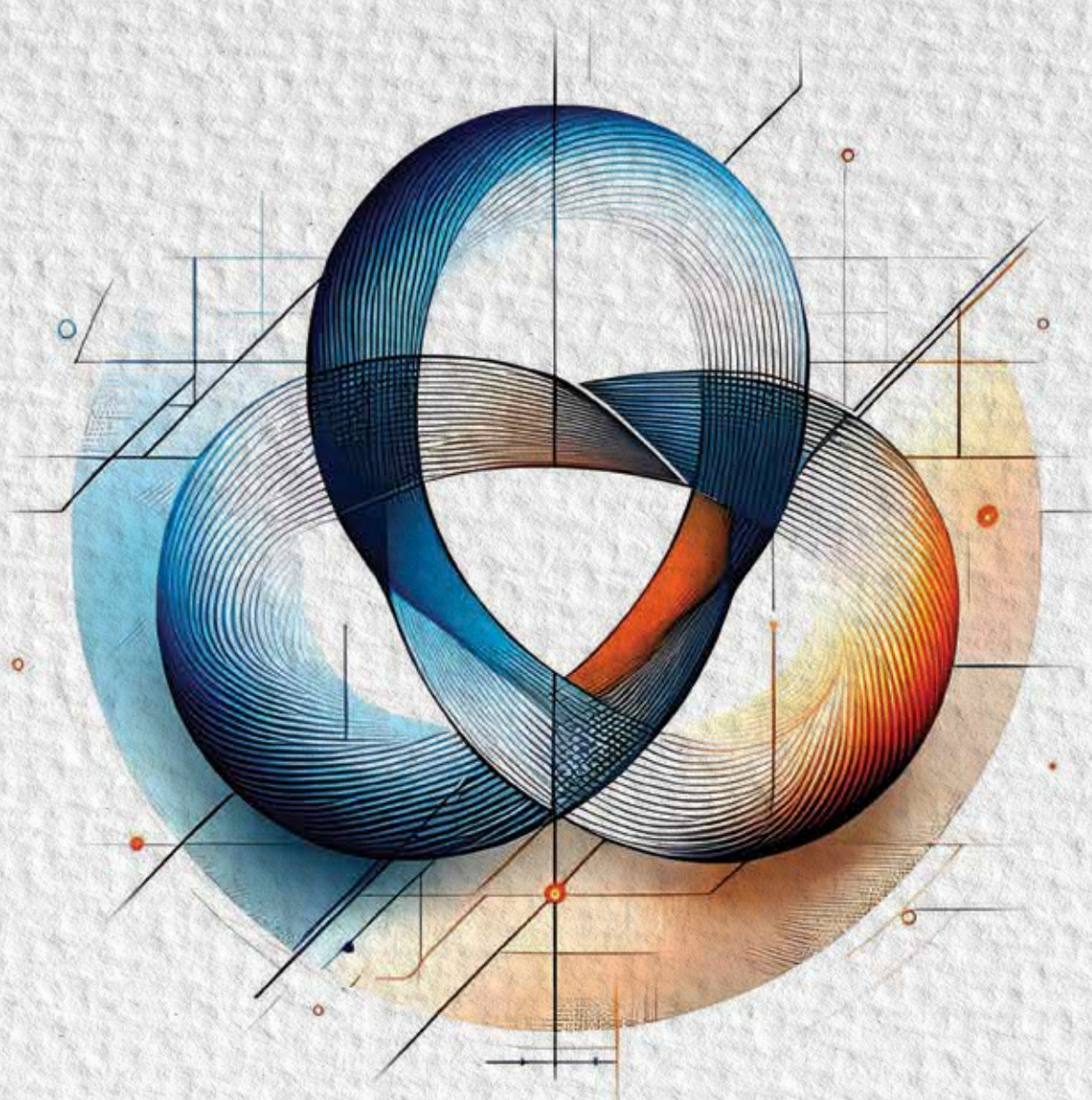


Annual Report **2023-24**

Emkayglobal Financial Services IFSC Private Limited

**Emkay**<sup>®</sup>

Your success is our success



Trident of Growth  
**Technology. Process. People.**





## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. Rajesh Sharma - Director (DIN: 01239871)  
Mr. Saket Agrawal - Director (DIN: 06960186)

### STATUTORY AUDITORS

M/s. B. L. Sarda & Associates,  
Chartered Accountants  
61, Rajgir Chambers, Opp. Old Custom House,  
12/14, Shahid Bhagat Singh Road, Mumbai - 400023  
Tel No. 022-22664618, 022-22662752

### BANKERS

Kotak Mahindra Bank  
Axis Bank Limited

### REGISTERED OFFICE

Unit no. 517, Fifth floor,  
Signature, 13-B, Zone-1,  
GIFT SEZ, Gandhinagar,  
Gujarat – 382355.

