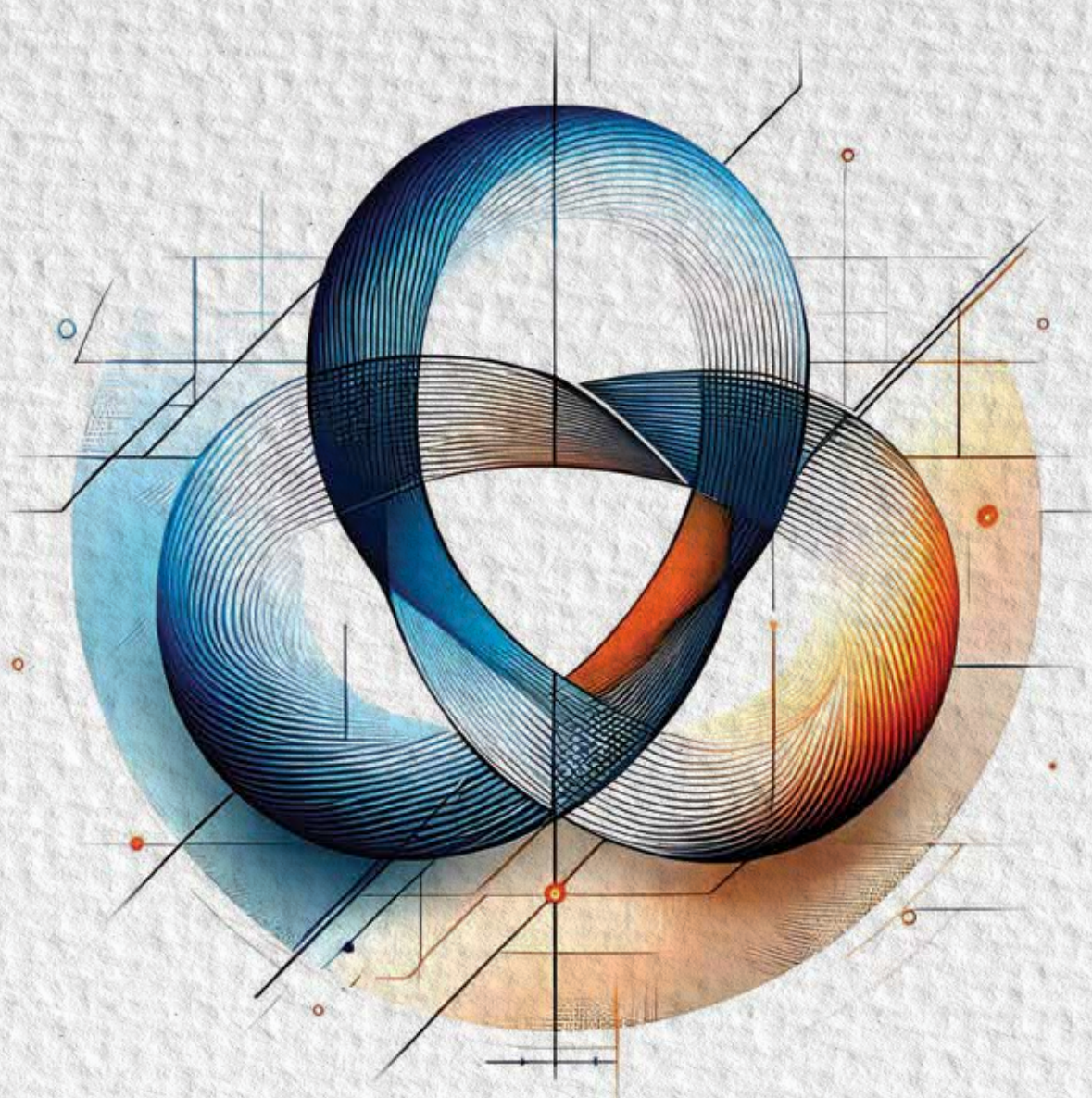


Annual Report **2023-24**

Emkay Commotrade Limited

Emkay[®]

Your success is our success



Trident of Growth
Technology. Process. People.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Haresh Mahadik (*Appointed as WTD w.e.f 01.03.2024*)
Dr. Bharat Kumar Singh
Mr. Devang Desai
Mr. Mangesh Parab

- Whole Time Director (10207234)
- Director (DIN: 00274435)
- Director (DIN: 08677261)
- Director (DIN: 10205135)

STATUTORY AUDITORS

M/s. B. L. Sarda & Associates
Chartered Accountants
61, Rajgir Chambers,
Opp. Old Custom House
12/14, Shahid Bhagat Singh Road,
Mumbai - 400 023
Tel. No. : 022-22664618, 022-22662752

BANKERS

HDFC Bank Limited
AXIS Bank Limited
State Bank of India

REGISTERED OFFICE

The Ruby, 7th Floor,
Senapati Bapat Marg,
Dadar (West), Mumbai- 400 028

ADMINISTRATIVE OFFICE

Paragon Centre,
"C-06", Ground Floor,
P. B. Marg, Opp. Century Mills,
Worli, Mumbai-400 013

CORPORATE IDENTIFICATION NUMBER

U51110MH2006PLC158675

NOTICE

NOTICE is hereby given that the Nineteenth Annual General Meeting of the Members of **EMKAY COMMOTRADE LIMITED** will be held on Wednesday, August 7, 2024 at 10.30 a.m. at the Registered Office of the Company at The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028 to transact the following business.

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the year ended on 31st March, 2024 together with the report of the Directors and the Auditors thereon.
- 2) To appoint a Director in place of Mr. Mangesh Parab (DIN: 10205135), who retires by rotation and being eligible, offers himself for re-appointment.
- 3) Re-appointment of Statutory Auditors and to fix their remuneration.

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. B. L. Sarda & Associates, Chartered Accountants, Mumbai, bearing Firm Registration Number 109266W with the Institute of Chartered Accountants of India (ICAI) be and are hereby reappointed as the Statutory Auditors of the Company to hold office for a period of five years from the conclusion of this Annual General Meeting till the conclusion of the 24th Annual General Meeting to be held for the financial year 2028-29 on such remuneration as may be determined by the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution”

SPECIAL BUSINESS

- 4) Approval for Loans and Investments under Section 186 of the Companies Act, 2013

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

“RESOLVED THAT in supersession of all earlier resolutions passed in this regard and pursuant to

the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof and in accordance with the Memorandum and Articles of Association of the Company, approval of the Members of the Company, be and is hereby accorded for giving any loan to any person or body corporate, give any guarantee or provide security in connection with a loan to any body corporate or person; and acquire by way of subscription, purchase or otherwise, the securities of any body corporate, any sum or sums of moneys on such terms and conditions and with or without security as the Board of Directors may think fit from time to time which together with the loans, guarantee, security and investment given/provided/made by the Company, from time to time in one or more tranches, may exceed the aggregate permissible limit i.e. 60% of the paid-up capital of the Company and its free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is higher, provided that the aggregate of such sum or sums of moneys shall not at any point of time exceed the aggregate sum of ₹25 Crores (Rupees Twenty Five Crores Only).

RESOLVED FURTHER THAT any Directors of the Company be and are hereby severally authorised for and on behalf of the Company to do all such acts, deeds, matters and things as may be necessary, proper, expedient, or incidental to give effect to this resolution.”

- 5) Approval for giving Loans, Guarantee, etc., under Section 185 of the Companies Act, 2013

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

“RESOLVED THAT in supersession of all earlier resolutions passed in this regard and pursuant to the provisions of Section 185 and other applicable provisions if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof and in accordance with Memorandum and Articles of Association of the Company, approval of the Members of the Company, be and is hereby accorded to advance any loan(s), in one or more tranches, including any loan represented by a book debt to its Holding Company/ Subsidiary Company/ Fellow Subsidiary Company/ Associate/ Joint Venture/ Group Company / Limited Liability Partnership/ Firm or such other entity/person as specified under Section 185 of the Companies Act,



NOTICE (Contd.)

2013 and more specifically to such other entity/person as the Board of the Directors in its absolute discretion deems fit and beneficial and in the best interest of the Company, all together within whom or in which any of the Director of the Company from time to time is interested or deemed to be interested (hereinafter referred to as "the said Entities/persons") and/or to give any guarantee(s) and/or to provide any security(ies) in connection with any Financial Assistance/Loan taken/to be taken/availed/to be availed by any of the said Entities/persons, provided that the aggregate limit of advancing loan and/or giving guarantee and/or providing any security to/for the Entities/persons mentioned hereinabove shall not at any time exceed ₹ 25 Crores (Rupees Twenty Five Crores Only).

RESOLVED FURTHER THAT any Directors(s) of the Company be and is/are hereby severally authorised for and on behalf of the Company to do all such acts,

deeds, matters and things as may be necessary, proper, expedient, or incidental to give effect to this resolution."

**By order of the Board of Directors
For Emkay Commotrade Limited**

**Haresh Mahadik
Whole Time Director
DIN: 10207234**

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

Dated: May 14, 2024

Place: Mumbai

NOTICE (Contd.)

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint Proxy/ Proxies to attend and vote instead of himself/ herself. Proxy/Proxies need not be a member of the Company. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding not more than ten percent (10%) of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such a proxy shall not act as a proxy for any other person or shareholder. Proxies in order to be effective must be received by the company at its registered office not later than forty eight hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
2. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a duly certified copy of their board resolution.
3. Members/Proxies/Representatives should bring the enclosed Attendance Slip, dully filled in, for attending the meeting. Copies of the Annual Report or Attendance Slips will not be distributed at the meeting. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Monday, August 5, 2024, through email to secretarial@emkayglobal.com. The same will be replied by the Company suitably.
4. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website at weblink <https://www.emkayglobal.com/investor-relations/>
5. The Register of Members and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection by the Members during the AGM.
6. Explanatory statement pursuant to Section 102 of the Companies Act, 2013, with respect to item no. 3, 4 and 5 is annexed to this Notice.
7. The term 'Member(s)' has been used to denote Shareholders of the Company.

**By order of the Board of Directors
For Emkay Commotrade Limited**

**Haresh Mahadik
Whole Time Director
DIN: 10207234**

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

**Dated: May 14, 2024
Place: Mumbai**



NOTICE (Contd.)

EXPLANATORY STATEMENT**Statement pursuant to Section 102 of the Companies Act, 2013****Item No. 3****Re-appointment of Statutory Auditors and to fix their remuneration**

The Members of the Company at its 14th Annual General Meeting ('AGM') held on August 12, 2019, had approved the appointment of M/s. B. L. Sarda & Associates, Chartered Accountants (ICAI Firm Registration No. 109266W) as the Statutory Auditors of the Company for a period of five years commencing from conclusion of the 14th Annual General Meeting of the Company till conclusion of the 19th Annual General Meeting to be held for the financial year 2023-24. Accordingly, M/s. B. L. Sarda & Associates will be completing their present term on conclusion of this AGM in terms of the said approval and pursuant to Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014.

As per provisions of section 139 (9) of the Act, subject to the provisions of sub-section (1) and the rules made thereunder, a retiring auditor may be re-appointed at an annual general meeting, if

- (a) he is not disqualified for re-appointment;
- (b) he has not given the company a notice in writing of his unwillingness to be re-appointed; and (c) a special resolution has not been passed at that meeting appointing some other auditor or providing expressly that he shall not be re-appointed.

M/s. B. L. Sarda & Associates have confirmed that their re-appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as statutory auditor in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors at its meeting held on May 14, 2024 has approved and recommended re-appointment of M/s. B. L. Sarda & Associates, Chartered Accountants, (ICAI Firm Registration No. 109266W), as the Statutory Auditors of the Company, for another term of five years commencing from the conclusion of this 19th Annual General Meeting till the conclusion of the 24th Annual General Meeting to be held for the financial year 2028-29 at such remuneration plus reimbursement of out of pocket expenses etc. as may be determined by the Board of Directors.

The Board of Directors recommends the Ordinary Resolution at Item no. 3 of this Notice for the approval of the members.

None of the Directors, Key Managerial Personnel and their relatives are in any way deemed to be concerned or interested, financially or otherwise, in the resolution set out at Item no. 3 of the Notice.

Item No. 4**Approval for Loans and Investments under Section 186 of the Companies Act, 2013**

Considering the long term business plans of the Company, which require the Company to invest in the area of business besides utilization of surplus funds available with the Company from time to time, it is proposed to authorize the Board of Directors of the Company to invest the funds of the Company in various securities, various debt/liquid funds, by way of subscription in Equity Shares/ Preference shares / Loan / Inter-corporate Deposits of various Companies (Including Holding company and Group Companies) /all kind of Government Securities/ securities in the primary market (including IPO's) / by way of investment in the secondary market.

As per the provisions of Section 186 of the Act read with the Rules framed there under, the Company is required to obtain the prior approval of the Members by way of a Special Resolution for giving any loan to any person or other body corporate or to give any guarantee or provide security in connection with a loan to any other body corporate or person or to invest/acquire the securities of any Body Corporate by way of subscription / purchase or otherwise, exceeding 60% of its paid-up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more.

At the Annual General Meeting held on August 13, 2014, the Members had approved/authorized an amount not exceeding ₹ 25 crore (Rupees Twenty Five crores only) under Section 186 of the Companies Act, 2013. It is proposed to supersede this earlier Resolution passed by the Members without modifying the existing limit of ₹ 25 crore.

The approval of the Members is being sought by way of a Special Resolution under Section 186 of the Act read with the Rules made thereunder, to enable the Company to give any loan to any person or body corporate, give any guarantee or provide security in connection with a loan

NOTICE (Contd.)

to any body corporate or person; and acquire by way of subscription, purchase or otherwise, the securities of any body corporate, any sum or sums of moneys on such terms and conditions and with or without security as the Board of Directors may think fit from time to time which together with the loans, guarantee, security and investment given/ provided/made by the Company, from time to time in one or more tranches, may exceed the aggregate permissible limit i.e. 60% of the paid-up capital of the Company and its free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is higher, provided that the aggregate of such sum or sums of moneys shall not at any point of time exceed the aggregate sum of ₹25 Crores (Rupees Twenty Five Crores Only).

The Board recommends the Special Resolution at Item No. 4 of the accompanying Notice for approval of the Members of the Company.

None of the Directors of the Company or their relatives are in any way deemed to be concerned or interested in the said resolution.

Item No. 5**Approval for giving Loans, Guarantee, etc., under Section 185 of the Companies Act, 2013**

The Company wishes to render support for the business requirements of Holding Company/ Subsidiary Company / Fellow Subsidiary Company / Associate / Joint Venture / Group Company / Limited Liability Partnership Firm/Firms or such other entity/person as the Board of Directors may deem fit from time to time.

Pursuant to Section 185(2) of the Companies Act, 2013, a company may advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested, subject to the condition that a special resolution is passed by the company in general meeting and the loans are utilised by the borrowing company for its principal business activities.

In order to enable the Company to advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested, it is proposed to pass a Special Resolution approving an aggregate limit of ₹ 25 crores (Rupees Twenty Five Crores only) under Section 185 of the Companies Act, 2013.

The approval of the Members is being sought by way of

a Special Resolution under Section 185 of the Act read with the Rules made thereunder, to advance any loan(s), in one or more tranches, including any loan represented by a book debt to its Holding Company/Subsidiary Company/ Fellow Subsidiary Company/Associate/ Joint Venture/ Group Company/Limited Liability Partnership/ firm or such other entity/person as specified under Section 185 of the Companies Act, 2013 and more specifically to such other entity/person as the Board of the Directors in its absolute discretion deems fit and beneficial and in the best interest of the Company, all together within whom or in which any of the Director of the Company from time to time is interested or deemed to be interested ("the said Entities/persons") and/or to give any guarantee(s) and/or to provide any security(ies) in connection with any Financial Assistance/Loan taken/to be taken/availed/to be availed by any of the said Entities/ persons, provided that the aggregate limit of advancing loan and/or giving guarantee and/or providing any security to/for the Entities/persons mentioned hereinabove shall not at any time exceed the aggregate limit of ₹ 25 Crores (Rupees Twenty Five Crores Only) and such loans shall be utilised by the borrowing company for its principal business activities.

The Board recommends the Special Resolution at Item No. 5 of the accompanying Notice for approval of the Members of the Company.

Except, Dr. Bharat Kumar Singh and Mr. Devang Desai, common Directors in some of the Group companies, none of the other Directors of the Company and their relatives are in any way, may be deemed to be concerned or interested, financially or otherwise, in the resolution set out at Item no. 5 of the notice.

**By order of the Board of Directors
For Emkay Commotrade Limited**

Haresh Mahadik
Whole Time Director
DIN: 10207234

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

Dated: May 14, 2024

Place: Mumbai



NOTICE (Contd.)

Annexure to Item No. 2 of the Notice

[Pursuant to Secretarial Standard on General Meetings (SS-2) issued by the Institute of the Company Secretaries of India]

| | |
|---|---|
| Name of the Director | Mr. Mangesh Parab |
| DIN | 10205135 |
| Age & Date of Birth | 50 years (DOB 17/12/1974) |
| Date of first appointment on Board | 20/06/2023 |
| Brief resume including qualification and experience (i) Qualification (ii) Experience | (i) Higher Secondary Education (HSC) (ii) 25 years |
| Expertise in specific functional areas | Margin Trading Finance, Pledge- unpledged |
| Other Directorships (as on May 14, 2024) | NIL |
| Chairmanship/Membership of Committees in Companies in which position of Director is held (as on May 14, 2024) | NIL |
| Listed entities from which the Director has resigned in the past three years | NIL |
| Relationship with other Directors, Managers and Key Managerial Personnel of the Company | None |
| No. of equity shares held in the Company (as on May 14, 2024) | NIL |
| No. of board meetings attended during the financial year (FY 2023-24) | 6 |
| Terms and conditions of appointment including remuneration | Appointed as a Non-executive Director liable to retire by rotation. |

By order of the Board of Directors
For Emkay Commotrade Limited

Haresh Mahadik
Whole Time Director
DIN: 10207234

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

Dated: May 14, 2024
Place: Mumbai

REPORT OF THE BOARD OF DIRECTORS

Dear Members,

Your Directors present the Nineteenth Annual Report of your Company and the Audited Financial Statements for the year ended March 31, 2024.

1. FINANCIAL RESULTS

An overview of the financial performance of the Company for financial year 2023-24 is as under:

| (in Lakhs) | | |
|--|----------------------------|----------------------------|
| Particulars | 31.03.2024 (Standalone) | 31.03.2023 (Standalone) |
| Revenue from Operations | 1,100.17 | 15.20 |
| Other Income | 71.19 | 128.65 |
| Share of Profit in Limited Liability Partnership | 23.30 | 84.20 |
| Expenses | 845.23 | 46.78 |
| Profit Before Tax | 349.43 | 181.26 |
| Less: Current Taxes | 87.14 | 28.29 |
| Less: Deferred Tax | (0.54) | 0.63 |
| Less: Tax Expenses Earlier years adjustments | 10.91 | - |
| Profit After Tax | 407.13 | 146.47 |
| Other Comprehensive Income /(Loss) (net of tax) | (1.01) | (0.41) |
| Total Comprehensive Income | 406.12 | 146.07 |

| (In Lakhs) | | |
|---|------------------------------|------------------------------|
| Particulars | 31.03.2024 (Consolidated) | 31.03.2023 (Consolidated) |
| Revenue from Operations | 1,100.17 | 15.20 |
| Other Income | 71.19 | 128.65 |
| Expenses | 845.23 | 46.78 |
| Share of Profit/(Loss) from Associates | 23.30 | 84.20 |
| Profit Before Tax | 349.43 | 181.26 |
| Less: Current Taxes | 87.14 | 28.29 |
| Less: Deferred Tax | (0.54) | 0.63 |
| Less: Tax Expenses Earlier years adjustments | 10.91 | - |
| Profit After Tax | 407.13 | 146.47 |
| Other Comprehensive Income /(Loss) (net of tax) | (1.01) | (0.41) |
| Total Comprehensive Income | 406.12 | 146.07 |

2. REVIEW OF OPERATIONS AND BUSINESS HIGHLIGHTS

During the year under review, your Company recorded a total income of ₹ 1194.65 lakhs as compared to ₹ 228.04 lakhs in the previous financial year. The Profit after Tax for the year under review stands at ₹ 407.13 lakhs as compared to ₹ 146.47 lakhs in the previous financial year.

The Company has discontinued its business operation since

financial year 2018-19, the Company continues to hold membership of Multi Commodity Exchange of India Limited and National Commodity & Derivatives Exchange Limited and have complied with the regulatory compliances, as applicable. During the year the income from discontinued business operations was ₹ 155.21 Lakhs.

3. RESERVES AND SURPLUS

The Company has not transferred any amount to General Reserve during the year under review.

4. SHARE CAPITAL

The Authorised Share Capital of the Company is ₹11,00,00,000/- divided into 85,00,000 Equity shares of ₹10/- each and 25,00,000 9% Redeemable Preference Shares of ₹ 10/- each. The Paid-up Share Capital of the Company is ₹ 6,37,58,500/- comprising of 63,75,850 Equity shares of ₹ 10/- each.

5. DIVIDEND

In order to conserve the resources for future business growth, your directors do not recommend any dividend for the Financial Year 2023-24.

6. ANNUAL RETURN

The Annual Return pursuant to Section 92 (3) and Section 134 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the website of Holding Company i.e. <https://www.emkayglobal.com/ir-annual-reports>.

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

There have been no material changes and commitments between the end of financial year 2023-24 and the date of this report adversely affecting the financial position of the Company.

8. DIRECTORS & KEY MANAGERIAL PERSONNEL

During the year under review, Mr. Saket Agrawal (DIN: 06960186) and Mr. Rajesh Sharma (DIN: 01239871) resigned as Directors of the Company w.e.f 17th July, 2023.

Pursuant to provisions of Section 161 of the Companies Act, 2013, Mr. Haresh Mahadik (DIN: 10207234) and Mr. Mangesh Parab (DIN: 10205135) were appointed as additional Directors w.e.f 20th June, 2023. Further, in accordance with the provisions of Section 152 of the Companies Act, 2013, they were appointed as Directors of the Company at the Annual General Meeting held on 9th August, 2023.

Mr. Haresh Mahadik (DIN: 10207234) was appointment as



REPORT OF THE BOARD OF DIRECTORS

Whole time Director of the Company at the Extra Ordinary General Meeting held on 1st March, 2024 for a period of 5 (five) years.

Pursuant to the provision of Section 152 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014 and Articles of Association of the Company, Mr. Mangesh Parab (DIN: 10205135), Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The above re-appointment forms part of the Notice of the forthcoming 19th Annual General Meeting and the respective resolution is recommended for your approval.

Further, Mr. Sufiyan Shaikh resigned as the Company Secretary of the Company (Key Managerial Personnel under the Companies Act, 2013) with effect from 25th August, 2023.

9. INDEPENDENT DIRECTORS

The Company has received declaration from Dr. Bharat Kumar Singh in accordance with the relevant provisions of Section 149(6) of Companies Act, 2013 stating that he meet the criteria of Independence and is not disqualified from continuing as an Independent Director.

10. CORPORATE GOVERNANCE

a. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2023-24, 11 meetings of the Board of Directors were held i.e. on 24th April, 2023, 12th May, 2023, 13th June, 2023, 20th June, 2023, 17th July, 2023, 25th July, 2023, 9th August, 2023, 27th October, 2023, 30th January, 2024, 6th February, 2024 and 4th March, 2024.

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

| Name of the Director | Category | Board Meetings held during Financial Year 2023-24 | |
|------------------------|----------------------|---|----------|
| | | Held | Attended |
| *Mr. Rajesh Sharma | Director | 11 | 04 |
| *Mr. Saket Agrawal | Director | 11 | 04 |
| Mr. Devang Desai | Director | 11 | 07 |
| Dr. Bharat Kumar Singh | Independent Director | 11 | 09 |
| **Mr. Haresh Mahadik | Whole time Director | 11 | 04 |
| Mr. Mangesh Parab | Director | 11 | 06 |

*Resigned with effect from 17th July, 2023

**Appointed as Whole Time Director with effect from 1st March, 2024

b. AUDIT COMMITTEE

Provisions of section 177 of the Companies Act, 2013

pertaining to constitution of Audit Committee are not applicable to the Company. Accordingly, the Company has not constituted the Audit Committee.

c. NOMINATION AND REMUNERATION COMMITTEE

Provisions of section 178 of the Companies Act, 2013 pertaining to constitution of Nomination and Remuneration Committee are not applicable to the Company. Accordingly, the Company has not constituted the Nomination and Remuneration Committee.

d. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Corporate Social Responsibility (CSR) Committee was reconstituted in the Board meeting held on 17th July, 2023. Mr. Haresh Mahadik and Mr. Mangesh Parab, Additional Directors of the Company were appointed as Members of the CSR Committee in place of Mr. Rajesh Sharma and Mr. Saket Agrawal.

After reconstitution, the new composition of Corporate Social Responsibility Committee w.e.f. 17th July, 2023 is as follows.

- | | | |
|----|------------------------|----------|
| 1. | Dr. Bharat Kumar Singh | Chairman |
| 2. | Mr. Haresh Mahadik | Member |
| 3. | Mr. Mangesh Parab | Member |

During the year, three meetings of the CSR Committee were held on 12th May, 2023, 17th July, 2023 and 27th October, 2023 which were attended by all the Members.

e. GENERAL MEETING

During the F.Y 2023-24 18th Annual General Meeting was held on 9th August, 2023 and Extra Ordinary General Meeting was held on 1st March, 2024.

11. DIRECTORS' RESPONSIBILITY STATEMENT

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

- In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures.
- The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review.
- The directors have taken proper and sufficient care for the maintenance of adequate accounting

REPORT OF THE BOARD OF DIRECTORS

records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- d) The directors have prepared the annual accounts on a going concern basis.
- e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The directors had laid down systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate & operating effectively.

12. PUBLIC DEPOSITS

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

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, details of Loans, Guarantees or Investments covered under Section 185 and 186 of the Companies Act, 2013, are given under notes to the Financial Statements.

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

The details of the related party transactions, as per requirement of Accounting Standards-18 are disclosed in notes to the financial statements of the Company for the financial year 2023-24. All the directors have disclosed their interest in Form MBP-1 pursuant to the provisions of Section 184 of the Companies Act, 2013 and as and when any changes in their interest take place, such changes are placed before the Board at its meetings. None of the transactions with any of the related parties was in conflict with the interest of the Company. The particulars of contracts or arrangements with related parties referred to in Section 188(1), in prescribed Form AOC - 2 under Companies (Accounts) Rules, 2014 are appended as “Annexure B”.

15. CORPORATE SOCIAL RESPONSIBILITY

During the year under review, Mr. Rajesh Sharma and Mr. Saket Agrawal, resigned from their positions of Directors w.e.f. from 17th July, 2023. Subsequently, the Company in

the Board meeting held on 17th July, 2023, reconstituted the Corporate Social Responsibility Committee by appointing Mr. Haresh Mahadik and Mr. Mangesh Parab in place of Mr. Rajesh Sharma and Mr. Saket Agrawal. Currently, the members of the Committee are Dr. Bharat Kumar Singh, Mr. Haresh Mahadik and Mr. Mangesh Parab.

The Company has evolved a Corporate Social Responsibility Policy and is actively practicing the same. The objectives of the CSR Policy are to contribute to social and economic development of the communities in which the Company operates, to improve the quality of life of the communities through long term value creation for stakeholders and to generate, through its CSR initiatives, a community goodwill for the Company and help reinforce a positive and socially responsible image of the Company as a corporate entity.

During the year 2023-2024 the Company was required to spend ₹ 15,62,613/- on CSR activities as per the computation of 2% of average net profit. Accordingly, the Company spent ₹ 16,00,000/- by making contribution towards Corporate Social Responsibility activity towards Shahani Academic & Global Empowerment Foundation (SAGE), Mumbai as per schedule VII of the Companies Act, 2013.

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

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

- a) Conservation of Energy, Technology Absorption do not have much relevance to the activities of the Company since it does not own any manufacturing facility and hence the disclosure of information to be disclosed in terms of Section 134(3) (m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014 in respect of Conservation of Energy, Technology Absorption are not given.
- b) There were no Foreign Exchange earnings during the year under review.
- c) The total Foreign Exchange Outgo during the year under review was Nil.

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

During the year under review SEBI has cancelled the Certificate of Registration of the Company vide its Order No. QJA/VS/MIRSD/DOP/27303/2023-24 dated 9th June 2023 on the grounds that it is not fit and proper to hold



REPORT OF THE BOARD OF DIRECTORS

the certificate of registration as a broker in the Securities Market. The Company challenged the said Order of SEBI by filing an appeal before the Securities Appellate Tribunal (SAT), SAT has passed an order dated 12th December 2023:

- i. Directing SEBI to consider and come out with a scheme under the SEBI (Settlement Proceedings) Regulations, 2018 (said scheme) and to consider and dispose off the case of the Company under the said scheme.
- ii. In the event SEBI is unable to frame the said scheme within suggested time frame, the Company shall have option to file fresh appeal before SAT questioning the order of cancelling its registration within four weeks from the date of communication by SEBI and
- iii. The interim relief granted by SAT vide its order dated 13th July, 2023 of stay will continue to operate till disposal of case by SEBI under said scheme and/or for a further period of six weeks to enable the Company to file appeal before SAT. SAT by its further Order dated 14th March, 2024 allowed SEBI an extension of four months w.e.f 11th March, 2024 for coming out with said scheme as directed by the Hon'ble Tribunal vide order dated 12th December, 2023.

