Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

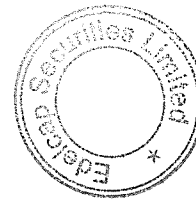
40 Fair values of financial Instruments (continued)

(d) Unobservable inputs used in measuring fair value categorised within Level 3 :

Following tables set out information about significant unobservable inputs used at respective balance sheet dates in measuring financial instruments categorised as Level 3 in the fair value hierarchy:

| Type of financial Instruments | Fair value of asset as on 31 March 2025 | Fair value of liability as on 31 March 2025 | Valuation techniques | Significant unobservable input | Range of estimates (weighted average) for unobservable input | Increase in the unobservable input (% or as the case may be) | Change in fair value | Decrease in the unobservable input (% or as the case may be) | Change in fair value |
|--|---|---|--------------------------------|--------------------------------|--|--|----------------------|--|----------------------|
| Investment in - Nifty linked debentures | 4,114.81 | - | Fair value of index | Price per debenture | Rs 100,000 to 110,686 per debenture | 5% | 205.74 | 5% | (205.74) |
| Embedded derivative in market-linked debentures | 559.95 | (546) | Fair value of index | Index levels | - | 5% | 0.71 | 5% | (0.71) |
| Investments in unquoted equity shares categorised at Level 3 | | - | Comparable transaction and P/E | Fair value per share | Rs. 2 to 12,240 per share | 5% | - | 5% | - |
| Total | 4,674.76 | - | | | | | 206.45 | | (206.45) |

| Type of financial Instruments | Fair value of asset as on 31 March 2024 | Fair value of liability as on 31 March 2024 | Valuation techniques | Significant unobservable input | Range of estimates (weighted average) for unobservable input | Increase in the unobservable input (% or as the case may be) | Change in fair value | Decrease in the unobservable input (% or as the case may be) | Change in fair value |
|--|---|---|--------------------------------|--------------------------------|--|--|----------------------|--|----------------------|
| Investment in - Nifty linked debentures | 1,897.00 | - | Fair value of index | Price per debenture | Rs 100,000 to 100,139 per debenture | 5% | 94.85 | 5% | (94.85) |
| Embedded derivative in market-linked debentures | 110.12 | (27.59) | Fair value of index | Index levels | - | 5% | 4.13 | 5% | (4.13) |
| Investments in unquoted equity shares categorised at Level 3 | 0.42 | - | Comparable transaction and P/E | Fair value per share | Rs. 2 to 12,240 per share | 5% | 0.02 | 5% | (0.02) |
| Total | 2,007.54 | (27.59) | | | | | 99.00 | | (99.00) |



Edelcap Securities Limited**Notes to the financial statements (Continued)**

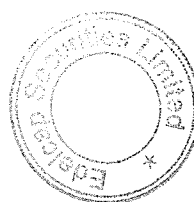
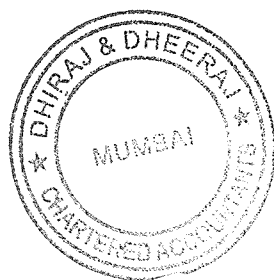
(Currency : Indian rupees in millions)

41 Total market risk exposure

Fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Company classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately. Such risks the market risk for the trading portfolio is managed and monitored based on a VaR methodology that reflects the interdependency between risk variables. Non-trading positions are managed and monitored using other sensitivity analyses.

Market Risk can affect the Company's income or the value of its holdings of financial instruments due to adverse movements in market prices of instrument due to price risk. The objective of the Company's market risk management is to manage and control market risk exposures within acceptable parameters.

| Particulars | 31 March 2025 | | | 31 March 2024 | | |
|--|------------------|------------------|-----------------|-----------------|-----------------|-----------------|
| | Carrying amount | Traded risk | Non-traded risk | Carrying amount | Traded risk | Non-traded risk |
| Assets | | | | | | |
| Cash and cash equivalent and other bank balances | 553.98 | - | 553.98 | 115.00 | - | 115.00 |
| Derivative financial instruments | 616.59 | 616.59 | - | 111.00 | 111.00 | - |
| Trade receivables | 0.02 | - | 0.02 | 3.30 | - | 3.30 |
| Trade Receivables - Group | - | - | - | 0.35 | - | 0.35 |
| Investments | 14,812.56 | 12,206.32 | 2,606.25 | 6,094.22 | 3,364.09 | 2,730.13 |
| Other financial assets | 654.59 | 649.29 | 5.30 | 108.61 | 107.14 | 1.47 |
| Total | 16,637.74 | 13,472.20 | 3,165.54 | 6,432.48 | 3,582.24 | 2,850.25 |
| Liability | | | | | | |
| Debt Securities | 6,132.66 | - | 6,132.66 | 958.55 | - | 958.55 |
| Borrowings (other than Debt Securities)- Group | 1,573.31 | - | 1,573.31 | 1,252.01 | - | 1,252.01 |
| Derivative financial instruments | 646.55 | 646.55 | - | 32.63 | 32.63 | - |
| Trade payables | 112.05 | - | 112.05 | 9.59 | - | 9.59 |
| Trade payables - Group | 379.45 | - | 379.45 | 46.26 | - | 46.26 |
| Other financial liabilities | 175.97 | - | 175.97 | 457.22 | 46.95 | 410.27 |
| Other financial liabilities - Group | 0.32 | - | 0.32 | 1.47 | - | 1.47 |
| Total | 9,020.31 | 646.55 | 8,373.76 | 2,757.73 | 79.58 | 2,678.15 |



Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

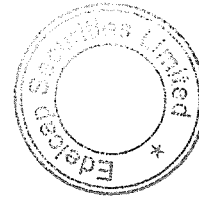
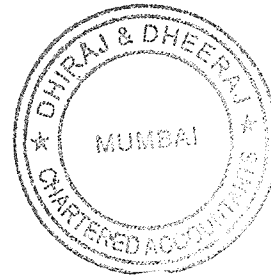
42 Analysis of risk concentration

Industry analysis - Risk concentration for 31 March 2025

| Particulars | Financial services | Manufacturing | Retail and wholesale | Construction | Oil & gas | Services | Others | Total |
|--|--------------------|---------------|----------------------|--------------|-----------|--------------|--------------|------------------|
| Financial assets | | | | | | | | |
| Cash and cash equivalent and other bank balances | 553.98 | - | - | - | - | - | - | 553.98 |
| Derivative financial instruments | 616.59 | - | - | - | - | - | - | 616.59 |
| Investment | 14,559.42 | 36.54 | 29.90 | 80.54 | - | 28.64 | 77.52 | 14,812.56 |
| Trade and other receivables | 0.02 | - | - | - | - | - | - | 0.02 |
| Trade receivables - Group | - | - | - | - | - | - | - | - |
| Other financial assets | 654.59 | - | - | - | - | - | - | 654.59 |
| Total | 16,384.59 | 36.54 | 29.90 | 80.54 | - | 28.64 | 77.52 | 16,637.74 |
| Other Commitments | - | - | - | - | - | - | - | - |
| Total | 16,384.59 | 36.54 | 29.90 | 80.54 | - | 28.64 | 77.52 | 16,637.74 |

Industry analysis - Risk concentration for 31 March 2024

| Particulars | Financial services | Manufacturing | Retail and wholesale | Construction | Oil & gas | Services | Others | Total |
|--|--------------------|---------------|----------------------|--------------|-----------|-------------|---------------|-----------------|
| Financial assets | | | | | | | | |
| Cash and cash equivalent and other bank balances | 115.00 | - | - | - | - | - | - | 115.00 |
| Derivative financial instruments | 111.00 | - | - | - | - | - | - | 111.00 |
| Investment | 5,617.47 | 108.17 | - | - | - | 9.41 | 359.17 | 6,094.22 |
| Trade and other receivables | 3.30 | - | - | - | - | - | - | 3.30 |
| Trade receivables - Group | 0.35 | - | - | - | - | - | - | 0.35 |
| Other financial assets | 108.61 | - | - | - | - | - | - | 108.61 |
| Total | 5,955.74 | 108.17 | - | - | - | 9.41 | 359.17 | 6,432.48 |
| Other Commitments | - | - | - | - | - | - | - | - |
| Total | 5,955.74 | 108.17 | - | - | - | 9.41 | 359.17 | 6,432.48 |



Edelcap Securities Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in millions)

43 Disclosure related to collateral

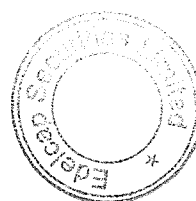
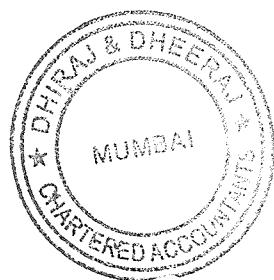
Following table sets out availability of Company financial assets to support funding

