

Nuvama Custodial Services Limited

Corporate Identity Number: U67190MH2021PLC355152

Financial Statement for the year ended March 31, 2025

Independent Auditors' Report

To the Members of Nuvama Custodial Services Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Nuvama Custodial Services 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 material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the 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 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 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 (the 'ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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 financial statements.

Other Information

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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



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Management's Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 system 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 financial statements, including the disclosures, and whether the 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.

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 A" 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 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 financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company 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 to us that, to the best of its knowledge and belief, as disclosed in the note 2.44(v) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 Beneficiary") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiary;
- b) The management has represented to us that, to the best of its knowledge and belief, as disclosed in the note 2.44(vi) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 NGS & Co. LLP
Chartered Accountants
Firm Registration No. 119850W/W100013


R. P. Soni
Partner
Membership No.: 104796



UDIN: 25104796BMHGWB3254

Place: Mumbai
Date: May 6, 2025

Annexure A to the Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of Nuvama Custodial Services Limited ('the Company') on the financial statements for the year ended March 31, 2025, we report that:

- (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) As explained to us, the Company has a regular programme of physical verification of its property, plant and equipment by which all the property, plant and equipment are verified in a phased manner over a period of three years. In our opinion this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets. During the year, all property, plant and equipment were physically verified by the management in accordance with a planned programme of verifying them once in three years and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management and on the basis of our examination of the records of the Company, there is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given by the management, the Company has not revalued its Property, Plant and Equipment and intangible assets during the year ended March 31, 2025.
- (e) According to the information and explanations given by the management, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company's business does not involve inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order are not applicable to the Company.
- (b) The Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of fixed deposits with banks. The quarterly statements filed by the Company with such banks are in agreement with the books of accounts of the Company.
- (iii) (a) (A) As per the information and explanations given to us by the management, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to its subsidiaries, joint ventures and associates during the year.
- (B) During the year the Company has provided loan of Rs. 200 thousand to employee of the Company and the balance outstanding as at the balance sheet date with respect to such loan Rs. 156.85 thousand. Further as per the information and explanations given to us by the management, the Company has not provided advances in the nature of loans, stood guarantee or provided security to parties other than its subsidiaries, joint ventures and associates.



- (b) In our opinion and according to the information and explanations given to us by the management and on the basis of our examination of the records of the Company, the terms and conditions of the grant of loan during the year to employee of the Company and the investments made during the year are prima facie not prejudicial to the interest of the Company. Further the Company has not provided guarantee or security or granted loans or advances in the nature of loans during the year.
- (c) In respect of a loan granted to employee, the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- (d) According to the information and explanations given by the management and on the basis of our examination of the records of the Company, there are no amounts of loans and advances in the nature of loans granted which are overdue for more than ninety days.
- (e) In our opinion and according to the information and explanations given to us, there were no loans or advance in the nature of loan granted which was fallen due during the year that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) According to the information and explanations given by the management, the Company has not granted loans and advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, guarantees, and security in respect of which provisions of sections 185 of the Companies Act, 2013 are applicable and hence not commented upon. In our opinion and according to the information and explanation given to us, investments made in respect of which the provisions of section 186 of the Companies Act, 2013 are applicable have been complied with by the Company.
- (v) According to the information and explanations given by the management, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) To the best of our knowledge and as explained by the management of the Company, the Company is not in the business of sale of any goods or provision of such services as prescribed u/s 148 (1) of Companies Act, 2013. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, goods and service tax, cess and other statutory dues, applicable to it, have been regularly deposited during the year by the Company with the appropriate authorities. The provisions relating to employees' state insurance, sales tax, service tax, duty of excise, duty of custom, value added tax and cess are not applicable to the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, there are no dues of income tax, provident fund, goods and service tax and cess which have not been deposited with the appropriate authorities on account of any dispute. The provisions relating to employees' state insurance, sales tax, service tax, duty of excise, duty of custom, value added tax and cess are not applicable to the Company.



- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or any other lender.
- (c) The Company did not avail any term loan during the year. Hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long term purposes by the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company we report that no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, during the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clauses 3(xii)(a) to 3(xii)(c) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.



- (xv) According to the information and explanations given by the management, the Company has not entered into non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) Based on our examination, the Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) According to the information and explanations given by the management, the Group has one Core Investment Company as a part of the Group.
- (xvii) The Company has not incurred cash losses in the current financial year and immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 2.41 to the financial statements, 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) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no unspent amounts towards Corporate Social Responsibility (CSR) in respect of other than ongoing projects, that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 2.40 to the financial statements.
- (b) According to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility (CSR) in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 2.40 to the financial statements.
- (xxi) The Report is part of standalone financials of the Company hence the requirement to report on clause 3(xxii) of the Order is not applicable to the Company.

For NGS & Co. LLP
Chartered Accountants
Firm Registration No. 119850W/W100013


R. P. Soni
Partner
Membership No.:104796



UDIN: 25104796BMHGWB3254

Place: Mumbai
Date: May 6, 2025

Annexure B to the Auditors' Report

Annexure B the Independent Auditor's report of even date on the financial statements of Nuvama Custodial Services Limited ("the Company")

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 over financial reporting of **Nuvama Custodial Services Limited ("the Company")** as of March 31, 2025 in conjunction with our audit of financial statements of the Company for the period 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 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.

Auditors' Responsibility

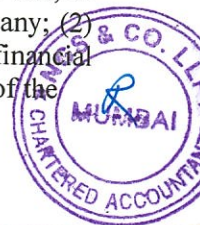
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the



company are being made only in accordance with authorisations of management and directors of the company; and
(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For NGS & Co. LLP
Chartered Accountants
Firm Registration No. 119850W/W100013



R. P. Soni
Partner
Membership No.:104796



UDIN: 25104796BMHGW3254

Place: Mumbai
Date: May 6, 2025

Nuvama Custodial Services Limited

Balance Sheet as at March 31, 2025

(Currency : Indian rupees in thousands)

	Note	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non current assets			
(a) Property, plant and equipment	2.1	3,753.57	2,389.29
(b) Other intangible assets	2.2	55,317.34	40,043.17
(c) Current tax assets (net)	2.3	38,975.62	39,629.35
(d) Deferred tax assets (net)	2.4	4,368.22	4,877.01
(e) Financial assets			
Other financial assets	2.5	6,000.00	6,000.00
		1,08,414.75	92,938.82
Current assets			
(a) Financial assets			
(i) Investments	2.6	7,104.59	10,861.84
(ii) Trade receivables	2.7	37,228.86	40,383.77
(iii) Cash and cash equivalents	2.8	1,01,43,593.19	14,63,585.44
(iv) Bank balances other than cash and cash equivalents	2.9	10,81,689.82	5,61,621.55
(v) Loans	2.10	156.85	-
(vi) Other financial assets	2.11	7,28,545.54	30,43,511.76
(b) Other current assets	2.12	47,015.43	26,856.95
		1,20,45,334.28	51,46,821.31
Total Assets		1,21,53,749.03	52,39,760.13
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	2.13	5,50,000.00	5,50,000.00
(b) Other equity	2.14	3,10,077.73	90,644.70
		8,60,077.73	6,40,644.70
LIABILITIES			
Non-current liabilities			
Provisions	2.15	14,916.89	12,822.01
		14,916.89	12,822.01
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	2.16		
(A) total outstanding dues of micro enterprises and small enterprises		15,677.56	20,862.96
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		11,73,291.53	3,79,016.93
(ii) Other financial liabilities	2.17	1,00,77,292.84	41,75,385.67
(b) Other current liabilities	2.18	8,694.48	7,635.86
(c) Provisions	2.19	3,798.00	3,392.00
		1,12,78,754.41	45,86,293.42
TOTAL LIABILITIES		1,12,93,671.30	45,99,115.43
TOTAL LIABILITIES AND EQUITY		1,21,53,749.03	52,39,760.13

The accompanying notes are an integral part of the financial statements
As per our report of even date attached.