### ADMINISTRATIVE OFFICE

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

### CORPORATE IDENTIFICATION NUMBER

U65999GJ2018PTC102945

## NOTICE

**NOTICE** is hereby given that the Sixth Annual General Meeting of the Members of **Emkayglobal Financial Services IFSC Private Limited** will be held on Wednesday, August 7, 2024 at 11.30 a.m. at the Office of the Company at The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028 to transact the following business:

### Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2024 together with the report of the Board of Directors and Auditors thereon.

2. 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 re-appointed as the Statutory Auditors of the Company to hold office for a period of 5 (Five) years from the conclusion of this Annual General Meeting till the conclusion of the 11th 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”

**By order of the Board of Directors**  
**For Emkayglobal Financial Services IFSC Private Limited**

**Rajesh Sharma**  
**Director**  
**(DIN: 01239871)**

**Registered Office:**  
**Unit No 517, Fifth Floor, Signature, 13B,**

**Zone -1, Gift SEZ, Gandhinagar , Gujarat- 382355**

**Place : Mumbai**

**Date : May 14, 2024**

### Notes for Members' Attention:

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. Person can act as 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 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 Annual General Meeting 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
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. 2 is annexed to this Notice.

7. Members seeking any information with regards to the accounts or any matters to be placed at the AGM, are required to write to the company on or before Monday, August 5, 2024, through email to [secretarial@emkayglobal.com](mailto:secretarial@emkayglobal.com). The same will be replied to by the company suitably.

**By order of the Board of Directors**  
**For Emkayglobal Financial Services IFSC Private Limited**

**Rajesh Sharma**  
**Director**  
**(DIN: 01239871)**

**Registered Office:**  
**Unit No 517, Fifth Floor, Signature, 13B,**  
**Zone -1, Gift SEZ, Gandhinagar , Gujarat- 382355**

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

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

##### **Item No. 2: Re-appointment of Statutory Auditors and to fix their remuneration**

The Members of the Company at its 1st Annual General Meeting ('AGM') held on September 30, 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 1st Annual General Meeting of the Company till conclusion of the 6th 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 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 6th Annual General Meeting till the conclusion of the 11th 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. 2 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. 2 of the Notice.

**By order of the Board of Directors**  
**For Emkayglobal Financial Services IFSC Private Limited**

**Rajesh Sharma**  
**Director**  
**(DIN: 01239871)**

**Registered Office:**  
**Unit No 517, Fifth Floor, Signature, 13B,**  
**Zone -1, Gift SEZ, Gandhinagar , Gujarat- 382355**

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

# REPORT OF THE BOARD OF DIRECTORS

Dear Members,

Your Directors present the Sixth 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	31.03.2023
Total Revenue	11.01	3.75
Expenses	71.26	53.82
Profit/(Loss) Before Tax	(60.26)	(50.07)
Less: Provision for Taxation	-	-
Less: Deferred Tax Charge / (Benefit)	(0.35)	(0.56)
Profit/(Loss) After Tax	(59.91)	(49.51)
Other Comprehensive Income / (Loss) (net of tax)	-	-
Total Comprehensive Income	(59.91)	(49.51)

## 2. REVIEW OF OPERATIONS AND BUSINESS HIGHLIGHTS

During the year under review, your Company recorded a total revenue of Rs. 11.01 Lakhs as compared to Rs. 3.75 Lakhs in the previous financial year. The Company incurred a net loss of Rs. 59.91 Lakhs as against Rs. 49.51 Lakhs in the previous year.

## 3. RESERVES AND SURPLUS

In view of losses, the Company has not transferred any amount to the General Reserves.

## 4. SHARE CAPITAL

The Authorized Share Capital of the Company is Rs. 5.00 crores divided into 50 Lakhs Equity Shares of Rs. 10/- each. The Paid-up Share Capital of the company is Rs. 5.00 crores, comprises of 50 Lakhs Equity Shares of Rs.10/- each.

## 5. DIVIDEND

In view of losses incurred during the year, your directors do not recommend 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

Pursuant to Section 152 of the Companies Act, 2013 and other applicable provisions and rules made thereunder, the Directors of the Company are not required to retire by rotation.

Pursuant to Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, your Company is not required to appoint Key Managerial Personnel.