18. CHANGE IN ACCOUNTING POLICY:

The company has adopted Indian Accounting Standard (IND AS) with effect from 1st April, 2019 and the effective date of such transition is 1st April, 2018. There is no change in the accounting policy thereafter.

19. STATUTORY AUDITORS

Pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 ("the Act") read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. B. L. Sarda & Associates, Chartered Accountants, bearing Firm Registration Number 109266W with the Institute of Chartered Accountants of India (ICAI) were appointed as the Statutory Auditors of the Company at the 14th Annual General Meeting held on 12th August, 2019 for a period of five years commencing from the conclusion of the 14th Annual General Meeting (AGM) till the conclusion of the 19th Annual General Meeting of the Company to be held for the Financial Year 2023-24. Accordingly, M/s. B. L. Sarda & Associates, will complete their tenure as the Statutory Auditors of the Company at the ensuing 19th Annual General Meeting of the Company.

In view of the above, the Board at its meeting held on 14th May 2024 has recommended the re-appointment of M/s. B. L. Sarda & Associates, bearing firm registration number 109266W, as Statutory Auditors of the Company for five (5) years from the conclusion of the ensuing 19th Annual General Meeting till the conclusion of 24th Annual General Meeting for approval of Shareholders. As required under the provisions of section 139 (1) of the Companies Act, 2013, the Exchange has received a Certificate from M/s. B. L. Sarda & Associates dated 6th May 2024 to the effect that their appointment would be within the prescribed limit prescribed under Section 141 of the Companies Act, 2013 and that they are not disqualified for such appointment. The matter relating to appointment of M/s. B. L. Sarda & Associates forms part of the Notice of 19th Annual General Meeting. Your Directors recommend re-appointment of M/s. B. L. Sarda & Associates, Chartered Accountants, as the Statutory Auditors of the Company for a period of five (5) years from the conclusion of the ensuing 19th Annual General Meeting.

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

20. SECRETARIAL AUDIT

In terms of provisions of Section 204 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company was not required to get its records audited from Company Secretary in Practice for the F.Y 2023-24.

21. COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 and rules made thereunder are not applicable for the business activities carried out by the Company.

22. REPORTING OF FRAUDS BY AUDITORS

Pursuant to Section 143(12) of the Companies Act, 2013, the Statutory Auditors have not reported to the Board of Directors any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

23. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Company has an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively for the Financial Year 2023-24.

REPORT OF THE BOARD OF DIRECTORS

24. SUBSIDIARY AND ASSOCIATE COMPANIES

As on 31st March, 2024 the Company does not have any Subsidiary or Associate Companies, however the company is a Designated Partner in AES Trading and Consultants LLP (AES) having 25% share in profit / (loss), formed with the object of acting as financial, management and investment consultants, advisory services, investment management services and to provide advice, service, consultancy in various fields like administrative, secretarial, commercial, economic, financial, quality control and data processing and also to render ancillary services related to business.

In view of significant influence over AES, the said LLP is an associate entity of the company which has been consolidated in the consolidated financial statements.

Pursuant to the provisions of section 129 (3) of the Act, a statement containing the salient features of financial statement of the Associate in Form AOC-1 is appended as “Annexure A”

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

25. SECRETARIAL STANDARDS

The Company complies with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

26. HUMAN RESOURCE**a) PARTICULARS OF EMPLOYEES**

The particulars of employees, in terms of requirement under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not annexed, as there are no employees whose remuneration falls within the prescribed limits of Section 197.

b) INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

During the year under review, no complaint was filed before the Internal Complaints Committee constituted under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

27. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

Neither an application was made nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the FY 2023-24.

28. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

Not applicable.

29. ACKNOWLEDGEMENT

Your Directors would like to take this opportunity to express sincere gratitude towards the bankers and other business associates for the continued co-operation and patronage provided by them. Your Directors gratefully acknowledge the ongoing co-operation and support provided by the Government Authorities, Regulatory Bodies and other entities dealing with the Company.

Your Directors place on record their deep appreciation for the exemplary contribution made by employees at all levels.

**On behalf of the Board of Directors
For Emkay Commotrade Limited**

Mangesh Parab
Director
DIN: 10205135

Haresh Mahadik
Whole Time Director
DIN: 10207234

Dated: May 14, 2024
Place: Mumbai



REPORT OF THE BOARD OF DIRECTORS

ANNEXURE A

Form AOC- 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint ventures

Part A: Subsidiaries: Not applicable

(Information in respect of each subsidiary to be presented with amounts in ₹)

1. Sl. No.
2. Name of the subsidiary
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.
5. Share capital
6. Reserves & surplus
7. Total assets
8. Total Liabilities
9. Investments
10. Turnover
11. Profit before taxation
12. Provision for taxation
13. Profit after taxation
14. Proposed Dividend
15. % of shareholding

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

PART B: Associates and Joint Ventures**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

| Sr. No | Name of Associates | AES Trading and Consultants LLP |
|--------|--|---|
| 1 | Latest audited Balance Sheet Date | 31.03.2024 |
| 2 | Date on which the Associate was associated or acquired | 13.12.2021 |
| 3 | Shares of Associate held by the company on the year end | |
| | Numbers | NA |
| | Amount of Investment in Associates | 12500 |
| | Extent of Holding (in percentage) | 25% |
| 4 | Description of how there is significant influence | By virtue of share in Associate Company |
| 5 | Reason why the associate is not consolidated. | - |
| 6 | Net worth attributable to shareholding as per latest audited Balance Sheet | ₹ 1,07,61,896 |
| 7 | Profit or Loss for the year | |
| | i. Considered in Consolidation | ₹ 23,29,893 |
| | ii. Not Considered in Consolidation | - |

1. Names of associates or joint ventures which are yet to commence operations. – Not Applicable
2. Names of associates or joint ventures which have been liquidated or sold during the year. – Not Applicable

On behalf of the Board of Directors
For Emkay Commotrade Limited

Mangesh Parab
Director
DIN: 10205135

Haresh Mahadik
Whole Time Director
DIN: 10207234

Date : May 14, 2024
Place : Mumbai

REPORT OF THE BOARD OF DIRECTORS

ANNEXURE “B”

Form No. AOC-2

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

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

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

| Sr. No. | Particulars | Details of Transaction |
|---------|--|--|
| A | Name(s) of the related party and nature of relationship | Emkay Global Financial Services Limited – Holding Company |
| B | Nature of contracts /arrangements / transactions | Depository & Brokerage charges, Payment of Rent, Electricity Expenses, Water Charges, Telephone Expenses, Building Maintenance etc for the use of office premises of the holding company. |
| C | Duration of the contracts / arrangements / transactions | from 1st April, 2023 to 31st March, 2024 |
| D | Salient terms of the contracts or arrangements or transactions including the value, if any | Reimbursement of certain common expenses such as Rent, Electricity Expenses, Water Charges, Telephone Expenses, Building Maintenance etc to the Holding Company on the basis of cost incurred by the holding company and dividing the same by the total number of employees of the Company sitting in the premises to arrive at cost per employee. Depository and Brokerage |
| E | Justification for entering into such contracts or arrangements or transactions | It is economical for the Company i.e. Emkay Commotrade Limited and its Holding Company to share the basic infrastructure facilities of the Holding company such as IT, Administration etc. |
| F | Date(s) of approval by the Board | 27.01.2023 |
| G | Amount paid as advances, if any | N.A |
| H | Date on which the resolution was passed in general meeting as required under first proviso to section 188 ## | N.A |

Note:

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

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

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

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

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

**On behalf of the Board of Directors
For Emkay Commotrade Limited**

Mangesh Parab
Director
DIN: 10205135

Haresh Mahadik
Whole Time Director
DIN: 10207234

Date : May 14, 2024
Place : Mumbai



REPORT OF THE BOARD OF DIRECTORS

ANNEXURE "C"

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2023-24

1. Brief outline on CSR Policy of the Company -

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

2. Composition of CSR Committee during the Financial Year 2023-24:

| Sl. No. | Name of Director | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|------------------------|--------------------------------------|--|--|
| 1 | Dr. Bharat Kumar Singh | Chairman - Independent Director | 3 | 3 |
| 2 | *Mr. Rajesh Sharma | Member | 3 | 1 |
| 3 | *Mr. Saket Agrawal | Member | 3 | 1 |
| 4 | Mr. Hareesh Mahadik | Member | 3 | 2 |
| 5 | Mr. Mangesh Parab | Member | 3 | 2 |

**Resigned with effect from 17th July 2023.*

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company – **Separate website not available.**
- Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable – **Not Applicable.**
- Average net profit /(Loss) of the company as per section 135(5): ₹ 7,81,30,659/-
 - Two percent of average net profit /(Loss) of the company as per section 135(5): ₹ 15,62,613/-
 - Surplus arising out of the CSR projects or programmes or activities of the Previous financial years: NIL
 - Amount required to be set off for the financial year, if any: NIL
 - Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 15,62,613/-
- Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 16,00,000/-
 - Amount spent in Administrative Overheads- Nil
 - Amount spent on Impact Assessment, if applicable- Nil
 - Total amount spent for the Financial Year [(a)+(b)+(c)]- ₹ 16,00,000/-
 - CSR amount spent or unspent for the financial year: 2023-24

| Total Amount Spent for the Financial Year (in ₹) | Amount Unspent (in ₹) | | | | |
|--|---|------------------|---|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| 16,00,000 | NIL | NA | NA | NIL | NA |
| | | | | | |

REPORT OF THE BOARD OF DIRECTORS

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

| Sr. No. | Particular | Amount (in ₹) |
|---------|---|---------------|
| (1) | (2) | (3) |
| (i) | Two percent of average net profit of the company as per sub-section (5) of section 135 | 15,62,613 |
| (ii) | Total amount spent for the Financial Year | 16,00,000 |
| (iii) | Excess amount spent for the Financial Year [(ii)-(i)] | 37,387 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any | Nil |
| (v) | Amount available for set off in succeeding Financial Years [(iii)-(iv)] | Nil |

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

| (1) | (2) | (3) | (4) | (5) | (5) | (6) | (7) |
|---------|-----------------------------|--|--|---|---|---|--------------------|
| Sl. No. | Preceding Financial Year(s) | Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹) | Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹) | Amount Spent in the Financial Year (in ₹) | Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any | Amount remaining to be spent in succeeding Financial Years (in ₹) | Deficiency, if any |
| | | | | | Amount (in ₹) | Date of Transfer | |
| 1. | Not Applicable | | | | | | |

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

If Yes, enter the number of Capital assets created/acquired - Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

| Sl. No. | Short particulars of the property or asset(s) [including complete address and location of the property] | Pincode of the property or asset(s) | Date of creation | Amount of CSR amount spent | Details of entity/ Authority/ beneficiary of the registered owner | | |
|----------------|---|-------------------------------------|------------------|----------------------------|---|------|--------------------|
| (1) | (2) | (3) | (4) | (5) | (6) | | |
| | | | | | CSR Registration Number, if applicable | Name | Registered address |
| Not Applicable | | | | | | | |

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

Dr. Bharat Kumar Singh
Chairman – CSR Committee
DIN: 00274435

Mangesh Parab
Member – CSR Committee
DIN: 010205135

Haresh Mahadik
Member– CSR Committee
DIN: 10207234

Date : 14th May 2024

Place : Mumbai

INDEPENDENT AUDITOR'S REPORT

To The Members of EMKAY COMMOTRADE LIMITED REPORT ON THE AUDIT OF STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying standalone financial statements of **EMKAY COMMOTRADE LIMITED** ("the Company"), which comprises of Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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

BASIS FOR OPINION

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

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT (Contd.)

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

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

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

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

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 except for the matters stated in the paragraph 2(i)(vi) below on reporting under

INDEPENDENT AUDITOR'S REPORT (Contd.)

Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

- (c) The Balance sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (e) On the basis of the written representation received from the directors as on March 31, 2024 taken on records by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a Director in terms of Section 164(2) of the Act.
- (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Sec 197(16) of the Act, as amended:

In our opinion and according to the information and explanation given to us, the remuneration paid/provided by the Company to its director during the current year is in accordance with the provisions of Section the Act, as amended, 197 of the Act. The remuneration paid to any director by the Company is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to the commented upon by us.

- (i) With respect to the other matters to be included in the Auditor's report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our

information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements—Refer Note 26(d) and 37(a) to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note no.42(p) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note no.42(q) to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entity ("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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e) of The Companies (Audit and Auditors) Rules, 2014, as provided under (iv) (a) and (b) above, contains any material misstatement.
- v. The Company has not declared or paid any dividend during the year hence compliance with section 123 of the Act is not applicable to the Company.
- vi. Based on our examination which included test checks, the Company has used two accounting softwares namely Sun System and Commex for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the

software except that audit trail feature is not enabled at database level when using certain access rights, as described in note 43 to the standalone financial statements. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of said accounting softwares where audit trail feature has been enabled.

For **B. L. Sarda & Associates**
Chartered Accountants
Firm Registration No.109266W

(CA. B. L. Sarda)
Partner
Membership No.014568
UDIN: 24014568BKFRCC2246

Place : Mumbai
Date : 14th May, 2024

ANNEXURE “A” TO INDEPENDENT AUDITOR’S REPORT

Annexure “A” to Independent Auditor’s report of even date to the members of EMKAY COMMOTRADE LIMITED on the standalone financial statements as at and for the year ended March 31, 2024

- (i) (a) (A) In our opinion, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company do not have any intangible assets. Accordingly, clause 3(i)(a)(B) of the order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, property, plant and equipment of the Company have been physically verified by the management during the year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its property, plant and equipment. According to the information and explanations given to us, no discrepancies were noticed on such verification.
- (c) The Company does not own any immovable property during the year. Accordingly, clause 3(i)(c) of the order is not applicable to the Company.
- (d) 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 revalued any of its property, plant and equipment during the year. Accordingly, clause 3(i)(d) of the Order is not applicable to the Company.
- (e) 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 proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under. Accordingly, clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The Company does not hold any physical inventories during the year. Accordingly, clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) 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 been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of the security of current assets at any point of time during the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

- (iii) In respect of Investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties:

(a) (A) The Company does not hold investment in any subsidiary, joint venture or associate (as defined in the Act) during the year ended 31st March 2024. Accordingly paragraph 3(iii)(a) (A) of the order is not applicable to the Company.

- (B) Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has not provided any guarantee and given security to Companies (other than subsidiary, joint venture or associate) during the year and it has granted unsecured loans to Companies (other than subsidiary, joint venture or associate) as below :

| Particulars | Loans granted (₹ in hundreds) |
|--|----------------------------------|
| Aggregate amount during the year - Other parties | 1,980,000.00 |
| Balance outstanding as at the balance sheet date - Other parties | 500,000.00 |

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, investments made during the year and the terms and conditions of the grant of loans during the year are, prima facie, not prejudicial to the Company’s interest. The Company has not provided any guarantee and given security during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, in the case of loans given, the repayment of principal and payment of interest has been

ANNEXURE "A" TO INDEPENDENT AUDITOR'S REPORT (Contd.)

stipulated and the repayments or receipts have been regular.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days as at 31st March, 2024 in respect of loans given and interest thereon.
- (e) 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 loans or advances in the nature of loans granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the over dues of existing loans or advances in the nature of loans given to same parties.
- (f) 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 granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to loan granted and investments made. The Company has neither given any guarantee nor provided any security in connection with a loan to any other body corporate or person.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014. Accordingly, clause 3(v) of the Order is not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us, the Company is not required to maintain cost records pursuant to the rules made by the Central Government under Section 148 (1) of the Act. Accordingly, clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and

Services Tax, provident fund, income tax, cess and other statutory dues applicable to it. As explained to us, the Company did not have any dues on account of employees' state insurance, sales-tax, service tax, duty of customs, duty of excise and value added tax. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid statutory dues were in arrears, as on March 31, 2024 for a period of more than six months from the date they became.

- (b) As at March 31, 2024, according to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues mentioned in para (vii)(a) above which have not been deposited on account of any dispute except the followings:-

| Name of the Statute | Nature of dues | Amount of demand (₹ in Hundreds) | Period to which the amount relates | Forum where dispute is pending |
|----------------------|---------------------------------|----------------------------------|------------------------------------|--|
| Income Tax Act, 1961 | Income Tax and Interest | 459.60 | F.Y. 2011-2012 | Assessing Officer for rectification and Grievance with E-Nivaran |
| Income Tax Act, 1961 | Fringe Benefit Tax and interest | 153.70 | F.Y. 2008-2009 | Assessing Officer for rectification |

- (viii) 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 surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, 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 obtained any loan or borrowing during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) 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 been declared a willful defaulter by any bank or financial institution or other lender.

ANNEXURE "A" TO INDEPENDENT AUDITOR'S REPORT (Contd.)

- (c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loan during the year. Accordingly, clause 3(ix)(c) of the order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us by the management, the Company has not raised funds on short-term basis during the year. Accordingly, clause 3(ix)(d) of the order is not applicable to the Company.
- (e) The Company does not hold investment in any subsidiary, associate company or joint venture (as defined in the Act) during the year ended 31st March, 2024. Accordingly, clause 3(ix)(e) and (f) of the order are not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the order is not applicable to the Company.
- (b) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the order is not applicable to the Company
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company, noticed or reported during the year, nor have we been informed of such case by the management.
- (b) No report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) Based on our audit procedure performed and according to the information and explanations given to us, no whistle blower complaints were received by the Company during the year. Accordingly, clause 3(xi)(c) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, clause 3(xii) (a), (b) and (c) of the order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transaction have been disclosed in note 29 of the standalone financial statements as required under Accounting Standard (AS)18, Related Party Disclosures specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports for the year under audit issued to the Company during the year and till date, in determining nature, timing and extent of our audit procedure.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as prescribed under section 192 of the Act. Accordingly, clause 3(xv) of the order is not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) (a), (b) and (c) of the Order are not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, there is no core investment company within the "Companies in the Group" as defined in the Core Investment Companies (Reserve Bank) Directions, 2016. Accordingly, clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred any cash losses during the financial year covered by our audit and immediately preceding financial year.

ANNEXURE "A" TO INDEPENDENT AUDITOR'S REPORT (Contd.)

(xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the 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) There are no unspent amounts towards Corporate Social Responsibility ('CSR') on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section (5) of section 135 of the Act. Accordingly, clause 3(xx) (a) of the Order is not applicable to the Company

(b) According to the information and explanations given to us, there are no ongoing projects in accordance with its CSR policy adopted. Accordingly, clause 3(xx) (b) of the Order is not applicable to the Company

For **B. L. Sarda & Associates**
Chartered Accountants
Firm Registration No.109266W

(CA. B. L. Sarda)
Partner
Membership No.014568
UDIN: 24014568BKFRCC2246

Place : Mumbai
Date : 14th May, 2024

ANNEXURE “B” TO INDEPENDENT AUDITOR’S REPORT

Annexure “B” to Independent Auditor’s report of even date to the members of EMKAY COMMOTRADE LIMITED on the standalone financial statements for the year ended March 31, 2024

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

1. We have audited the internal financial controls over financial reporting of **EMKAY COMMOTRADE LIMITED** (“the Company”) as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

2. 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 Act.

AUDITORS’ RESPONSIBILITY

3. 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 deemed to be prescribed under section 143(10) of the Act 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 ICAI. Those Standards and the Guidance Note

require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. 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.
5. 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 CONTROL OVER FINANCIAL REPORTING

6. 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.

ANNEXURE "B" TO INDEPENDENT AUDITOR'S REPORT (Contd.)

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

7. 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

8. In our opinion, 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, 2024 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 **B. L. Sarda & Associates**

Chartered Accountants

Firm Registration No.109266W

(CA. B. L. Sarda)

Partner

Membership No.014568

UDIN: 24014568BKFRCC2246

Place : Mumbai

Date : 14th May, 2024

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STANDALONE BALANCE SHEET

AS AT 31ST MARCH, 2024

(₹ In Hundreds)

| Particulars | | Note No. | As at 31st March 2024 | As at 31st March 2023 |
|-------------|---|----------|--------------------------|--------------------------|
| I | ASSETS | | | |
| 1 | Financial Assets | | | |
| | Cash and cash equivalents | 3 | 1,336,913.72 | 1,282,373.76 |
| | Bank Balance other than cash and cash equivalents | 4 | 280,000.00 | 280,000.00 |
| | Derivative financial instruments | 5 | - | - |
| | Loans | 6 | 500,000.00 | - |
| | Investments | 7 | 207,618.96 | 84,320.03 |
| | Other Financial assets | 8 | 55,596.96 | 37,418.19 |
| | Total Financial Assets | | 2,380,129.64 | 1,684,111.98 |
| 2 | Non-financial Assets | | | |
| | Current tax assets (net) | 9 | 1,001.71 | 11,751.56 |
| | Deferred tax assets (net) | 36(e) | 768.00 | 225.00 |
| | Property, Plant and Equipment | 10 | 275.85 | 275.85 |
| | Other non financial assets | 11 | 32.34 | 27.40 |
| | Total Non-financial Assets | | 2,077.90 | 12,279.81 |
| | Total assets | | 2,382,207.54 | 1,696,391.79 |
| II | LIABILITIES AND EQUITY | | | |
| | LIABILITIES | | | |
| 1 | Financial Liabilities | | | |
| | Derivative financial instruments | 5 | - | - |
| | Payables | | | |
| | (I) Trade Payables | | | |
| | (i) total outstanding dues of micro enterprises and small enterprises | | - | - |
| | (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | | - | - |
| | (II) Other Payables | | | |
| | (i) total outstanding dues of micro enterprises and small enterprises | | - | - |
| | (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 12 | 7,478.71 | 3,848.61 |
| | Total Financial Liabilities | | 7,478.71 | 3,848.61 |
| 2 | Non-financial Liabilities | | | |
| | Current tax liabilities (net) | 13 | 6,631.59 | 1,394.94 |
| | Provisions | 14 | 9,098.42 | 3,283.08 |
| | Other non-financial liabilities | 15 | 269,715.84 | 1,392.73 |
| | Total Non-financial Liabilities | | 285,445.85 | 6,070.75 |
| 3 | EQUITY | | | |
| | Equity Share capital | 16 | 637,585.00 | 637,585.00 |
| | Other Equity | 17 | 1,451,697.98 | 1,048,887.43 |
| | Total Equity | | 2,089,282.98 | 1,686,472.43 |
| | Total Liabilities and Equity | | 2,382,207.54 | 1,696,391.79 |

The accompanying notes are an integral part of these Standalone Financial Statements.

As per our Report of even date

For-B.L.Sarda & Associates

Chartered Accountants

Firm Registration No.109266W

(CA B. L. Sarda)

Partner

Membership No. 014568

Place: Mumbai

Dated: 14th May 2024

By the order of the Board

EMKAY COMMOTRADE LIMITED**Haresh Mahadik**

Whole-time Director

DIN: 10207234

Mangesh Parab

Director

DIN: 10205135

Place: Mumbai

Dated: 14th May 2024

**STANDALONE STATEMENT OF PROFIT & LOSS**

FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ In Hundreds)

| Particulars | Note No. | For the Current Year Ended 31st March 2024 | For the Previous Year Ended 31st March 2023 |
|---|----------|--|---|
| Revenue from operations | | | |
| Interest income | 18 | 53,834.04 | - |
| Net gain on fair value changes | 19 | 1,046,335.37 | 15,201.29 |
| Total Revenue from operations | | 1,100,169.41 | 15,201.29 |
| Other income | 20 | 71,187.27 | 128,645.60 |
| Share of Profit in Limited Liability Partnership | 21 | 23,298.93 | 84,195.03 |
| Total Income | | 1,194,655.61 | 228,041.92 |
| Expenses | | | |
| Finance Costs | 22 | - | 2,849.96 |
| Employee benefits expense | 23 | 813,017.46 | 16,641.45 |
| Other expenses | 24 | 32,210.17 | 27,288.92 |
| Total Expenses | | 845,227.63 | 46,780.33 |
| Profit before tax from continuing operations | | 349,427.98 | 181,261.59 |
| Tax Expense: | | | |
| (1) Current tax | | 87,138.00 | 28,294.40 |
| (2) Deferred tax/(benefit) | | (543.00) | 635.00 |
| (3) Short/(Excess) Provision for Taxation for Earlier Year | | 10,908.61 | - |
| Total Tax expense: | | 97,503.61 | 28,929.40 |
| Profit for the year from continuing operations | | 251,924.37 | 152,332.19 |
| Profit/(Loss) for the year from discontinued operations | 25 | 207,412.10 | (9,017.01) |
| Tax on discontinued operations | | 52,202.00 | 3,157.40 |
| Profit/(Loss) for the year from discontinued operations (After Tax) | | 155,210.10 | (5,859.61) |
| Profit for the year | | 407,134.47 | 146,472.58 |
| Other Comprehensive (Loss) | | | |
| Items that will not be reclassified to profit or loss | | | |
| - Actuarial gain/(loss) on defined benefit plan | | (1,350.24) | (544.22) |
| Income tax relating to items that will not be reclassified to profit or loss-current year | | 340.00 | 137.00 |
| Other Comprehensive (Loss) | | (1,010.24) | (407.22) |
| Total Comprehensive Income for the year | | 406,124.23 | 146,065.36 |
| Earnings per Equity Share of nominal value of ₹ 10 each | 27 | | |
| (a) For continuing operations | | | |
| - Basic (₹) | | 3.95 | 1.81 |
| - Diluted (₹) | | 3.95 | 1.81 |
| (b) For discontinued operations | | | |
| - Basic (₹) | | 2.44 | (0.07) |
| - Diluted (₹) | | 2.44 | (0.07) |
| (C) For discontinued & continuing operations | | | |
| - Basic (₹) | | 6.39 | 1.74 |
| - Diluted (₹) | | 6.39 | 1.74 |

The accompanying notes are an integral part of these Standalone Financial Statements.

As per our Report of even date

For-B.L.Sarda & Associates

Chartered Accountants

Firm Registration No.109266W

(CA B. L. Sarda)

Partner

Membership No. 014568

Place: Mumbai

Dated: 14th May 2024

By the order of the Board

EMKAY COMMOTRADE LIMITED**Haresh Mahadik**

Whole-time Director

DIN: 10207234

Mangesh Parab

Director

DIN: 10205135

Place: Mumbai

Dated: 14th May 2024

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2024

1. EQUITY SHARE CAPITAL

| Particulars | Equity Share Capital | |
|--|----------------------|-------------------|
| | No. of Shares | ₹ In Hundreds |
| As at 31st March, 2023 | | |
| Balance at the beginning of the previous reporting period | 8,500,000 | 850,000.00 |
| Changes in equity share capital due to prior period errors | - | - |
| Restated balance at the beginning of the previous reporting period | - | - |
| Changes in equity share capital during the previous year due to buyback of shares [Refer Note 16(f)] | (2,124,150) | (212,415.00) |
| Balance at the end of the previous reporting period | 6,375,850 | 637,585.00 |
| As at 31st March, 2024 | | |
| Balance at the beginning of the current reporting period | 6,375,850 | 637,585.00 |
| Changes in equity share capital due to prior period errors | - | - |
| Restated balance at the beginning of the current reporting period | - | - |
| Changes in equity share capital during the current reporting period | - | - |
| Balance at the end of the current reporting period | 6,375,850 | 637,585.00 |

2. OTHER EQUITY

(₹ In Hundreds)

| Particulars | Reserves and Surplus | | | Other Comprehensive Income | Total |
|---|----------------------|----------------------------|----------------------------------|---|---------------------|
| | Retained Earnings | Capital Redemption Reserve | Other Reserves - General Reserve | Items that will not be Reclassified to Profit or Loss - Actuarial gains/(losses) on Defined Benefit Plans | |
| Balance as at 31st March 2023 | | | | | |
| Balance at the beginning of the previous reporting period | 1,347,432.13 | - | 42,145.86 | (1,583.05) | 1,387,994.94 |
| Changes in accounting policy or prior period errors | - | - | - | - | - |
| Restated balance at the beginning of the previous reporting period | - | - | - | - | - |
| Interim Dividend Paid during the previous year | (95,637.75) | - | - | - | (95,637.75) |
| Premium paid on Buyback of equity shares during the previous year [Refer Note 16(f)] | (318,622.50) | - | - | - | (318,622.50) |
| Transfer to Capital Redemption Reserve from Retained Earnings upon buyback of equity shares during the previous year [Refer Note 16(f)] | (212,415.00) | 212,415.00 | - | - | - |
| Tax on Distributed Profits on buyback of equity shares during the previous year [Refer Note 16(f)] | (70,912.62) | - | - | - | (70,912.62) |
| Profit for the previous year | 146,472.58 | - | - | - | 146,472.58 |
| Other Comprehensive (Loss) for the previous year | - | - | - | (407.22) | (407.22) |
| Total Comprehensive Income for the previous year | | | | | 146,065.36 |
| Balance at the end of the current reporting period | 796,316.84 | 212,415.00 | 42,145.86 | (1,990.27) | 1,048,887.43 |



STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(₹ in Hundreds)

| Particulars | Reserves and Surplus | | | Other Comprehensive Income | Total |
|--|----------------------|----------------------------|----------------------------------|--|---------------------|
| | Retained Earnings | Capital Redemption Reserve | Other Reserves - General Reserve | Items that will not be Reclassified to Profit or Loss - Actuarial gains/ (losses) on Defined Benefit Plans | |
| Balance as at 31st March 2024 | | | | | |
| Balance at the beginning of the current reporting period | 796,316.84 | 212,415.00 | 42,145.86 | (1,990.27) | 1,048,887.43 |
| Changes in accounting policy or prior period errors | - | - | - | - | - |
| Restated balance at the beginning of the current reporting period | - | - | - | - | - |
| Tax on Distributed Profits on buyback of equity shares during the previous year [Refer Note 16(g)] | (3,313.68) | - | - | - | (3,313.68) |
| Profit after tax for the current year | 407,134.47 | - | - | - | 407,134.47 |
| Other Comprehensive (Loss) for the current year | - | - | - | (1,010.24) | (1,010.24) |
| Total Comprehensive Income for the current year | | | | | 406,124.23 |
| Balance at the end of the current reporting period | 1,200,137.63 | 212,415.00 | 42,145.86 | (3,000.51) | 1,451,697.98 |

The accompanying notes are an integral part of these Standalone Financial Statements.