| 31 March 2025 | Pledge as collateral | others ¹ | Available as collateral | others ² | Total carrying amount |
|--|----------------------|---------------------|-------------------------|---------------------|-----------------------|
| Cash and cash equivalents including bank balance | 2.98 | - | - | 551.00 | 553.98 |
| Trade receivables | - | - | - | 0.02 | 0.02 |
| Derivative assets | - | - | - | 616.59 | 616.59 |
| Investments | 6,891.97 | - | 7,920.59 | - | 14,812.56 |
| Other financial assets | 0.70 | - | - | 653.89 | 654.59 |
| Current tax assets (net) | - | - | - | 84.69 | 84.69 |
| Deferred tax assets (net) | - | - | - | 264.17 | 264.17 |
| Property, plant and equipment | - | - | - | 74.24 | 74.24 |
| Other Intangible assets | - | - | - | 2.75 | 2.75 |
| Other non financial assets | - | - | - | 79.38 | 79.38 |
| Total assets | 6,895.64 | - | 7,920.59 | 2,326.72 | 17,142.97 |

| 31 March 2024 | Pledge as collateral | others ¹ | Available as collateral | others ² | Total carrying amount |
|---|----------------------|---------------------|-------------------------|---------------------|-----------------------|
| Cash and cash equivalent including bank balance | 2.98 | - | - | 112.02 | 115.01 |
| Trade receivables | 3.65 | - | - | - | 3.65 |
| Derivative assets | - | - | - | 111.00 | 111.00 |
| Investments | 5,122.90 | - | 971.33 | - | 6,094.22 |
| Other financial assets | 0.70 | - | - | 107.91 | 108.61 |
| Current tax assets (net) | - | - | - | 56.99 | 56.99 |
| Deferred tax assets (net) | - | - | - | 274.45 | 274.45 |
| Property, plant and equipment | - | - | - | 32.03 | 32.03 |
| Other Intangible assets | - | - | - | 0.60 | 0.60 |
| Other non financial assets | - | - | - | 105.06 | 105.06 |
| Total assets | 5,130.23 | - | 971.33 | 800.06 | 6,901.62 |

1 Represents assets which are not pledged and Company believes it is restricted from using to secure funding for legal or other reason.

2 Represents assets which are not restricted for use as collateral, but that the Company would not consider readily available to secure funding in the normal course of business.



Edelcap Securities Limited

Notes to the financial statements (Continued)

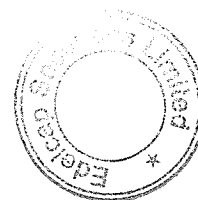
(Currency : Indian rupees in millions)

44 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

| Particulars | 31 March 2025 | | | 31 March 2024 | | |
|----------------------------------|------------------|------------------|------------------|------------------|-----------------|-----------------|
| | Within 12 months | After 12 months | Total | Within 12 months | After 12 months | Total |
| Financial assets | | | | | | |
| Cash and cash equivalents | 550.90 | - | 550.90 | 111.94 | - | 111.94 |
| Other bank balances | 3.08 | - | 3.08 | 3.06 | - | 3.06 |
| Derivative financial instruments | 616.59 | - | 616.59 | 111.00 | - | 111.00 |
| Other receivables | 0.02 | - | 0.02 | 3.65 | - | 3.65 |
| Investments | 1,686.13 | 13,126.43 | 14,812.56 | 3,364.09 | 2,730.13 | 6,094.22 |
| Other financial assets | 653.89 | 0.70 | 654.59 | 107.91 | 0.70 | 108.61 |
| | 3,510.60 | 13,127.13 | 16,637.73 | 3,701.65 | 2,730.83 | 6,432.48 |
| Non-financial assets | | | | | | |
| Current tax assets (net) | - | 84.69 | 84.70 | 0.02 | 56.97 | 56.99 |
| Deferred tax assets (net) | - | 264.17 | 264.17 | - | 274.45 | 274.45 |
| Property, plant and equipment | - | 74.24 | 74.24 | - | 32.03 | 32.03 |
| Other intangible assets | - | 2.75 | 2.75 | - | 0.60 | 0.60 |
| Other non-financial assets | 64.11 | 15.27 | 79.38 | 103.98 | 1.08 | 105.07 |
| | 64.11 | 441.13 | 505.23 | 104.00 | 365.12 | 469.14 |
| Total assets | 3,574.71 | 13,568.26 | 17,142.97 | 3,805.65 | 3,095.95 | 6,901.62 |