For NGS & Co. LLP

Chartered Accountants

Firm Registration Number: 119850W/W100013


R.P. Soni
Partner
Membership No: 104796



Mumbai
May 06, 2025

For and on behalf of the Board of Directors


Anand Lalla
Executive Director & CEO
DIN: 02891270


Shiv Sehgal
Non-Executive Director
DIN : 07112524


Krishnan Nair
Executive Director
DIN: 10722315


Mahadev Gole
Chief Financial Officer
Mumbai
May 06, 2025


Pradyumn Grover
Company Secretary



Nuvama Custodial Services Limited

Statement of Profit and Loss for the year ended March 31, 2025

(Currency : Indian rupees in thousands)

	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from operations			
Fee and commission income	2.20	12,58,363.64	7,02,560.68
Interest income	2.21	54,493.52	37,899.00
Dividend income	2.22	7,235.45	3,234.37
Net gain on fair value changes	2.23	4,78,927.88	73,912.49
Total Revenue from operations		17,99,020.49	8,17,606.54
Other income	2.24	-	1,038.46
Total income		17,99,020.49	8,18,645.00
Expenses			
Finance costs	2.25	3,439.21	2,206.68
Employee benefits expense	2.26	2,83,618.15	2,07,859.66
Impairment on financial instruments	2.27	6,173.29	836.85
Depreciation, amortisation and impairment	2.1 & 2.2	17,417.01	8,826.02
Other expenses	2.28	11,94,807.57	5,10,326.40
Total expenses		15,05,455.23	7,30,055.61
Profit before tax		2,93,565.26	88,589.39
Tax expenses (Refer note 2.29):			
Current tax		73,392.27	19,656.38
Deferred tax		769.53	2,538.05
Profit for the year		2,19,403.46	66,394.96
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement loss on defined benefit plans		(1,036.00)	(1,019.00)
Income tax relating to items that will not be reclassified to profit or loss		260.74	256.48
Other Comprehensive Income		(775.26)	(762.52)
Total Comprehensive Income		2,18,628.20	65,632.44
Earnings per equity share (Face value of ₹ 10 each):			
Basic and diluted	2.31	3.99	1.21

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For NGS & Co. LLP

Chartered Accountants

Firm Registration Number: 119850W/W100013


R.P. Soni

Partner

Membership No: 104796



Mumbai
May 06, 2025

For and on behalf of the Board of Directors


Anand Lalla
Executive Director & CEO
DIN: 02891270


Krishnan Nair
Executive Director
DIN: 10722315


Mahadev Gole
Chief Financial Officer

Mumbai
May 06, 2025


Shiv Sehgal
Non-Executive Director
DIN : 07112524


Pradyumn Grover
Company Secretary



Nuvama Custodial Services Limited

Cash Flow Statement for the year ended March 31, 2025

(Currency : Indian rupees in thousands)

	For the year ended March 31, 2025	For the year ended March 31, 2024
A Cash flow from operating activities		
Profit before tax	2,93,565.26	88,589.39
Adjustments for		
Depreciation, amortisation and impairment	17,417.01	8,826.02
Provision for compensated absences	541.42	778.89
Provision for gratuity	3,321.00	2,774.00
Provision for expected credit loss	780.05	647.68
Loss on sale of property, plant and equipment	-	40.21
Fair value (loss)/gain on investments	508.39	(482.44)
Interest expense	400.43	1,320.69
Operating cash flow before working capital changes	3,16,533.56	1,02,494.44
Add / (Less): Adjustments for working capital changes		
(Increase)/decrease in trade receivables	2,374.86	(14,714.25)
(Increase)/decrease in other bank balances	(5,20,068.27)	(1,16,649.15)
(Increase)/decrease in investments	3,248.86	(4,678.70)
(Increase)/decrease in loans	(156.85)	-
(Increase)/decrease in other financial assets	23,14,966.22	(30,42,141.77)
(Increase)/decrease in other current assets	(20,158.48)	(23,803.54)
Increase/(decrease) in liabilities and provisions	66,90,462.28	37,42,288.74
Cash generated from operations	87,87,202.18	6,42,795.77
Income taxes paid (net of refund)	(72,738.54)	(36,895.43)
Net cash generated from operating activities - A	87,14,463.64	6,05,900.34
B Cash flow from investing activities		
Purchase of property, plant, equipment and intangibles (refer note 2)	(34,055.46)	(30,858.29)
Net cash used in investing activities - B	(34,055.46)	(30,858.29)
C Cash flow from financing activities		
Proceeds from loan from group company	6,20,500.00	1,47,500.00
Repayment of loan from group company	(6,20,500.00)	(1,47,500.00)
Interest paid on loans	(400.43)	(1,320.69)
Net cash used in financing activities - C	(400.43)	(1,320.69)
Net increase in cash and cash equivalents (A+B+C)	86,80,007.75	5,73,721.36
Cash and cash equivalent as at the beginning of the year	14,63,585.44	8,89,864.08
Cash and cash equivalent as at the end of the year (refer note 2.8)	1,01,43,593.19	14,63,585.44

Notes:

- The above Cash Flow Statement has been prepared under "Indirect Method" as set out in Indian Accounting Standard - 7 "Cash Flow Statements" specified under Section 133 of Companies Act, 2013 read with Paragraph 7 of the Companies (Accounts) Rules, 2014.
- Purchase of property, plant, equipment and intangibles includes movement of intangible assets under development during the year.

As per our report of even date attached

For NGS & Co. LLP

Chartered Accountants

Firm Registration Number: 119850W/W100013



R.P. Soni

Partner

Membership No: 104796



For and on behalf of the Board of Directors



Anand Lalla

Executive Director & CEO

DIN : 02891270



Shiv Sehgal

Non-Executive Director

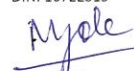
DIN : 07112524



Krishnan Nair

Executive Director

DIN: 10722315



Mahadev Gole

Chief Financial Officer



Pradyumn Grover

Company Secretary

Mumbai
May 06, 2025

Mumbai
May 06, 2025



Nuvama Custodial Services Limited

Statement of changes in Equity for the year ended March 31, 2025

(Currency : Indian rupees in thousands)

A. Equity share capital

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Balance at the beginning of the year	5,50,000.00	5,50,000.00
Issue of shares during the year	-	-
Balance at the end of the year	5,50,000.00	5,50,000.00

B. Other equity

	Retained earnings
Balance as at April 1, 2023	23,853.27
Profit for the year	66,394.96
Other comprehensive income	(762.52)
Total Comprehensive Income for the year	65,632.44
Adjustment of share based payments on lapsed /cancelled	1,158.99
Balance as at March 31, 2024	90,644.70
Balance as at April 1, 2024	90,644.70
Profit for the year	2,19,403.46
Other comprehensive income	(775.26)
Total Comprehensive Income for the year	2,18,628.20
Adjustment of share based payments on lapsed /cancelled	804.83
Balance as at March 31, 2025	3,10,077.73

As per our report of even date attached

For NGS & Co. LLP

Chartered Accountants

Firm Registration Number: 119850W/W100013

R.P. Soni

Partner

Membership No: 104796



Mumbai
May 06, 2025

For and on behalf of the Board of Directors

Anand Lalla

Executive Director & CEO

DIN : 02891270

Krishnan Nair

Executive Director

DIN: 10722315

Mahadev Gole

Chief Financial Officer

Mumbai
May 06, 2025

Shiv Sehgal

Non-Executive Director

DIN : 07112524

Pradyumn Grover

Company Secretary



Nuvama Custodial Services Limited

Notes to the financial statements (*Continued*)

for the year ended March 31, 2025

(Currency: Indian rupees)

1 Material accounting policy information

1.1 Company background

Nuvama Custodial Services Limited ('the Company') was incorporated on February 12, 2021. The Company is subsidiary of Edelweiss Financial Services Limited. The Company was incorporated for carrying out the business as custodian of securities and designated depository participant.

The Company has obtained Custodian of Securities License and Designated Depository Participant License from SEBI, Depository Participant Registration from NSDL, Custodian enablement from NSE Clearing Limited / Indian Clearing Corporation Limited, SLBM enablement from NSE Clearing Limited.

1.2 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 (FVOCI) instruments, derivative financial instruments, and other financial assets held for trading, which have been measured at fair value through profit or loss. The Company's financial statements are presented in Indian Rupees (INR) and all values are rounded off to the nearest thousands, except when otherwise indicated.

1.3 Presentation of financial statements

The Company's financial statements are presented in compliance with the Division II of the Schedule III to the Companies Act, 2013.

1.4 Revenue from contracts with customers

Revenue is measured at transaction price i.e. the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to the customer, excluding amounts collected on behalf of third parties. The Company consider the terms of the contracts and its customary business practices to determine the transaction price. Where the consideration promised is variable, the Company excludes the estimates of variable consideration that are constrained. The Company applies the five-step approach for recognition of revenue:

- i) Identification of contract(s) with customers;
- ii) Identification of the separate performance obligations in the contract;
- iii) Determination of transaction price;
- iv) Allocation of transaction price to the separate performance obligations; and
- v) Recognition of revenue when (or as) each performance obligation is satisfied

The Company recognises revenue from the following sources:

- Fee income includes fees for custody fees and advisory & other fees. All types of fee income are accounted for, on an accrual basis in accordance with the terms and contracts entered into between the Company and the counterparty
- Profit or loss on sale of investments is recognised on trade date basis.