As per our Report of even date
For-**B.L.Sarda & Associates**
Chartered Accountants
Firm Registration No.109266W

(CA B. L. Sarda)
Partner
Membership No. 014568

Place: Mumbai
Dated: 14th May 2024

By the order of the Board
EMKAY COMMOTRADE LIMITED

Haresh Mahadik
Whole-time Director
DIN: 10207234

Mangesh Parab
Director
DIN: 10205135

Place: Mumbai
Dated: 14th May 2024

STANDALONE STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH, 2024

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ In Hundreds)

| | 31st March 2024 | | 31st March 2023 | |
|--|-----------------|---------------------|-----------------|-----------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net Profit/(Loss) before tax, Exceptional / Extraordinary Items From | | | | |
| Continuing Operations | | 349,427.98 | | 181,261.59 |
| Adjustment for : | | | | |
| Finance Costs | - | | 2,849.96 | |
| Interest Received | (124,092.09) | | (128,327.68) | |
| Loss on Disposal/Discard of Property, Plant and Equipment | - | (124,092.09) | 357.08 | (125,120.64) |
| Operating profit before working capital changes | | 225,335.89 | | 56,140.95 |
| Adjustment for : | | | | |
| (Increase)/decrease in other financial assets | (19,529.01) | | 12,725.25 | |
| (Increase)/decrease in other non financial assets | (4.94) | | (3.28) | |
| Increase/(decrease) in trade payables | - | | (165.41) | |
| Increase/(decrease) in other payables | 3,630.10 | | (10,706.41) | |
| Increase/(decrease) in provisions | 5,815.34 | | 197.54 | |
| Increase/(decrease) in other non financial liabilities | 269,138.66 | 259,050.15 | (419,487.49) | (417,439.80) |
| Cash Generated from operations | | 484,386.04 | | (361,298.85) |
| Direct taxes (Paid)/Refund | | (133,922.11) | | (42,655.73) |
| Cash flow before extraordinary items | | 350,463.93 | | (403,954.58) |
| Extraordinary items | | - | | - |
| Net Cash from / (used in) Operating Activities | | 350,463.93 | | (403,954.58) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Interest Received | 124,092.09 | 124,092.09 | 128,327.68 | 128,327.68 |
| Net Cash from/(used in) Investing Activities | | 124,092.09 | | 128,327.68 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Loan Given | (500,000.00) | | - | |
| Investments made | (123,298.93) | | (83,891.50) | |
| Interim Dividend Paid | - | | (95,637.75) | |
| Premium paid on Buyback of Equity Shares | - | | (318,622.50) | |
| Buyback of Equity Shares | - | | (212,415.00) | |
| Tax on Distributed Profits on Buyback of Equity Shares | (3,313.68) | | (70,912.62) | |
| Finance Costs | - | (626,612.61) | (2,849.96) | (784,329.33) |
| Net Cash from/(used in) Financing Activities | | (626,612.61) | | (784,329.33) |
| Net Increase/(Decrease) in Cash and Cash equivalents - Continued Operations | | (152,056.59) | | (1,059,956.23) |

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(₹ In Hundreds)

| | 31st March 2024 | 31st March 2023 |
|---|---------------------|---------------------|
| D. CASH FLOW FROM DISCONTINUED OPERATIONS | | |
| Net Profit/(Loss) before tax, Discontinued Operations | 207,412.10 | (9,017.01) |
| Operating profit before working capital changes | 207,412.10 | (9,017.01) |
| Adjustment for : | | |
| Increase/(decrease) in trade payables | - | (582.97) |
| Increase/(decrease) in other payables | - | (1,893.60) |
| Increase/(decrease) in other non financial liabilities | (815.55) | (222.12) |
| Net Cash from / (used in) discontinued Operating Activities | 206,596.55 | (11,715.70) |
| Net Increase/(Decrease) in Cash and Cash equivalents -Dis-continued Operations | 206,596.55 | (11,715.70) |
| Net Increase/(Decrease) in Cash and Cash equivalents | | |
| Continued Operations | (152,056.59) | (1,059,956.23) |
| Dis-continued Operations | 206,596.55 | (11,715.70) |
| | 54,539.96 | (1,071,671.93) |
| Cash and Cash equivalents at the beginning of the year | 1,282,373.76 | 2,354,045.69 |
| Cash and Cash equivalents at the close of the year | 1,336,913.72 | 1,282,373.76 |
| Notes : | | |
| 1. Cash and Cash equivalents comprise of : | | |
| Balances with Banks | | |
| - Current Accounts | 1,336,890.43 | 1,282,302.77 |
| Cash on Hand | 23.29 | 70.99 |
| | 1,336,913.72 | 1,282,373.76 |
| 2. The above Standalone Cash flow statement has been prepared under the Indirect Method as set out in the Indian Accounting Standard - 7 (Ind AS-7) "Statement of Cash Flow." | | |
| 3. Previous year's figures are re-grouped/recasted/re-arranged wherever considered necessary. | | |

The accompanying notes are an integral part of these Standalone Financial Statements.

As per our Report of even date
For-B.L.Sarda & Associates
Chartered Accountants
Firm Registration No.109266W

(CA B. L. Sarda)
Partner
Membership No. 014568

Place: Mumbai
Dated: 14th May 2024

By the order of the Board
EMKAY COMMOTRADE LIMITED

Haresh Mahadik
Whole-time Director
DIN: 10207234

Mangesh Parab
Director
DIN: 10205135

Place: Mumbai
Dated: 14th May 2024

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2024.

1. CORPORATE INFORMATION

Emkay Commotrade Limited ('the Company') is a company domiciled in India and was incorporated under the Companies Act, 1956 vide Certificate of Incorporation (CIN) U51110MH2006PLC158675, dated 5th January, 2006. The Company is the wholly owned subsidiary company of the Emkay Global Financial Services Limited (the Parent). The company's registered office is situated at the Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028. The Company was engaged in the business of Commodity Exchanges Broking which was discontinued from 13th February 2019. However, it continues to hold certificate of registration issued by Securities and Exchange Board of India (SEBI) as stock broker. The Company is trading in equity derivative instruments and deploying surplus funds in investment and finance. Further, the Company is a designated partner in AES Trading and Consultants LLP having 25% share in its profits/ (losses).

2. MATERIAL ACCOUNTING POLICIES

2.1 Basis of Preparation

(i) Statement of Compliance

These standalone financial statements comprise the Standalone Balance Sheets as at March 31, 2024 (current reporting period) and March 31, 2023 (previous reporting period), the Standalone Statements of Profit and Loss, the Standalone Statements of Cash Flows and the Standalone Statements of Changes in Equity for the year ended March 31, 2024 (current reporting period) and for the year ended March 31, 2023 (previous reporting period), and a summary of the material accounting policies and other explanatory information (together hereinafter referred to as 'Standalone Financial Statements').

These standalone financial statements have been prepared in all material aspects in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting standards) Rules, 2015 as amended and other relevant provisions of the Act.

The Company continues to hold certificate of registration issued by SEBI for stock broking and therefore it is covered in the definition of Non-Banking Financial Company (NBFC) as defined

in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. Accordingly ,these standalone financial statements have been prepared in accordance with Division III of Schedule III to the Act applicable to NBFC's on going concern basis using the material accounting policies and measurement bases summarized as below. . These accounting policies have been applied consistently cover all the periods presented in these standalone financial statements.

(ii) Historical Cost Convention

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

- certain financial instruments which are measured at fair value (refer Accounting Policy no.2.3 below);and
- defined benefit plan- plan assets measured at fair value (refer Accounting Policy no.2.7(ii)(A)(b) below).

(iii) Functional and Presentation Currency

These standalone financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency and all values are rounded to the nearest hundred except Earnings Per Share (EPS) which are in rupees

(iv) Preparation of standalone financial statements

As per the format prescribed under Division III of Schedule III to the Act , the Company presents the Standalone Balance Sheet, the Standalone Statement of Profit and Loss and the Standalone Statement of Changes in Equity in the order of liquidity. A maturity analysis of recovery or settlement of assets and liabilities within 12 months after the reporting date and more than 12 months after the reporting date is presented in note no.34

(v) Use of Estimates and Judgments

The preparation of the standalone financial statements requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the standalone financial statements and the reported amounts of revenue and expenses

NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024. (Contd.)

during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the standalone financial statements is made relying on these estimates.

The estimates and judgements used in the preparation of the standalone financial statements are continuously evaluated and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future period.

Areas involving critical estimates and Judgements are:

- Estimation of useful lives and residual values of Property, Plant and Equipment.
- Estimation of defined benefit obligations
- Estimation of tax expenses
- Provisions and contingent liabilities
- Measurement of fair values
- Allowance for impairment of financial and non-financial instruments

(vi) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

2.2 Property, Plant and Equipment

Property, Plant and Equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation

Depreciation is calculated using the written down value (WDV) method to write down the cost of PPE to their residual values over their estimated useful lives which are in line with the estimated

NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024. (Contd.)

useful life as specified in Schedule II to the Act.

The estimated useful lives are as follows:

| Particulars | Useful life estimated by Company |
|------------------------|--|
| Furniture and Fixtures | 10 years |
| Office Equipments | 5 years |
| Computers | 3 years |

Derecognition

An item of PPE is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the Statement of Profit and Loss in the year the asset is derecognised.

2.3 Financial Instruments

(i) Initial Recognition and Measurement

The Company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

(ii) Subsequent Measurement

a. Financial Assets Carried at Amortized Cost

A financial asset is subsequently measured at amortized 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.

b. Financial Assets at Fair Value Through Other Comprehensive Income(FVOCI)

Investment in equity instruments are generally accounted for as at fair value through the Statement of Profit and Loss account unless an irrevocable election has been made by management to account for at fair value through

other comprehensive income. Such classification is determined on an instrument-by-instrument basis.

Amounts presented in other comprehensive income for equity instruments are not subsequently transferred to Statement of Profit and Loss. Dividends on such investments are recognised in Statement of Profit and Loss.

c. Financial Assets at Fair Value Through Profit or Loss(FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Items at fair value through profit or loss comprise:

- Investments (including equity shares) and stock in trade held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition; and
- Debt instruments with contractual terms that do not represent solely payments of principal and interest.
- Derivative transactions

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the Statement of Profit and Loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the Statement of Profit and Loss as they arise.

Financial instruments held for trading.

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking, or it is a derivative not designated in a qualifying hedge relationship.

Trading derivatives and trading securities are classified as held for trading and recognised at fair value.

d. Investment in Associate

Investment in Associate are carried at cost in accordance with Ind AS 27 on "Separate Financial Statements" less impairment loss, if any as per point no. 2.4 (a)(ii) below

NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024. (Contd.)

e. Derivatives

The Company enters into derivative transactions being equity derivative transactions in the nature of Futures and Options in Equity Stock/Index entered into for trading purposes. Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The notional amount and fair value of such derivatives are disclosed separately. Changes in the fair value of derivatives are included in net gain on fair value changes.

f. Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(iii) Derecognition of Financial Instruments

The Company derecognizes a financial asset when the contractual right to receive the cash flows from the financial asset expire or it transfers the financial asset.

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

(iv) Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the client does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the Statement of Profit and Loss.

2.4 Impairment

a. Financial Assets

- (i) The Company recognizes loss allowances using the expected credit losses (ECL) model for the financial assets which are not fair valued through Statement of Profit and Loss. For trade receivables with no significant financing component, the Company provides for ECL

by way of Provision for doubtful debts based on the probability of defaults that are possible over the life of the asset. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is done so as an impairment gain or loss in Statement of Profit and Loss.

(ii) Investment in Associate

Investment in Associate is tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable and impairment loss is recognized for the amount by which the carrying amount of the investment exceeds its recoverable amount.

b. Non-Financial Assets

Property, Plant and Equipment

Property, Plant and Equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in- use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024. (Contd.)

2.5 Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand and balances with banks (other than earmarked) and fixed deposits with bank (free from encumbrances) that are readily convertible to known amounts of cash with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.6 Revenue Recognition

Revenue is recognized to the extent it is possible that economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue is measured at fair value of the consideration received or receivable.

(i) Net gain on Fair value changes

Any realised gain or loss on sale of financial assets being investments, securities and derivative instruments held for trading measured on the trade date at FVTPL is recognised in net gain / loss on fair value changes.

Similarly, Any differences between the fair values of financial assets being investments ,securities and derivative instruments held for trading classified as FVTPL, held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed as "Net loss on fair value changes" under Expenses in the Statement of Profit and Loss.

(ii) Interest Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate.

(iii) Share of Profit/(Loss) in Limited Liability Partnership (LLP)

Share of Profit/(loss) in Limited Liability Partnership (LLP) is accounted on accrual basis and as per terms of LLP agreement

2.7 Employee Benefits

(i) Short Term Benefits

All employee benefits including statutory bonus/ performance bonus/incentives payable wholly

within twelve months of rendering the service are classified as short term employee benefits and are charged to the Statement of Profit and Loss of the year.

(ii) Long Term Benefits

A. Post-employment Benefits

a) Defined Contribution Schemes

Retirement/ Employee benefits in the form of Provident Fund is considered as defined contribution plan and contributions to the fund administered by the Government are charged to the Statement of Profit and Loss of the year when the contribution to the said fund is due.

b) Defined Benefit Schemes

Retirement benefits in the form of gratuity is considered as defined benefit obligation. The scheme is formed by the Company and fund is managed by insurers to which the Company makes periodic contributions. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

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

B. Other Long Term Benefits

a) Compensated Absences

The employees can carry forward a portion of the unutilized accrued compensated absences and utilize it in future service periods. The Company

NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024. (Contd.)

records an obligation for such compensated absences in the period in which the employee renders the services that increase the entitlement. The obligation is measured on the basis of last drawn salary and balance unutilized accrued compensated absences at the year end.

2.8 Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.9 Operating Leases

For leases with a term of twelve months or less (short-term leases) and leases of low value assets, the Company elects to exercise recognition exemption as prescribed under Ind AS 116 –Leases for the same and recognises the lease payments as an operating expense on accrual basis in accordance with the respective Leave and License agreements.

2.10 Other Income and Expenses

(i) Finance Costs

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed: (i) as the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability, (ii) by considering all the contractual terms of the financial instrument in estimating the cash flows, and (iii) including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in the Statements of Profit and Loss with the corresponding adjustment to the carrying amount of the assets.

- (ii) All other income and expenses are recognized in the period they occur.

2.11 Taxes

(i) Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date for the relevant year.

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).

(ii) Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced

NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024. (Contd.)

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

(iii) **Goods and Services Tax Paid on Acquisition of Assets or on Incurring Expenses**

Expenses and assets are recognised net of the goods and services tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.12 Discontinued Operations

A discontinued operation is a component of the company's business, the operations and cash flows of which can be clearly distinguished from those of the rest of the company and which represent a separate major line of business.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative Statement of Profit and Loss is represented as if the operation had been discontinued from the start of the comparative period.

2.13 Earnings Per Share (EPS)

The Company reports basic and diluted EPS in accordance with Ind AS 33 on Earnings per share. Net profit or loss for the year attributable to equity shareholders (after deducting preference

dividend and attributable taxes) is divided by the weighted average number of equity shares outstanding during the year for calculating basic EPS and by the weighted average number of shares outstanding during the year adjusted for the effects of all dilutive potential equity shares for calculating diluted EPS.

2.14 Foreign Currency Transactions

Initial recognition:

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Conversion:

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the reporting date, are translated at the reporting date at the closing exchange rate and the resultant exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

2.15 Events After Reporting Date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

2.16 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised if as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability.

A contingent liability exists when there is a possible but not probable obligation, or a present

NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024. (Contd.)

obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the standalone financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

2.17 New Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

3 CASH AND CASH EQUIVALENTS

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|-----------------------|--------------------------|--------------------------|
| Cash on hand | 23.29 | 70.99 |
| Balances with Banks | | |
| - in current accounts | 1,336,890.43 | 1,282,302.77 |
| Total | 1,336,913.72 | 1,282,373.76 |

4 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| Balances with Banks | | |
| - in deposits with bank (with original maturity of more than 12 months) * | 280,000.00 | 280,000.00 |
| Total | 280,000.00 | 280,000.00 |

* Lien marked as security against bank overdraft facility.

5 DERIVATIVE FINANCIAL INSTRUMENTS

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| Part I | | |
| - Equity Stock Options Premium | - | - |
| Total Derivative financial instruments | - | - |
| Part II | | |
| Included in above (Part I) are derivatives held for hedging and risk management purpose as follows | | |
| - Fair value hedging | - | - |
| - Cash flow hedging | - | - |
| Total Derivative financial instruments | - | - |

Note

The Company enters into derivative transactions being equity derivative transactions in the nature of Options in Equity Stock/Index for trading purposes.

6 LOANS

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|------------------------------------|--------------------------|--------------------------|
| At amortied Cost | | |
| (Unsecured, Considered Good) | | |
| Loan to associate, a related party | 500,000.00 | - |
| Total | 500,000.00 | - |
| Out of Above: | | |
| Loan in India | 500,000.00 | - |
| Loan outside India | - | - |
| Total | 500,000.00 | - |



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

7 INVESTMENTS

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|--------------------------|--------------------------|
| (A) At cost | | |
| Investments in Associate | | |
| In Others -Investment in Limited Liability Partnership | | |
| Balance in Capital Account with AES Trading and Consultants LLP | 125.00 | 125.00 |
| Balance in Current Account with AES Trading and Consultants LLP | 107,493.96 | 84,195.03 |
| (B) At Fair value through Profit & Loss | | |
| In Preference Shares | | |
| 8% Non Cumulative Redeemable Non Convertible Preference Shares of ₹10/-each of Finlearn Edutech Pvt Ltd.-Partly paid up ₹5/- each | 100,000.00 | - |
| Total | 207,618.96 | 84,320.03 |
| Out of Above: | | |
| Investment in India | 207,618.96 | 84,320.03 |
| Investment outside India | - | - |
| Total | 207,618.96 | 84,320.03 |

Notes:

(a) Disclosure under Ind AS 27 for Investment in Associates

| Name of Associate | % of ownership interest As at 31.03.2024 | % of ownership interest As at 31.03.2023 |
|--|--|--|
| AES Trading and Consultants LLP | 25.00% | 25.00% |
| (b) Method used to account for Investment in Associate | At Cost | At Cost |
| The Company has elected to measure investment in associate at cost as per Ind AS 27. | | |

8 OTHER FINANCIAL ASSETS

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| Deposit with Exchanges | 35,000.00 | 35,000.00 |
| Deposits with Professional Clearing Members | 2,000.00 | 2,000.00 |
| Deposits Others | 250.00 | 250.00 |
| Advances recoverable - Others | 318.19 | 168.19 |
| Recoverable from Whole-time Director | 9,917.09 | - |
| Interest Receivable from Holding Company on Fixed Deposit given for Margin for Derivative Transactions | 8,111.68 | - |
| Total | 55,596.96 | 37,418.19 |

Note

Recoverable from Whole-time director represents remuneration paid to him without approval.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

9 CURRENT TAX ASSETS (NET)

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|-------------------------------------|--------------------------|--------------------------|
| Income tax paid (net of provision) | 1,001.71 | 11,751.56 |
| Total | 1,001.71 | 11,751.56 |

10 PROPERTY, PLANT AND EQUIPMENT

(₹ In Hundreds)

| | Furniture & Fixtures | Office Equipments | Computers | Total |
|---------------------------------|-------------------------|----------------------|---------------|---------------|
| Gross carrying amount | | | | |
| As at 1st April 2022 | 8.05 | 4.50 | 682.19 | 694.74 |
| Additions | - | - | - | - |
| Disposals | - | - | 387.72 | 387.72 |
| As at 31 March 2023 | 8.05 | 4.50 | 294.47 | 307.02 |
| Additions | - | - | - | - |
| Disposals | - | - | - | - |
| As at 31 March 2024 | 8.05 | 4.50 | 294.47 | 307.02 |
| Accumulated depreciation | | | | |
| As at 1st April 2022 | 2.71 | - | 59.10 | 61.81 |
| Charge for the year | - | - | - | - |
| Disposals | - | - | 30.64 | 30.64 |
| As at 31 March 2023 | 2.71 | - | 28.46 | 31.17 |
| Charge for the year | - | - | - | - |
| Disposals | - | - | - | - |
| As at 31 March 2024 | 2.71 | - | 28.46 | 31.17 |
| Net carrying amount | | | | |
| As at 31 March 2024 | 5.34 | 4.50 | 266.01 | 275.85 |
| As at 31 March 2023 | 5.34 | 4.50 | 266.01 | 275.85 |

Notes:

There is no (i) acquisition through business combinations, (ii) revaluation of Property, Plant and Equipment and (iii) impairment losses and its reversal during the year/previous year.

11 OTHER NON-FINANCIAL ASSETS

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|-------------------------------------|--------------------------|--------------------------|
| Prepaid expenses | 27.70 | 22.76 |
| Balance with Goods and Services Tax | 4.64 | 4.64 |
| Total | 32.34 | 27.40 |



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

12 (A) TRADE PAYABLES

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|--------------------------|--------------------------|
| (i) total outstanding dues of micro enterprises and small enterprises | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises * | - | - |
| Total | - | - |
| * Above includes due to holding company, a related party | - | - |

Trade Payables ageing schedule as at 31st March, 2024

| Particulars | Outstanding for following periods from due date of payment | | | | |
|--------------------------|--|-------------|-------------|----------------------|-------|
| | Less than 1 Year | 1 - 2 Years | 2 - 3 Years | More than 3 Years | Total |
| (I) MSME - undisputed | - | - | - | - | - |
| (II) Others - undisputed | - | - | - | - | - |

Trade Payables ageing schedule as at 31st March, 2023

| Particulars | Outstanding for following periods from due date of payment | | | | |
|--------------------------|--|-------------|-------------|----------------------|-------|
| | Less than 1 Year | 1 - 2 Years | 2 - 3 Years | More than 3 Years | Total |
| (I) MSME - undisputed | - | - | - | - | - |
| (II) Others - undisputed | - | - | - | - | - |

12 (B) OTHER PAYABLES

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|--------------------------|--------------------------|
| (i) total outstanding dues of micro enterprises and small enterprises | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises * | 7,478.71 | 3,848.61 |
| Total | 7,478.71 | 3,848.61 |
| * Above includes due to holding company, a related party | - | 0.32 |

Notes:

| | | |
|---|---|---|
| 1. The details of amount outstanding to Micro, Small and Medium Enterprises defined under "Micro, Small and Medium Enterprises Development Act. 2006" (as identified based on information available with the company and relied upon by the Auditors) is as under - | | |
| Principal amount due and remaining unpaid | - | - |
| Interest due on above and the unpaid interest | - | - |
| Interest paid | - | - |
| Payment made beyond the appointed day during the year | - | - |
| Interest due and payable for the period of delay | - | - |
| Interest accrued and remaining unpaid | - | - |
| Amount of further interest remaining due and payable in succeeding years | - | - |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

13 CURRENT TAX LIABILITIES (NET)

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|--------------------------|--------------------------|
| Provision for Taxation (Net of Tax paid) | 6,631.59 | 1,394.94 |
| Total | 6,631.59 | 1,394.94 |

14 PROVISIONS

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---------------------------------|--------------------------|--------------------------|
| Provision for employee benefits | | |
| - Compensated absences | 3,096.60 | 245.48 |
| - Bonus | 2,630.00 | 2,200.00 |
| - Gratuity | 3,371.82 | 837.60 |
| Total | 9,098.42 | 3,283.08 |

15 OTHER NON FINANCIAL LIABILITIES

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|------------------------|--------------------------|--------------------------|
| Statutory dues payable | 269,715.84 | 1,392.73 |
| Total | 269,715.84 | 1,392.73 |

16 EQUITY

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| EQUITY SHARE CAPITAL | | |
| Authorised: | | |
| 8,500,000 (As at 31st March,2023: 8,500,000) Equity Shares of ₹10/- each | 850,000.00 | 850,000.00 |
| 2,500,000 (As at 31st March ,2023: 2,500,000 9% Redeemable Preference Shares of ₹10/- each) | 250,000.00 | 250,000.00 |
| | 1,100,000.00 | 1,100,000.00 |
| Issued, subscribed and fully paid up | | |
| Equity shares | | |
| 6,375,850 (As at 31st March 2023: 6,375,850) Equity Shares of ₹10/- each | 637,585.00 | 637,585.00 |
| Total Equity | 637,585.00 | 637,585.00 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

Equity Shares

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|--|----------------------|---------------|----------------------|---------------|
| | No of shares | ₹ In Hundreds | No of shares | ₹ In Hundreds |
| At the beginning of the reporting period | 6,375,850 | 637,585.00 | 8,500,000 | 850,000.00 |
| Less: Buyback of Shares during the previous year [Refer Note 16 (f)] | - | - | 2,124,150 | 212,415.00 |
| Outstanding at the end of the reporting year | 6,375,850 | 637,585.00 | 6,375,850 | 637,585.00 |

(b) Terms/rights attached to

Equity Shares:

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pay dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except interim dividend.

In the event of liquidation of the company, the holders of Equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding company

The entire 6,375,850 (31st March, 2023: 6,375,850) equity shares of ₹10/- each fully paid are held by Emkay Global Financial Services Limited, the holding company.

(d) Details of shareholders holding more than 5% shares in the company:

| Name of the Shareholders | As at March 31, 2024 | | As at March 31, 2023 | |
|--|----------------------|--------------|----------------------|--------------|
| | No of shares | % of holding | No of shares | % of holding |
| Equity Shares | | | | |
| Emkay Global Financial Services Limited (Holding Company) and its nominees | 6,375,850 | 100 | 6,375,850 | 100 |

(e) Details of shares held by promoters

| as at 31 March 2024 | | | |
|---|------------------|-------------------|--------------------------|
| Promoter name | No of shares | % of total shares | % Change during the year |
| Equity Shares of ₹ 10/- each fully paid | | | |
| Emkay Global Financial Services Limited (Holding Company) and its Nominees. | 6,375,850 | 100 | - |
| Total | 6,375,850 | 100 | - |

as at 31 March 2023

| Promoter name | No of shares | % of total shares | % Change during the year |
|---|------------------|-------------------|--------------------------|
| Equity Shares of ₹ 10/- each fully paid | | | |
| Emkay Global Financial Services Limited (Holding Company) and its Nominees. | 6,375,850 | 100 | - |
| Total | 6,375,850 | 100 | - |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

(f) During the previous year:

- (I) Pursuant to special resolution passed at Extra Ordinary General Meeting of the members of the Company held on 24th January, 2023, the Company bought back its 21,24,150 fully paid up Equity shares of ₹10/- each (representing 24.99 % of the total issued and paid-up equity share capital of the Company) at a price of ₹25/- per equity share for an aggregate consideration of ₹531,037.50 hundreds sourced out of its retained earnings and formalities pertaining to extinguishment of the shares bought back were completed on 17th March 2023.
- (II) In terms of provisions of section 69 of the Companies Act, 2013, an amount of ₹212,415.00 hundreds (representing the nominal value of the shares bought back) was transferred from Retained Earnings to Capital Redemption Reserve. Further, ₹318,622.50 hundreds (being excess of aggregate consideration for buyback of ₹ 531,037.50 hundreds over face value of the equity shares bought back of ₹212,415.00 hundreds) and ₹70,912.62 hundreds being tax on distributed profits on Buy-back of equity shares was funded from Retained Earnings.