## 9. INDEPENDENT DIRECTORS

The provisions of Section 149(4) of the Companies Act, 2013 pertaining to appointment of Independent Director are not applicable to the Company. Accordingly, the Company has not appointed Independent Director on its Board.

## 10. CORPORATE GOVERNANCE

### a) NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2023-24, 6 meetings of the Board of Directors were held on 18th April 2023, 12th May 2023, 26th May 2023, 9th August 2023, 27th October 2023 and 30th January 2024.

The details of the attendance of Directors at the meetings were as under.

Name of the Director	Category	Board Meetings held during Financial Year 2023-24	
		Held	Attended
Mr. Saket Agrawal	Director	6	6
Mr. Rajesh Sharma	Director	6	6

### 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

## REPORT OF THE BOARD OF DIRECTORS (Contd.)

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 COMMITTEE**

Provisions of section 135 of the Companies Act, 2013 pertaining to constitution of Corporate Social Responsibility Committee are not applicable to the Company. Accordingly, the Company has not constituted the Corporate Social Responsibility Committee

### **e) GENERAL MEETING**

During the F.Y 2023-24, 5th Annual General Meeting was held on 9th August 2023.

## **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 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.
- The directors have prepared the annual accounts on a going concern basis.
- 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
- 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, the 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, no loans, investments, guarantees and securities granted and hence provisions of Sections 185 and 186 of the Companies Act, 2013 were not applicable.

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

According to the proviso to Sub-section (3) of section 134 added vide MCA Notification dated 4th January, 2017 Specified IFSC Private Companies are not required to provide the information in the Boards' Report if any information listed under sub-section 3 of section 134 are already provided in the financial statements. As per the above notification the Company is not required to report its Related Party Transactions in AOC-2.

## **15. SUBSIDIARY AND ASSOCIATE COMPANIES**

As on 31st March, 2024 the Company does not have any Subsidiary or Associate Companies, however the company is the wholly owned subsidiary of Emkay Global Financial Services Limited.

## **16. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE COURTS OR REGULATORS**

During the financial year 2023-24, there were no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations. Further, no penalties have been levied by any Regulators during the financial year under review.

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

- The prescribed particulars of Conservation of Energy, Technology Absorption do not have much relevance to the activities of the Company since it does not own any manufacturing facility. Hence 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 is not given.
- There were no Foreign Exchange earnings during the year under review
- There were no Foreign Exchange Outgo during the year under review.

## **18. CHANGE IN ACCOUNTING POLICY**

The Company has adopted Indian Accounting Standard

## REPORT OF THE BOARD OF DIRECTORS (Contd.)

(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 reenactment(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 for a period of five years commencing from the conclusion of the 1st Annual General Meeting (AGM) till the conclusion of the 6th 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 6th 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 6th Annual General Meeting till the conclusion of 11th Annual General Meeting for approval of Shareholders. As required under the provisions of section 139 (1) of the Companies Act, 2013, the Company has received a Certificate from M/s. B. L. Sarda & Associates 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 6th 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 6th 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 is not required to get its records audited from Company Secretary in Practice.

### 21. SECRETARIAL STANDARDS

The Company complies with the applicable Secretarial

Standards issued by the Institute of Company Secretaries of India.

### 22. 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.

### 23. 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 Boards' report.

### 24. 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 applicable, as there were no employees whose remuneration falls within the prescribed limits of the Section 197.

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

During the year 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.

### 25. DETAILS OF APPLICATION MADE OR ANY PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH 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 F.Y 2023-24.

### 26. 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 REASON THEREOF

Not Applicable.



## 27. ACKNOWLEDGEMENT

Your Directors would like to take this opportunity to express sincere gratitude towards the stakeholders at large. Your Directors gratefully acknowledge the ongoing co-operation and support provided by the Government Authorities, Regulatory Bodies and other entities dealing with the Company.

**On behalf of the Board of Directors**

**For Emkayglobal Financial Services IFSC Private Limited**

**Rajesh Sharma**  
Director  
DIN: 01239871

**Saket Agrawal**  
Director  
DIN: 06960186

**Place : Mumbai**

**Date : May 14, 2024**

## INDEPENDENT AUDITOR'S REPORT

### To The Members of EMKAYGLOBAL FINANCIAL SERVICES IFSC PRIVATE LIMITED Report on the Audit of Financial Statements

#### OPINION

We have audited the accompanying financial statements of EMKAYGLOBAL FINANCIAL SERVICES IFSC PRIVATE LIMITED ("the Company"), which comprises of Balance Sheet as at March 31st, 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 financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with 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 loss, total comprehensive loss, 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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 financial statements.

#### INFORMATION OTHER THAN THE 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 financial statement and our auditor's report thereon.