Nuvama Custodial Services Limited

Notes to the financial statements (*Continued*)

for the year ended March 31, 2025

(Currency: Indian rupees)

1.4 Revenue from contracts with customers (*Continued*)

- Interest income is recognised on accrual basis.

Dividend Income

Dividend income is recognised in profit or 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.

1.5 Financial Instruments

Date of recognition

Financial assets and financial liabilities with 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.

Initial measurement of financial instruments

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

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 or loss. 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.

Classification of financial instruments

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. Financial assets are measured at either:



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Currency: Indian rupees)

1.5 Financial Instruments (Continued)

Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset 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. The changes in carrying value of financial assets is recognised in profit and loss account.

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

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The changes in fair value of financial assets is recognised in Other Comprehensive Income.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL. The Company measures all financial assets classified as FVTPL at fair value at each reporting date. The changes in fair value of financial assets is recognised in Profit and loss account.

Amortized cost and effective interest rate (EIR)

The effective interest rate is a method of calculating the amortised cost of a debt Instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

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.



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Currency: Indian rupees)

1.5 Financial Instruments (Continued)

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 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.

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 FVOCI, 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.

The Company classifies investments as held for trading when they have been purchased 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 investments are recorded and measured in the balance sheet at fair value.

Financial liabilities

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



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Currency: Indian rupees)

1.5 Financial Instruments (Continued)

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 EIR.

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 contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

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 entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

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.

Derecognition of financial instruments

Derecognition of financial asset

A financial asset (or, where applicable a part of a financial asset or a 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 shall transfer the financial asset if, and only if, either

- The Company transfers the rights to receive cash flows from the financial asset or
- It retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows in full without material delay to third party under pass through arrangement.



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Currency: Indian rupees)

1.5 Financial Instruments (Continued)

Derecognition of financial asset (Continued)

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.
- 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 only 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.

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 original financial liability and the consideration paid is recognised in profit or loss.

Impairment of financial assets

The Company records allowance for expected credit loss (ECL) for all financial assets, other than financial assets held at FVTPL together with financial guarantee contracts.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables and is adjusted for forward-looking estimates. 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.



Nuvama Custodial Services Limited

Notes to the financial statements (*Continued*)

for the year ended March 31, 2025

(Currency: Indian rupees)

1.5 Financial Instruments (Continued)

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. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

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 to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments

Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Currency: Indian rupees)

1.5 Financial Instruments (Continued)

Determination of fair value (Continued)

Level 3 financial instruments:

Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing 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 for 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.

Write-offs

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

1.6 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 amortization period or methodology, as appropriate, and treated as changes in accounting estimates.

Depreciation is recognized so as to write off the cost of assets less their residual values over their useful lives. Depreciation is provided on a written down value basis from the date the asset is ready for its intended use. In respect of assets sold, depreciation is provided upto the date of disposal.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The carrying amount of those components which have been separately recognised as assets is derecognised at the time of replacement thereof. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

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



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Currency: Indian rupees)

1.6 Property, plant and equipment (Continued)

The estimated useful lives of the property, plant and equipment are as follows:

Class of asset	Useful life
Office equipment	5 years
Computers and data processing units – End user devices, such as desktops, laptops etc.	3 years
Computers and data processing units - Servers and networks	6 years

1.7 Intangible assets

The Company's intangible assets mainly include the value of 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. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Intangible such as software is amortised over a period of 3 years based on its estimated useful life.

1.8 Impairment of non-financial assets

The Company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.9 Cash and cash equivalents

Cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.



Nuvama Custodial Services Limited

Notes to the financial statements (*Continued*)

for the year ended March 31, 2025

(Currency: Indian rupees)

1.10 Foreign currency transactions

The financial statements are presented in Indian Rupees which is also functional currency of the Company. 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 retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

1.11 Income tax expenses

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

Current tax

The tax currently payable is based on taxable profit for the year. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

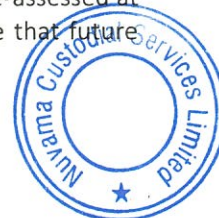
Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Currency: Indian rupees)

1.11 Income tax expenses (Continued)

Deferred tax (Continued)

In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

1.12 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Indian Accounting Standard 33 - Earnings Per Share. Basic earnings per share is computed by dividing the net profit after tax attributable to the equity holders of parent company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of EPS, the potential ordinary shares that would be issued on conversion are included in the weighted average number of ordinary shares used in the calculation of basic EPS (and, therefore, also diluted EPS) from the date of issue of the instrument, since their issue is solely dependent on the passage of time.

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 the 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.



Nuvama Custodial Services Limited

Notes to the financial statements (*Continued*)

for the year ended March 31, 2025

(Currency: Indian rupees)

1.13 Provisions and other 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. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(b) a present obligation that arises from past events but is not recognised because:

(i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) the amount of the obligation cannot be measured with sufficient reliability.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

1.14 Retirement and other employee benefits

Provident fund and national pension scheme

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

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. Such 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. The obligation is measured at present value of estimated future cash flows.



Nuvama Custodial Services Limited

Notes to the financial statements (*Continued*)

for the year ended March 31, 2025

(Currency: Indian rupees)

1.14 Retirement and other employee benefits (*Continued*)

Gratuity (*Continued*)

Re-measurement, comprising of actuarial gains and losses, the effect of the asset ceiling, 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.

Remeasurement are not reclassified to profit or loss in subsequent periods.

Compensated leave 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 to the statement of profit and loss and corresponding liability on account of such non-vesting accumulated leave entitlement based on a valuation by an independent actuary. The cost of providing annual leave benefits are determined using the projected unit credit method.

Share-based payment arrangements

Equity-settled share-based payments to employees are granted by the Holding Company and the entity exercising significant influence over the Company. These 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 estimate of equity instruments that will eventually vest. In cases where the share options granted vest in instalments over the vesting period, the each instalment is treated as a separate grant, because each instalment has a different vesting period, and hence the fair value of each instalment differs.

1.15 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

- (a) Actuarial assumptions used in calculation of defined benefit plans
- (b) Assumptions used in estimating the useful lives of tangible assets reported under property, plant and equipment.



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Currency: Indian rupees)

1.15 Significant accounting judgements, estimates and assumptions (Continued)

Defined Benefits Plan

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date

Provisions for Income Taxes

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectation of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Business model assessment

Classification and measurement of financial assets depends on the results of the 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 measured, the risks that affect the performance of the assets and how these are managed and how the managers of these assets are compensated.

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.

1.16 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 financial statements were 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.



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

for the year ended March 31, 2025

(Currency: Indian rupees)

1.16 Key sources of estimation uncertainty (Continued)

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 behavioral life of financial instruments and recognises the effect of characteristics of the product life cycle

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

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. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

1.17 Standards issued but not yet effective

There are no standards that are notified and not yet effective as on the date.



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

2.1 Property, plant and equipment

Description of Assets	Gross Block			Accumulated Depreciation and Impairment			Net Block As at March 31, 2025
	As at April 01, 2024	Additions during the year	Disposals during the year	As at April 01, 2024	Charge for the year	Disposals during the year	
Office equipment	79.44	-	-	48.79	13.82	-	16.83
Computers	6,552.55	3,988.82	-	4,193.91	2,610.72	-	3,736.74
Total	6,631.99	3,988.82	-	4,242.70	2,624.54	-	3,753.57

Description of Assets	Gross Block			Accumulated Depreciation and Impairment			Net Block As at March 31, 2024
	As at April 01, 2023	Additions during the year	Disposals during the year	As at April 01, 2023	Charge for the year	Disposals during the year	
Office equipment	79.44	-	-	23.64	25.15	-	30.65
Computers	4,674.09	2,151.84	273.38	2,963.22	1,463.86	233.17	2,358.64
Total	4,753.53	2,151.84	273.38	2,986.86	1,489.01	233.17	2,389.29

2.2 Other intangible assets

Description of Assets	Gross Block			Accumulated Amortisation and Impairment			Net Block As at March 31, 2025
	As at April 01, 2024	Additions during the year	Disposals during the year	As at April 01, 2024	Charge for the year	Disposals during the year	
Software	84,619.82	30,066.64	-	44,576.65	14,792.47	-	55,317.34
Total	84,619.82	30,066.64	-	44,576.65	14,792.47	-	55,317.34