Consequent to above buyback, Issued, subscribed and fully paid up Equity Share capital of the Company got reduced by 21,24,150 fully paid up Equity shares of ₹10/- each amounting to ₹ 212,415.00 hundreds.

- (g) During the current year, the Company has paid ₹3,313.68 hundreds being tax on distributed profits on said Buy-back of equity shares which was short paid in previous year and funded from retained earnings.

17 OTHER EQUITY

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|--------------------------|--------------------------|
| A) Reserves and Surplus | | |
| i) Retained earnings | | |
| Balance at the beginning of the Reporting Year | 796,316.84 | 1,347,432.13 |
| Add: Profit for the year | 407,134.47 | 146,472.58 |
| Less: Interim Dividend Paid | - | 95,637.75 |
| Less: Premium paid on Buyback of Equity Shares during the previous year [Refer Note 16(f)] | - | 318,622.50 |
| Less: Transfer to Capital Redemption Reserve during the previous year pursuant to buyback of Equity Shares [Refer Note 16(f)] | - | 212,415.00 |
| Less: Tax on Distributed Profits pursuant to buyback of Equity Shares during the previous year [Refer Note 16(f) and 16(g)] | 3,313.68 | 70,912.62 |
| Balance at the end of the Reporting Year | 1,200,137.63 | 796,316.84 |
| ii) Capital Redemption Reserve | | |
| Balance at the beginning of the Reporting Year | 212,415.00 | - |
| Add: Transferred from Retained earnings during the previous year pursuant to buyback of Equity Shares [Refer Note 16(f)] | - | 212,415.00 |
| Balance at the end of the Reporting Year | 212,415.00 | 212,415.00 |
| iii) General Reserve | | |
| Balance at the beginning of the Reporting Year | 42,145.86 | 42,145.86 |
| Less Transferred during the year | - | - |
| Balance at the end of the Reporting Year | 42,145.86 | 42,145.86 |
| iv) Other Comprehensive Income | | |
| Balance at the beginning of the Reporting Year | (1,990.27) | (1,583.05) |
| Add: Movement in Other Comprehensive Income during the year | (1,010.24) | (407.22) |
| Balance at the end of the Reporting Year | (3,000.51) | (1,990.27) |
| Total | 1,451,697.98 | 1,048,887.43 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

Nature and purpose of reserve

i) Retained earnings

Retained earnings are the profits that the Company that has earned till date, less any transfers to general reserve, capital redemption reserve, dividends or other distributions paid to shareholders and tax on distributed profits.

ii) Capital redemption reserve

Capital redemption reserve is created on buyback of equity shares in accordance with provision of the Act and shall be utilised in accordance with the Act.

iii) General reserve

Under the erstwhile Companies Act, 1956, general reserve was created through transfer from net profit complying with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

iv) Other comprehensive income

Other comprehensive income consist of remeasurement gains/losses on employees defined benefit plan.

18 INTEREST INCOME

(₹ In Hundreds)

| Particulars | For the Year Ended 31st March 2024 | For the Year Ended 31st March 2023 |
|--|---------------------------------------|---------------------------------------|
| Interest on Fixed Deposit given for Margin for Derivative Transactions | 53,834.04 | - |
| | 53,834.04 | - |

19 NET GAIN ON FAIR VALUE CHANGES

(₹ In Hundreds)

| Particulars | For the Year Ended 31st March 2024 | For the Year Ended 31st March 2023 |
|---|---------------------------------------|---------------------------------------|
| (A) Net gain on financial instruments at fair value through profit or loss | | |
| (i) On trading portfolio | | |
| - Investments | 1,788.38 | 15,201.29 |
| - Equity Derivatives - Index/Stock | 1,044,546.99 | - |
| Total Net gain on fair value changes (A) | 1,046,335.37 | 15,201.29 |
| Fair Value changes: | | |
| - Realised | | |
| - Investment | 1,788.38 | 15,201.29 |
| - Equity Derivatives - Index/Stock | 1,044,546.99 | - |
| (B) Total Net gain on fair value changes to tally with (A) | 1,046,335.37 | 15,201.29 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

20 OTHER INCOME

(₹ In Hundreds)

| Particulars | For the Year Ended 31st March 2024 | For the Year Ended 31st March 2023 |
|---|---------------------------------------|---------------------------------------|
| Liability no Longer Payable | 928.41 | 214.93 |
| Interest on deposits with bank | 19,464.46 | 16,163.50 |
| Interest on Income Tax Refund | - | 2,277.19 |
| Interest on loan from Related Parties | 50,794.40 | 109,886.99 |
| Foreign Exchange Rate Fluctuations Gain (Net) | - | 102.99 |
| Total | 71,187.27 | 128,645.60 |

21 SHARE OF PROFIT IN LIMITED LIABILITY PARTNERSHIP

(₹ In Hundreds)

| Particulars | For the Year Ended 31st March 2024 | For the Year Ended 31st March 2023 |
|-------------------------------------|---------------------------------------|---------------------------------------|
| M/s AES Trading and Consultants LLP | 23,298.93 | 84,195.03 |
| | 23,298.93 | 84,195.03 |

22 FINANCE COSTS

(₹ In Hundreds)

| Particulars | For the Year Ended 31st March 2024 | For the Year Ended 31st March 2023 |
|--|---------------------------------------|---------------------------------------|
| On Instruments measured at fair value through profit or loss | | |
| Interest on borrowings from Bank | - | 2,849.96 |
| Total | - | 2,849.96 |

23 EMPLOYEE BENEFIT EXPENSE

(₹ In Hundreds)

| Particulars | For the Year Ended 31st March 2024 | For the Year Ended 31st March 2023 |
|--|---------------------------------------|---------------------------------------|
| Salaries and other benefits | 810,817.77 | 16,233.88 |
| Contributions to Provident and Other Funds | 60.00 | 60.00 |
| Gratuity | 2,021.58 | 293.38 |
| Staff Welfare Expenses | 118.11 | 54.19 |
| Total | 813,017.46 | 16,641.45 |



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

24 OTHER EXPENSES:

(₹ In Hundreds)

| Particulars | For the Year Ended 31st March 2024 | For the Year Ended 31st March 2023 |
|---|---------------------------------------|---------------------------------------|
| Communication, Postage and Courier Charges | 41.59 | 27.65 |
| Fees & Stamp Expenses | 58.00 | 39.50 |
| Depository Charges | 10.15 | 13.87 |
| Electricity Charges | 355.31 | 218.17 |
| Insurance | - | 1.40 |
| Printing and Stationery | 289.29 | 328.64 |
| Legal and Professional fees | 3,561.60 | 5,143.24 |
| Auditor's fees (Inclusive of GST) | | |
| - for audit fees | 3,835.00 | 3,245.00 |
| - for tax audit fees | 590.00 | - |
| - for taxation matters | 3,717.00 | 519.20 |
| - for Limited Review | 796.50 | 1,386.50 |
| Corporate Social Responsibility | 16,000.00 | 14,250.00 |
| Loss on Disposal/Discard of Property, Plant and Equipment | - | 357.08 |
| Rent | 1,345.70 | 834.12 |
| Goods & Services Tax (GST) | 106.90 | - |
| Others | 1,503.13 | 924.55 |
| Total | 32,210.17 | 27,288.92 |

25 PROFIT /(LOSS) FROM DISCONTINUED OPERATIONS

(₹ In Hundreds)

| Particulars | For the Year Ended 31st March 2024 | For the Year Ended 31st March 2023 |
|---|---------------------------------------|---------------------------------------|
| Income from discontinued operations | | |
| Liability No Longer Payable | - | 582.97 |
| Impairment gain on Trade Receivables | 225,000.00 | 3,528.11 |
| | 225,000.00 | 4,111.08 |
| Less: Expenses from discontinued operations | | |
| Membership and Subscription | 708.00 | 708.00 |
| Legal and Professional Fees | 16,879.90 | 12,420.09 |
| | 17,587.90 | 13,128.09 |
| Net Profit / (Loss) from discontinued operations | 207,412.10 | (9,017.01) |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

26 DISCONTINUED OPERATIONS

(A) The Board of Directors of the Company at its meeting held on 5th February 2019 had decided to discontinue the business of commodity broking in view of substantial accumulated losses and not been able to generate enough revenues and scale up its operations and accordingly the Company has discontinued the said business w.e.f. 13th February 2019.

(B) Financial Performances:

a. Profit/(Loss) from Discontinued Operations

(₹ In Hundreds)

| Particulars | Year ended 31st March, 2024 | Year ended 31st March, 2023 |
|---|--------------------------------|--------------------------------|
| Other Income | | |
| - Liability No Longer Payable | - | 582.97 |
| - Reversal of Impairment on Trade Receivables | 225,000.00 | 3,528.11 |
| Total | 225,000.00 | 4,111.08 |
| Expenses | | |
| - Membership and Subscription | 708.00 | 708.00 |
| - Legal and Professional fees | 16,879.90 | 12,420.09 |
| Total | 17,587.90 | 13,128.09 |
| Profit/(Loss) Before Tax | 207,412.10 | (9,017.01) |
| Tax Expenses | 52,202.00 | 3,157.40 |
| Profit/(Loss) After Tax | 155,210.10 | (5,859.61) |

b. Net Cash Flow from/(used in) Discontinued Operations of ₹ 206,596.55 hundreds (P.Y. (11,715.70 hundreds)).

c. Book Value of Assets and Liabilities

(₹ In Hundreds)

| Particulars | Year ended 31st March, 2024 | Year ended 31st March, 2023 |
|--|--------------------------------|--------------------------------|
| Assets | | |
| Financial assets | | |
| Other Financial assets | 37,250.00 | 37,250.00 |
| Total Financial assets | 37,250.00 | 37,250.00 |
| Non-financial Assets | - | - |
| Total Non-financial Assets | - | - |
| Total Assets | 37,250.00 | 37,250.00 |
| Liabilities | | |
| Financial Liabilities | | |
| Total Financial Liabilities | - | - |
| Non-financial Liabilities | | |
| Other non-financial liabilities | - | 815.55 |
| Total Non-financial Liabilities | - | 815.55 |
| Total Liabilities | - | 815.55 |



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

d. i) Contingent Liabilities

(₹ In Hundreds)

| Sr. No. | Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---------|---|---------------------------|---------------------------|
| 1 | Claims against the Company not acknowledged as debt | 3,750.00 | 3,750.00 |

- ii) In the matter of Show-Cause proceedings against the Company in the default at National Spot Exchange Limited ('NSEL') in 2012 matter pertaining to paired contracts transacted at NSEL in which the Company has acted as broker business, SEBI has cancelled the Certificate of Registration of the Company vide its Order No. QJA/VS/MIRSD/DOP/27303/2023-24 dated June 09, 2023 on the grounds that it is not fit and proper person to hold the certificate of registration as a broker in the Securities Market. The company has challenged the said Order of SEBI by filing an appeal before the Securities Appellate Tribunal (SAT). SAT has passed an Order dated 12.12.2023 - (i) directing SEBI to consider and come out with a scheme under the SEBI (Settlement Proceedings) Regulations, 2018 (said scheme) and to consider and dispose the case of the company under the said scheme ,(ii) in the event of SEBI unable to frame said scheme within suggested time frame , the Company shall have option to file fresh appeal before SAT questioning the order of cancelling its registration within four weeks from the date of communication by SEBI , and (iii) the interim relief granted by SAT vide its order dated 13th July,2023 of stay will continue to operate till disposal of case by SEBI under said the scheme and /or for a further period of six weeks to enable the Company to file appeal before SAT. SAT by its further Order dated 14.03.2024 allowed SEBI an extension of four months w.e.f.11.03.2024 for coming out with said scheme as directed by the Hon'ble Tribunal vide order dated 12.12.2023.

27 EARNINGS PER SHARE:

| Sl. No. | Particulars | Year Ended March, 2024 | Year Ended March, 2023 |
|---------|--|---------------------------|---------------------------|
| a) | Net Profit after tax from continuing operations available for Equity Shareholders (₹ In Hundreds) | 251,924.37 | 152,332.19 |
| b) | Net Profit/(Loss) after tax from discontinued operations available for Equity Shareholders (₹ In Hundreds) | 155,210.10 | (5,859.61) |
| c) | Net Profit after tax available from continuing & discontinued operations for Equity Shareholders (₹ In Hundreds) | 407,134.47 | 146,472.58 |
| d) | Weighted average number of Equity Shares of (₹ 10/- each outstanding during the period (No. of Shares) | | |
| | - For Basic Earnings | 63,75,850 | 84,12,706 |
| | - For Diluted Earnings | 63,75,850 | 84,06,886 |
| e) | Earnings per Equity Share for continuing operations (₹) | | |
| | - Basic | 3.95 | 1.81 |
| | - Diluted | 3.95 | 1.81 |
| f) | Earnings per Equity Share for discontinuing operations (₹) | | |
| | - Basic | 2.44 | (0.07) |
| | - Diluted | 2.44 | (0.07) |
| g) | Earnings per Equity Share for continuing & discontinued operations (₹) | | |
| | - Basic | 6.39 | 1.74 |
| | - Diluted | 6.39 | 1.74 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

28 THE DISCLOSURES AS PER IND AS 19 - EMPLOYEE BENEFITS ARE AS FOLLOWS.

a. Defined Contribution Plan

Expenses recognized in Statement of Profit and Loss towards the Defined Contribution Plans are as under:

(₹ In Hundreds)

| Particulars | Year Ended 31 st March 2024 | Year Ended 31 st March 2023 |
|--------------------------------|---|---|
| Contribution to Provident Fund | 60.00 | 60.00 |
| Total | 60.00 | 60.00 |

b. Defined Benefit Plan

The company has a defined benefit gratuity plan governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to gratuity on departure at 15 days last drawn salary for each completed year of service or part thereof in excess of six months.

The plan is funded with insurance company in the form of a qualifying insurance policy. The following tables summarize the components of net benefit expense recognized in the statement of profit and loss, other comprehensive income and amount recognized in balance sheet which has been determined by an Actuary appointed for the purpose and relied upon by the Auditors:

(₹ In Hundreds)

| Sr. No | Particulars | As at 31 st March, 2024 | As at 31 st March, 2023 |
|--------|--|---------------------------------------|---------------------------------------|
| I | Changes in present value of obligations | | |
| | Present value of obligation as at the beginning | 8,411.52 | 7,300.54 |
| | Current service cost | 1,960.72 | 254.40 |
| | Interest expense or cost | 611.13 | 452.31 |
| | Re-measurement (or Actuarial) (Gain)/Loss arising from:- | | |
| | - change in financial assumptions | 375.75 | (31.42) |
| | - change in demographic assumptions | - | - |
| | - experience variance (i.e. Actual experience vs assumptions) | 1,077.78 | 435.69 |
| | Benefits Paid | - | - |
| | Acquisition Adjustment | - | - |
| | Present value of obligation as at the end | 12,436.90 | 8,411.52 |
| II | Changes in fair value of plan assets | | |
| | Fair value of plan asset as at the beginning | 7,573.92 | 6,671.34 |
| | Employer contributions | 837.60 | 629.20 |
| | Investment income | 550.27 | 413.33 |
| | Return on plan assets, excluding amount recognized in net interest expense | 103.29 | (139.95) |
| | Benefits paid | - | - |
| | Acquisition adjustment | - | - |
| | Fair value of plan asset as at the end | 9065.08 | 7,573.92 |
| III | Reconciliation of net liability/asset | | |
| | Net defined benefit liability/(asset) as at the beginning | 837.60 | 629.20 |
| | Expenses charged to statement of profit and loss | 2,021.58 | 293.38 |
| | Amount recognized in other comprehensive income | 1,350.24 | 544.22 |
| | Employer contribution | (837.60) | (629.20) |
| | Net defined benefit liability/(asset) as at the end | 3371.82 | 837.60 |
| IV | Expenses charged to the statement of profit & loss | | |
| | Current Service Cost | 1,960.72 | 254.40 |



NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT 31ST MARCH 2024

(₹ In Hundreds)

| Sr. No | Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--------|--|---------------------------|---------------------------|
| | Net Interest Cost / (Income) on the net defined benefit liability/ (Asset) | 60.86 | 38.98 |
| | Expenses recognized in the statement of profit & loss | 2,021.58 | 293.38 |
| V | Movement in asset ceiling | | |
| | Effect of asset ceiling at the beginning | - | - |
| | Interest on opening balance of asset ceiling | - | - |
| | Re measurements due to change in surplus/deficit | - | - |
| | Value of asset ceiling as at the end | - | - |
| VI | Re measurement (gains)/losses in other comprehensive income | | |
| | Actuarial (gains)/losses | | |
| | -Change in financial assumptions | 375.75 | (31.42) |
| | -Change in demographic assumptions | - | - |
| | -Experience adjustments | 1,077.78 | 435.69 |
| | Return on plan assets, excluding amount recognized in net interest expense | (103.29) | 139.95 |
| | Components of defined benefit costs recognized in other comprehensive income | 1,350.24 | 544.22 |
| VII | Amount recognized in Balance Sheet | | |
| | Present value of obligation | 12,436.90 | 8411.52 |
| | Fair value of plan assets | 9,065.08 | 7,573.92 |
| | Surplus/(Deficit) | (3,371.82) | (837.60) |
| | Effects of asset ceiling, if any | | - |
| | Net Asset / (Liability) | (3,371.82) | (837.60) |
| VIII | Key actuarial assumptions | | |
| | Discount Rate (p.a.) | 7.15% | 7.25% |
| | Salary growth rate (p.a.) | 15.00% | 14.00% |
| | Attrition/Withdrawal rates, based on age(p.a.) | | |
| | - Upto 45 years | 25.00% | 25.00% |
| | - Above 45 years | 15.00% | 15.00% |
| | Mortality rate | 100% of IALM 2012-14 | 100% of IALM 2012-14 |
| IX | Categories of plan asset | | |
| | Fund managed by insurer | 99.17% | 99.01% |
| | Bank balance | 0.83% | 0.99% |
| X | Sensitivity analysis for significant assumptions is as shown below | | |
| | Discount Rate (- 1%) : % Change compared to base due to sensitivity | 5.70% | 5.70% |
| | Discount Rate (+ 1%) : % Change compared to base due to sensitivity | (5.30%) | (5.20%) |
| | Salary Growth (- 1%) : % Change compared to base due to sensitivity | (2.5%) | (2.60%) |
| | Salary Growth (+ 1%) : % Change compared to base due to sensitivity | 2.3% | 2.50% |
| | Attrition Rate (- 50% of attrition rates): (% change compared to base due to sensitivity) | 15.6% | 4.00% |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

(₹ In Hundreds)

| Sr. No | Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--------|--|---------------------------|---------------------------|
| | Attrition Rate (+ 50% of attrition rates): (% change compared to base due to sensitivity) | (8.9%) | (4.10%) |
| | Mortality Rate (- 10%) : % Change compared to base due to sensitivity | 0.00% | 0.00% |
| | Mortality Rate (+ 10%) : % Change compared to base due to sensitivity | 0.00% | 0.00% |
| XI | Expected Contribution during the next annual reporting period | | |
| | The Company's best estimate of Contribution during the next year | 5,283.28 | 1,103.34 |
| XII | Maturity Profile of Defined Benefit Obligation | | |
| | Weighted average duration (based on discounted cash flows) | 5 years | 5 years |
| | Expected cash flows over the next (valued on undiscounted basis): | | |
| | 1 year | 1,516.51 | 1,121.91 |
| | 2 to 5 years | 6,222.02 | 4,138.52 |
| | 6 to 10 years | 10,081.46 | 4,265.67 |
| | more than 10 years | 1,573.01 | 3,528.38 |

29 Related Party Disclosures

A. List of Directors

| Sr. No. | Name of Related Party | Nature of Relationship |
|---------|---|---|
| (i) | Directors a) Rajesh Sharma (up to 19.06.2023) b) Saket Agrawal (up to 19.06.2023) c) Devang Desai d) Bharat Kumar Singh e) Mangesh Parab (w.e.f. 20.06.2023) f) Haresh Mahadik (w.e.f. 20.06.2023 up to 29.02.2024) | Directors |
| (ii) | Key Management Personnel a) Haresh Mahadik – (w.e.f. 01.03.2024) b) Sufiyan Shaikh (from 09.01.2023 to 25.08.2023) | Whole-time Director Company Secretary |
| (iii) | Individuals having control or significant influence a) Krishna Kumar Karwa b) Prakash Kacholia | Individual having significant influence |
| (iv) | Holding Company Emkay Global Financial Services Ltd. | Holding Company |
| (v) | Fellow Subsidiary Company • Emkay Fincap Ltd. | Fellow Subsidiary Company |
| (vi) | Associate AES Trading & Consultants LLP | Having significant influence |
| (vii) | Enterprises owned/controlled. Finlearn Edutech Private Limited | Enterprises owned/controlled by persons having control or significant influence and their relatives |
| (viii) | Emkay Commotrade Ltd. Employees Group Gratuity Assurance Fund | Others |



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

B - Transactions with related parties - 31.03.2024

| Sr No | Particulars | Holding Company | | Fellow Subsidiary Company | | Associates | | Key Management Personnel | | Enterprises owned/ controlled by persons having control or significant influence and their relatives | | Others |
|-------|---|-----------------|--------------|---------------------------|--------------|--------------|--------------|--------------------------|----------|--|----------|--------|
| | | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | |
| I | Expenditure | | | | | | | | | | | |
| A | Depository Charges | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | 10.15 | 13.87 | | | | | | | | | |
| B | Brokerage Paid | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | 10,723.83 | - | | | | | | | | | |
| C | Salaries and Other Benefits | | | | | | | | | | | |
| | Sufiyan Shaikh | | | | | | | 2,093.68 | 1,234.60 | | | |
| | Harish Mahadik | | | | | | | 943.54 | - | | | |
| F | Interim Dividend Paid | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd | - | 95,637.75 | | | | | | | | | |
| G | Gratuity | | | | | | | | | | | |
| | Enkay Commotrade Ltd Emp Gr Gratuity Ass Fund | | | | | | | | | | 2,021.58 | 293.38 |
| II | Income | | | | | | | | | | | |
| A | Interest Received | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | 55,309.45 | 28,602.74 | | | | | | | | | |
| | Enkay Fincap Ltd | | | 12,431.69 | 41,794.53 | | | | | | | |
| | AES Trading & Consultants LLP | | | | | 36,887.30 | 39,489.72 | | | | | |
| B | Share of Profit in Associate | | | | | | | | | | | |
| | AES Trading & Consultants LLP | | | | | 23,298.93 | 84,195.03 | | | | | |
| III | Others | | | | | | | | | | | |
| A | Expenses Reimbursed | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | 1,759.08 | 1,090.91 | | | | | | | | | |
| B | Loan Given | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | 200,000.00 | 1,900,000.00 | | | | | | | | | |
| | Enkay Fincap Limited. | | | 750,000.00 | 2,225,000.00 | | | | | | | |
| | AES Trading & Consultants LLP | | | | | 1,030,000.00 | 1,000,000.00 | | | | | |
| C | Loan Received Back | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | 200,000.00 | 1,900,000.00 | | | | | | | | | |
| | Enkay Fincap Limited.. | | | 750,000.00 | 2,225,000.00 | | | | | | | |
| | AES Trading & Consultants LLP | | | | | 530,000.00 | 1,000,000.00 | | | | | |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

| Sr No | Particulars | Holding Company | | Fellow Subsidiary Company | | Associates | | Key Management Personnel | | Enterprises owned/ controlled by persons having control or significant influence and their relatives | | Others | |
|-------|--|-----------------|------------|---------------------------|---------|------------|-----------|--------------------------|---------|--|---------|----------|---------|
| | | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 |
| D | Margin Deposit Given | | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | 1,000,000.00 | - | | | | | | | | | | |
| | Margin Deposit Received Back | | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | 1,000,000.00 | - | | | | | | | | | | |
| E | Paid for Buyback of Equity Shares Including premium | | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | - | 531,037.50 | | | | | | | | | | |
| F | Investment in Preference Shares | | | | | | | | | | | | |
| | Finlearn Edutech Private Limited | | | | | | | | | 100,000.00 | - | | |
| IV | Outstandings | | | | | | | | | | | | |
| A | Other Payable | | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | - | 0.32 | | | | | | | | | | |
| | Enkay Comtrade Ltd Emp Gr Gratuity Ass Fund | | | | | | | | | | | 3,371.82 | 837.60 |
| B | Income Receivable | | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | 8,111.68 | - | | | | | | | | | | |
| C | Recoverable from Whole-time Director | | | | | | | | | | | | |
| | Haresh Mahadik | | | | | | | 9,917.09 | - | | | | |
| D | Laon with Associates | | | | | | | | | | | | |
| | AES Trading and Consultants LLP | | | | | 500,000.00 | - | | | | | | |
| E | Equity Share Capital | | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | 637,585.00 | 637,585.00 | | | | | | | | | | |
| F | Investment in Associates towards capital contribution | | | | | | | | | | | | |
| | AES Trading and Consultants LLP | | | | | | | | | | | | |
| | Fixed Capital | | | | | 125.00 | 125.00 | | | | | | |
| | Current Capital | | | | | 107,493.96 | 84,195.03 | | | | | | |
| G | Investment in Preference shares | | | | | | | | | | | | |
| | Finlearn Edutech Private Limited | | | | | | | | | 100,000.00 | - | | |

C) Related Parties are identified by the management and relied upon by the Auditors.

D) No balances in respect of related parties have been written off.

E) Name of the related party and nature of the related party relationship where control exists have been disclosed irrespective of whether or not there have been transactions and in case of other related parties, the said disclosure has been made wherever transactions have taken place.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

30 Segment Information

(a) Business Segment

- (i) The Chief Operating Decision Maker (CODM) monitors the operating results of the business segment separately for the purpose of making decision about resource allocation and performance assessment. The operating segment has been identified considering the nature of services, the differing risks and returns, the organization structure and internal financial reporting system. Business segment has been considered as the primary segment for disclosure. The primary business of the Company related to one business segment namely "Trading in securities /derivative instruments" therefore primary business segment reporting as required by Ind AS 108 "Segment Reporting" is not applicable.
- (ii) The Company's discontinued operations pertains to Commodity Broking business which was discontinued w.e.f. 13th February, 2019.

(b) Geographical Segment

The company operated in India and hence there is no reportable geographical segment.

31 Operating Lease

The company is occupying part of a premise taken on operating lease by its parent company to whom rent aggregating to ₹ 1,345.70 hundreds (P.Y. ₹ 834.12 hundreds) has been reimbursed to them.

32 Financial Instruments:

- I. The carrying value and financial instruments by categories as of March 31, 2024 is as follows:

(₹ in Hundreds)

| Particulars | Measured at | | | Total Carrying Value |
|---|---------------------|------------------------|------------------------|----------------------|
| | Amortised Cost | Fair value through P&L | Fair value through OCI | |
| Financial assets | | | | |
| Cash and cash equivalents | 1,336,913.72 | - | - | 1,336,913.72 |
| Bank Balance other than cash and cash equivalents | 280,000.00 | - | - | 280,000.00 |
| Trade Receivables | | - | - | - |
| Loan | 500,000.00 | - | - | 500,000.00 |
| Investment (excluding associates) | - | 100,000.00 | - | 100,000.00 |
| Other Financial assets | 55,596.96 | - | - | 55,596.96 |
| Total | 2,172,510.68 | 100,000.00 | - | 2,272,510.68 |
| Financial liabilities | | | | |
| (I) Trade Payables | - | - | - | - |
| (II) Other Payables | 7,478.71 | - | - | 7,478.71 |
| Other Financial liabilities | - | - | - | - |
| Total | 7,478.71 | - | - | 7,478.71 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

II. The carrying value and financial instruments by categories as of March 31, 2023 is as follows

(₹ in Hundreds)

| Particulars | Measured at | | | Total Carrying Value |
|---|---------------------|---------------------------|---------------------------|----------------------------|
| | Amortised Cost | Fair value through P&L | Fair value through OCI | |
| Financial assets | | | | |
| Cash and cash equivalents | 1,282,373.76 | - | - | 1,282,373.76 |
| Bank Balance other than cash and cash equivalents | 280,000.00 | - | - | 280,000.00 |
| Trade Receivables | - | - | - | - |
| Investment (excluding associates) | - | - | - | - |
| Other Financial assets | 37,418.19 | - | - | 37,418.19 |
| Total | 1,599,791.95 | - | - | 1,599,791.95 |
| Financial liabilities | | | | |
| (I) Trade Payables | - | - | - | - |
| (II) Other Payables | 3,848.61 | - | - | 3,848.61 |
| Other Financial liabilities | - | - | - | - |
| Total | 3,848.61 | - | - | 3,848.61 |

III. **Fair value hierarchy:**

Financial Assets Measured at Fair Value-

(₹ in hundreds)

| As at March 31, 2024 | Level 1 | Level 2 | Level 3 | Total |
|--------------------------------|----------|----------|-------------------|----------|
| Financial instruments | | | | |
| Investments: Preference Shares | - | - | 100,000.00 | - |
| Total | - | - | 100,000.00 | - |

(₹ in hundreds)

| As at March 31, 2023 | Level 1 | Level 2 | Level 3 | Total |
|-----------------------|----------|----------|----------|----------|
| Financial instruments | - | - | - | - |
| Total | - | - | - | - |

* Investments under level 3 above includes investment in unquoted preference shares of ₹ 100,000.00 hundreds (March 31, 2023: ₹ Nil).