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

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

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

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

In preparing the financial statements, 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.

## INDEPENDENT AUDITOR'S REPORT (Contd.)

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

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

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

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

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

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

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

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(i)(vi) below on reporting under 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

## INDEPENDENT AUDITOR'S REPORT (Contd.)

- 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 31st, 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) The Company is a Private Company having turnover less than rupees fifty crores as per latest audited financial statements and aggregate borrowings from banks or financial institutions or any body corporate at any point of time during the financial year less than rupees twenty five crore, hence reporting as required under clause (i) of sub-section (3) of section 143 of the Act with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls is not applicable to the Company.
- h) (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 to the best of our information and according to the information and explanations given to us, the provisions of section 197 of the Act pertaining to Managerial remuneration are not applicable to the Company. Hence, statement to be made in the Auditor's Report in terms of section 197(16) of the Act is not applicable.
- 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 does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note no.35(o) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or 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.35(p) to the 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.
- (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

## ANNEXURE "A" TO INDEPENDENT AUDITOR'S REPORT

- with section 123 of the Act is not applicable to the Company.
- vi. The Company has used three accounting softwares namely Tally, Focus Back Office and Interface for maintaining its books of account and in case of Tally, the company has migrated to upgraded version of the said software from legacy version of the same during the year on 24th May, 2023. Based on our examination which included test checks, in case of (i) upgraded version of Tally, the same 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 at database level when using certain access rights, (ii) legacy version of tally, the audit trail feature is not enabled and, (iii) Focus Back Office and Interface, they did not have feature of recording audit trail (edit log) facility throughout the year, as described in note 36 to the 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 upgraded version of Tally where audit trail has been enabled.

For **B. L. Sarda & Associates**  
**Chartered Accountants**

Firm Registration Number: 109266W

**(CA. B. L. Sarda)**

**Partner**

Membership : 014568  
UDIN : 24014568BKFRBZ6352  
Place of Signature : Mumbai  
Date : May 14, 2024

### **Annexure "A" to Independent Auditor's report of even date to the members of EMKAYGLOBAL FINANCIAL SERVICES IFSC PRIVATE LIMITED on the 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 and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (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 at the end of 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 or intangible assets or both 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 is engaged in service activities and hence it does not hold any physical inventories. 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) The Company has not made any investment, provided guarantee, given security and granted loan or advance in the nature of loan during the year. Accordingly, clause 3(iii)(a), (b), (c), (d), (e) and (f) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans granted, investments made, guarantees given and securities provided in respect of which provisions of Section 185 and 186 of the Act are applicable. Accordingly, clause 3(iv) of the Order is not applicable to the Company.
- (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, income tax, cess and other statutory dues applicable to it. 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 payable. As explained to us, the Company did not have any dues on account of provident fund, employees' state insurance, sales-tax, service tax, duty of customs, duty of excise and value added tax.

- (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.
- (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.
- (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 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 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 based on our examination, the company does not have an internal audit system and is not required to have an Internal Audit system as per provisions of the Act .
- (b) In view of our comments under (xiv)(a) above, the company did not have internal audit reports and hence clause 3(xiv)(b) of the order is not applicable to the Company.
- (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 incurred cash losses of Rs.45,051.35 Hundreds during the financial year covered by our audit and of Rs.35,004.69 Hundreds in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly reporting under 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 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, provisions of section 135 of the Act pertaining to expenditure on Corporate Social Responsibility are not applicable to the Company. Accordingly, clause 3(xx)(a) and (b) of the Order are 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 : **24014568BKFRBZ6352**

Place : Mumbai

Date : 14<sup>th</sup> May, 2024



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# BALANCE SHEET

AS AT 31ST MARCH 2024

(₹ in hundreds)

Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
<b>I ASSETS</b>			
<b>1 Financial Assets</b>			
Cash and cash equivalents	3	18,622.45	41,596.90
Bank balance other than cash and cash equivalents	4	188,390.57	227,652.67
Derivative financial instruments	5	-	-
Other financial assets	6	105,889.66	117,808.98
<b>Total Financial Assets</b>		<b>312,902.68</b>	<b>387,058.55</b>
<b>2 Non-Current Liabilities</b>			
Current tax assets (Net)	7	1,080.17	-
Deferred tax assets (Net)	27(d)	2,733.00	2,383.40
Property, Plant and Equipment	8	26,661.88	15,051.06
Right-of-use assets	28(b)	20,202.34	24,636.22
Other intangible assets	8	4,666.67	1,000.00
Other non financial assets	9	5,672.69	668.68
<b>Total Non-Financial Aassets</b>		<b>61,016.75</b>	<b>43,739.36</b>
<b>Total Assets</b>		<b>373,919.43</b>	<b>430,797.91</b>
<b>II LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>1 Financial Liabilities</b>			
Derivative financial instruments	5	-	-
Payables			
I) Trade payables	10(a)		
(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	10(b)		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,785.54	1,799.95
Lease liability	28 (c)	29,217.37	32,055.82
Other financial liabilities		-	-
<b>Total Financial Liabilities</b>		<b>31,002.91</b>	<b>33,855.77</b>
<b>2 Non-Financial Liabilities</b>			
Provisions	11	725.68	1,186.47
Other non-financial liabilities	12	2,014.34	213.09
<b>Total Non-Financial Liabilities</b>		<b>2,740.02</b>	<b>1,399.56</b>
<b>3 EQUITY</b>			
Equity Share capital	13	500,000.00	500,000.00
Other Equity	14	(159,823.50)	(104,457.42)
<b>Total Equity</b>		<b>340,176.50</b>	<b>395,542.58</b>
<b>Total Liabilities and Equity</b>		<b>373,919.43</b>	<b>430,797.91</b>

The accompanying notes are an integral part of financial statements

For and on behalf of the Board of

**Emkayglobal Financial Services IFSC Pvt. Ltd.**

As per our report of even date

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

Chartered Accountants

Firm registration number: 109266W

**(CA B. L. Sarda )**

**Partner**

Membership No.014568

Place : Mumbai

Date : May 14, 2024

**Saket Agrawal**

**Director**

DIN: 06960186

Place : Mumbai

Date : May 14, 2024

**Rajesh Sharma**

**Director**

DIN :01239871



# 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 Current Year Ended 31st March, 2023
<b>Revenue from Operations</b>			
Fee and commission Income	15	-	-
Net gain on fair value changes	16	(2.48)	(24.49)
<b>Total revenue from operations</b>		<b>(2.48)</b>	<b>(24.49)</b>
<b>Other income</b>	<b>17</b>	<b>11,008.11</b>	<b>3,779.31</b>
<b>Total income</b>		<b>11,005.63</b>	<b>3,754.82</b>
<b>Expenses</b>			
Finance costs	18	3,146.55	3,391.18
Employee benefits expenses	19	7,213.88	5,830.75
Depreciation and amortisation expenses	20	17,946.39	16,784.47
Other expenses	21	42,955.16	27,815.00
<b>Total expenses</b>		<b>71,261.98</b>	<b>53,821.40</b>
<b>(Loss) before tax</b>		<b>(60,256.35)</b>	<b>(50,066.58)</b>
Tax expense:			
1. Current tax		(-)	(-)
2. Deferred tax /( benefit)		(349.60)	(559.40)
<b>Total tax expense</b>		<b>(349.60)</b>	<b>(559.40)</b>
<b>(Loss) for the year</b>		<b>(59,906.75)</b>	<b>(49,507.18)</b>
<b>Other comprehensive Income</b>			
Items that will not be reclassified to profit or loss		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss			
Foreign exchange translation reserve		4,540.67	21,918.73
Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Other Comprehensive Income</b>		<b>4,540.67</b>	<b>21,918.73</b>
<b>Total comprehensive (Loss) for the year</b>		<b>(55,366.08)</b>	<b>(27,588.45)</b>
Earnings per equity share	22		
Basic (Rs.)		(1.20)	(1.15)
Diluted (Rs.)		(1.20)	(1.10)

The accompanying notes are an integral part of financial statements

As per our report of even date

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

Chartered Accountants

Firm registration number: 109266W

(CA B. L. Sarda )

Partner

Membership No.014568

Place : Mumbai

Date : May 14, 2024

For and on behalf of the Board of

**Emkayglobal Financial Services IFSC Pvt. Ltd.**

**Saket Agrawal**

Director

DIN: 06960186

Place : Mumbai

Date : May 14, 2024

**Rajesh Sharma**

Director

DIN :01239871

## STATEMENT OF CHANGES IN EQUITY

### FOR THE YEAR ENDED 31ST MARCH 2024

#### Equity Share Capital

Particulars	Equity Share Capital	
	No. of Shares	₹ In Hundreds
<b>AS AT 31ST MARCH, 2023</b>		
Balance at the beginning of the previous reporting period	2,000,000	200,000.00
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	3,000,000	300,000.00
Balance at the end of the previous reporting period	5,000,000	500,000.00
<b>As at 31st March, 2024</b>		
Balance at the beginning of the current reporting period	5,000,000	500,000.00
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 period	-	-
Balance at the end of the current reporting period	5,000,000	500,000.00
<b>Other Equity</b>		