Description of Assets	Gross Block			Accumulated Amortisation and Impairment			Net Block As at March 31, 2024
	As at April 01, 2023	Additions during the year	Disposals during the year	As at April 01, 2023	Charge for the year	Disposals during the year	
Software	38,364.80	46,255.02	-	37,239.64	7,337.01	-	40,043.17
Total	38,364.80	46,255.02	-	37,239.64	7,337.01	-	40,043.17



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

	As at March 31, 2025	As at March 31, 2024
2.3 Current tax assets (net)		
Advance income taxes	38,975.62	39,629.35
(net of provisions for tax ₹ 1,06,954.38 thousands, previous year March 31, 2024 ₹ 33,562.11 thousands)		
	<u>38,975.62</u>	<u>39,629.35</u>
2.4 Deferred tax assets (net)		
Deferred tax assets		
Trade receivable		
Provision for expected credit losses	1,380.07	1,183.75
Property, plant and equipment and intangibles		
Difference between book and tax depreciation (including intangibles)	-	339.22
Investments		
Fair valuation of investments	6.53	-
Employee benefit obligations		
Provision for leave accumulation and gratuity	4,710.16	4,080.74
Sub total (A)	<u>6,096.76</u>	<u>5,603.71</u>
Deferred tax liabilities		
Property, plant and equipment and intangibles		
Difference between book and tax depreciation (including intangibles)	1,162.26	-
Investments		
Fair valuation of investments	-	147.01
Borrowings		
Unamortised loan origination costs - EIR on borrowings	566.28	579.69
Sub total (B)	<u>1,728.54</u>	<u>726.70</u>
Total (A - B)	<u>4,368.22</u>	<u>4,877.01</u>
2.5 Other financial assets		
(Unsecured Considered good, unless stated otherwise)		
Deposits placed with/ for exchange/ depositories	6,000.00	6,000.00
	<u>6,000.00</u>	<u>6,000.00</u>
2.6 Investments		
	As at March 31, 2025	As at March 31, 2024
	Quantity Amount	Quantity Amount
Investment in Equity Instruments		
Securities held for trading		
Fair value through profit or loss		
Unquoted Equity Shares	9,655 6,610.00	29,051 10,861.84
Quoted Equity Shares	706 494.59	- -
	<u>10,361 7,104.59</u>	<u>29,051 10,861.84</u>
Investments in India	7,104.59	10,861.84
Investments outside India	-	-
	<u>7,104.59</u>	<u>10,861.84</u>



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

	As at March 31, 2025	As at March 31, 2024
2.7 Trade receivables		
Unsecured, considered good	42,712.28	45,087.14
	<u>42,712.28</u>	<u>45,087.14</u>
Less: Allowance for expected credit losses		
Unsecured, considered good	5,483.42	4,703.37
	<u>5,483.42</u>	<u>4,703.37</u>
	<u>37,228.86</u>	<u>40,383.77</u>

Trade receivables aging

March 31, 2025	Outstanding for following periods from date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Gross receivables						
Undisputed Trade receivables - considered good	40,782.69	1,358.03	406.61	164.79	0.16	42,712.28
Total gross receivables (A)	40,782.69	1,358.03	406.61	164.79	0.16	42,712.28
ECL provision on receivables						
Undisputed Trade receivables - considered good	3,553.83	1,358.03	406.61	164.79	0.16	5,483.42
Total ECL provision on receivables (B)	3,553.83	1,358.03	406.61	164.79	0.16	5,483.42
Total receivables net of provision (A - B)	37,228.86	-	-	-	-	37,228.86

March 31, 2024	Outstanding for following periods from date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Gross receivables						
Undisputed Trade receivables - considered good	42,435.47	138.59	1,892.01	436.14	184.93	45,087.14
Gross receivable (A)	42,435.47	138.59	1,892.01	436.14	184.93	45,087.14
ECL provision on receivables						
Undisputed Trade receivables - considered good	2,051.70	138.59	1,892.01	436.14	184.93	4,703.37
Total ECL provision on receivables (B)	2,051.70	138.59	1,892.01	436.14	184.93	4,703.37
Total receivables net of provision (A - B)	40,383.77	-	-	-	-	40,383.77

Reconciliation of impairment allowance on trade receivables:

Particulars	Amount
Impairment allowance measured as per simplified approach	
Impairment allowance as on April 1, 2023	4,055.69
Add/ (less): asset originated or acquired (net)	647.68
Impairment allowance as on March 31, 2024	4,703.37
Add/ (less): asset originated or acquired (net)	780.05
Impairment allowance as on March 31, 2025	5,483.42

	As at March 31, 2025	As at March 31, 2024
2.8 Cash and cash equivalents		
Balances with banks		
- in current accounts	1,01,43,593.19	14,63,585.44
	<u>1,01,43,593.19</u>	<u>14,63,585.44</u>
2.9 Bank balances other than cash and cash equivalents		
Fixed deposits with bank (refer note 2.9A below)	10,69,100.00	5,55,700.00
Accrued interest on fixed deposits	12,589.82	5,921.55
	<u>10,81,689.82</u>	<u>5,61,621.55</u>
Note:		
Fixed deposit balances with banks earns interest at fixed rate.		
2.9A Encumbrances on fixed deposits held by the Company:		
Fixed deposits pledged with exchanges to meet margin requirement	8,36,600.00	5,55,700.00
Fixed deposits pledged with banks for securing credit facilities	2,32,500.00	-
	<u>10,69,100.00</u>	<u>5,55,700.00</u>
2.10 Loans (At amortised cost)		
(Unsecured considered good, unless stated otherwise)		
Employee loans	156.85	-
	<u>156.85</u>	<u>-</u>
Loans in India	156.85	-
Loans outside India	-	-
	<u>156.85</u>	<u>-</u>



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

	As at March 31, 2025	As at March 31, 2024
2.11 Other financial assets		
(Unsecured considered good, unless stated otherwise)		
Margin placed with exchange	7,26,340.55	30,42,311.76
Other assets	2,204.99	1,200.00
	7,28,545.54	30,43,511.76
2.12 Other current assets		
(Unsecured Considered good, unless stated otherwise)		
Input tax credit	42,270.84	4,082.17
Prepaid expenses	3,328.95	12,793.31
Vendor advances	1,415.64	9,981.47
	47,015.43	26,856.95



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

	As at March 31, 2025		As at March 31, 2024			
2.13 Equity share capital						
Authorised :						
60,000,000 Equity Shares of ₹ 10 each	6,00,000.00		6,00,000.00			
	<u>6,00,000.00</u>		<u>6,00,000.00</u>			
Issued, Subscribed and Paid up:						
55,000,000 (PY: 55,000,000) Equity shares of ₹ 10 each, fully paid-up	5,50,000.00		5,50,000.00			
	<u>5,50,000.00</u>		<u>5,50,000.00</u>			
a. Movement in share capital :						
	As at March 31, 2025		As at March 31, 2024			
	No of shares	Amount	No of shares	Amount		
Outstanding at the beginning of the year	5,50,00,000	5,50,000.00	5,50,00,000	5,50,000.00		
Shares issued during the year	-	-	-	-		
Outstanding at the end of the year	<u>5,50,00,000</u>	<u>5,50,000.00</u>	<u>5,50,00,000</u>	<u>5,50,000.00</u>		
b. Shares held by holding/ultimate holding company and/or their subsidiaries/ associates						
	As at March 31, 2025			As at March 31, 2024		
	No of shares	Amount	%	No of shares	Amount	%
Edelweiss Financial Services Limited	2,80,50,000	2,80,500.00	51%	2,80,50,000	2,80,500.00	51%
	<u>2,80,50,000</u>	<u>2,80,500.00</u>	<u>51%</u>	<u>2,80,50,000</u>	<u>2,80,500.00</u>	<u>51%</u>
c. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company						
	As at March 31, 2025			As at March 31, 2024		
	No of shares	Amount	%	No of shares	Amount	%
Edelweiss Financial Services Limited	2,80,50,000	2,80,500.00	51%	2,80,50,000	2,80,500.00	51%
Nuvama Wealth Management Limited	2,69,50,000	2,69,500.00	49%	2,69,50,000	2,69,500.00	49%
	<u>5,50,00,000</u>	<u>5,50,000.00</u>	<u>100%</u>	<u>5,50,00,000</u>	<u>5,50,000.00</u>	<u>100%</u>
d. Shares held by promoters at the end of the year						
	As at March 31, 2025			As at March 31, 2024		
Promoter name	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
Edelweiss Financial Services Limited	2,80,50,000	51%	-	2,80,50,000	51%	-
	<u>2,80,50,000</u>	<u>51%</u>	<u>-</u>	<u>2,80,50,000</u>	<u>51%</u>	<u>-</u>
e. Terms/rights attached to equity shares :						
The Company has only one class of equity shares referred to as equity shares having a par value of ₹ 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.						