IV Valuation techniques used to determine fair value Unquoted preference investments – Based on valuation report obtained by the Company from independent valuer having appropriate qualification.

V Financial instruments not measured at fair value.

Financial assets not measured at fair value include cash and cash equivalents, bank balance other than cash and cash equivalents, trade receivables and other financial assets. These are financial assets whose carrying amounts approximate fair value, due to their short term nature.

Additionally, financial liabilities such as trade and other payables, deposits and other financial liabilities are not measured at FVTPL, whose carrying amounts approximate fair value, because of their short-term nature.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

33 Disclosure as per Ind AS 107 of nature and extent of risks from financial instruments and its management:

The Company has exposure to the following risks arising from financial instruments:

- a) Credit risk
- b) Liquidity risk
- c) Market risk

a) Credit risk

It is risk that the Company will incur a loss because its customers or counterparties to financial instruments fail to meet its contractual obligation.

The Company's financial assets comprises of cash and bank balances, trade receivables, and other financial assets comprising of deposits with exchanges, clearing members, etc and advances.

In case of bank balances and deposits with bank, the Company is banking with top rated banks. Credit risk for deposit with exchanges and clearing members are very low. In case of trade receivable, deposit with others and advances, the amount involved is not material.

Movement in Expected Credit Loss (Discontinued operations):

(₹ in Hundreds)

| Particulars | Year ended 31st March, 2024 | Year ended 31st March, 2023 |
|--|--------------------------------|--------------------------------|
| Opening Balance | | 3528.11 |
| Add: Provided During The Year | - | - |
| Less : Amounts written back-due to recovery | - | 3528.11 |
| Less : Amounts written back-due to written off | - | - |
| Closing Balance | - | - |

b) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by investing its surplus funds in bank deposits and in various liquid/debt fund schemes of Mutual Funds.

Refer note no. 34 for analysis of maturities of financial assets and financial liabilities.

c) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's exposure to market risk is primarily on account of interest rates risk. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximize returns.

The Company is exposed to Interest rate risk if the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates.

The Company's interest rate risk arises from interest bearing deposits with bank and loan given to its parent company. Such instrument exposes the Company to fair value interest rate risk. Management believes that the interest rate risk attached to these financial assets is not significant due to the nature of these financial assets.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

34 Maturity Analysis

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

(₹ in Hundreds)

| PARTICULARS | As at March 31, 2024 | | |
|--|----------------------|---------------------|-------------------|
| | Total | Within 12 months | After 12 Months |
| Assets | | | |
| Financial Assets | | | |
| Cash and cash equivalents | 1,336,913.72 | 1,336,913.72 | - |
| Bank Balance other than cash and cash equivalent | 280,000.00 | 280,000.00 | - |
| Loan | 500,000.00 | 500,000.00 | - |
| Investments | 207,618.96 | - | 207,618.96 |
| Other Financial assets | 55,596.96 | 18,346.96 | 37,250.00 |
| | 2,380,129.64 | 2,135,260.68 | 244,868.96 |
| Non-Financial Assets | | | |
| Current tax assets (net) | 1,001.71 | 1,001.71 | - |
| Deferred tax assets (net) | 768.00 | 768.00 | - |
| Property, Plant and Equipment | 275.85 | - | 275.85 |
| Other non-financial assets | 32.34 | 27.70 | 4.64 |
| | 2,077.90 | 1,797.41 | 280.49 |
| Total Assets | 2,382,207.54 | 2,137,058.09 | 245,149.45 |
| Liabilities | | | |
| Financial Liabilities | | | |
| Trade Payables | | | |
| Other Payable | 7,478.71 | 7,478.71 | - |
| Other Financial Liabilities | | | |
| | 7,478.71 | 7,478.71 | - |
| Non-financial Liabilities | | | |
| Current tax liabilities (net) | 6,631.59 | 6,631.59 | - |
| Provisions | 9,098.42 | 9,098.42 | - |
| Other non-financial liabilities | 269,715.84 | 269,715.84 | - |
| | 285,445.85 | 285,445.85 | - |
| Total Liabilities | 292,924.56 | 292,924.56 | - |
| Net | 2,089,282.98 | 1,844,133.53 | 245,149.45 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

(₹ in Hundreds)

| PARTICULARS | As at March 31, 2023 | | |
|--|----------------------|---------------------|-------------------|
| | Total | Within 12 months | After 12 Months |
| Assets | | | |
| Financial Assets | | | |
| Cash and cash equivalents | 1,282,373.76 | 1,282,373.76 | - |
| Bank Balance other than cash and cash equivalent | 280,000.00 | 85,000.00 | 195,000.00 |
| Investments | 84,320.03 | 84,195.03 | 125.00 |
| Other Financial assets | 37,418.19 | 168.19 | 37,250.00 |
| | 1,684,111.98 | 1,451,736.98 | 232,375.00 |
| Non-Financial Assets | | | |
| Current tax assets (net) | 1,1751.56 | 1,1751.56 | - |
| Deferred tax assets (net) | 225.00 | 225.00 | - |
| Property, Plant and Equipment | 275.85 | - | 275.85 |
| Other non-financial assets | 27.40 | 22.76 | 4.64 |
| | 12,279.81 | 11,999.32 | 280.49 |
| Total Assets | 1,696,391.79 | 1,463,736.30 | 232,655.49 |
| Liabilities | | | |
| Financial Liabilities | | | |
| Trade Payables | | | |
| Other Payable | 3,848.61 | 3,848.61 | - |
| Other Financial Liabilities | - | - | - |
| | 3,848.61 | 3,848.61 | - |
| Non-financial Liabilities | | | |
| Current tax liabilities (net) | 1,394.94 | 1,394.94 | - |
| Provisions | 3,283.08 | 3,283.08 | - |
| Other non-financial liabilities | 1,392.73 | 1,392.73 | - |
| | 6,070.75 | 6,070.75 | - |
| Total Liabilities | 9,919.36 | 9,919.36 | - |
| Net | 1,686,472.43 | 1,453,816.94 | 232,655.49 |

35 Disclosure as per Ind-AS 1 on Capital Management

The Company has commenced dealing in derivative instruments and securities during the year. Therefore Capital Management involves managing funds for the same in addition to funds required to meet its administrative and other expenses. The funding requirements are met through equity and earnings from surplus funds parked with the Parent/ Fellow Subsidiary Company/ies as and when needed by them or in liquid fund or banks deposits.

In addition to above the Company is required to maintain a minimum networth as prescribed from time to time by the Securities and Exchange Board of India under SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992. The management ensures that this is complied at all times.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

36 Tax Reconciliation Disclosure:

a. Income tax expense consists of the followings:

| (₹ in Hundreds) | | |
|-----------------------------------|--------------------------------|--------------------------------|
| Particulars | Year ended 31st March, 2024 | Year ended 31st March, 2023 |
| Current Income Tax from | | |
| - Continuing operations | 87,138.00 | 28,294.40 |
| - Discontinued operations | 52,202.00 | (3,157.40) |
| Total | 139,340.00 | 25,137.00 |
| Deferred Tax/(benefit) | (543.00) | 635.00 |
| Total tax for current year | 138,797.00 | 25,772.00 |
| Earlier years adjustments | 10,908.61 | - |
| Tax expense for the year | 149,705.61 | 25,772.00 |

b. Amounts recognised in other comprehensive income.

| (₹ in Hundreds) | | |
|--|--------------------------------|--------------------------------|
| Particulars | Year ended 31st March, 2024 | Year ended 31st March, 2023 |
| Items that will not be reclassified to profit or loss | | |
| Actuarial gain/(loss) on defined benefit plans | (1,350.24) | (544.22) |
| Current Income (Tax)/Benefit | 340.00 | 137.00 |
| Earlier years adjustments | - | - |
| Other Comprehensive Income/(Loss) | (1,010.24) | (407.22) |

c. The reconciliation of estimated current income tax expenses at statutory income tax rate to current income tax expense reported in Statement of Profit and Loss is as follows:

| (₹ in Hundreds) | | |
|---|--------------------------------|--------------------------------|
| Particulars | Year ended 31st March, 2024 | Year ended 31st March, 2023 |
| Profit before tax from continuing operations | 349,427.98 | 181,261.59 |
| Enacted Tax Rate in India (%) | 25.168% | 25.168% |
| Expected Income Tax Expenses | 87,944.03 | 45,619.92 |
| Tax Effects of: | | |
| Deductible Expenses for Tax Purpose | (244.30) | (65.94) |
| Non Deductible Expenses for Tax Purpose | 5,083.93 | 3,748.40 |
| Exempt Profit/(Loss) under tax law | (5,863.87) | (21,190.21) |
| Others | 218.21 | 182.23 |
| Tax on Profit/(Loss) From Discontinued Operations | 52,202.00 | (3,157.40) |
| Deferred Tax | (543.00) | 635.00 |
| Total Tax | 138,797.00 | 25,772.00 |
| Current Tax Expenses | | |
| - Continuing operations | 87,138.00 | 28,294.40 |
| - Discontinuing operations | 52,202.00 | (3,157.40) |
| - Deferred Tax Expenses / (Benefit) | (543.00) | 635.00 |
| Effective Tax Rate (%) | 39.72% | 14.22% |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

- d. The Company had elected to exercise the option of lower tax rate permitted under section 115BAA of the Income Tax Act, 1961. Accordingly, the Company has recognised Provision for Current Tax and Deferred Tax Assets basis the rate prescribed in the said section.

e. **Movement of deferred tax (assets)/liabilities:**

(₹ in Hundreds)

| Particulars | Provisions | Difference between Tax and Book Depreciation | Total |
|-------------------------------------|-----------------|--|-----------------|
| As at 31st March, 2022 | (942.00) | 82.00 | (860.00) |
| Charge/(Benefit) to Profit and Loss | 713.30 | (78.30) | 635.00 |
| As at 31st March, 2023 | (228.70) | 3.70 | (225.00) |
| Charge/(Benefit) to Profit and Loss | (552.30) | 9.30 | (543.00) |
| As at 31st March, 2024 | (781.00) | 13.00 | (768.00) |

37 a) Contingent Liabilities.

(₹ in Hundreds)

| Sr. No. | Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---------|---|------------------------|------------------------|
| 1 | Income Tax and Fringe Benefits Tax matters in dispute | 613.30 | 613.30 |

b) Capital commitments (to the extent not provided for)

Uncalled liability on investment in partly paid-up preference shares ₹ 100,000.00 hundreds (P.Y. ₹ Nil)

38 Disclosure regarding loans given, investments made and guarantee given pursuant to section 186(4) of the Companies Act, 2013:

Loans Given - Refer Note No.6

Investments made - Refer Note No.7

Guarantee given - NIL

Security Provided - NIL

39 Dividend

The Company paid interim dividend of ₹ 1.50 per equity share aggregating ₹ 95,637.75 hundreds during the previous year ended March 31, 2023.

Dividends declared by the Company are based on the profit available for distribution.

40 The company has not obtained any borrowings from banks and financial institutions as at the balance sheet date and hence utilization of the borrowings for the specific purpose for which it was obtained is not applicable to the Company.

41 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

- 42** Additional regulatory information required pursuant to Part I and II of Division III of Schedule III to the Act:
- a) The Company does not own any immovable property as at 31st March, 2024 as well as 31st March, 2023.
 - b) The company does not have any investment property as at 31st March, 2024 as well as 31st March, 2023.
 - c) The Company has not revalued its Property, Plant and Equipment during the current or previous year.
 - d) The Company does not have any intangible assets during the current or previous year.
 - e) The Company has not granted any loans or advances in the nature of loans to its promoter, directors, KMPs and the related parties, either severally or jointly with any other person, during the current or previous year which are repayable on demand or without specifying any terms or period of repayment.
 - f) There are no capital work- in- progress as at 31st March, 2024 as well as 31st March, 2023.
 - g) There are no Intangible assets under development as at 31st March, 2024 as well as 31st March, 2023.
 - h) No proceeding has been initiated during the year or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
 - i) The Company has been sanctioned working capital limits by a bank on the basis of security of deposits held by the company with the said bank disclosed under “ Bank balance other than cash and cash equivalents” in the standalone financial statements. Due to nature of security , the company is not required to file quarterly returns or statements with the said bank .Therefore, question of quarterly returns or statements being in agreement with the books of account of the Company does not arise
 - j) The Company is not declared wilful defaulter by any bank or financial institution or other lender.
 - k) There are no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
 - l) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
 - m) The Company does not have any subsidiary and hence provision of clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules 2017 are not applicable to the Company.
 - n) Disclosure of Capital to risk-weighted assets (CRAR), Tier I CRAR, Tier II CRAR and Liquidity coverage ratios required under para (WB)(xvi) of Division III of Schedule III to the Act are not applicable to the Company.
 - o) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
 - p) The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entity (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall-
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - q) The Company has not received any fund from any person or entity, including foreign entity (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall-
 - directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - r) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
 - s) As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold needs to spend at least 2% of its average net profit for the immediately three preceding three financial years on Corporate Social Responsibility (CSR) activities. A CSR committee has been formed by the Company as per Act.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

- i) Gross amount required to be spent by the Company during the year is ₹ 15,630.00 hundreds (P.Y. ₹ 14,187.00 hundreds)
- ii) Amount approved by the Board to be spent during the year ₹ 16,000.00 hundreds (P.Y. ₹ 14,250.00 hundreds)
- iii) Details of amount spent:

(₹ in Hundreds)

| Particulars | Paid |
|--|-----------|
| During the year ending 31 March, 2024 | |
| i) Construction/acquisition of any asset | - |
| ii) On purpose other than (i) above | 16,000.00 |
| During the year ending 31 March, 2023 | |
| i) Construction/acquisition of any asset | - |
| ii) On purpose other than (i) above | 14,250.00 |

- iv) Details of related party transactions, e.g., contribution to a trust / society / section 8 company controlled by the company in relation to CSR expenditure as per Accounting Standard (AS) 18, Related Party Disclosures: NIL (P.Y. Nil)

- v) Details of unspent amount:

(₹ in Hundreds)

| Opening Balance | Amount deposited in Specified Fund of Schedule VII within 6 months | Amount required to be spent during the year | Amount spent during the year | Excess spent* | Closing Balance |
|-----------------|--|---|------------------------------|---------------|-----------------|
| Not Applicable | Not Applicable | 15,630.00 | 16,000.00 | 370.00 | Nil |

* Excess spent not to be carried forward to succeeding financial year/s.

- t) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

43 The Company has used two accounting softwares namely Sun system and Commex for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that the audit trail feature is not enabled at database level when using certain access rights. Further, no instance of audit trail feature being tampered with was noted in respect of these softwares where audit trail feature has been enabled.

44 Other additional and regulator information required pursuant to Part I and II of Division III of Schedule III to the Act, are not applicable to the Company.

45 Figures of the previous year have been regrouped, re-classified, recasted and rearranged wherever necessary to make them comparable with the figures of the current year.

46 Figures in brackets represents for previous year.

47 Events after reporting date

There have been no events after the reporting date that require disclosure in these standalone financial statements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

48 Approval of Standalone Financial Statements

These standalone financial statements were approved for the issue by the Board of Directors at their meeting held on May 14th, 2024.

As per our Report of even date

For-**B.L.Sarda & Associates**

Chartered Accountants

Firm Registration No.109266W

(CA B. L. Sarda)

Partner

Membership No. 014568

Place: Mumbai

Dated: 14th May 2024

By the order of the Board

EMKAY COMMOTRADE LIMITED

Haresh Mahadik

Whole-time Director

DIN: 10207234

Mangesh Parab

Director

DIN: 10205135

Place: Mumbai

Dated: 14th May 2024

INDEPENDENT AUDITOR'S REPORT (Consolidated)

To the Members of EMKAY COMMOTRADE LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying consolidated financial statements of **EMKAY COMMOTRADE LIMITED** ("the Company") and its associate, which comprise the consolidated Balance Sheet as at March 31, 2024, and the consolidated statement of Profit and Loss (including Other Comprehensive Income), the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements and on the other financial information of the associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company and its associate as at March 31, 2024, of their consolidated profits (including Other Comprehensive income), their consolidated changes in equity and their consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with

these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Board's Report including Annexures to the Board report, but does not include the consolidated financial statement and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Company and its associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The Board of Directors of the Company and Management of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and its associate respectively 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

INDEPENDENT AUDITOR'S REPORT (CONSOLIDATED) (Contd.)

internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

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

The Board of Directors of the Company and Management of its associate are responsible for overseeing the financial reporting process of the Company and its associate respectively.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its associate to express an opinion on the consolidated financial statements.

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

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

INDEPENDENT AUDITOR'S REPORT (CONSOLIDATED) (Contd.)

OTHER MATTER

- (i) The consolidated financial statements include Company's share of net profit of Rs. 23,298.93 Hundreds for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of the associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on the report of the other auditor.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the work done by and the report of the other auditor.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- (1) With respect to the matters to be included in the Auditor's report as required by Section 143(3) of the Act, the same are not applicable for the associate of the Company consolidated in these financial statements which is not a company incorporated under the Act. Based on our audit, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books except for the matters stated in the paragraph 1(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting) Standards Rules, 2015, as amended.
- (e) On the basis of the written representations received from the directors of the Company as on March 31, 2024 taken on record by the Board of Directors of the Company, none of the directors of the Company is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 1(b) above on reporting under Section 143(3)(b) of the Act and paragraph 1(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- (g) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure "A".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Sec 197(16) of the Act, as amended:

In our opinion and according to the information and explanation given to us, the remuneration paid/provided by the Company to its director during the current year is in accordance with the provisions of Section the Act, as amended, 197 of the Act. The remuneration paid to any director by the Company is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to the commented upon by us.

- (i) With respect to the matters to be included in the Auditor's report in accordance with the rule 11 of the Companies (Audit and Auditors) Rules, 2014, the same are not applicable for the associate of the Company consolidated in these financial statements which is not a company incorporated under the Act. In our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in

INDEPENDENT AUDITOR'S REPORT (CONSOLIDATED) (Contd.)

its consolidated financial statements—Refer Note 25(d) and 36(a) to the consolidated financial statements.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management of the Company represented that, to the best of its knowledge and belief, as disclosed in the note no.41(m) to the consolidated Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management of the Company represented that, to the best of its knowledge and belief, as disclosed in the note no.41(n) to the consolidated Financial Statements, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances,

performed by us, nothing has come to our notice that has caused us to believe that the representation under sub clause (i) and (ii) of Rule 11(e) of The Companies (Audit and Auditors) Rules, 2014, as provided under (iv)(a) and (b) above, contains any material misstatement.

- v. The Company has not declared or paid any dividend during the year hence compliance with section 123 of the Act is not applicable to the Company.
 - vi. Based on our examination which included test checks, the Company has used two accounting softwares namely Sun System and Commex for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that audit trail feature is not enabled at database level when using certain access rights, as described in note 45 to the consolidated financial statements. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of said accounting softwares where audit trail feature has been enabled.
- (2) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company, we report that there are no qualifications or adverse remarks in the said CARO report.

For B. L. Sarda & Associates

Chartered Accountants

Firm Registration No.109266W

(CA. B. L. Sarda)

Partner

Membership No.014568

UDIN : 24014568BKFRCD3139

Place : Mumbai

Dated : 14th May, 2024

ANNEXURE “A” TO INDEPENDENT AUDITOR’S REPORT (CONSOLIDATED)

ANNEXURE “A” TO INDEPENDENT AUDITOR’S REPORT OF EVEN DATE TO THE MEMBERS OF EMKAY COMMOTRADE LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2024

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

1. In conjunction with our audit of the consolidated financial statements of EMKAY COMMOTRADE LIMITED (the ‘Company’) and its associate, as at and for the year ended March 31, 2024, we have audited the internal financial controls over financial reporting with reference to consolidated financial statements of the Company, as at that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

2. The Board of Directors of the Company, 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 (the ‘Guidance Note’) 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 the company’s business, including adherence to the company’s policies, the safeguarding of the company’s 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 Act.

AUDITORS’ RESPONSIBILITY

3. Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to consolidated financial statements of the Company, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, deemed to be prescribed under section 143(10) of the Act, 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 ICAI.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to consolidated financial statements, were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to consolidated financial statements included obtaining an understanding of internal financial controls over financial reporting with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to consolidated financial statements of the Company.

MEANING OF INTERNAL FINANCIAL CONTROL OVER FINANCIAL REPORTING

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

ANNEXURE "A" TO INDEPENDENT AUDITOR'S REPORT (CONSOLIDATED) (Contd.)

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

7. Because of the inherent limitations of internal financial controls over financial reporting with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

8. In our opinion, the Company, has, in all material respects, adequate internal financial controls over financial reporting with reference to consolidated

financial statements and such controls were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

OTHER MATTER

9. An associate consolidated in these consolidated financial statements is not a company incorporated under Act and hence the reporting as required under clause (i) of sub-section (3) of section 143 of the Act with respect to internal financial controls over financial reporting is not applicable to the said associate.

Our above opinion is not modified in respect of this matter.

For B. L. Sarda & Associates

Chartered Accountants

Firm Registration No.109266W

(CA. B. L. Sarda)

Partner

Membership No.014568

UDIN : 24014568BKFRCD3139

Place : Mumbai

Dated : 14th May, 2024



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CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2024

(₹ In Hundreds)

| Particulars | Note No. | As at 31st March 2024 | As at 31st March 2023 |
|---|----------|--------------------------|--------------------------|
| I ASSETS | | | |
| 1 Financial Assets | | | |
| Cash and cash equivalents | 3 | 1,336,913.72 | 1,282,373.76 |
| Bank Balance other than cash and cash equivalents | 4 | 280,000.00 | 280,000.00 |
| Derivative financial instruments | 5 | - | - |
| Loans | 6 | 500,000.00 | - |
| Investments | 7 | 207,618.96 | 84,320.03 |
| Other Financial assets | 8 | 55,596.96 | 37,418.19 |
| Total Financial Assets | | 2,380,129.64 | 1,684,111.98 |
| 2 Non-financial Assets | | | |
| Current tax assets (net) | 9 | 1,001.71 | 11,751.56 |
| Deferred tax assets (net) | 36(e) | 768.00 | 225.00 |
| Property, Plant and Equipment | 10 | 275.85 | 275.85 |
| Other non financial assets | 11 | 32.34 | 27.40 |
| Total Non-financial Assets | | 2,077.90 | 12,279.81 |
| Total assets | | 2,382,207.54 | 1,696,391.79 |
| II LIABILITIES AND EQUITY | | | |
| LIABILITIES | | | |
| 1 Financial Liabilities | | | |
| Derivative financial instruments | 5 | - | - |
| Payables | | | |
| (I) Trade Payables | | | |
| (i) total outstanding dues of micro enterprises and small enterprises | | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | | - | - |
| (II) Other Payables | | - | - |
| (i) total outstanding dues of micro enterprises and small enterprises | | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises | 12 | 7,478.71 | 3,848.61 |
| Total Financial Liabilities | | 7,478.71 | 3,848.61 |
| 2 Non-financial Liabilities | | | |
| Current tax liabilities (net) | 13 | 6,631.59 | 1,394.94 |
| Provisions | 14 | 9,098.42 | 3,283.08 |
| Other non-financial liabilities | 15 | 269,715.84 | 1,392.73 |
| Total Non-financial Liabilities | | 285,445.85 | 6,070.75 |
| 3 EQUITY | | | |
| Equity Share capital | 16 | 637,585.00 | 637,585.00 |
| Other Equity | 17 | 1,451,697.98 | 1,048,887.43 |
| Total Equity | | 2,089,282.98 | 1,686,472.43 |
| Total Liabilities and Equity | | 2,382,207.54 | 1,696,391.79 |

The accompanying notes are an integral part of these Consolidated Financial Statements.

As per our Report of even date

For-B.L.Sarda & Associates

Chartered Accountants

Firm Registration No.109266W

(CA B. L. Sarda)

Partner

Membership No. 014568

Place: Mumbai

Dated: 14th May 2024

By the order of the Board

EMKAY COMMOTRADE LIMITED**Haresh Mahadik**

Whole-time Director

DIN: 10207234

Mangesh Parab

Director

DIN: 10205135

Place: Mumbai

Dated: 14th May 2024



CONSOLIDATED STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ In Hundreds)

| Particulars | Note No. | For the Current Year Ended 31st March 2024 | For the Previous Year Ended 31st March 2023 |
|--|----------|--|---|
| Revenue from operations | | | |
| Interest income | 18 | 53,834.04 | - |
| Net gain on fair value changes | 19 | 1,046,335.37 | 15,201.29 |
| Total Revenue from operations | | 1,100,169.41 | 15,201.29 |
| Other income | 20 | 71,187.27 | 128,645.60 |
| Total Income | | 1,171,356.68 | 143,846.89 |
| Expenses | | | |
| Finance Costs | 21 | - | 2,849.96 |
| Employee benefits expense | 22 | 813,017.46 | 16,641.45 |
| Other expenses | 23 | 32,210.17 | 27,288.92 |
| Total Expenses | | 845,227.63 | 46,780.33 |
| Profit before share of profit from Associate and tax from continuing operations | | 326,129.05 | 97,066.56 |
| Share of Profit from Associate | | 23,298.93 | 84,195.03 |
| Profit after share of Profit from Associate and before tax from continuing operations | | 349,427.98 | 181,261.59 |
| Tax Expense: | | | |
| (1) Current tax | | 87,138.00 | 28,294.40 |
| (2) Deferred tax/(benefit) | | (543.00) | 635.00 |
| (3) Short/(Excess) Provision for Taxation for Earlier Year | | 10,908.61 | - |
| Total Tax expense: | | 97,503.61 | 28,929.40 |
| Profit for the year from continuing operations | | 251,924.37 | 152,332.19 |
| Profit/(Loss) for the year from discontinued operations | 24 | 207,412.10 | (9,017.01) |
| Tax on discontinued operations | | 52,202.00 | 3,157.40 |
| Profit/(Loss) for the year from discontinued operations (After Tax) | | 155,210.10 | (5,859.61) |
| Profit for the year | | 407,134.47 | 146,472.58 |
| Other Comprehensive (Loss) | | | |
| Items that will not be reclassified to profit or loss | | | |
| - Actuarial gain/(loss) on defined benefit plan | | (1,350.24) | (544.22) |
| Income tax relating to items that will not be reclassified to profit or loss-current year | | 340.00 | 137.00 |
| Other Comprehensive (Loss) | | (1,010.24) | (407.22) |
| Total Comprehensive Income for the year | | 406,124.23 | 146,065.36 |
| Earnings per Equity Share of nominal value of Rs. 10 each | 26 | | |
| (a) For continuing operations | | | |
| - Basic (₹) | | 3.95 | 1.81 |
| - Diluted (₹) | | 3.95 | 1.81 |
| (b) For discontinued operations | | | |
| - Basic (₹) | | 2.44 | (0.07) |
| - Diluted (₹) | | 2.44 | (0.07) |
| (c) For discontinued & continuing operations | | | |
| - Basic (₹) | | 6.39 | 1.74 |
| - Diluted (₹) | | 6.39 | 1.74 |

The accompanying notes are an integral part of these Consolidated Financial Statements.