Particulars	Reserves and Surplus	Other Comprehensive Income	Total
	Retained earnings	Foreign Exchange Translation Reserve	
<b>As at 31st March, 2023</b>			
Balance at the beginning of the previous reporting period	(83,238.75)	6,369.78	(76,868.97 )
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the previous reporting period	-	-	-
(Loss) For The Previous Year	(49,507.18)	-	(49,507.18)
Other Comprehensive Income for the previous year	-	21,918.73	21,918.73
Total Comprehensive Income for the previous year	-	-	(27,588.45)
Balance at the end of the previous reporting period	(132,745.93)	28,288.51	(104,457.42)
<b>As at 31st March, 2024</b>			
Balance at the beginning of the current reporting period	(132,745.93)	28,288.51	(104,457.42)
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-
(Loss) for the current year	(59,906.75)	-	(59,906.75)
Other Comprehensive Income for the current year	-	4,540.67	4,540.67
Total Comprehensive Income /(Loss) for the year			(55,366.08)
Balance at the end of the current reporting period	(192,652.68)	32,829.18	(159,823.50)

The accompanying notes are an integral part of financial statements

As per our report of even date

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

Chartered Accountants

Firm registration number: 109266W

(CA B. L. Sarda )

Partner

Membership No.014568

Place : Mumbai

Date : May 14, 2024

For and on behalf of the Board of

**Emkayglobal Financial Services IFSC Pvt. Ltd.**

**Saket Agrawal**

Director

DIN: 06960186

Place : Mumbai

Date : May 14, 2024

**Rajesh Sharma**

Director

DIN :01239871



## STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH 2024

(₹ in hundreds)

	Year ended 31st March 2024	Year ended 31st March 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax, Extraordinary items	(60,256.35)	(50,066.58)
Adjustment for :		
Foreign Exchange Translation Gain/(Loss)	4,540.67	21,918.73
Depreciation and amortisation	17,946.39	16,784.47
Interest Income on Unwinding of Security Deposit	(252.55)	(232.19)
Interest Cost pertaining to Lease Liability	3,146.55	25,381.06
	3,391.18	41,862.19
<b>Operating profit before working capital changes</b>	<b>(34,875.29)</b>	<b>(8,204.39)</b>
Adjustment for :		
(Increase)/decrease Bank Balance other than cash and cash equivalents	39,262.10	(227,652.67)
(Increase)/decrease in other financial assets	12,171.86	(35,547.21)
(Increase)/decrease in other non financial assets	(5,004.01)	(175.44)
Increase/(decrease) in other payables	(14.41)	166.78
Increase/(decrease) in provisions	(460.79)	374.14
Increase/(decrease) in other non financial liabilities	1,801.25	47,756.00
	(432.50)	(263,266.90)
<b>Cash Generated from operations</b>	<b>12,880.71</b>	<b>(271,471.29)</b>
Direct taxes (Paid)/Refund	(1,080.17)	-
<b>Cash flow before extraordinary items</b>	<b>11,800.54</b>	<b>(271,471.29)</b>
Extraordinary items	-	-
<b>Net Cash from / (used in) Operating Activities</b>	<b>11,800.54</b>	<b>(271,471.29)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment & Other Intangible assets -	(28,790.00)	(11,794.00)
<b>Net Cash from/(used in) Investing Activities</b>	<b>(28,790.00)</b>	<b>(11,794.00)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Equity shares	-	300,000.00
Payment for principal portion of Lease Liability	(2,838.44)	(2,049.79)
Payment for interest portion of Lease Liability	(3,146.55)	(3,391.18)
<b>Net Cash from/(used in) Financing Activities</b>	<b>(5984.99)</b>	<b>294,559.03</b>
<b>Net Increase/(Decrease) in Cash and Cash equivalents</b>	<b>(22,974.45)</b>	<b>11,293.74</b>

(₹ in hundreds)

	Year ended 31st March 2024	Year ended 31st March 2023
<b>Cash and Cash equivalents at the beginning of the year</b>	<b>41,596.90</b>	<b>30,303.16</b>
<b>Cash and Cash equivalents at the close of the period/ year</b>	<b>18,622.45</b>	<b>41,596.90</b>
<b>Notes :</b>		
1. <b>Cash and Cash equivalents comprise of :</b>		
Balances with Banks		
- <b>Current Accounts</b>	<b>18,622.45</b>	<b>21,038.21</b>
- <b>Deposit Accounts</b>	<b>-</b>	<b>20,558.69</b>
	<b>18,622.45</b>	<b>41,596.90</b>
2. <b>Cash flow statement has been prepared under the Indirect Method as set out in the Indian Accounting Standard - 7 (Ind AS-7)</b>		
<b>"Statement of Cash Flow."</b>		
3. <b>Previous year's figures are re-grouped/recasted/re- arranged wherever considered necessary.</b>		