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

	As at March 31, 2025	As at March 31, 2024
2.14 Other Equity		
Retained Earnings	3,10,077.73	90,644.70
	3,10,077.73	90,644.70

A) Nature and purpose of reserves

Retained earnings comprises of the Company's undistributed earnings after taxes.

B) Movement in Other Equity

Retained Earnings		
Opening Balance	90,644.70	23,853.27
Adjustment of share based payments on lapsed /cancelled	804.83	1,158.99
Add: Profit for the year	2,19,403.46	66,394.96
Add: Other comprehensive income for the year	(775.26)	(762.52)
Total	3,10,077.73	90,644.70
2.15 Provisions		
Provision for employee benefits		
Gratuity	12,754.47	11,161.01
Compensated leave absences	2,162.42	1,661.00
	14,916.89	12,822.01

2.16 Trade Payables

Total outstanding dues of micro enterprises and small enterprises	15,677.56	20,862.96
Total outstanding dues to creditors other than micro enterprises and small enterprises	11,73,291.53	3,79,016.93
	11,88,969.09	3,99,879.89

Trade payables ageing schedule

Particulars	Outstanding for following periods from date of transaction					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
March 31, 2025						
(i) MSME	14,032.67	1,644.89	-	-	-	15,677.56
(ii) Others	72,683.41	11,00,095.68	407.82	82.82	21.80	11,73,291.53
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
Total	86,716.08	11,01,740.57	407.82	82.82	21.80	11,88,969.09

Particulars	Outstanding for following periods from date of transaction					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
March 31, 2024						
(i) MSME	14,083.42	6,779.54	-	-	-	20,862.96
(ii) Others	63,024.07	3,15,156.36	376.21	460.29	-	3,79,016.93
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
Total	77,107.49	3,21,935.90	376.21	460.29	-	3,99,879.89

Trade Payables includes ₹ 15,677.56 thousands (Previous year : ₹ 20,862.96 thousands) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Company during the period 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



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

	As at March 31, 2025	As at March 31, 2024
2.17 Other financial liabilities		
Other payables	1,262.49	393.65
Margin money		
Payable to client (net)	59,57,911.46	31,08,711.96
Others		
Accrued salaries and benefits	82,013.14	57,600.49
Payable to exchange / clearing house (net)	40,15,195.13	9,72,646.53
Advances from customers	20,910.62	36,033.04
	1,00,77,292.84	41,75,385.67
2.18 Other current liabilities		
Statutory liabilities*	8,040.34	6,857.37
Others	654.14	778.49
	8,694.48	7,635.86
* Includes withholding taxes, other taxes payable		
2.19 Provisions		
Provision for employee benefits		
Gratuity short term	3,268.00	2,902.00
Compensated absences short term	530.00	490.00
	3,798.00	3,392.00



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

	For the year ended March 31, 2025	For the year ended March 31, 2024
2.20 Fee and commission income		
Advisory and other fees	11,33,177.00	6,21,353.00
Custody fees	1,25,186.64	81,207.68
	12,58,363.64	7,02,560.68
2.20A Service transferred at a point in time	11,33,177.00	6,21,353.00
Service transferred over time	1,25,186.64	81,207.68
	12,58,363.64	7,02,560.68
2.21 Interest income		
Interest income on fixed deposits	54,477.70	37,899.00
Interest Income - Others	15.82	-
	54,493.52	37,899.00
2.22 Dividend income		
Dividend on investments	7,235.45	3,234.37
	7,235.45	3,234.37
2.23 Net gain on fair value changes		
Net gain on financial instruments at fair value through profit or loss		
On trading portfolio		
- Investments		
Investment at FVTPL	4,78,927.88	73,912.49
Total net gain on fair value changes	4,78,927.88	73,912.49
Fair value changes:		
- Realised gain	4,79,436.27	73,430.05
- Unrealised (loss)/gain	(508.39)	482.44
	4,78,927.88	73,912.49
2.24 Other income		
Interest on income tax refund	-	1,038.46
	-	1,038.46



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

	For the year ended March 31, 2025	For the year ended March 31, 2024
2.25 Finance costs		
At amortised cost		
Interest on borrowings (other than debt securities)	400.43	1,320.69
Financial and bank charges	2,940.92	885.98
Interest - others	97.86	0.01
	3,439.21	2,206.68
2.26 Employee benefit expenses		
Salaries and wages	2,25,203.27	1,78,548.98
Contribution to provident and other funds	11,973.97	9,177.70
Expense on share based payments - refer note below	3,280.44	660.73
Staff welfare expenses	43,160.47	19,472.25
	2,83,618.15	2,07,859.66
Note:		
Edelweiss Financial Services Limited ("EFSL") the holding Company has Employee Stock Option Plans (ESOP) and Stock Appreciation Rights Plans (SAR) in force. Based on such ESOP/SAR schemes, parent entity has granted an ESOP/SAR 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.		
Nuvama Wealth Management Limited ("NWML") has Employee Stock Option Plans (ESOP) in force. Based on such ESOP schemes, NWML has granted an ESOP option to acquire equity shares of NWML that would vest in a graded manner to Company's employees. Based on group policy / arrangement, NWML has charged the fair value of such stock options, Company has accepted such cross charge and recognised the same under the employee cost.		
2.27 Impairment on financial instruments		
Bad- debts written off	5,393.24	189.17
Provision for doubtful debts	780.05	647.68
	6,173.29	836.85
On trade receivables	6,173.29	836.85
	6,173.29	836.85



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

	For the year ended March 31, 2025	For the year ended March 31, 2024
2.28 Other expenses		
Advertisement and business promotion	28,362.35	14,119.17
Auditors' remuneration	577.50	536.30
Commission and brokerage	6,70,344.75	1,75,720.54
Communication	4,543.12	2,316.65
Directors' sitting fees	1,225.00	920.00
Insurance	149.51	98.89
Legal and professional fees	2,82,767.99	2,28,124.25
Printing and stationery	448.50	354.54
Rates and taxes	7.50	12.50
Rent	30,464.64	14,155.36
Foreign exchange loss (net)	1,486.36	104.29
Computer expenses	22,962.73	4,647.00
Computer software	27,183.93	20,037.32
Corporate social responsibility	935.00	-
Clearing & custodian charges	3,776.20	4,562.54
Rating support fees	200.00	-
Loss on sale of of property, plant and equipment	-	40.21
Membership and subscription	11,143.71	4,883.24
Office expenses	66,515.25	21,524.17
Postage and courier	2.78	8.40
ROC Expenses	13.84	6.05
Seminar & Conference	13,574.39	9,055.93
Goods & Service tax expenses	6,797.01	1,183.70
Stamp duty	1,790.80	556.35
Stock exchange expenses	540.28	341.50
Transportation charges	4.08	1.20
Travelling and conveyance	16,668.72	5,148.35
Miscellaneous expenses	224.67	952.32
Outside services cost	2,096.96	915.63
	11,94,807.57	5,10,326.40
Auditors' remuneration:		
As Auditors		
Statutory audit fees	324.00	300.00
Limited review	243.00	225.00
Reimbursement of expenses	10.50	11.30
	577.50	536.30



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

2.29 Income tax

The components of income tax expense :

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax	72,815.00	19,428.00
Adjustment in respect of income tax of prior years	577.27	228.38
Deferred tax relating to origination and reversal of temporary differences	769.53	2,538.05
Total tax charge for the year	74,161.80	22,194.43
Current tax	73,392.27	19,656.38
Deferred tax	769.53	2,538.05

2.29a The income tax expenses for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before taxes	2,93,565.26	88,589.39
Tax rate (in %)	25.17%	25.17%
Tax charge at statutory rate	73,885.00	22,296.00
Tax effect of :		
Adjustment in respect of income tax of prior years	577.27	228.38
Effect of deductible expenses: section 35D	(289.99)	(289.99)
Effect of non-deductible expenses - CSR	235.32	-
Others	(245.80)	(39.96)
Tax charge for the year recorded in P&L	74,161.80	22,194.43

2.29b 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 year (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	339.22	(1,501.48)	-	(1,501.48)	(1,162.26)
Fair valuation of investments	(147.01)	153.54	-	153.54	6.53
Unamortised processing fees	(579.69)	13.41	-	13.41	(566.28)
Employee benefits obligations	4,080.74	368.68	260.74	629.42	4,710.16
Provision on expected credit loss	1,183.75	196.32	-	196.32	1,380.07
Total	4,877.01	(769.53)	260.74	(508.79)	4,368.22

	Opening deferred tax asset / (liability)	Movement for the year (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	3,391.88	(3,052.66)	-	(3,052.66)	339.22
Fair valuation of investments	(25.59)	(121.42)	-	(121.42)	(147.01)
Unamortised processing fees	-	(579.69)	-	(579.69)	(579.69)
Employee benefits obligations	2,771.55	1,052.71	256.48	1,309.19	4,080.74
Provision on expected credit loss	1,020.74	163.01	-	163.01	1,183.75
Total	7,158.58	(2,538.05)	256.48	(2,281.57)	4,877.01

2.30 Contingent liabilities and capital commitments

A. Contingent liabilities

The Company has no contingent liabilities (Previous year: Nil) as at the balance sheet date.

B. Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 15,342.48 thousands (net of advances) (Previous year: ₹ 7,804.89 thousands)



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

2.31 Earnings per share

In accordance with Indian Accounting Standard 33 on Earnings per share as prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014, the computation of earnings per share is set out below:

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a)	Profit after tax (as per Statement of Profit and Loss)	2,19,403.46	66,394.96
	Less: dividend on preference share including dividend distribution tax	-	-
	Net profit for the year attributable to equity shareholders	2,19,403.46	66,394.96
b)	Calculation of weighted average number of equity Shares of Rs. 10 each		
	Number of shares outstanding at the beginning of the year	5,50,00,000	5,50,00,000
	Number of shares issued during the year	-	-
	Total number of equity shares outstanding at the end of the year	5,50,00,000	5,50,00,000
	Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	5,50,00,000	5,50,00,000
c)	Basic and diluted earnings per share (in rupees) (a)/(b)	3.99	1.21

The basic and diluted earnings per share are the same as there are no diluted potential equity shares.

2.32 Segment reporting

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

Operating Segment	The business segment comprises
Capital markets	Custodial services
Treasury business	Treasury activities

An operating segment is classified as reportable segment if reported revenue or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.

Accordingly, the Company has reportable segments as described in above table.

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 Indian Accounting Standard -108 on Segment Reporting:

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
I	Segment revenue		
	Capital markets	13,12,857.16	7,41,498.14
	Treasury business	4,86,163.33	77,146.86
	Unallocated	-	-
	Total Income	17,99,020.49	8,18,645.00
II	Segment results (Profit before tax)		
	Capital markets	2,59,308.86	46,368.20
	Treasury business	34,256.40	42,221.19
	Unallocated	-	-
	Total	2,93,565.26	88,589.39
III	Segment assets		
	Capital markets	1,20,37,346.68	50,54,644.48
	Treasury business	73,058.51	1,40,609.29
	Unallocated	43,343.84	44,506.36
	Total	1,21,53,749.03	52,39,760.13
IV	Segment liabilities		
	Capital markets	1,12,64,926.73	45,56,925.12
	Treasury business	28,744.57	42,190.31
	Unallocated	-	-
	Total	1,12,93,671.30	45,99,115.43



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

2.33 Disclosure as required by Indian Accounting Standard 24 – “Related Party Disclosure”, as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 :

- (i) **Names of related parties by whom control is exercised**
Edelweiss Financial Services Limited Holding company
- (ii) **Investor who exercises significant influence over the Company**
Nuvama Wealth Management Limited
- (iii) **Fellow Subsidiary with whom transactions have taken place**
Zuno General Insurance Limited
Edelweiss Tokio Life Insurance Company Limited
Edelweiss Alternative Asset Advisors Limited
ECap Equities Limited
Nuvama Investment Advisors LLC (upto September 05, 2023)
- (iv) **Subsidiaries of investor who exercises significant influence over the Company**
Nuvama Clearing Services Limited
Nuvama Wealth and Investment Limited
Nuvama Investment Advisors Private Limited
Nuvama Financial Services (UK) Limited
Nuvama Investment Advisors (Hongkong) Private Limited
Nuvama Wealth Finance Limited
Nuvama Investment Advisors LLC (from September 06, 2023)
Nuvama Capital Services (IFSC) Limited
- (v) **Key Managerial Personnel**
Atul Badkar (till July 24, 2024) Managing Director & CEO
Anand Lalla (w.e.f. July 25, 2024) Executive Director & CEO
Krishnan Nair (w.e.f. July 27, 2024) Executive Director
Ananya Suneja Non-executive Director
Shiv Sehgal Non-executive Director
Ramesh Abhishek Non-executive Director
Swadesh Agrawal Non-executive Director
Kanu Doshi (till May 31, 2024) Independent Director
Sameer Kaji (w.e.f. February 28, 2024) Independent Director
Sankarson Banerjee (w.e.f. June 6, 2024) Independent Director
Mahadev Gole Chief Financial Officer
Pradyumn Grover Company Secretary



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

2.33 Disclosure as required by Indian Accounting Standard 24 – “Related Party Disclosure”, as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (Continued)

Transactions and balances with related parties

Transactions and balances with related parties			For the year ended	For the year ended
Sr. No	Name of the related party	Nature of transaction	March 31, 2025	March 31, 2024
	Current account transactions			
1	Edelweiss Alternative Asset Advisors Limited	Custody Fees received from	0.45	0.41
2	Nuvama Wealth Management Limited	Cost reimbursement paid	51,121.58	12,076.80
		Corporate cost allocations paid	66,385.11	21,011.77
		Expenses on shared base payment paid	4,220.11	155.63
3	Nuvama Wealth and Investment Limited	Cost reimbursement paid	1,524.56	555.46
		Fees and commission expenses paid	4,50,265.38	34,417.00
4	Nuvama Clearing Services Limited	Cost reimbursement paid	2,242.48	4,538.08
		Cost reimbursement received from	-	13,504.12
		Fees and commission expenses paid	1,92,215.77	87,016.81
5	Nuvama Wealth Finance Limited	Cost reimbursement paid	756.61	331.65
		Interest expenses on loan paid	400.43	1,320.69
		Short term loans taken from	6,20,500.00	14,57,500.00
		Short term loans repaid to	6,20,500.00	14,57,500.00
6	Nuvama Investment Advisors Private Limited	Chaperoning fees paid	1,84,792.50	1,26,305.25
7	Nuvama Investment Advisors (Hongkong) Private Limited	Chaperoning fees paid	45,680.00	32,841.40
8	Nuvama Financial Services (UK) Limited	Chaperoning fees paid	27,592.77	40,882.40
9	Nuvama Investment Advisors LLC	Chaperoning fees paid	9,797.47	9,556.06
10	Nuvama Capital Services (IFSC) Limited	Fees and commission expenses paid	17,488.69	11,865.97
11	Zuno General Insurance Limited	Cost reimbursement paid	3,540.12	1,609.57
12	Edelweiss Tokio Life Insurance Company Limited	Cost reimbursement paid	-	6.58
13	Edelweiss Financial Services Limited	Expenses on shared base payment (recovered from) / paid	(939.67)	505.10
14	ECap Equities Limited	Business promotion expenses paid to	-	61.98
15	Key Managerial Personnel	Remuneration paid	33,927.33	29,010.69
		Directors' sitting fees paid	1,225.00	920.00



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

2.33 Disclosure as required by Indian Accounting Standard 24 – “Related Party Disclosure”, as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (Continued)

Transactions and balances with related parties

Sr. No	Name of the related party	Nature of transaction	As at March 31, 2025	As at March 31, 2024
Balances with related parties				
1	Nuvama Wealth Management Limited	Trade payable	19,050.06	4,432.18
		Other payables	1,220.19	155.63
2	Nuvama Clearing Services Limited	Trade payable	47,472.96	5,499.37
		Trade receivables	-	14,584.45
		Other receivables	428.00	-
3	Nuvama Wealth and Investment Limited	Trade payable	7,874.59	5,415.53
4	Nuvama Capital Services (IFSC) Limited	Trade payable	463.43	11,272.67
5	Nuvama Investment Advisors Private Limited	Trade payable	33,166.84	27,208.50
6	Nuvama Investment Advisors (Hongkong) Private Limited	Trade payable	5,410.42	-
		Advance against chaperoning fees	-	9,397.97
7	Nuvama Financial Services (UK) Limited	Trade payable	12,577.44	16,782.00
8	Nuvama Wealth Finance Limited	Trade payable	68.21	391.35
9	Zuno General Insurance Limited	Trade payable	367.62	367.62
10	Nuvama Investment Advisors LLC	Trade payable	2,159.37	3,238.37
11	Edelweiss Alternative Asset Advisors Limited	Trade receivables	0.78	0.48
12	Edelweiss Financial Services Limited	Other payables	-	116.67
		Other receivables	1,776.99	-



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

2.34 Disclosure pursuant to Indian Accounting Standard 19 - Employee Benefits

A) Defined contribution plan (Provident fund and National Pension Scheme)

Amount of ₹ 8,645.46 thousands (Previous year : ₹ 6,400.79 thousands) is recognised as expenses in "Employee benefit expenses" – note 2.26 in the statement of profit and loss.