As per our Report of even date**For-B.L.Sarda & Associates**

Chartered Accountants

Firm Registration No.109266W

(CA B. L. Sarda)

Partner

Membership No. 014568

Place: Mumbai

Dated: 14th May 2024

By the order of the Board

EMKAY COMMOTRADE LIMITED**Haresh Mahadik**

Whole-time Director

DIN: 10207234

Mangesh Parab

Director

DIN: 10205135

Place: Mumbai

Dated: 14th May 2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2024

1. EQUITY SHARE CAPITAL

| Particulars | Equity Share Capital | |
|--|----------------------|-------------------|
| | No. of Shares | ₹ In Hundreds |
| As at 31st March, 2023 | | |
| Balance at the beginning of the previous reporting period | 8,500,000 | 850,000.00 |
| Changes in equity share capital due to prior period errors | - | - |
| Restated balance at the beginning of the previous reporting period | - | - |
| Changes in equity share capital during the previous year due to buyback of shares [Refer Note 16(f)] | (2,124,150) | (212,415.00) |
| Balance at the end of the previous reporting period | 6,375,850 | 637,585.00 |
| As at 31st March, 2024 | | |
| Balance at the beginning of the current reporting period | 6,375,850 | 637,585.00 |
| Changes in equity share capital due to prior period errors | - | - |
| Restated balance at the beginning of the current reporting period | - | - |
| Changes in equity share capital during the current reporting period | - | - |
| Balance at the end of the current reporting period | 6,375,850 | 637,585.00 |

2. OTHER EQUITY

(₹ In Hundreds)

| Particulars | Reserves and Surplus | | | Other Comprehensive Income | Total |
|---|----------------------|----------------------------|----------------------------------|--|---------------------|
| | Retained Earnings | Capital Redemption Reserve | Other Reserves - General Reserve | Items that will not be Reclassified to Profit or Loss - Actuarial gains/ (losses) on Defined Benefit Plans | |
| Balance as at 31st March 2023 | | | | | |
| Balance at the beginning of the previous reporting period | 1,347,432.13 | - | 42,145.86 | (1,583.05) | 1,387,994.94 |
| Changes in accounting policy or prior period errors | - | - | - | - | - |
| Restated balance at the beginning of the previous reporting period | - | - | - | - | - |
| Interim Dividend Paid during the previous year | (95,637.75) | - | - | - | (95,637.75) |
| Premium paid on Buyback of equity shares during the previous year [Refer Note 16(f)] | (318,622.50) | - | - | - | (318,622.50) |
| Transfer to Capital Redemption Reserve from Retained Earnings upon buyback of equity shares during the previous year [Refer Note 16(f)] | (212,415.00) | 212,415.00 | - | - | - |
| Tax on Distributed Profits on buyback of equity shares during the previous year [Refer Note 16(f)] | (70,912.62) | - | - | - | (70,912.62) |
| Profit for the previous year | 146,472.58 | - | - | - | 146,472.58 |
| Other Comprehensive (Loss) for the previous year | - | - | - | (407.22) | (407.22) |



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(₹ In Hundreds)

| Particulars | Reserves and Surplus | | | Other Comprehensive Income | Total |
|--|----------------------|----------------------------|----------------------------------|--|---------------------|
| | Retained Earnings | Capital Redemption Reserve | Other Reserves - General Reserve | Items that will not be Reclassified to Profit or Loss - Actuarial gains/ (losses) on Defined Benefit Plans | |
| Total Comprehensive Income for the previous year | - | - | - | - | 146,065.36 |
| Balance at the end of the current reporting period | 796,316.84 | 212,415.00 | 42,145.86 | (1,990.27) | 1,048,887.43 |
| Balance as at 31st March 2024 | | | | | |
| Balance at the beginning of the current reporting period | 796,316.84 | 212,415.00 | 42,145.86 | (1,990.27) | 1,048,887.43 |
| Changes in accounting policy or prior period errors | - | - | - | - | - |
| Restated balance at the beginning of the current reporting period | - | - | - | - | - |
| Tax on Distributed Profits on buyback of equity shares during the previous year [Refer Note 16(g)] | (3,313.68) | - | - | - | (3,313.68) |
| Profit after tax for the current year | 407,134.47 | - | - | - | 407,134.47 |
| Other Comprehensive (Loss) for the current year | - | - | - | (1,010.24) | (1,010.24) |
| Total Comprehensive Income for the current year | - | - | - | - | 406,124.23 |
| Balance at the end of the current reporting period | 1,200,137.63 | 212,415.00 | 42,145.86 | (3,000.51) | 1,451,697.98 |

The accompanying notes are an integral part of these Consolidated Financial Statements.

As per our Report of even date
For-**B.L.Sarda & Associates**
Chartered Accountants
Firm Registration No.109266W

(CA B. L. Sarda)
Partner
Membership No. 014568

Place: Mumbai
Dated: 14th May 2024

By the order of the Board
EMKAY COMMOTRADE LIMITED

Haresh Mahadik
Whole-time Director
DIN: 10207234

Mangesh Parab
Director
DIN: 10205135

Place: Mumbai
Dated: 14th May 2024

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ In Hundreds)

| | 31st March 2024 | 31st March 2023 |
|--|-----------------|-----------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit/(Loss) before tax, Exceptional / Extraordinary Items From Continuing Operations | 349,427.98 | 181,261.59 |
| Adjustment for : | | |
| Finance Costs | - | 2,849.96 |
| Interest Received | (124,092.09) | (128,327.68) |
| Loss on Disposal/Discard of Property, Plant and Equipment | - | 357.08 |
| Operating profit before working capital changes | 225,335.89 | 56,140.95 |
| Adjustment for : | | |
| (Increase)/decrease in other financial assets | (19,529.01) | 12,725.25 |
| (Increase)/decrease in other non financial assets | (4.94) | (3.28) |
| Increase/(decrease) in trade payables | - | (165.41) |
| Increase/(decrease) in other payables | 3,630.10 | (10,706.41) |
| Increase/(decrease) in provisions | 5,815.34 | 197.54 |
| Increase/(decrease) in other non financial liabilities | 269,138.66 | (419,487.49) |
| Share in (profit)/Loss from Associates | (23,298.93) | (84,391.50) |
| Cash Generated from operations | 461,087.11 | (445,690.35) |
| Direct taxes (Paid)/Refund | (133,922.11) | (42,655.73) |
| Cash flow before extraordinary items | 327,165.00 | (488,346.08) |
| Extraordinary items | - | - |
| Net Cash from / (used in) Operating Activities | 327,165.00 | (488,346.08) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Interest Received | 124,092.09 | 128,327.68 |
| Net Cash from/(used in) Investing Activities | 124,092.09 | 128,327.68 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Loan Given | (500,000.00) | - |
| Investments made | (100,000.00) | 500.00 |
| Interim Dividend Paid | - | (95,637.75) |
| Premium paid on Buyback of Equity Shares | - | (318,622.50) |
| Buyback of Equity Shares | - | (212,415.00) |
| Tax on Distributed Profits on Buyback of Equity Shares | (3,313.68) | (70,912.62) |
| Finance Costs | - | (2,849.96) |
| Net Cash from/(used in) Financing Activities | (603,313.68) | (699,937.83) |
| Net Increase/(Decrease) in Cash and Cash equivalents - Continued Operations | (152,056.59) | (1,059,956.23) |



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH, 2024 (Contd.)

(₹ In Hundreds)

| | 31st March 2024 | 31st March 2023 |
|---|---------------------|---------------------|
| D. CASH FLOW FROM DISCONTINUED OPERATIONS | | |
| Net Profit/(Loss) before tax, Discontinued Operations | 207,412.10 | (9,017.01) |
| Operating profit before working capital changes | 207,412.10 | (9,017.01) |
| Adjustment for : | | |
| Increase/(decrease) in trade payables | - | (582.97) |
| Increase/(decrease) in other payables | - | (1,893.60) |
| Increase/(decrease) in other non financial liabilities | (815.55) | (222.12) |
| Net Cash from / (used in) discontinued Operating Activities | 206,596.55 | (11,715.70) |
| Net Increase/(Decrease) in Cash and Cash equivalents -Dis-continued Operations | 206,596.55 | (11,715.70) |
| Net Increase/(Decrease) in Cash and Cash equivalents | | |
| Continued Operations | (152,056.59) | (1,059,956.23) |
| Dis-continued Operations | 206,596.55 | (11,715.70) |
| | 54,539.96 | (1,071,671.93) |
| Cash and Cash equivalents at the beginning of the year | 1,282,373.76 | 2,354,045.69 |
| Cash and Cash equivalents at the close of the year | 1,336,913.72 | 1,282,373.76 |
| Notes : | | |
| 1. Cash and Cash equivalents comprise of : | | |
| Balances with Banks | | |
| - Current Accounts | 1,336,890.43 | 1,282,302.77 |
| Cash on Hand | 23.29 | 70.99 |
| | 1,336,913.72 | 1,282,373.76 |
| 2. The above Consolidated Cash flow statement has been prepared under the Indirect Method as set out in the Indian Accounting Standard - 7 (Ind AS-7) "Statement of Cash Flow." | | |
| 3. Previous year's figures are re-grouped/recasted/re-arranged wherever considered necessary. | | |

The accompanying notes are an integral part of these Consolidated Financial Statements.

As per our Report of even date
For-B.L.Sarda & Associates
Chartered Accountants
Firm Registration No.109266W

(CA B. L. Sarda)
Partner
Membership No. 014568

Place: Mumbai
Dated: 14th May 2024

By the order of the Board
EMKAY COMMOTRADE LIMITED

Haresh Mahadik
Whole-time Director
DIN: 10207234

Mangesh Parab
Director
DIN: 10205135

Place: Mumbai
Dated: 14th May 2024

NOTES TO (CONSOLIDATED) FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2024.

1. CORPORATE INFORMATION

Emkay Commotrade Limited ('the Company') is a company domiciled in India and was incorporated under the Companies Act, 1956 vide Certificate of Incorporation (CIN) U51110MH2006PLC158675, dated 5th January, 2006. The Company is the wholly owned subsidiary company of the Emkay Global Financial Services Limited (the Parent). The company's registered office is situated at the Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028. The Company was engaged in the business of Commodity Exchanges Broking which was discontinued from 13th February 2019. However, it continues to hold certificate of registration issued by Securities and Exchange Board of India (SEBI) as stock broker. The Company is trading in equity derivative instruments and deploying surplus funds in investment and finance.

The company is a designated partner in AES Trading and Consultants LLP (AES) having 25% share in profit / (loss), formed with the object of acting as financial, management and investment consultants, advisory services, investment management services and to provide advice, service, consultancy in various fields like administrative, secretarial, commercial, economic, financial, quality control and data processing and acting as investment manager to alternative investment funds, provide business support, to trade in spot/cash and /or derivatives in all kind of markets and permitted by law and also to render ancillary services related to such businesses. The said AES is presently engaged in dealing in derivative instruments and securities. In view of significant influence over AES, the said AES is an associate of the company which has been consolidated in these consolidated financial statements.

2. MATERIAL ACCOUNTING POLICIES

2.1 Basis of Preparation

(i) Statement of Compliance

These consolidated financial statements comprise the Consolidated Balance Sheets as at March 31, 2024 (current reporting period) and March 31, 2023 (previous reporting period), the Consolidated Statements of Profit and Loss, the Consolidated Statements of Cash Flows and the Consolidated Statements of Changes in Equity for the year ended March 31, 2024 (current reporting period) and for the year ended March 31, 2023 (previous reporting period), and

a summary of the material accounting policies and other explanatory information (together hereinafter referred to as consolidated financial statements').

These consolidated financial statements have been prepared in all material aspects in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting standards) Rules, 2015 as amended and other relevant provisions of the Act.

The Company continues to hold certificate of registration issued by SEBI for stock broking and therefore it is covered in the definition of Non-Banking Financial Company (NBFC) as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. Accordingly, these consolidated financial statements have been prepared in accordance with Division III of Schedule III to the Act applicable to NBFC's on going concern basis using the material accounting policies and measurement bases summarized as below. . These accounting policies have been applied consistently over all the periods presented in these consolidated financial statements.

(ii) Principles of Consolidation:

- (a) Entity consolidated as an Associate in accordance with Ind AS-28 – Investments in Associates and Joint Ventures in these consolidated financial statements.

| Name of Associate | Date of Incorporation | Country of Incorporation | Proportion of Ownership Interest | | Nature of Business |
|---------------------------------|-----------------------|--------------------------|--|--|--|
| | | | As at 31 st March, 2024 (%) | As at 31 st March, 2023 (%) | |
| AES Trading and Consultants LLP | 13.12.2021 | India | 25% | 25% | Dealing in derivative instruments and securities |

(b) Investment in associate

Associate is an entity over which the Company has significant influence but not control or joint control. This is generally the case where the Company holds 25% of the voting rights or the Company has power to participate in the financial and operating policy decision of the investee. Investment in associate are accounted for using equity method of accounting.

NOTES TO (CONSOLIDATED) FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024. (Contd.)

The results and assets and liabilities of associate are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105.

Under the equity method, an investment in an associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Company's share of the profit or loss and other comprehensive income of the associate.

On acquisition of the investment in an associate, any excess of the cost of the investment over the Company's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

Distributions received from an associate reduce the carrying amount of the investment. Unrealised gains on transactions between the Company and its associate are eliminated to the extent of the Company's interest in the entity. Unrealised losses are also eliminated unless the transactions provides evidence of an impairment of the assets transferred.

When the Company's share of losses of an associate exceeds the Company's interest in that associate (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate.

- (c) Accounting policies of equity accounted investee have been changed wherever necessary to ensure consistency with the policies adopted by the Company.
- (d) The carrying amount of equity accounted investments are tested for impairment in accordance with the Accounting Policy no.2.4(a) (ii) below.

Reference in these notes to the parent company means Emkay Global Financial Services Ltd., reference to company mean Emkay Commotrade Ltd., reference to Associate means AES Trading and Consultants LLP, and reference to the company and its associate means Emkay Commotrade Ltd and AES Trading and Consultants LLP.

(iii) Historical Cost Convention

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

- certain financial instruments which are measured at fair value (refer Accounting Policy no.2.3 below);and
- defined benefit plan- plan assets measured at fair value (refer Accounting Policy no.2.7(ii)(A)(b) below).

(iv) Functional and Presentation Currency

These consolidated financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency and all values are rounded to the nearest hundred except Earnings Per Share (EPS) which are in rupees.

(v) Preparation of consolidated financial statements

As per the format prescribed under Division III of Schedule III to the Act on 11 October 2013, the Company presents the consolidated Balance Sheet, the consolidated Statement of Profit and Loss and the consolidated Statement of Changes in Equity in the order of liquidity. A maturity analysis of recovery or settlement of assets and liabilities within 12 months after the reporting date and more than 12 months after the reporting date is presented in note no. 33.

(vi) Use of Estimates and Judgments

The preparation of the consolidated financial statements requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the consolidated financial statements is made relying on these estimates.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024. (Contd.)

The estimates and judgements used in the preparation of the consolidated financial statements are continuously evaluated and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future period.

Areas involving critical estimates and Judgements are:

- Estimation of useful lives and residual values of Property, Plant and Equipment.
- Estimation of defined benefit obligations
- Estimation of tax expenses
- Provisions and contingent liabilities
- Measurement of fair values
- Allowance for impairment of financial and non-financial instruments

(vii) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

2.2 Property, Plant and Equipment

Property, Plant and Equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation

Depreciation is calculated using the written down value (WDV) method to write down the cost of PPE to their residual values over their estimated useful lives which are in line with the estimated useful life as specified in Schedule II to the Act.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024. (Contd.)

The estimated useful lives are as follows:

| Particulars | Useful life estimated by Company |
|------------------------|----------------------------------|
| Furniture and Fixtures | 10 years |
| Office Equipments | 5 years |
| Computers | 3 years |

Derecognition

An item of PPE is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the Statement of Profit and Loss in the year the asset is derecognised.

2.3 Financial Instruments

(i) Initial Recognition and Measurement

The Company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

(ii) Subsequent Measurement

a. Financial Assets Carried at Amortized Cost

A financial asset is subsequently measured at amortized 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.

b. Financial Assets at Fair Value Through Other Comprehensive Income(FVOCI)

Investment in equity instruments are generally accounted for as at fair value through the Statement of Profit and Loss account unless an irrevocable election has been made by management to account for at fair value through other comprehensive income. Such classification is determined on an instrument-by-instrument basis.

Amounts presented in other comprehensive income for equity instruments are not subsequently transferred to Statement of Profit and Loss. Dividends on such investments are recognised in Statement of Profit and Loss.

c. Financial Assets at Fair Value Through Profit or Loss(FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Items at fair value through profit or loss comprise:

- Investments (including equity shares) and stock in trade held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition; and
- Debt instruments with contractual terms that do not represent solely payments of principal and interest.
- Derivative transactions

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the Statement of Profit and Loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the Statement of Profit and Loss as they arise.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking, or it is a derivative not designated in a qualifying hedge relationship.

Trading derivatives and trading securities are classified as held for trading and recognised at fair value.

d. Investment in Associate

Investment in Associate are carried in accordance with equity method of accounting as per point no.2.1(ii)(b) less impairment loss, if any as per point no. 2.4 (a)(ii) below

e. Derivatives

The Company enters into derivative transactions being equity derivative transactions in the nature of Futures and Options in Equity Stock/Index

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024. (Contd.)

entered into for trading purposes. Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. The notional amount and fair value of such derivatives are disclosed separately. Changes in the fair value of derivatives are included in net gain on fair value changes.

f. Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(iii) Derecognition of Financial Instruments

The Company derecognizes a financial asset when the contractual right to receive the cash flows from the financial asset expire or it transfers the financial asset.

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

(iv) Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the client does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the Statement of Profit and Loss.

2.4 Impairment

a. Financial Assets

- (i) The Company recognizes loss allowances using the expected credit losses (ECL) model for the financial assets which are not fair valued through Statement of Profit and Loss. For trade receivables with no significant financing component, the Company provides for ECL by way of Provision for doubtful debts based on the probability of defaults that are possible over the life of the asset. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit

risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is done so as an impairment gain or loss in Statement of Profit and Loss.

(ii) Investment in Associate

Investment in Associate is tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable and impairment loss is recognized for the amount by which the carrying amount of the investment exceeds its recoverable amount.

b. Non-Financial Assets

Property, Plant and Equipment

Property, Plant and Equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

2.5 Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand and balances with banks (other than earmarked) and fixed deposits with bank (free from encumbrances) that are readily convertible to known amounts of cash with original maturities of three months or less that are readily convertible

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024. (Contd.)

to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.6 Revenue Recognition

Revenue is recognized to the extent it is possible that economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue is measured at fair value of the consideration received or receivable.

(i) Net gain on Fair value changes

Any realised gain or loss on sale of financial assets being investments, securities and derivative instruments held for trading measured on the trade date at FVTPL is recognised in net gain / loss on fair value changes.

Similarly, Any differences between the fair values of financial assets being investments, securities and derivative instruments held for trading classified as FVTPL, held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed as "Net loss on fair value changes" under Expenses in the Statement of Profit and Loss.

(ii) Interest Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate.

2.7 Employee Benefits

(i) Short Term Benefits

All employee benefits including statutory bonus/ performance bonus/incentives payable wholly within twelve months of rendering the service are classified as short term employee benefits and are charged to the Statement of Profit and Loss of the year.

(ii) Long Term Benefits

A. Post-employment Benefits

a) Defined Contribution Schemes

Retirement/ Employee benefits in the form of Provident Fund is considered as defined contribution plan and contributions to the fund administered by the Government are charged to the Statement of Profit and Loss of the year when the contribution to the said fund is due.

b) Defined Benefit Schemes

Retirement benefits in the form of gratuity is considered as defined benefit obligation. The scheme is formed by the Company and fund is managed by insurers to which the Company makes periodic contributions. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

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

B. Other Long Term Benefits

a) Compensated Absences

The employees can carry forward a portion of the unutilized accrued compensated absences and utilize it in future service periods. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase the entitlement. The obligation is measured on the basis of last drawn salary and balance unutilized accrued compensated absences at the year end.

2.8 Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue. Borrowing costs consist of interest and

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024. (Contd.)

other costs that an entity incurs in connection with the borrowing of funds.

2.9 Operating Leases

For leases with a term of twelve months or less (short-term leases) and leases of low value assets, the Company elects to exercise recognition exemption as prescribed under Ind AS 116 –Leases for the same and recognises the lease payments as an operating expense on accrual basis in accordance with the respective Leave and License agreements.

2.10 Other Income and Expenses

(i) Finance Costs

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed: (i) as the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability, (ii) by considering all the contractual terms of the financial instrument in estimating the cash flows, and (iii) including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in the Statements of Profit and Loss with the corresponding adjustment to the carrying amount of the assets.

- (ii) All other income and expenses are recognized in the period they occur.

2.11 Taxes

(i) Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date for the relevant year.

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).

(ii) Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

(iii) Goods and Services Tax Paid on Acquisition of Assets or on Incurring Expenses

Expenses and assets are recognised net of the goods and services tax paid, except:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024. (Contd.)

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.12 Discontinued Operations

A discontinued operation is a component of the company's business, the operations and cash flows of which can be clearly distinguished from those of the rest of the company and which represent a separate major line of business.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative Statement of Profit and Loss is represented as if the operation had been discontinued from the start of the comparative period.

2.13 Earnings Per Share (EPS)

The Company reports basic and diluted EPS in accordance with Ind AS 33 on Earnings per share. Net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) is divided by the weighted average number of equity shares outstanding during the year for calculating basic EPS and by the weighted average number of shares outstanding during the year adjusted for the effects of all dilutive potential equity shares for calculating diluted EPS.

2.14 Foreign Currency Transactions

Initial recognition:

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Conversion:

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the reporting date, are translated at the reporting date at the closing exchange rate and the

resultant exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

2.15 Events After Reporting Date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

2.16 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised if as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the consolidated financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

2.17 New Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

3 CASH AND CASH EQUIVALENTS

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|-----------------------|--------------------------|--------------------------|
| Cash on hand | 23.29 | 70.99 |
| Balances with Banks | | |
| - in current accounts | 1,336,890.43 | 1,282,302.77 |
| Total | 1,336,913.72 | 1,282,373.76 |

4 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| Balances with Banks | | |
| - in deposits with bank (with original maturity of more than 12 months) * | 280,000.00 | 280,000.00 |
| Total | 280,000.00 | 280,000.00 |

* Lien marked as security against bank overdraft facility .

5 DERIVATIVE FINANCIAL INSTRUMENTS

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| Part I | | |
| - Equity Stock Options Premium | - | - |
| Total Derivative financial instruments | - | - |
| Part II | | |
| Included in above (Part I) are derivatives held for hedging and risk management purpose as follows | | |
| - Fair value hedging | - | - |
| - Cash flow hedging | - | - |
| Total Derivative financial instruments | - | - |

Note

The Company enters into derivative transactions being equity derivative transactions in the nature of Options in Equity Stock/ Index for trading purposes.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

6 LOANS

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|-------------------------------------|--------------------------|--------------------------|
| At amortised Cost | | |
| (Unsecured, Considered Good) | | |
| Loan to associate , a related party | 500,000.00 | - |
| Total | 500,000.00 | - |
| Out of Above: | | |
| Loan in India | 500,000.00 | - |
| Loan outside India | - | - |
| Total | 500,000.00 | - |

7 INVESTMENTS

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|--------------------------|--------------------------|
| (A) At cost | | |
| Investments in Associate | | |
| In Others -Investment in Limited Liability Partnership | | |
| Balance in Capital Account with AES Trading and Consultants LLP | 125.00 | 125.00 |
| Balance in Current Account with AES Trading and Consultants LLP | 107,493.96 | 84,195.03 |
| (B) At Fair value through Profit & Loss | | |
| In Preference Shares | | |
| 8% Non Cumulative Redeemable Non Convertible Preference Shares of Rs.10/-each of Finlearn Edutech Pvt Ltd.-Partly paid up Rs.5/- each | 100,000.00 | - |
| Total | 207,618.96 | 84,320.03 |
| Out of Above: | | |
| Investment in India | 207,618.96 | 84,320.03 |
| Investment outside India | - | - |
| Total | 207,618.96 | 84,320.03 |

Notes

(a) Disclosure under Ind AS 27 for Investment in Associates

| Name of Associate | % of ownership interest As at 31.03.2024 | % of ownership interest As at 31.03.2023 |
|--|--|--|
| AES Trading and Consultants LLP | 25.00% | 25.00% |
| Method used to account for Investment in Associate | At Cost | At Cost |
| The Company has elected to measure investment in associate at cost as per Ind AS 27. | | |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

- (b) Summarised aggregated financial information of the Company's share in associate: M/s AES Trading and Consultants LLP*

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|--------------------------|--------------------------|
| Cash and cash equivalents | 16,003.21 | 544,677.03 |
| Short-term loans and advances | 1,114.35 | 10.65 |
| Other current assets | 10,000.00 | 10,000.00 |
| Trade receivables | 841,686.46 | - |
| Total Asses | 868,804.02 | 554,687.68 |
| Other Liability | | |
| Creditor/ Trade payables | - | 1,998.53 |
| Statutory Liability | 10,166.05 | 14,608.01 |
| Other Financial Liabilities | 65,389.01 | 160,486.72 |
| Unsecured loans | 500,000.00 | - |
| Credit balance in Partner's Current Account | 269,386.44 | 336,190.72 |
| Reserves & Surplus (including surplus | - | - |
| Provision for taxation | 23,362.52 | 40,903.70 |
| Total Liability | 868,304.02 | 554,187.68 |
| Net Assets | 500.00 | 500.00 |
| Proportion of the Company's Share (%) | 25% | 25% |
| Company's share of net assets / Carrying amount of interest in associate | 125.00 | 125.00 |

| Particulars | For the Year Ended 31st March 2024 | For the Year Ended 31st March 2023 |
|--|---------------------------------------|---------------------------------------|
| Revenue | 710,355.47 | 1,023,368.08 |
| Profit before Tax | 144,395.73 | 530,780.13 |
| Tax Expenses | 51,200.00 | 194,000.00 |
| Profit after Tax | 93,195.73 | 336,780.13 |
| Company's Share in Profit from Associates | 23,298.93 | 84,195.03 |

8 OTHER FINANCIAL ASSETS

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| Deposit with Exchanges | 35,000.00 | 35,000.00 |
| Deposits with Professional Clearing Members | 2,000.00 | 2,000.00 |
| Deposits Others | 250.00 | 250.00 |
| Advances recoverable - Others | 318.19 | 168.19 |
| Recoverable from Whole-time Director | 9,917.09 | - |
| Interest Receivable from Holding Company on Fixed Deposit given for Margin for Derivative Transactions | 8,111.68 | - |
| Total | 55,596.96 | 37,418.19 |

Note

Recoverable from Whole-time director represents remuneration paid to him without approval.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

9 CURRENT TAX ASSETS (NET)

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|-------------------------------------|--------------------------|--------------------------|
| Income tax paid (net of provision) | 1,001.71 | 11,751.56 |
| Total | 1,001.71 | 11,751.56 |

10 PROPERTY, PLANT AND EQUIPMENT

(₹ In Hundreds)

| | Furniture & Fixtures | Office Equipments | Computers | Total |
|---------------------------------|-------------------------|----------------------|---------------|---------------|
| Gross carrying amount | | | | |
| As at 1st April 2022 | 8.05 | 4.50 | 682.19 | 694.74 |
| Additions | - | - | - | - |
| Disposals | - | - | 387.72 | 387.72 |
| As at 31 March 2023 | 8.05 | 4.50 | 294.47 | 307.02 |
| Additions | - | - | - | - |
| Disposals | - | - | - | - |
| As at 31 March 2024 | 8.05 | 4.50 | 294.47 | 307.02 |
| Accumulated depreciation | | | | |
| As at 1st April 2022 | 2.71 | - | 59.10 | 61.81 |
| Charge for the year | - | - | - | - |
| Disposals | - | - | 30.64 | 30.64 |
| As at 31 March 2023 | 2.71 | - | 28.46 | 31.17 |
| Charge for the year | - | - | - | - |
| Disposals | - | - | - | - |
| As at 31 March 2024 | 2.71 | - | 28.46 | 31.17 |
| Net carrying amount | | | | |
| As at 31 March 2024 | 5.34 | 4.50 | 266.01 | 275.85 |
| As at 31 March 2023 | 5.34 | 4.50 | 266.01 | 275.85 |

Notes:

There is no (i) acquisition through business combinations, (ii) revaluation of Property, Plant and Equipment and (iii) impairment losses and its reversal during the year/previous year.