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

As per our report of even date

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

Chartered Accountants

Firm registration number: 109266W

**(CA B. L. Sarda )**

**Partner**

Membership No.014568

Place : Mumbai

Date : May 14, 2024

For and on behalf of the Board of

**Emkayglobal Financial Services IFSC Pvt. Ltd.**

**Saket Agrawal**

**Director**

DIN: 06960186

Place : Mumbai

Date : May 14, 2024

**Rajesh Sharma**

**Director**

DIN :01239871

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31ST MARCH, 2024

### 1 CORPORATE INFORMATION

Emkayglobal Financial Services IFSC Private Limited (the 'Company') is a private company domiciled in India and was incorporated under the provisions of the Companies Act, 2013 ('the Act') vide Certificate of Incorporation (CIN) U65999GJ2018PTC102945 dated 21st June, 2018. The Company is a wholly owned subsidiary of Emkay Global Financial Services Limited ('the parent'). The registered office of the Company is situated at Unit No.517, Fifth Floor, Signature, 13B, Zone-1, GIFT SEZ, GIFT SEZ, Gandhinagar, Gujarat – 382355. The Company has set up a unit in the 'GIFT Multi-Services Special Economic Zone' for providing financial services as capital market intermediary in International Financial Service Centre (IFSC) in accordance with the Securities and Exchange Board of India (International Financial Services Centre) Guidelines, 2015. The Company has obtained eligibility certificate from Kandla SEZ and also registration certificate from Securities and Exchange Board of India (SEBI) as broker and obtained membership of NSE IFSC Limited as a Trading Member and commenced operations with effect from 8th June 2020. The Company has also obtained certificate of registration dated 7th January 2022, as a Bullion Trading and Clearing Member of Indian International Bullion Exchange IFSC Limited.

### 2 MATERIAL ACCOUNTING POLICIES

#### 2.1 Basis of Preparation

##### (i) Statement of Compliance

These financial Statements comprise the Balance Sheets as at March 31, 2024 (current reporting period) and March 31, 2023 (previous reporting period), the Statements of Profit and Loss, the Statements of Cash Flows and the 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 'Financial Statements').

These 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.

These financial statements have been prepared in accordance with Division III of Schedule III to the Act 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 financial statements.

##### (ii) Historical Cost Convention

The 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.2.4 below);

##### (iii) Functional and Presentation Currency

The Company being a Company in IFSC, its currency of the primary economic environment in which it operates is US Dollar (USD) and therefore its functional currency is USD. Under the Act, the Company is statutorily required to present its financial statements in Indian Rupees ('INR')., therefore to comply with the same and considering the functional and presentational currency of the Parent which is INR, these financial statements are presented in INR and all values are rounded to the nearest hundred except Earnings Per Share (EPS) which are in rupees.

The translation of financial statements from functional currency to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the Balance Sheet date and for revenue, expense and cash-flow items using the average exchange rate for the period. The gains or losses resulting from such translation are recognised in Other Comprehensive Income and accumulated as a separate component under other equity.

##### (iv) Preparation of Financial Statements

The Company is covered in the definition of Non-Banking Financial Company as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the format prescribed under Division III of Schedule III to the Act on 11 October 2013, the Company presents the Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the order of liquidity. A maturity analysis of

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

settlement of liabilities within 12 months after the reporting date and more than 12 months after the reporting date is presented in note no. 25 (b)..

### (v) Use of Estimates and Judgments

The preparation of the 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 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 financial statements is made relying on these estimates.

The estimates and judgments used in the preparation of the 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 Judgments are:

- 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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs

All assets and liabilities for which fair value is measured or disclosed in the 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

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

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.

### Capital Work-In-Progress

Cost and direct expenses incurred for construction of assets or assets to be acquired, which are not ready to use in the manner intended by the management are disclosed under Capital Work- In-Progress.

### Depreciation

Depreciation is calculated using the WDV method to write down the cost of Property, Plant and Equipment to their residual values over their estimated useful lives which is in line with the estimated useful life as specified in Schedule II to the Act, except for Leasehold Improvements which are amortised on a straight-line basis over the period of lease or estimated period of useful life of such improvement, subject to a maximum period of 36 months. Leasehold improvements include all expenditure incurred on the leasehold premises that have future economic benefits.