| Particulars | 31 March 2025 | | | 31 March 2024 | | |
|--|------------------|-----------------|-----------------|------------------|-----------------|-----------------|
| | Within 12 months | After 12 months | Total | Within 12 months | After 12 months | Total |
| Financial liabilities | | | | | | |
| Derivative financial instruments | 646.55 | - | 646.55 | 32.63 | - | 32.63 |
| Other payables | 491.50 | - | 491.50 | 55.85 | - | 55.85 |
| Debt securities | - | 6,132.66 | 6,132.66 | - | 958.55 | 958.55 |
| Borrowing (other than debt securities) | 1,573.31 | - | 1,573.31 | 1,252.01 | - | 1,252.01 |
| Other financial liabilities | 176.29 | - | 176.29 | 458.69 | - | 458.69 |
| | 2,887.65 | 6,132.66 | 9,020.31 | 1,799.18 | 958.55 | 2,757.73 |
| Non-financial liabilities | | | | | | |
| Current tax liabilities (net) | 6.07 | - | 6.07 | 6.07 | - | 6.07 |
| Provisions | - | 46.74 | 46.74 | 5.02 | 27.34 | 32.35 |
| Other non-financial liabilities | 13.54 | - | 13.54 | 9.52 | - | 9.52 |
| | 19.61 | 46.74 | 66.35 | 20.61 | 27.34 | 47.95 |
| Total liabilities | 2,907.26 | 6,179.39 | 9,086.66 | 1,819.79 | 985.89 | 2,805.68 |



Edelcap Securities Limited

Notes to the financial statements (continued)

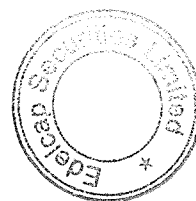
(Currency : Indian rupees in millions)

45 Cash flow disclosure

Change in liabilities arising from financing activities

| Particulars | 1 April 2024 | Cash flows | Changes in fair values | Others | 31 March 2025 |
|---|--------------|------------|------------------------|----------|---------------|
| Debt securities | 958.55 | 5,561.50 | - | (387.38) | 6,132.66 |
| Borrowings other than debt securities | 1,252.01 | 325.80 | - | (4.49) | 1,573.31 |
| Total liabilities from financing activities | 2,210.56 | 5,887.30 | - | (391.87) | 7,705.97 |

| Particulars | 1 April 2023 | Cash flows | Changes in fair values | Others | 31 March 2024 |
|---|--------------|------------|------------------------|--------|---------------|
| Debt securities | - | 958.55 | - | - | 958.55 |
| Borrowings other than debt securities | 1,564.51 | (320.58) | - | 8.08 | 1,252.01 |
| Total liabilities from financing activities | 1,564.51 | 637.97 | - | 8.08 | 2,210.56 |



Edelcap Securities Limited**Notes to the financial statements (Continued)**

(Currency : Indian rupees in millions)

46 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Company classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately.

(i) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss and equity.

| Currency of borrowing / advances | 2024-25 | | | | | |
|----------------------------------|---------------------------|-----------------------------|------------------|---------------------------|-----------------------------|------------------|
| | Increase in IRF price (%) | Effect on profit before tax | Effect on Equity | Decrease in IRF price (%) | Effect on profit before tax | Effect on Equity |
| INR | 5 | - | - | 5 | - | - |

| Currency of borrowing / advances | 2023-24 | | | | | |
|----------------------------------|---------------------------|-----------------------------|------------------|---------------------------|-----------------------------|------------------|
| | Increase in IRF price (%) | Effect on profit before tax | Effect on Equity | Decrease in IRF price (%) | Effect on profit before tax | Effect on Equity |
| INR | 5 | - | - | 5 | - | - |

(ii) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arise majorly on account of foreign currency borrowings.

The table below indicates the currencies to which the Company had significant exposure at the end of the reported periods. The analysis calculates the effect of a reasonably possible movement of the currency rate against the INR (all other variables being constant) on the statement of profit and loss (due to the fair value of currency sensitive non-trading monetary assets and liabilities) and equity (due to the change in fair value of currency swaps and forward foreign exchange contracts used as cash flow hedges).

| Currency | 2024-25 | | | | | |
|----------|-------------------------------|-----------------------------|------------------|-------------------------------|-----------------------------|------------------|
| | Increase in currency rate (%) | Effect on profit before tax | Effect on Equity | Decrease in currency rate (%) | Effect on profit before tax | Effect on Equity |
| USD | 5 | - | - | 5 | - | - |

| Currency | 2023-24 | | | | | |
|----------|-------------------------------|-----------------------------|------------------|-------------------------------|-----------------------------|------------------|
| | Increase in currency rate (%) | Effect on profit before tax | Effect on Equity | Decrease in currency rate (%) | Effect on profit before tax | Effect on Equity |
| USD | 5 | - | - | 5 | - | - |



Edelcap Securities Limited**Notes to the financial statements (Continued)**

(Currency : Indian rupees in millions)

46 Market risk**(iii) Equity price risk**

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the level of individual investment in equity share prices.