11 OTHER NON FINANCIAL ASSETS

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|-------------------------------------|--------------------------|--------------------------|
| Prepaid expenses | 27.70 | 22.76 |
| Balance with Goods and Services Tax | 4.64 | 4.64 |
| Total | 32.34 | 27.40 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

12 (A) TRADE PAYABLES

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|--------------------------|--------------------------|
| (i) total outstanding dues of micro enterprises and small enterprises | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises * | - | - |
| Total | - | - |
| * Above includes due to holding company, a related party | - | - |

Trade Payables ageing schedule as at 31st March, 2024

| Particulars | Outstanding for following periods from due date of payment | | | | |
|--------------------------|--|-------------|-------------|-------------------|-------|
| | Less than 1 Year | 1 - 2 Years | 2 - 3 Years | More than 3 Years | Total |
| (I) MSME - undisputed | - | - | - | - | - |
| (II) Others - undisputed | - | - | - | - | - |

Trade Payables ageing schedule as at 31st March, 2023

| Particulars | Outstanding for following periods from due date of payment | | | | |
|--------------------------|--|-------------|-------------|-------------------|-------|
| | Less than 1 Year | 1 - 2 Years | 2 - 3 Years | More than 3 Years | Total |
| (I) MSME - undisputed | - | - | - | - | - |
| (II) Others - undisputed | - | - | - | - | - |

12 (B) OTHER PAYABLES

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|--------------------------|--------------------------|
| (i) total outstanding dues of micro enterprises and small enterprises | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises * | 7,478.71 | 3,848.61 |
| Total | 7,478.71 | 3,848.61 |
| * Above includes due to holding company, a related party | - | 0.32 |

Notes:

- The details of amount outstanding to Micro, Small and Medium Enterprises defined under "Micro, Small and Medium Enterprises Development Act, 2006" (as identified based on information available with the company and relied upon by the Auditors) is as under -

| | | |
|--|---|---|
| Principal amount due and remaining unpaid | - | - |
| Interest due on above and the unpaid interest | - | - |
| Interest paid | - | - |
| Payment made beyond the appointed day during the year | - | - |
| Interest due and payable for the period of delay | - | - |
| Interest accrued and remaining unpaid | - | - |
| Amount of further interest remaining due and payable in succeeding years | - | - |



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

13 CURRENT TAX LIABILITIES (NET)

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|--------------------------|--------------------------|
| Provision for Taxation (Net of Tax paid) | 6,631.59 | 1,394.94 |
| Total | 6,631.59 | 1,394.94 |

14 PROVISIONS

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---------------------------------|--------------------------|--------------------------|
| Provision for employee benefits | | |
| - Compensated absences | 3,096.60 | 245.48 |
| - Bonus | 2,630.00 | 2,200.00 |
| - Gratuity | 3,371.82 | 837.60 |
| Total | 9,098.42 | 3,283.08 |

15 OTHER NON FINANCIAL LIABILITIES

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|------------------------|--------------------------|--------------------------|
| Statutory dues payable | 269,715.84 | 1,392.73 |
| Total | 269,715.84 | 1,392.73 |

16 Equity

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| EQUITY SHARE CAPITAL | | |
| Authorised: | | |
| 8,500,000 (As at 31st March,2023: 8,500,000) Equity Shares of Rs.10/- each | 850,000.00 | 850,000.00 |
| 2,500,000 (As at 31st March ,2023: 2,500,000 9% Redeemable Preference Shares of Rs.10/- each) | 250,000.00 | 250,000.00 |
| | 1,100,000.00 | 1,100,000.00 |
| Issued, subscribed and fully paid up | | |
| Equity shares | | |
| 6,375,850 (As at 31st March 2023: 6,375,850) Equity Shares of Rs.10/- each | 637,585.00 | 637,585.00 |
| Total Equity | 637,585.00 | 637,585.00 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period: Equity Shares

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|----------------------|---------------|----------------------|---------------|
| | No of shares | ₹ In Hundreds | No of shares | ₹ In Hundreds |
| At the beginning of the reporting period | 6,375,850 | 637,585.00 | 8,500,000 | 850,000.00 |
| Less: Buyback of Shares during the previous year [Refer Note 16 (f)] | - | - | 2,124,150 | 212,415.00 |
| Outstanding at the end of the reporting year | 6,375,850 | 637,585.00 | 6,375,850 | 637,585.00 |

(b) Terms/rights attached to

Equity Shares:

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pay dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except interim dividend.

In the event of liquidation of the company, the holders of Equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding company

The entire 6,375,850 (31st March, 2023: 6,375,850) equity shares of Rs.10/- each fully paid are held by Emkay Global Financial Services Limited, the holding company.

(d) Details of shareholders holding more than 5% shares in the company:

| Name of the Shareholders | As at March 31, 2024 | | As at March 31, 2023 | |
|--|----------------------|--------------|----------------------|--------------|
| | No of shares | % of holding | No of shares | % of holding |
| Equity Shares | | | | |
| Emkay Global Financial Services Limited (Holding Company) and its nominees | 6,375,850 | 100 | 6,375,850 | 100 |

(e) Details of shares held by promoters

as at 31 March 2024

| Promoter name | No of shares | % of total shares | % Change during the year |
|---|------------------|-------------------|--------------------------|
| Equity Shares of Rs. 10/- each fully paid | | | |
| Emkay Global Financial Services Limited (Holding Company) and its Nominees. | 6,375,850 | 100 | - |
| Total | 6,375,850 | 100 | - |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

as at 31 March 2023

| Promoter name | No of shares | % of total shares | % Change during the year |
|---|------------------|-------------------|--------------------------|
| Equity Shares of Rs. 10/- each fully paid | | | |
| Emkay Global Financial Services Limited (Holding Company) and its Nominees. | 6,375,850 | 100 | - |
| Total | 6,375,850 | 100 | - |

(f) During the previous year:

- (I) Pursuant to special resolution passed at Extra Ordinary General Meeting of the members of the Company held on 24th January, 2023, the Company bought back its 21,24,150 fully paid up Equity shares of Rs.10/- each (representing 24.99 % of the total issued and paid-up equity share capital of the Company) at a price of Rs.25/- per equity share for an aggregate consideration of Rs.531,037.50 hundreds sourced out of its retained earnings and formalities pertaining to extinguishment of the shares bought back were completed on 17th March 2023.
- (II) In terms of provisions of section 69 of the Companies Act, 2013, an amount of Rs.212,415.00 hundreds (representing the nominal value of the shares bought back) was transferred from Retained Earnings to Capital Redemption Reserve. Further, Rs.318,622.50 hundreds (being excess of aggregate consideration for buyback of Rs. 531,037.50 hundreds over face value of the equity shares bought back of Rs.212,415.00 hundreds) and Rs.70,912.62 hundreds being tax on distributed profits on Buy-back of equity shares was funded from Retained Earnings. Consequent to above buyback, Issued, subscribed and fully paid up Equity Share capital of the Company got reduced by 21,24,150 fully paid up Equity shares of Rs.10/- each amounting to Rs. 212,415.00 hundreds.

(g) During the current year, the Company has paid Rs.3,313.68 hundreds being tax on distributed profits on said Buy-back of equity shares which was short paid in previous year and funded from retained earnings

17 OTHER EQUITY

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|--------------------------|--------------------------|
| A) Reserves and Surplus | | |
| i) Retained earnings | | |
| Balance at the beginning of the Reporting Year | 796,316.84 | 1,347,432.13 |
| Add: Profit for the year | 407,134.47 | 146,472.58 |
| Less: Interim Dividend Paid | - | 95,637.75 |
| Less: Premium paid on Buyback of Equity Shares during the previous year [Refer Note 16(f)] | - | 318,622.50 |
| Less: Transfer to Capital Redemption Reserve during the previous year pursuant to buyback of Equity Shares [Refer Note 16(f)] | - | 212,415.00 |
| Less: Tax on Distributed Profits pursuant to buyback of Equity Shares during the previous year [Refer Note 16(f) and 16(g)] | 3,313.68 | 70,912.62 |
| Balance at the end of the Reporting Year | 1,200,137.63 | 796,316.84 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

(₹ In Hundreds)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| ii) Capital Redemption Reserve | | |
| Balance at the beginning of the Reporting Year | 212,415.00 | - |
| Add: Transferred from Retained earnings during the previous year pursuant to buyback of Equity Shares [Refer Note 16(f)] | - | 212,415.00 |
| Balance at the end of the Reporting Year | 212,415.00 | 212,415.00 |
| iii) General Reserve | | |
| Balance at the beginning of the Reporting Year | 42,145.86 | 42,145.86 |
| Less Transferred during the year | - | - |
| Balance at the end of the Reporting Year | 42,145.86 | 42,145.86 |
| iv) Other Comprehensive Income | | |
| Balance at the beginning of the Reporting Year | (1,990.27) | (1,583.05) |
| Add: Movement in Other Comprehensive Income during the year | (1,010.24) | (407.22) |
| Balance at the end of the Reporting Year | (3,000.51) | (1,990.27) |
| Total | 1,451,697.98 | 1,048,887.43 |

Nature and purpose of reserve

i) Retained earnings

Retained earnings are the profits that the Company that has earned till date, less any transfers to general reserve, capital redemption reserve, dividends or other distributions paid to shareholders and tax on distributed profits.

ii) Capital redemption reserve

Capital redemption reserve is created on buyback of equity shares in accordance with provision of the Act and shall be utilised in accordance with the Act

iii) General reserve

Under the erstwhile Companies Act, 1956, general reserve was created through transfer from net profit complying with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

iv) Other comprehensive income

Other comprehensive income consist of remeasurement gains/losses on employees defined benefit plan.

18 INTEREST INCOME

(₹ In Hundreds)

| Particulars | For the Year Ended 31st March 2024 | For the Year Ended 31st March 2023 |
|--|---------------------------------------|---------------------------------------|
| Interest on Fixed Deposit given for Margin for Derivative Transactions | 53,834.04 | - |
| | 53,834.04 | - |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT 31ST MARCH 2024**19 NET GAIN ON FAIR VALUE CHANGES**

(₹ In Hundreds)

| Particulars | For the Year Ended 31st March 2024 | For the Year Ended 31st March 2023 |
|---|---------------------------------------|---------------------------------------|
| (A) Net gain on financial instruments at fair value through profit or loss | | |
| (i) On trading portfolio | | |
| - Investments | 1,788.38 | 15,201.29 |
| - Equity Derivatives - Index/Stock | 1,044,546.99 | - |
| Total Net gain on fair value changes (A) | 1,046,335.37 | 15,201.29 |
| Fair Value changes: | | |
| - Realised | | |
| - Investment | 1,788.38 | 15,201.29 |
| - Equity Derivatives - Index/Stock | 1,044,546.99 | - |
| (B) Total Net gain on fair value changes to tally with (A) | 1,046,335.37 | 15,201.29 |

20 OTHER INCOME

(₹ In Hundreds)

| Particulars | For the Year Ended 31st March 2024 | For the Year Ended 31st March 2023 |
|---|---------------------------------------|---------------------------------------|
| Liability no Longer Payable | 928.41 | 214.93 |
| Interest on deposits with bank | 19,464.46 | 16,163.50 |
| Interest on Income Tax Refund | - | 2,277.19 |
| Interest on loan from Related Parties | 50,794.40 | 109,886.99 |
| Foreign Exchange Rate Fluctuations Gain (Net) | - | 102.99 |
| Total | 71,187.27 | 128,645.60 |

21 FINANCE COSTS

(₹ In Hundreds)

| Particulars | For the Year Ended 31st March 2024 | For the Year Ended 31st March 2023 |
|--|---------------------------------------|---------------------------------------|
| On Instruments measured at fair value through profit or loss | | |
| Interest on borrowings from Bank | - | 2,849.96 |
| Total | - | 2,849.96 |

22 EMPLOYEE BENEFIT EXPENSE

(₹ In Hundreds)

| Particulars | For the Year Ended 31st March 2024 | For the Year Ended 31st March 2023 |
|--|---------------------------------------|---------------------------------------|
| Salaries and other benefits | 810,817.77 | 16,233.88 |
| Contributions to Provident and Other Funds | 60.00 | 60.00 |
| Gratuity | 2,021.58 | 293.38 |
| Staff Welfare Expenses | 118.11 | 54.19 |
| Total | 813,017.46 | 16,641.45 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

23 OTHER EXPENSES:

(₹ In Hundreds)

| Particulars | For the Year Ended 31st March 2024 | For the Year Ended 31st March 2023 |
|---|---------------------------------------|---------------------------------------|
| Communication, Postage and Courier Charges | 41.59 | 27.65 |
| Fees & Stamp Expenses | 58.00 | 39.50 |
| Depository Charges | 10.15 | 13.87 |
| Electricity Charges | 355.31 | 218.17 |
| Insurance | - | 1.40 |
| Printing and Stationery | 289.29 | 328.64 |
| Legal and Professional fees | 3,561.60 | 5,143.24 |
| Auditor's fees (Inclusive of GST) | | |
| - for audit fees | 3,835.00 | 3,245.00 |
| - for tax audit fees | 590.00 | - |
| - for taxation matters | 3,717.00 | 519.20 |
| - for Limited Review | 796.50 | 1,386.50 |
| Corporate Social Responsibility | 16,000.00 | 14,250.00 |
| Loss on Disposal/Discard of Property, Plant and Equipment | - | 357.08 |
| Rent | 1,345.70 | 834.12 |
| Goods & Services Tax (GST) | 106.90 | - |
| Others | 1,503.13 | 924.55 |
| Total | 32,210.17 | 27,288.92 |

24 PROFIT /(LOSS) FROM DISCONTINUED OPERATIONS

(₹ In Hundreds)

| Particulars | For the Year Ended 31st March 2024 | For the Year Ended 31st March 2023 |
|---|---------------------------------------|---------------------------------------|
| Income from discontinued operations | | |
| Liability No Longer Payable | - | 582.97 |
| Impairment gain on Trade Receivables | 225,000.00 | 3,528.11 |
| | 225,000.00 | 4,111.08 |
| Less: Expenses from discontinued operations | | |
| Membership and Subscription | 708.00 | 708.00 |
| Legal and Professional Fees | 16,879.90 | 12,420.09 |
| | 17,587.90 | 13,128.09 |
| Net Profit / (Loss) from discontinued operations | 207,412.10 | (9,017.01) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

25 DISCONTINUED OPERATIONS

(A) The Board of Directors of the Company at its meeting held on 5th February 2019 had decided to discontinue the business of commodity broking in view of substantial accumulated losses and not been able to generate enough revenues and scale up its operations and accordingly the Company has discontinued the said business w.e.f. 13th February, 2019.

(B) Financial Performances:

a. Profit/(Loss) from Discontinued Operations

(₹ in Hundreds)

| Particulars | Year ended 31st March, 2024 | Year ended 31st March, 2023 |
|---|--------------------------------|--------------------------------|
| Other Income | | |
| - Liability No Longer Payable | - | 582.97 |
| - Reversal of Impairment on Trade Receivables | 225,000.00 | 3,528.11 |
| Total | 225,000.00 | 4,111.08 |
| Expenses | | |
| - Membership and Subscription | 708.00 | 708.00 |
| - Legal and Professional fees | 16,879.90 | 12,420.09 |
| Total | 17,587.90 | 13,128.09 |
| Profit/(Loss) Before Tax | 207,412.10 | (9,017.01) |
| Tax Expenses | 52,202.00 | 3,157.40 |
| Profit/(Loss) After Tax | 155,210.10 | (5,859.61) |

b. Net Cash Flow from/(used in) Discontinued Operations of ₹ 206,596.55 hundreds (P.Y. (₹ 11,715.70 hundreds)).

c. Book Value of Assets and Liabilities

(₹ in Hundreds)

| Particulars | Year ended 31st March, 2024 | Year ended 31st March, 2023 |
|--|--------------------------------|--------------------------------|
| Assets | | |
| Financial assets | | |
| Other Financial assets | 37,250.00 | 37,250.00 |
| Total Financial assets | 37,250.00 | 37,250.00 |
| Non-financial Assets | - | - |
| Total Non-financial Assets | - | - |
| Total Assets | 37,250.00 | 37,250.00 |
| Liabilities | | |
| Financial Liabilities | | |
| Total Financial Liabilities | - | - |
| Non-financial Liabilities | | |
| Other non-financial liabilities | - | 815.55 |
| Total Non-financial Liabilities | - | 815.55 |
| Total Liabilities | - | 815.55 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

d. i) Contingent Liabilities

(₹ in Hundreds)

| Sr. No. | Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|---------|---|---------------------------|---------------------------|
| 1 | Claims against the Company not acknowledged as debt | 3,750.00 | 3,750.00 |

- ii) In the matter of Show-Cause proceedings against the Company in the default at National Spot Exchange Limited ('NSEL') in 2012 matter pertaining to paired contracts transacted at NSEL in which the Company has acted as broker business, SEBI has cancelled the Certificate of Registration of the Company vide its Order No. QJA/VS/MIRSD/DOP/27303/2023-24 dated June 09, 2023 on the grounds that it is not fit and proper person to hold the certificate of registration as a broker in the Securities Market. The company has challenged the said Order of SEBI by filing an appeal before the Securities Appellate Tribunal (SAT). SAT has passed an Order dated 12.12.2023 - (i) directing SEBI to consider and come out with a scheme under the SEBI (Settlement Proceedings) Regulations, 2018 (said scheme) and to consider and dispose the case of the company under the said scheme ,(ii) in the event of SEBI unable to frame said scheme within suggested time frame , the Company shall have option to file fresh appeal before SAT questioning the order of cancelling its registration within four weeks from the date of communication by SEBI , and (iii) the interim relief granted by SAT vide its order dated 13th July,2023 of stay will continue to operate till disposal of case by SEBI under said the scheme and /or for a further period of six weeks to enable the Company to file appeal before SAT. SAT by its further Order dated 14.03.2024 allowed SEBI an extension of four months w.e.f.11.03.2024 for coming out with said scheme as directed by the Hon'ble Tribunal vide order dated 12.12.2023.

26 EARNINGS PER SHARE:

| Sl. No. | Particulars | Year Ended March, 2024 | Year Ended March, 2023 |
|---------|--|---------------------------|---------------------------|
| a) | Net Profit after tax from continuing operations available for Equity Shareholders (₹ in hundreds) | 251,924.37 | 152,332.19 |
| b) | Net Profit/(Loss) after tax from discontinued operations available for Equity Shareholders (₹ in hundreds) | 155,210.10 | (5,859.61) |
| c) | Net Profit after tax available from continuing & discontinued operations for Equity Shareholders (₹ in hundreds) | 407,134.47 | 146,472.58 |
| d) | Weighted average number of Equity Shares of (₹ 10/- each outstanding during the period (No. of Shares) | | |
| | - For Basic Earnings | 63,75,850 | 84,12,706 |
| | - For Diluted Earnings | 63,75,850 | 84,06,886 |
| e) | Earnings per Equity Share for continuing operations (₹) | | |
| | - Basic | 3.95 | 1.81 |
| | - Diluted | 3.95 | 1.81 |
| f) | Earnings per Equity Share for discontinuing operations (₹) | | |
| | - Basic | 2.44 | (0.07) |
| | - Diluted | 2.44 | (0.07) |
| g) | Earnings per Equity Share for continuing & discontinued operations (₹) | | |
| | - Basic | 6.39 | 1.74 |
| | - Diluted | 6.39 | 1.74 |



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

27 THE DISCLOSURES AS PER IND AS 19 - EMPLOYEE BENEFITS ARE AS FOLLOWS.

a. Defined Contribution Plan

Expenses recognized in Statement of Profit and Loss towards the Defined Contribution Plans are as under:

(₹ in Hundreds)

| Particulars | Year Ended 31 st March 2024 | Year Ended 31 st March 2023 |
|--------------------------------|---|---|
| Contribution to Provident Fund | 60.00 | 60.00 |
| Total | 60.00 | 60.00 |

b. Defined Benefit Plan

The company has a defined benefit gratuity plan governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to gratuity on departure at 15 days last drawn salary for each completed year of service or part thereof in excess of six months.

The plan is funded with insurance company in the form of a qualifying insurance policy. The following tables summarize the components of net benefit expense recognized in the statement of profit and loss, other comprehensive income and amount recognized in balance sheet which has been determined by an Actuary appointed for the purpose and relied upon by the Auditors:

(₹ in Hundreds)

| Sr. No | Particulars | As at 31 st March, 2024 | As at 31 st March, 2023 |
|--------|--|---------------------------------------|---------------------------------------|
| I | Changes in present value of obligations | | |
| | Present value of obligation as at the beginning | 8,411.52 | 7,300.54 |
| | Current service cost | 1,960.72 | 254.40 |
| | Interest expense or cost | 611.13 | 452.31 |
| | Re-measurement (or Actuarial) (Gain)/Loss arising from:- | | |
| | -change in financial assumptions | 375.75 | (31.42) |
| | -change in demographic assumptions | - | - |
| | -experience variance (i.e. Actual experience vs assumptions) | 1,077.78 | 435.69 |
| | Benefits Paid | - | - |
| | Acquisition Adjustment | - | - |
| | Present value of obligation as at the end | 12,436.90 | 8,411.52 |
| II | Changes in fair value of plan assets | | |
| | Fair value of plan asset as at the beginning | 7,573.92 | 6,671.34 |
| | Employer contributions | 837.60 | 629.20 |
| | Investment income | 550.27 | 413.33 |
| | Return on plan assets, excluding amount recognized in net interest expense | 103.29 | (139.95) |
| | Benefits paid | - | - |
| | Acquisition adjustment | - | - |
| | Fair value of plan asset as at the end | 9,065.08 | 7,573.92 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

(₹ in Hundreds)

| Sr. No | Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--------|---|---------------------------|---------------------------|
| III | Reconciliation of net liability/asset | | |
| | Net defined benefit liability/(asset) as at the beginning | 837.60 | 629.20 |
| | Expenses charged to statement of profit and loss | 2,021.58 | 293.38 |
| | Amount recognized in other comprehensive income | 1,350.24 | 544.22 |
| | Employer contribution | (837.60) | (629.20) |
| | Net defined benefit liability/(asset) as at the end | 3,371.82 | 837.60 |
| IV | Expenses charged to the statement of profit & loss | | |
| | Current Service Cost | 1,960.72 | 254.40 |
| | Net Interest Cost / (Income) on the net defined benefit liability/(Asset) | 60.86 | 38.98 |
| | Expenses recognized in the statement of profit & loss | 2,021.58 | 293.38 |
| V | Movement in asset ceiling | | |
| | Effect of asset ceiling at the beginning | - | - |
| | Interest on opening balance of asset ceiling | - | - |
| | Re measurements due to change in surplus/deficit | - | - |
| | Value of asset ceiling as at the end | - | - |
| VI | Re measurement (gains)/losses in other comprehensive income | | |
| | Actuarial (gains)/losses | | |
| | -Change in financial assumptions | 375.75 | (31.42) |
| | -Change in demographic assumptions | - | - |
| | -Experience adjustments | 1,077.78 | 435.69 |
| | Return on plan assets, excluding amount recognized in net interest expense | (103.29) | 139.95 |
| | Components of defined benefit costs recognized in other comprehensive income | 1,350.24 | 544.22 |
| VII | Amount recognized in Balance Sheet | | |
| | Present value of obligation | 12,436.90 | 8,411.52 |
| | Fair value of plan assets | 9,065.08 | 7,573.92 |
| | Surplus/(Deficit) | (3,371.82) | (837.60) |
| | Effects of asset ceiling, if any | | - |
| | Net Asset / (Liability) | (3,371.82) | (837.60) |
| VIII | Key actuarial assumptions | | |
| | Discount Rate (p.a.) | 7.15% | 7.25% |
| | Salary growth rate (p.a.) | 15.00% | 14.00% |
| | Attrition/Withdrawal rates, based on age(p.a.) | | |
| | -Upto 45 years | 25.00% | 25.00% |



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT 31ST MARCH 2024

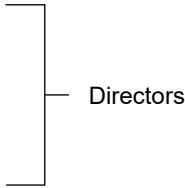
(₹ in Hundreds)

| Sr. No | Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--------|--|---------------------------|---------------------------|
| | -Above 45 years | 15.00% | 15.00% |
| | Mortality rate | 100% of IALM 2012-14 | 100% of IALM 2012-14 |
| IX | Categories of plan asset | | |
| | Fund managed by insurer | 99.17% | 99.01% |
| | Bank balance | 0.83% | 0.99% |
| X | Sensitivity analysis for significant assumptions is as shown below | | |
| | Discount Rate (- 1%) : % Change compared to base due to sensitivity | 5.70% | 5.70% |
| | Discount Rate (+ 1%) : % Change compared to base due to sensitivity | (5.30%) | (5.20%) |
| | Salary Growth (- 1%) : % Change compared to base due to sensitivity | (2.5%) | (2.60%) |
| | Salary Growth (+ 1%) : % Change compared to base due to sensitivity | 2.3% | 2.50% |
| | Attrition Rate (- 50% of attrition rates): (% change compared to base due to sensitivity) | 15.6% | 4.00% |
| | Attrition Rate (+ 50% of attrition rates): (% change compared to base due to sensitivity) | (8.9%) | (4.10%) |
| | Mortality Rate (- 10%) : % Change compared to base due to sensitivity | 0.00% | 0.00% |
| | Mortality Rate (+ 10%) : % Change compared to base due to sensitivity | 0.00% | 0.00% |
| XI | Expected Contribution during the next annual reporting period | | |
| | The Company's best estimate of Contribution during the next year | 5,283.28 | 1,103.34 |
| XII | Maturity Profile of Defined Benefit Obligation | | |
| | Weighted average duration (based on discounted cash flows) | 5 years | 5 years |
| | Expected cash flows over the next (valued on undiscounted basis): | | |
| | 1 year | 1,516.51 | 1,121.91 |
| | 2 to 5 years | 6,222.02 | 4,138.52 |
| | 6 to 10 years | 10,081.46 | 4,265.67 |
| | more than 10 years | 1,573.01 | 3,528.38 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

28 RELATED PARTY DISCLOSURES

A. List of Directors

| Sr. No. | Name of Related Party | Nature of Relationship |
|---------|---|---|
| (i) | Directors a) Rajesh Sharma (up to 19.06.2023) b) Saket Agrawal (up to 19.06.2023) c) Devang Desai d) Bharat Kumar Singh e) Mangesh Parab (w.e.f. 20.06.2023) f) Haresh Mahadik (w.e.f. 20.06.2023 up to 29.02.2024) |  Directors |
| (ii) | Key Management Personnel a) Haresh Mahadik – (w.e.f. 01.03.2024) b) Sufiyan Shaikh (from 09.01.2023 to 25.08.2023) | Whole-time Director Company Secretary |
| (iii) | Individuals having control or significant influence a) Krishna Kumar Karwa b) Prakash Kacholia |  Individual having significant influence |
| (iv) | Holding Company Emkay Global Financial Services Ltd. | Holding Company |
| (v) | Fellow Subsidiary Company • Emkay Fincap Ltd. | Fellow Subsidiary Company |
| (vi) | Associate AES Trading & Consultants LLP | Having significant influence |
| (vii) | Enterprises owned/controlled. Finlearn Edutech Private Limited | Enterprises owned/controlled by persons having control or significant influence and their relatives |
| (viii) | Emkay Commotrade Ltd. Employees Group Gratuity Assurance Fund | Others |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT 31ST MARCH 2024

B. Transactions with related parties - 31.03.2024

| Sr No | Particulars | Holding Company | | Fellow Subsidiary Company | | Associates | | Key Management Personnel | | Enterprises owned/ controlled by persons having control or significant influence and their relatives | | Others | |
|-------|--|-----------------|--------------|---------------------------|--------------|--------------|--------------|--------------------------|----------|--|---------|----------|---------|
| | | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 |
| I | Expenditure | | | | | | | | | | | | |
| A | Depository Charges | | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | 10.15 | 13.87 | | | | | | | | | | |
| B | Brokerage Paid | | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | 10,723.83 | - | | | | | | | | | | |
| C | Salaries and Other Benefits | | | | | | | | | | | | |
| | Sufiyan Shaikh | | | | | | | 2,093.68 | 1,234.60 | | | | |
| | Harish Mahadik | | | | | | | 943.54 | - | | | | |
| F | Interim Dividend Paid | | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd | - | 95,637.75 | | | | | | | | | | |
| G | Gratuity | | | | | | | | | | | | |
| | Enkay Commtrade Ltd Emp Gr Gratuity Ass Fund | | | | | | | | | | | 2,021.58 | 293.38 |
| II | Income | | | | | | | | | | | | |
| A | Interest Received | | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | 55,309.45 | 28,602.74 | | | | | | | | | | |
| | Enkay Fincap Ltd | | | 12,431.69 | 41,794.53 | | | | | | | | |
| | AES Trading & Consultants LLP | | | | | 36,887.30 | 39,489.72 | | | | | | |
| B | Share of Profit in Associate | | | | | | | | | | | | |
| | AES Trading & Consultants LLP | | | | | 23,298.93 | 84,195.03 | | | | | | |
| III | Others | | | | | | | | | | | | |
| A | Expenses Reimbursed | | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | 1,759.08 | 1,090.91 | | | | | | | | | | |
| B | Loan Given | | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | 200,000.00 | 1,900,000.00 | | | | | | | | | | |
| | Enkay Fincap Limited. | | | 750,000.00 | 2,225,000.00 | | | | | | | | |
| | AES Trading & Consultants LLP | | | | | 1,030,000.00 | 1,000,000.00 | | | | | | |
| C | Loan Received Back | | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | 200,000.00 | 1,900,000.00 | | | | | | | | | | |
| | Enkay Fincap Limited.. | | | 750,000.00 | 2,225,000.00 | | | | | | | | |
| | AES Trading & Consultants LLP | | | | | 530,000.00 | 1,000,000.00 | | | | | | |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

| Sr No | Particulars | Holding Company | | Fellow Subsidiary Company | | Associates | | Key Management Personnel | | Enterprises owned/ controlled by persons having control or significant influence and their relatives | | Others | |
|-------|--|-----------------|------------|---------------------------|---------|------------|-----------|--------------------------|---------|--|---------|----------|---------|
| | | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 |
| D | Margin Deposit Given | | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | 1,000,000.00 | - | | | | | | | | | | |
| | Margin Deposit Received Back | | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | 1,000,000.00 | - | | | | | | | | | | |
| E | Paid for Buyback of Equity Shares including premium | | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | - | 531,037.50 | | | | | | | | | | |
| F | Investment in Preference Shares | | | | | | | | | | | | |
| | Finleam Edutech Private Limited | | | | | | | | | 100,000.00 | - | | |
| IV | Outstandings | | | | | | | | | | | | |
| A | Other Payable | | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | - | 0.32 | | | | | | | | | | |
| | Enkay Comtrade Ltd Emp Gr Gratuity Ass Fund | | | | | | | | | | | 3,371.82 | 837.60 |
| B | Income Receivable | | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | 8,111.68 | - | | | | | | | | | | |
| C | Recoverable from Whole-time Director | | | | | | | | | | | | |
| | Haresh Mahadik | | | | | | | 9,917.09 | - | | | | |
| D | Laon with Associates | | | | | | | | | | | | |
| | AES Trading and Consultants LLP | | | | | 500,000.00 | - | | | | | | |
| E | Equity Share Capital | | | | | | | | | | | | |
| | Enkay Global Financial Services Ltd. | 637,585.00 | 637,585.00 | | | | | | | | | | |
| F | Investment in Associates towards capital contribution | | | | | | | | | | | | |
| | AES Trading and Consultants LLP | | | | | | | | | | | | |
| | Fixed Capital | | | | | 125.00 | 125.00 | | | | | | |
| | Current Capital | | | | | 107,493.96 | 84,195.03 | | | | | | |
| G | Investment in Preference shares | | | | | | | | | | | | |
| | Finleam Edutech Private Limited | | | | | | | | | 100,000.00 | - | | |

C) Related Parties are identified by the management and relied upon by the Auditors.