B) Defined benefit plan (Gratuity)

The following tables summarise the components of the net employee benefit expenses recognised in the statement of profit and loss, the funded status, unfunded status and amount recognised in the balance sheet for the gratuity benefit plan.

Expenses recognised in the statement of profit and loss

	For the year ended March 31, 2025	For the year ended March 31, 2024
<i>Service cost</i>		
a. Current Service Cost	2,284.00	1,970.00
b. Past Service Cost	-	-
c. Loss/ (Gain) from Settlement	-	-
Net interest on net defined benefit liability/ (asset)	1,037.00	804.00
Employer Expenses	3,321.00	2,774.00

Net liability/(assets) recognized in the balance sheet

	As at March 31, 2025	As at March 31, 2024
Present value of defined benefit obligation (DBO)	16,022.47	14,063.10
Fair value of plan assets	-	-
Net (assets)/liability recognised in the balance sheet	16,022.47	14,063.10
Funded status [Surplus/ (Deficit)]	(16,022.47)	(14,063.10)
Of which, Short term provision	3,268.00	2,902.00
Experience adjustment on plan liabilities: (Gain) /Loss	518.00	900.00

Reconciliation of Defined benefit obligation

	As at March 31, 2025	As at March 31, 2024
Present value of DBO at start of the year	14,063.10	9,640.10
<i>Service cost</i>		
a. Current Service Cost	2,284.00	1,970.00
b. Past Service Cost	-	-
Interest cost	1,037.00	804.00
Benefits paid	(3,361.63)	(1,056.00)
<i>Re-measurements</i>		
Actuarial (gain)/loss on changes in demographic assumptions	192.00	-
Actuarial (gain)/loss from changes in financial assumptions	326.00	119.00
Actuarial (gain)/loss from experience over the past year	518.00	900.00
Transfer In/(Out)	964.00	1,686.00
Present value of DBO at the end of the year	16,022.47	14,063.10



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

2.34 Disclosure pursuant to Indian Accounting Standard 19 - Employee Benefits (Continued)

B) Defined benefit plan (Gratuity) (Continued)

Movement in Other Comprehensive Income

	March 31, 2025	March 31, 2024
Balance at start of year (Loss)/ Gain	(2,448.00)	(1,429.00)
Re-measurement on DBO		
a. Actuarial (Loss)/Gain from changes in demographic assumptions	(192.00)	-
b. Actuarial (Loss)/Gain from changes in financial assumptions	(326.00)	(119.00)
c. Actuarial (Loss)/Gain from experience over the past years	(518.00)	(900.00)
Balance at the end of year (Loss)	(3,484.00)	(2,448.00)

Sensitivity Analysis

	March 31, 2025	March 31, 2024
DOB increases / (decreases) by		
1 % Increase in Salary Growth Rate	791.00	563.00
1 % Decrease in Salary Growth Rate	(736.00)	(528.00)
1 % Increase in Discount Rate	(733.00)	(524.00)
1 % Decrease in Discount Rate	803.00	569.00
1 % Increase in Withdrawal Rate	(66.00)	(40.00)
1 % Decrease in Withdrawal Rate	69.00	41.00
Mortality (Increase in expected lifetime by 1 year)	Negligible change	Negligible change
Mortality (Increase in expected lifetime by 3 year)	1	Negligible change

Movement in Net (Liability)/ Asset

	March 31, 2025	March 31, 2024
Net (Liability)/ Asset at start of year	(14,063.10)	(9,640.10)
Net (Acquisition)/ Divestiture	-	-
Net Transfer (In)/ Out	(964.00)	(1,686.00)
<i>Movement during the year</i>		
Current Service Cost	(2,284.00)	(1,970.00)
Past Service Cost	-	-
Net interest on net DBO	(1,037.00)	(804.00)
Re-measurement	(1,036.00)	(1,019.00)
Contributions/ Benefits	3,361.63	1,056.00
Surplus / (Deficit) at end of year	(16,022.47)	(14,063.10)

Principal actuarial assumptions at the balance sheet date

	For the year ended March 31, 2025	For the year ended March 31, 2024
Discount rate (% p.a.)	6.40%	6.90%
Salary escalation (% p.a.)	7.00%	7.00%
Interest Rate on Net DBO/ (Asset) (% p.a.)	6.90%	7.10%
Withdrawal Rate (% p.a.)	19%	22%
Mortality rate	IALM 2012-14 (Ultimate)	IALM 2012-14 (Ultimate)
Expected average remaining working lives of employees	4 years	3 years



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

2.35 Industry analysis - Risk concentration

The following table shows the risk concentration by industry for the components of the balance sheet.

Particulars	Financial services	March 31, 2025
Financial assets		
Cash and cash equivalent	1,01,43,593.19	1,01,43,593.19
Bank balances other than cash and cash equivalents	10,81,689.82	10,81,689.82
Investments	7,104.59	7,104.59
Trade receivables	37,228.86	37,228.86
Loans	156.85	156.85
Other financial assets	7,34,545.54	7,34,545.54
Total	1,20,04,318.85	1,20,04,318.85

Particulars	Financial services	March 31, 2024
Financial assets		
Cash and cash equivalent	14,63,585.44	14,63,585.44
Bank balances other than cash and cash equivalents	5,61,621.55	5,61,621.55
Investments	10,861.84	10,861.84
Trade receivables	40,383.77	40,383.77
Other financial assets	30,49,511.76	30,49,511.76
Total	51,25,964.36	51,25,964.36

2.36 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 as at

March 31, 2025	Upto 3 months	Between 3 to 6 months	Between 6 months to 1 year	Between 1 to 3 year	More than 3 years	Total
Trade payables	11,88,969.09	-	-	-	-	11,88,969.09
Other financial liabilities	1,00,77,292.84	-	-	-	-	1,00,77,292.84
Total undiscounted non-derivative financial liabilities	1,12,66,261.93	-	-	-	-	1,12,66,261.93

March 31, 2024	Upto 3 months	Between 3 to 6 months	Between 6 months to 1 year	Between 1 to 3 year	More than 3 years	Total
Trade payables	3,99,879.89	-	-	-	-	3,99,879.89
Other financial liabilities	41,39,352.63	36,033.04	-	-	-	41,75,385.67
Total undiscounted non-derivative financial liabilities	45,39,232.52	36,033.04	-	-	-	45,75,265.56

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

March 31, 2025	Upto 3 months	Between 3 to 6 months	Between 6 months to 1 year	Between 1 to 3 year	More than 3 years	Total
Cash and cash equivalent and other bank balances	1,05,80,512.16	2,12,771.82	4,31,999.03	-	-	1,12,25,283.01
Investments	7,104.59	-	-	-	-	7,104.59
Trade receivables	37,228.86	-	-	-	-	37,228.86
Loans	156.85	-	-	-	-	156.85
Other financial assets	7,28,545.54	-	-	-	6,000.00	7,34,545.54
Total	1,13,53,548.00	2,12,771.82	4,31,999.03	-	6,000.00	1,20,04,318.85

March 31, 2024	Upto 3 months	Between 3 to 6 months	Between 6 months to 1 year	Between 1 to 3 year	More than 3 years	Total
Cash and cash equivalent and other bank balances	16,91,074.89	51,693.82	2,82,438.28	-	-	20,25,206.99
Investments	-	10,861.84	-	-	-	10,861.84
Trade receivables	40,383.77	-	-	-	-	40,383.77
Other financial assets	30,43,511.76	-	-	-	6,000.00	30,49,511.76
Total	47,74,970.42	62,555.66	2,82,438.28	-	6,000.00	51,25,964.36



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

2.37 Disclosure related to collateral

Following table sets out availability of the Company's assets to support funding

As at March 31, 2025	Pledge as collateral	Contractually/legally restricted assets ¹	Available as collateral	others ²	Total carrying amount
Cash and cash equivalent including bank balance	10,81,689.82	1,00,71,754.12	71,839.07	-	1,12,25,283.01
Investments	-	-	7,104.59	-	7,104.59
Trade receivables	-	-	37,228.86	-	37,228.86
Loans	-	-	156.85	-	156.85
Other financial assets	-	7,32,340.55	2,204.99	-	7,34,545.54
Property, plant and equipment	-	-	-	3,753.57	3,753.57
Other intangible assets	-	-	-	55,317.34	55,317.34
Other current assets	-	-	-	47,015.43	47,015.43
Total assets	10,81,689.82	1,08,04,094.67	1,18,534.36	1,06,086.34	1,21,10,405.19