| 2024-25 | | | | | | |
|--------------------|------------------------------|-----------------------------|------------------|------------------------------|-----------------------------|------------------|
| Impact on | Increase in equity price (%) | Effect on profit before tax | Effect on Equity | Decrease in equity price (%) | Effect on profit before tax | Effect on Equity |
| Derivatives | 5 | 206.42 | - | 5 | (206.42) | - |
| Mutual fund units | 5 | 5.16 | - | 5 | (5.16) | - |
| Equity instruments | 5 | 14.48 | - | 5 | (14.48) | - |
| Debt instruments | 5 | 590.68 | - | 5 | (590.68) | - |

| 2023-24 | | | | | | |
|--------------------|------------------------------|-----------------------------|------------------|------------------------------|-----------------------------|------------------|
| Impact on | Increase in equity price (%) | Effect on profit before tax | Effect on Equity | Decrease in equity price (%) | Effect on profit before tax | Effect on Equity |
| Derivatives | 5 | 110.88 | - | 5 | (110.88) | - |
| Mutual fund units | 5 | 49.47 | - | 5 | (49.47) | - |
| Equity instruments | 5 | 23.84 | - | 5 | (23.84) | - |
| Debt instruments | 5 | 94.90 | - | 5 | (94.90) | - |

(iv) Index price risk

Index price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the level of equity indices.

| 2024-25 | | | | | | |
|-------------|-----------------------------|-----------------------------|------------------|-----------------------------|-----------------------------|------------------|
| Impact on | Increase in index price (%) | Effect on profit before tax | Effect on Equity | Decrease in index price (%) | Effect on profit before tax | Effect on Equity |
| Derivatives | 5 | 125.88 | - | 5 | (125.88) | - |

| 2023-24 | | | | | | |
|-------------|-----------------------------|-----------------------------|------------------|-----------------------------|-----------------------------|------------------|
| Impact on | Increase in index price (%) | Effect on profit before tax | Effect on Equity | Decrease in index price (%) | Effect on profit before tax | Effect on Equity |
| Derivatives | 5 | 110.88 | - | 5 | (110.88) | - |



Edelcap Securities Limited

Notes to the financial statements (continued)

(Currency : Indian rupees in millions)

47 Other Disclosures

(i) Relationship with Struck off Companies

Below are the transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

| Name of the struck off company | Nature of transactions with struck-off Company | Relationship with the Struck off company, if any, to be disclosed | Balance outstanding as on 31 March 2025 | Balance outstanding as on 31 March 2024 |
|--------------------------------|--|---|---|---|
| - | - | - | Nil | Nil |
| Total | | | Nil | Nil |

(ii) During the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) During the year, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

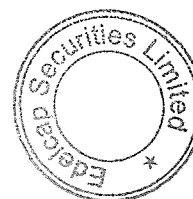
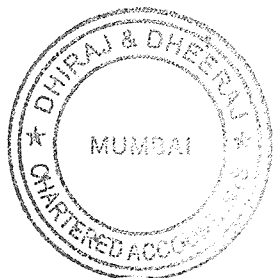
(iv) Disclosure of Ratios

| Sr. No. | Particulars | 31 March 2025 | 31 March 2024 |
|---------|--|---------------|---------------|
| 1 | Total debts to total assets (refer note 1) | 0.45 | 0.32 |
| 2 | Net profit margin (%) (refer note 2) | -2.55% | 18.33% |

1. Total debts to total assets = Total Debt / Total assets

2. Net profit margin (%) = Net profit after tax / Total Income

3. Current ratio, Long term debt to working capital, Bad Debts to account receivables ratio, Current liability ratio, Debtors turnover, Inventory turnover and Operating margin (%), Debt Service Coverage Ratio are not applicable owing to the business model of the Company.



Edelcap Securities Limited

Notes to the financial statements (continued)

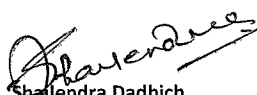
(Currency : Indian rupees in millions)

48 Prior period comparatives

Previous year figures have been regrouped and reclassified wherever necessary to confirm to the current year classification.

As per our report of even date attached.



For Dhiraj & Dheeraj
Chartered Accountants
Firms' Registration No. 102454W


Shalendra Dadhich
Partner
Membership No: 425098

Mumbai
06 May 2025



For and on behalf of Board of Directors

 
Rituparna Barman Roy Piyush Chamria
Executive Director Executive Director
DIN - 08050620 , DIN - 08814424


Ritesh Jain
Chief Financial Officer


Hiteshree Shah
Company Secretary

Mumbai
06 May 2025