D) No balances in respect of related parties have been written off.

E) Name of the related party and nature of the related party relationship where control exists have been disclosed irrespective of whether or not there have been transactions and in case of other related parties, the said disclosure has been made wherever transactions have taken place.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

29 Segment Information

(a) Business Segment

- (i) The Chief Operating Decision Maker (CODM) monitors the operating results of the business segment separately for the purpose of making decision about resource allocation and performance assessment. The operating segment has been identified considering the nature of services, the differing risks and returns, the organization structure and internal financial reporting system. Business segment has been considered as the primary segment for disclosure. The primary business of the Company related to one business segment namely "Trading in securities /derivative instruments" therefore primary business segment reporting as required by Ind AS 108 "Segment Reporting" is not applicable.
- (ii) The Company's discontinued operations pertains to Commodity Broking business which was discontinued w.e.f. 13th February, 2019.

(b) Geographical Segment

The company operated in India and hence there is no reportable geographical segment.

30 Operating Lease

The company is occupying part of a premise taken on operating lease by its parent company to whom rent aggregating to ₹1,345.70 hundreds (P.Y. ₹ 834.12 hundreds) has been reimbursed to them.

31 Financial Instruments:

- I. The carrying value and financial instruments by categories as of March 31, 2024 is as follows:

(₹ in Hundreds)

| Particulars | Measured at | | | Total Carrying Value |
|---|---------------------|------------------------|------------------------|----------------------|
| | Amortised Cost | Fair value through P&L | Fair value through OCI | |
| Financial assets | | | | |
| Cash and cash equivalents | 1,336,913.72 | - | - | 1,336,913.72 |
| Bank Balance other than cash and cash equivalents | 280,000.00 | - | - | 280,000.00 |
| Trade Receivables | | | | |
| Loan | 500,000.00 | - | - | 500,000.00 |
| Investment (excluding associates) | - | 100,000.00 | - | 100,000.00 |
| Other Financial assets | 55,596.96 | - | - | 55,596.96 |
| Total | 2,172,510.68 | 100,000.00 | - | 2,272,510.68 |
| Financial liabilities | | | | |
| (I) Trade Payables | - | | | - |
| (II) Other Payables | 7,478.71 | | | 7,478.71 |
| Other Financial liabilities | - | | | - |
| Total | 7,478.71 | | | 7,478.71 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

II. The carrying value and financial instruments by categories as of March 31, 2023 is as follows:

(₹ in Hundreds)

| Particulars | Measured at | | | Total Carrying Value |
|---|---------------------|---------------------------|---------------------------|----------------------------|
| | Amortised Cost | Fair value through P&L | Fair value through OCI | |
| Financial assets | | | | |
| Cash and cash equivalents | 1,282,373.76 | - | - | 1,282,373.76 |
| Bank Balance other than cash and cash equivalents | 280,000.00 | - | - | 280,000.00 |
| Trade Receivables | - | - | - | - |
| Investment (excluding associates) | - | - | - | - |
| Other Financial assets | 37,418.19 | - | - | 37,418.19 |
| Total | 1,599,791.95 | - | - | 1,599,791.95 |
| Financial liabilities | | | | |
| (I) Trade Payables | - | - | - | - |
| (II) Other Payables | 3,848.61 | - | - | 3,848.61 |
| Other Financial liabilities | - | - | - | - |
| Total | 3,848.61 | - | - | 3,848.61 |

III. Fair value hierarchy:

Financial Assets Measured at Fair Value-

(₹ in Hundreds)

| As at March 31, 2024 | Level 1 | Level 2 | Level 3 | Total |
|--------------------------------|---------|---------|------------|-------|
| Financial instruments | | | | |
| Investments: Preference Shares | - | - | 100,000.00 | - |
| Total | - | - | 100,000.00 | - |

| As at March 31, 2023 | Level 1 | Level 2 | Level 3 | Total |
|-----------------------|---------|---------|---------|-------|
| Financial instruments | - | - | - | - |
| Total | - | - | - | - |

* Investments under level 3 above includes investment in unquoted preference shares of ₹ 100,000.00 hundreds (March 31, 2023: ₹ Nil).

IV Valuation techniques used to determine fair value Unquoted preference investments – Based on valuation report obtained by the Company from independent valuer having appropriate qualification.

V Financial instruments not measured at fair value.

Financial assets not measured at fair value include cash and cash equivalents, bank balance other than cash and cash equivalents, trade receivables and other financial assets. These are financial assets whose carrying amounts approximate fair value, due to their short term nature.

Additionally, financial liabilities such as trade and other payables, deposits and other financial liabilities are not measured at FVTPL, whose carrying amounts approximate fair value, because of their short-term nature.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

32 Disclosure as per Ind AS 107 of nature and extent of risks from financial instruments and its management:

The Company has exposure to the following risks arising from financial instruments:

- a) Credit risk
- b) Liquidity risk
- c) Market risk

a) Credit risk

It is risk that the Company will incur a loss because its customers or counterparties to financial instruments fail to meet its contractual obligation.

The Company's financial assets comprises of cash and bank balances, trade receivables, and other financial assets comprising of deposits with exchanges, clearing members , etc and advances.

In case of bank balances and deposits with bank, the Company is banking with top rated banks. Credit risk for deposit with exchanges and clearing members are very low. In case of trade receivable, deposit with others and advances, the amount involved is not material.

Movement in Expected Credit Loss (Discontinued operations):

(₹ In Hundreds)

| Particulars | Year ended 31st March, 2024 | Year ended 31st March, 2023 |
|--|--------------------------------|--------------------------------|
| Opening Balance | - | 3,528.11 |
| Add: Provided During The Year | - | - |
| Less : Amounts written back-due to recovery | | 3,528.11 |
| Less : Amounts written back-due to written off | - | - |
| Closing Balance | - | - |

b) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by investing its surplus funds in bank deposits and in various liquid/debt fund schemes of Mutual Funds.

Refer note no. 33 for analysis of maturities of financial assets and financial liabilities.

c) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's exposure to market risk is primarily on account of interest rates risk. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximize returns.

The Company is exposed to Interest rate risk if the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates.

The Company's interest rate risk arises from interest bearing deposits with bank and loan given to its parent company. Such instrument exposes the Company to fair value interest rate risk. Management believes that the interest rate risk attached to these financial assets is not significant due to the nature of these financial assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

33 Maturity Analysis

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

(₹ In Hundreds)

| PARTICULARS | As at March 31, 2024 | | |
|--|----------------------|---------------------|-------------------|
| | Total | Within 12 months | After 12 Months |
| Assets | | | |
| Financial Assets | | | |
| Cash and cash equivalents | 1,336,913.72 | 1,336,913.72 | - |
| Bank Balance other than cash and cash equivalent | 280,000.00 | 280,000.00 | - |
| Loan | 500,000.00 | 500,000.00 | - |
| Investments | 207,618.96 | - | 207,618.96 |
| Other Financial assets | 55,596.96 | 18,346.96 | 37,250.00 |
| | 2,380,129.64 | 2,135,260.68 | 244,868.96 |
| Non-Financial Assets | | | |
| Current tax assets (net) | 1,001.71 | 1,001.71 | - |
| Deferred tax assets (net) | 768.00 | 768.00 | - |
| Property, Plant and Equipment | 275.85 | - | 275.85 |
| Other non-financial assets | 32.34 | 27.70 | 4.64 |
| | 2,077.90 | 1,797.41 | 280.49 |
| Total Assets | 2,382,207.54 | 2,137,058.09 | 245,149.45 |
| Liabilities | | | |
| Financial Liabilities | | | |
| Trade Payables | - | - | - |
| Other Payable | 7,478.71 | 7,478.71 | - |
| Other Financial Liabilities | - | - | - |
| | 7,478.71 | 7,478.71 | - |
| Non-financial Liabilities | | | |
| Current tax liabilities (net) | 6,631.59 | 6,631.59 | - |
| Provisions | 9,098.42 | 9,098.42 | - |
| Other non-financial liabilities | 269,715.84 | 269,715.84 | - |
| | 285,445.85 | 285,445.85 | - |
| Total Liabilities | 292,924.56 | 292,924.56 | - |
| Net | 2,089,282.98 | 1,844,133.53 | 245,149.45 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

(₹ In Hundreds)

| PARTICULARS | As at March 31, 2023 | | |
|--|----------------------|---------------------|-------------------|
| | Total | Within 12 months | After 12 Months |
| Assets | | | |
| Financial Assets | | | |
| Cash and cash equivalents | 1,282,373.76 | 1,282,373.76 | - |
| Bank Balance other than cash and cash equivalent | 280,000.00 | 85,000.00 | 195,000.00 |
| Investments | 84,320.03 | 84,195.03 | 125.00 |
| Other Financial assets | 37,418.19 | 168.19 | 37,250.00 |
| | 1,684,111.98 | 1,451,736.98 | 232,375.00 |
| Non-Financial Assets | | | |
| Current tax assets (net) | 11,751.56 | 11,751.56 | - |
| Deferred tax assets (net) | 225.00 | 225.00 | - |
| Property, Plant and Equipment | 275.85 | - | 275.85 |
| Other non-financial assets | 27.40 | 22.76 | 4.64 |
| | 12,279.81 | 11,999.32 | 280.49 |
| Total Assets | 1,696,391.79 | 1,463,736.30 | 232,655.49 |
| Liabilities | | | |
| Financial Liabilities | | | |
| Trade Payables | | | |
| Other Payable | 3,848.61 | 3,848.61 | - |
| Other Financial Liabilities | | | |
| | 3,848.61 | 3,848.61 | - |
| Non-financial Liabilities | | | |
| Current tax liabilities (net) | 1,394.94 | 1,394.94 | - |
| Provisions | 3,283.08 | 3,283.08 | - |
| Other non-financial liabilities | 1,392.73 | 1,392.73 | - |
| | 6,070.75 | 6,070.75 | - |
| Total Liabilities | 9,919.36 | 9,919.36 | - |
| Net | 1,686,472.43 | 1,453,816.94 | 232,655.49 |

34 Disclosure as per Ind-AS 1 on Capital Management

The Company has commended dealing in derivative instruments and securities during the year. Therefore Capital Management involves managing funds for the same in addition to funds required to meet its administrative and other expenses. The funding requirements are met through equity and earnings from surplus funds parked with the Parent/ Fellow Subsidiary Company/ies as and when needed by them or in liquid fund or banks deposits.

In addition to above the Company is required to maintain a minimum networth as prescribed from time to time by the Securities and Exchange Board of India under SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992. The management ensures that this is complied at all times.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

35 Tax Reconciliation Disclosure:

a. Income tax expense consists of the followings:

(₹ in Hundreds)

| Particulars | Year ended 31st March, 2024 | Year ended 31st March, 2023 |
|-----------------------------------|--------------------------------|--------------------------------|
| Current Income Tax from | | |
| - Continuing operations | 87,138.00 | 28,294.40 |
| - Discontinued operations | 52,202.00 | (3,157.40) |
| Total | 139,340.00 | 25,137.00 |
| Deferred Tax/(benefit) | (543.00) | 635.00 |
| Total tax for current year | 138,797.00 | 25,772.00 |
| Earlier years adjustments | 10,908.61 | - |
| Tax expense for the year | 149,705.61 | 25,772.00 |

b. Amounts recognised in other comprehensive income.

(₹ In hundreds)

| Particulars | Year ended 31st March, 2024 | Year ended 31st March, 2023 |
|--|--------------------------------|--------------------------------|
| Items that will not be reclassified to profit or loss | | |
| Actuarial gain/(loss) on defined benefit plans | (1,350.24) | (544.22) |
| Current Income (Tax)/Benefit | 340.00 | 137.00 |
| Earlier years adjustments | - | - |
| Other Comprehensive Income/(Loss) | (1,010.24) | (407.22) |

c. The reconciliation of estimated current income tax expenses at statutory income tax rate to current income tax expense reported in Statement of Profit and Loss is as follows:

(₹ in Hundreds)

| Particulars | Year ended 31st March, 2024 | Year ended 31st March, 2023 |
|---|--------------------------------|--------------------------------|
| Profit before tax from continuing operations | 326,129.05 | 97,066.56 |
| Enacted Tax Rate in India (%) | 25.168% | 25.168% |
| Expected Income Tax Expenses | 82,080.16 | 24,429.71 |
| Tax Effects of: | | |
| Deductible Expenses for Tax Purpose | (244.30) | (65.94) |
| Non Deductible Expenses for Tax Purpose | 5,083.93 | 3,748.40 |
| Others | 218.21 | 182.23 |
| Tax on Profit/(Loss) From Discontinued Operations | 52,202.00 | (3,157.40) |
| Deferred Tax | (543.00) | 635.00 |
| Total Tax | 138,797.00 | 25,772.00 |
| Current Tax Expenses | | |
| - Continuing operations | 87,138.00 | 28,294.40 |
| - Discontinuing operations | 52,202.00 | (3,157.40) |
| - Deferred Tax Expenses / (Benefit) | (543.00) | 635.00 |
| Effective Tax Rate (%) | 42.56% | 26.55% |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

- d. The Company had elected to exercise the option of lower tax rate permitted under section 115BAA of the Income Tax Act, 1961. Accordingly, the Company has recognised Provision for Current Tax and Deferred Tax Assets basis the rate prescribed in the said section.

e. Movement of deferred tax (assets)/liabilities:

(₹ In Hundreds)

| Particulars | Provisions | Difference between Tax and Book Depreciation | Total |
|-------------------------------------|-----------------|--|-----------------|
| As at 31st March, 2022 | (942.00) | 82.00 | (860.00) |
| Charge/(Benefit) to Profit and Loss | 713.30 | (78.30) | 635.00 |
| As at 31st March, 2023 | (228.70) | 3.70 | (225.00) |
| Charge/(Benefit) to Profit and Loss | (552.30) | 9.30 | (543.00) |
| As at 31st March, 2024 | (781.00) | 13.00 | (768.00) |

36 a) Contingent Liabilities.

(₹ In Hundreds)

| Sr. No. | Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|------------|---|---------------------------|---------------------------|
| 1 | Income Tax and Fringe Benefits Tax matters in dispute | 613.30 | 613.30 |

b) Capital commitments (to the extent not provided for)

Uncalled liability on investment in partly paid-up preference shares Rs. 100,000.00 hundreds (P.Y. Rs. Nil)

37 Disclosure regarding loans given, investments made and guarantee given pursuant to section 186(4) of the Companies Act, 2013:

Loans Given - Refer Note No.6

Investments made - Refer Note No.7

Guarantee given - NIL

Security Provided - NIL

38 Dividend

The Company paid interim dividend of ₹ 1.50 per equity share aggregating ₹ 95,637.75 hundreds during the previous year ended March 31, 2023.

Dividends declared by the Company are based on the profit available for distribution.

39 The company has not obtained any borrowings from banks and financial institutions as at the balance sheet date and hence utilization of the borrowings for the specific purpose for which it was obtained is not applicable to the Company.

40 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

41 Additional regulatory information required pursuant to Part I and II of Division III of Schedule III to the Act:

- a) The company does not have any investment property as at 31st March, 2024 as well as 31st March, 2023.
- b) The Company has not revalued its Property, Plant and Equipment during the current or previous year.
- c) The Company does not have any intangible assets during the current or previous year.
- d) The Company has not granted any loans or advances in the nature of loans to its promoter, directors, KMPs and the related parties, either severally or jointly with any other person, during the current or previous year which are repayable on demand or without specifying any terms or period of repayment.
- e) There are no capital work- in- progress as at 31st March, 2024 as well as 31st March, 2023.
- f) There are no Intangible assets under development as at 31st March, 2024 as well as 31st March, 2023.
- g) No proceeding has been initiated during the year or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- h) The Company has been sanctioned working capital limits by a bank on the basis of security of deposits held by the company with the said bank disclosed under " Bank balance other than cash and cash equivalents" in the Consolidated financial statements. Due to nature of security , the company is not required to file quarterly returns or statements with the said bank. Therefore, question of quarterly returns or statements being in agreement with the books of account of the Company does not arise
- i) The Company is not declared wilful defaulter by any bank or financial institution or other lender.
- j) There are no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- k) The Company does not have any subsidiary and hence provision of clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules 2017 are not applicable to the Company.
- l) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- m) The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entity (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall-
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- n) The Company has not received any fund from any person or entity, including foreign entity (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall-
 - directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- o) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- p) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

42 Additional disclosure pertaining to Associate required under part III of division III of Schedule III to the Companies Act, 2013.

| As at | Name of the entity | Net Assets i.e. Total Assets minus Total Liabilities | | Share in Profit or (Loss) | | Share in other comprehensive income | | Share in total comprehensive income | |
|-------------------|---------------------------------------|--|---------------------|-------------------------------------|-------------------|---|-------------------|---|-------------------|
| | | As % of Consolidated Net Assets | ₹ in Hundreds | As % of Consolidated Profit or Loss | in Hundreds | As % of Consolidated Other Comprehensive income | in Hundreds | As % of Consolidated Total Comprehensive income | in Hundreds |
| | Parent | | | | | | | | |
| | Emkay Commotrade Limited | 94.85% | 1,981,664.02 | 94.28% | 383,835.54 | 100.00% | (1,010.24) | 94.26% | 382,825.30 |
| | Associate | | | | | | | | |
| | AES Trading and Consultant LLP | 5.15% | 107,618.96 | 5.72% | 23,298.93 | - | - | 5.74% | 23,298.93 |
| 31/03/2024 | Total | 100.00% | 2,089,282.98 | 100.00% | 407,134.47 | 100.00% | (1,010.24) | 100.00% | 406,124.23 |
| | Parent | | | | | | | | |
| | Emkay Commotrade Limited | 95.00% | 1,602,152.40 | 42.52% | 62,277.55 | 100.00% | (407.22) | 42.36% | 61,870.33 |
| | Associate | | | | | | | | |
| | AES Trading and Consultant LLP | 5.00% | 84,320.03 | 57.48% | 84,195.03 | - | - | 57.64% | 84,195.03 |
| 31/03/2023 | Total | 100.00% | 1,686,472.43 | 100.00% | 146,472.58 | 100.00% | (407.22) | 100.00% | 146,065.36 |

43 Salient features of Financial Statements of Subsidiaries/Associates/Joint Ventures as per Companies Act, 2013 (AOC-1) :-

Part – A: Subsidiaries – This part is not applicable to the Company.

Part – B: Associate

| Name of associate | Latest audited balance sheet date | The date on which the associate was acquired or was associated | Shares of the Associate held by the Company on the year end | | | Net worth attributable to shareholding as per latest audited balance sheet (₹ in Hundreds) | Profit/(loss) for the year Considered in consolidation (₹ in Hundreds) |
|--------------------------------|-----------------------------------|--|---|---|---------------------|--|--|
| | | | Nos. | Amount of investment in associate (₹ in Hundreds) | Extent of holding % | | |
| AES Trading and Consultant LLP | 31/03/2024 | 13/12/2021 | N.A. | 125.00 | 25% | 107,618.96 | 23,298.93 |
| AES Trading and Consultant LLP | 31/03/2023 | 13/12/2021 | N.A. | 125.00 | 25% | 84,320.03 | 84,195.03 |

There has been a significant influence due to percentage (%) of voting power.

Note: There are no subsidiaries/associates which were liquidated or sold off during the under review.

44 Other additional and regulator information required pursuant to Part I and II of Division III of Schedule III to the Act, are not applicable to the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH 2024

45 The Company has used two accounting softwares namely Sun system and Commex for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that the audit trail feature is not enabled at database level when using certain access rights. Further, no instance of audit trail feature being tampered with was noted in respect of these softwares where audit trail feature has been enabled. The associate is not a company whose financial statements have been audited under the Act and hence requirement of audit trail (edit log) facility is not applicable to the said associate.

46 Figures of the previous year have been regrouped, re-classified, recasted and rearranged wherever necessary to make them comparable with the figures of the current year.

47 Figures in brackets represents for previous year.

48 Events after reporting date

There have been no events after the reporting date that require disclosure in these Consolidated financial statements.

49 Approval of Consolidated Financial Statements

These Consolidated financial statements were approved for the issue by the Board of Directors at their meeting held on May 14th, 2024.

As per our Report of even date

For-**B.L.Sarda & Associates**

Chartered Accountants

Firm Registration No.109266W

(CA B. L. Sarda)

Partner

Membership No. 014568

Place: Mumbai

Dated: 14th May 2024

By the order of the Board

EMKAY COMMOTRADE LIMITED

Haresh Mahadik

Whole-time Director

DIN: 10207234

Mangesh Parab

Director

DIN: 10205135

Place: Mumbai

Dated: 14th May 2024



EMKAY COMMOTRADE LIMITED

Registered Office: The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028
Administrative office: Paragon Centre, C-06, Ground Floor, P.B. Marg, Opp. Birla Centurion, Worli,
Mumbai-400013

CIN- U51110MH2006PLC158675

ATTENDANCE SLIP

I hereby record my presence at the 19th Annual General Meeting of the Company held on Wednesday, August 07, 2024 at 10.30 a.m. at the Registered Office of the Company situated at The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028.

Folio No. DP ID No..... Client ID No.....

Name of Member

Name of Proxyholder

No. of Share(s) Held:.....

Signature of Member/Proxy

Notes:

- (1) Members/Proxyholders are requested to produce the attendance slip duly signed for admission to the Meeting hall.
- (2) Members are requested to bring their copy of Annual Report for reference at the Meeting

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EMKAY COMMOTRADE LIMITED
CIN No. U51110MH2006PLC158675

Registered Office: The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028
Administrative office: Paragon Centre, C-06, Ground Floor, P.B. Marg, Opp. Birla Centurion, Worli, Mumbai-400013
Website: www.emkayglobal.com T: 022-66121212 • Email: secretarial@emkayglobal.com

PROXY FORM

[Pursuant to section 105 (6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014].

| |
|------------------------------|
| Name of the Member(s): |
| Registered Address: |
| E-mail ID: |
| Folio No./ Client ID: |
| DP ID: |

I/We, being the member (s) of Emkay Commotrade Limited holding _____ equity shares of the above named company, hereby appoint.

1. Name:
Address:
E-mail ID:
Signature: or failing him
2. Name:
Address:
E-mail ID:
Signature: or failing him
3. Name:
Address:
E-mail ID:
Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 19th Annual General Meeting of the Company, to be held on Wednesday, August 07, 2024 at 10.30 a.m. at the Registered Office of the Company situated at The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Sr. No. | Resolutions |
|---------|---|
| 1 | To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended March 31, 2024 together with the report of the Board of Directors and Auditors thereon. |
| 2 | To appoint a Director in place of Mr. Mangesh Parab (DIN: 10205135), who retires by rotation and being eligible, offers himself for re-appointment. |
| 3 | Re-appointment of Statutory Auditors and to fix their remuneration. |
| 4 | Approval for Loans and Investments under Section 186 of the Companies Act, 2013 |
| 5 | Approval for giving Loans, Guarantee, etc., under Section 185 of the Companies Act, 2013 |

Signed this _____ day of _____ 2024

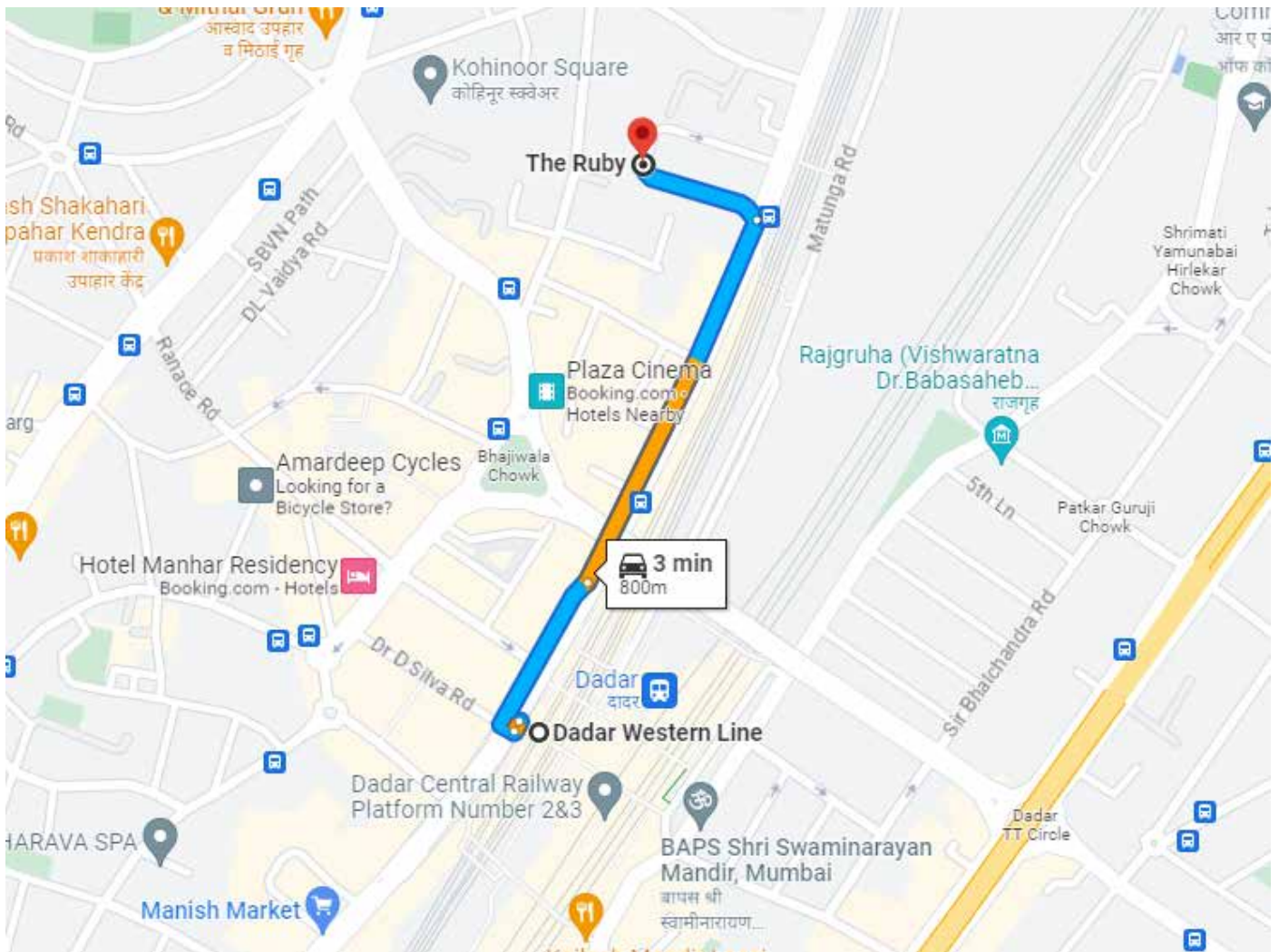
Signature of the Shareholder: _____

Signature of the Proxy Holder(s): _____

Affix
Revenue
Stamp of
Re.1/-

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Route Map for AGM



[illegible]

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Your success is our success

Emkay Commotrade Limited

CIN : U51110MH2006PLC158675

Registered Office: The Ruby, 7th Floor,
Senapati Bapat Marg,

Dadar West, Mumbai 400 028.

Tel: +91 22 66121212