As at March 31, 2024	Pledge as collateral	Contractually/legally restricted assets ¹	Available as collateral	others ²	Total carrying amount
Cash and cash equivalent including bank balance	5,61,621.55	13,22,452.02	1,41,133.42	-	20,25,206.99
Investments	-	-	10,861.84	-	10,861.84
Trade receivables	-	-	40,383.77	-	40,383.77
Other financial asset	-	30,48,311.76	-	1,200.00	30,49,511.76
Property, plant and equipment	-	-	-	2,389.29	2,389.29
Other intangible assets	-	-	-	40,043.17	40,043.17
Other current assets	-	-	-	26,856.95	26,856.95
Total assets	5,61,621.55	43,70,763.78	1,92,379.03	70,489.41	51,95,253.77

(i) ¹Represents assets which are not pledged and the Company believes it is restricted from using to secure funding for legal or contractual or other reason

(ii) ²Represents 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.

2.38 Fair value measurement

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

As at March 31, 2025	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Investments				
Equity instruments	494.59	6,610.00	-	7,104.59
Total financial assets measured at fair value	494.59	6,610.00	-	7,104.59

As at March 31, 2024

Assets measured at fair value on a recurring basis

Investments				
Equity instruments	-	10,861.84	-	10,861.84
Total financial assets measured at fair value	-	10,861.84	-	10,861.84

B. There has been no transfers between levels during the year ended March 31, 2025 and March 31, 2024

C. Fair value of financial instruments not measured at fair value

Carrying amount of cash and cash equivalent, trade receivables and trade payables as on March 31, 2025 approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of bank deposits, other financial assets, other financial liabilities subsequently measured at amortised cost is not significant in each of the year presented.



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

2.39 Risk Management

A. 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, equity prices and index movements. The company classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately. All the positions are managed and monitored using sensitivity analysis

Particulars	March 31, 2025		
	Carrying amount	Traded risk	Non-traded risk
Financial assets			
Cash and cash equivalent	1,01,43,593.19	-	1,01,43,593.19
Bank balances other than cash and cash equivalents	10,81,689.82	-	10,81,689.82
Investments	7,104.59	7,104.59	-
Trade receivables	37,228.86	-	37,228.86
Loans	156.85	-	156.85
Other financial assets	7,34,545.54	-	7,34,545.54
Total financial assets	1,20,04,318.85	7,104.59	1,19,97,214.26
Financial liabilities			
Trade payables	11,88,969.09	-	11,88,969.09
Other financial liabilities	1,00,77,292.84	-	1,00,77,292.84
Total financial liabilities	1,12,66,261.93	-	1,12,66,261.93

Particulars	March 31, 2024		
	Carrying amount	Traded risk	Non-traded risk
Financial assets			
Cash and cash equivalent	14,63,585.44	-	14,63,585.44
Bank balances other than cash and cash equivalents	5,61,621.55	-	5,61,621.55
Investments	10,861.84	10,861.84	-
Trade receivables	40,383.77	-	40,383.77
Other financial assets	30,49,511.76	-	30,49,511.76
Total financial assets	51,25,964.36	10,861.84	51,15,102.52
Financial liabilities			
Trade payables	3,99,879.89	-	3,99,879.89
Other financial liabilities	41,75,385.67	-	41,75,385.67
Total financial liabilities	45,75,265.56	-	45,75,265.56

B. Price Risk

The Company's exposure to securities price risk arises from investments held in Equity Shares classified in balance sheet at fair value through profit or loss.

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.

As at March 31, 2025	Increase in basis points	Sensitivity of Profit/(Loss)	Sensitivity of Equity	Decrease in basis points	Sensitivity of Profit/(Loss)	Sensitivity of Equity
Equity instrument	25	17.76	-	25	(17.76)	-
As at March 31, 2024	Increase in basis points	Sensitivity of Profit/(Loss)	Sensitivity of Equity	Decrease in basis points	Sensitivity of Profit/(Loss)	Sensitivity of Equity
Equity instrument	25	27.15	-	25	(27.15)	-



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

2.40 Corporate Social Responsibility (CSR)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Gross Amount required to be spent by the Company during the year	935.00	-
Amount of expenditure incurred		
i) Construction / acquisition of any assets	-	-
ii) On purpose other than (i) above	888.00	-
iii) Administrative cost	47.00	-
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
	935.00	-
Amount paid	935.00	-

Note:

- The amount spent towards corporate social responsibility as mentioned above has been incurred towards project in the area of Cope with Cancer.
- Administrative cost towards CSR incurred included above is paid to subsidiaries of investor who exercises significant influence over the Company.

2.41 Details of Ratios

Particulars	As at/For the year ended March 31, 2025	As at/For the year ended March 31, 2024
Current Ratio (refer note 1)	107%	112%
Debt-Equity Ratio (Refer note 4)	0%	0%
Debt Service Coverage Ratio (Refer note 4)	0%	0%
Return on Equity Ratio (refer note 2)	29%	11%
Inventory turnover ratio (refer note 5)	NA	NA
Trade Receivables turnover ratio (refer note 5)	NA	NA
Trade payables turnover ratio (refer note 5)	NA	NA
Net capital turnover ratio (refer note 5)	NA	NA
Net profit ratio (refer note 5)	NA	NA
Return on Capital Employed (refer note 3)	37%	15%
Return on Investment (refer note 5)	NA	NA

Note

- Current ratio = Current assets / Current liabilities
- Return on Equity ratio = Net profit after tax - preference dividend / Average shareholder's equity
- Return on Capital Employed = Earnings before interest and taxes / Capital Employed = Tangible network (Net-worth - intangible assets) + Total Debt + Deferred Tax Liability
- Debt equity ratio, Debt Service Coverage ratio, Interest Service Coverage ratios and Total Debts/ Total Assets are nil since there is no debt and investment during the current year and previous year.
- Inventory turnover ratio, Trade receivable ratio, Trade payable turnover, Net capital turnover, Net profit ratio and Return on Investment are not applicable owing to the business model of the company.

2.42 Foreign currency

The Company has undertaken the following transactions in foreign currency during the year

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Expenditure incurred in foreign currency (on accrual basis)		
Communication	2,364.76	1,131.26
Software Maintenance Expenses	-	741.12
Membership & Subscription Charges	7,961.50	1,798.80
Legal and professional fees	2,67,862.73	2,09,585.10
Advertisement & business promotion	8,635.95	4,742.36
Total	2,86,824.94	2,17,998.64
Income earned in foreign currency (on accrual basis)		
Custody fee income	49,917.85	39,126.43
	49,917.85	39,126.43



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

2.43 Nuvama Wealth Management Limited ("NWML"), being the entity exercising significant influence over the Company along with its subsidiaries incurs expenditure like common senior management compensation cost, shared premises cost, technology costs, etc. which is for the common benefit of itself and its certain subsidiaries & associates including the Company. This cost so expended is reimbursed by the Company on the basis of number of employees, time spent by employees of other companies, actual identifications etc. Accordingly, and as identified by the management, the expenditure heads in note 2.26 and 2.28 include reimbursements paid and are net of the reimbursements received based on the management's best estimate.

2.44 Other Disclosures

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) 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
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) 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
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961



Nuvama Custodial Services Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees in thousands)

2.45 Rounded off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousands as per the requirements of Schedule III, unless otherwise stated.

2.46 Previous year comparatives

Previous year's figures have been regrouped and rearranged wherever necessary to confirm to current year's presentation / classification

Signature to notes forming an integral part of the financial statements.
As per our report of even date attached.

For NGS & Co. LLP

Chartered Accountants

Firm Registration Number: 119850W/W100013



R.P. Soni
Partner

Membership No: 104796



Mumbai
May 06, 2025

For and on behalf of the Board of Directors



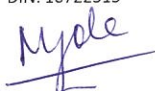
Anand Lalla
Executive Director & CEO
DIN: 02891270



Shiv Sengal
Non-Executive Director
DIN : 07112524



Krishnan Nair
Executive Director
DIN: 10722315



Mahadev Gole
Chief Financial Officer



Pradyumn Grover
Company Secretary

Mumbai
May 06, 2025