The estimated useful lives are as follows:

Particulars	Useful life estimated by Company
Air conditioner	15 years
Computers	3 years
Office equipment	5 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 derecognition 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 Intangible Assets

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the

asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

### Amortisation

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives.

Intangible assets comprising of software are amortised on a straight-line basis over a period of 3 years from the start of the year of acquisition irrespective of the date of acquisition, unless it has a shorter useful life.

## 2.4 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. 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. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the Statement of Profit and Loss

### (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 Profit or Loss (FVTPL)

A financial asset which is not classified under (a) above is subsequently fair valued through profit or loss.

#### c. Financial Liabilities

Financial liabilities are subsequently carried

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

at amortized cost using the effective interest method. For 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 counter party 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.

## 2.5 Impairment

### a. Financial Assets

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, 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.

### b. Non-Financial Assets

**Intangible Assets and Property, Plant and Equipment**

Intangible assets and 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.

## 2.6 Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand and balances with banks 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.

## 2.7 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) Brokerage fee income

Revenue from contract with customer is recognised point in time when performance obligation is satisfied (when the trade is executed i.e., trade date). These include brokerage fees which is charged per transaction executed on behalf of the clients.

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

### (ii) Interest Income

- a. Interest income on unwinding of security deposit is recognised as interest income under 'Other Income' by applying the Effective Interest Rate (EIR) to the gross carrying amount of the lease deposits. The EIR is computed as the rate that exactly discounts estimated future cash receipts through the expected life of the lease deposit to the gross carrying amount of the lease deposit by considering all the contractual terms of the lease deposit in estimating the cash flows.
- b. Any other interest income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate.

### (iii) 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.

## 2.8 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

#### 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.

## 2.9 Leases (As a lessee)

### Identifying a lease

At the inception of the contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

### Recognition of right of use asset (RTU)

The Company recognises a RTU asset at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability and difference between present value of lease deposit and amount of lease deposit paid.

### Subsequent measurement of RTU

The RTU is subsequently amortized using the straight-line method from the commencement date to the earlier of the end of the useful life of the RTU asset or the end of the lease term, whichever is lesser. In addition, the RTU asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurement of the lease liability.

### Recognition of lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments and lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option;

### Subsequent measurement of lease liability

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in rate. Whenever the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the RTU asset, or is recorded in profit or loss if the carrying amount of the RTU asset has been reduced to zero.

The lease payments are apportioned between the finance charges and reduction of the lease liability using the incremental borrowing rate implicit in the lease to achieve a constant rate of interest on the remaining balance of the liability.

### 2.10 Other Income and Expenses

#### (i) Finance Costs

Interest on lease liability is recognized using the incremental borrowing rate implicit in the lease to achieve a constant rate of interest on the remaining balance of the liability by apportionment of lease payments between finance charges and reduction of the lease liability.

#### (ii) Preliminary Expenses

Preliminary Expenses are recognized as an expense in the year in which it is incurred.

#### (iii) 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:

- 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

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

### 2.12 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 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.

### 2.13 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.

### 2.14 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 financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

### 2.15 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 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.

### 2.16 New Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard 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 FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

### 3. CASH AND CASH EQUIVALENTS

(₹ in hundreds)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Cash on hand	-	-
Balances with Banks		
- in current accounts	18,622.45	21,038.21
- in deposit accounts	-	20,558.69
<b>Total</b>	<b>18,622.45</b>	<b>41,596.90</b>

### 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		
- Deposits with Bank original maturity of more than 3 months but upto 12 months	188,390.57	227,652.67
<b>Total</b>	<b>188,390.57</b>	<b>227,652.67</b>

### 5. DERIVATIVE FINANCIAL INSTRUMENTS

(₹ in hundreds)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Part I</b>		
- Equity Linked Derivatives	-	-
<b>Total Derivative financial instruments</b>	<b>-</b>	<b>-</b>
<b>Part II</b>		
Included in above (Part I) are derivatives held for hedging and risk management purpose as follows		
- Fair value hedging	-	-
- Cash flow hedging	-	-
<b>Total Derivative financial instruments</b>	<b>-</b>	<b>-</b>

#### Note

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



## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

### 6 OTHER FINANCIAL ASSETS

(₹ in hundreds)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deposits with stock exchanges	96,288.52	94,952.30
Lease deposit	3,230.73	2,978.19
Other deposits	3,476.46	3,476.46
Advance with Professional Clearing Member	127.18	16,402.03
Advances recoverable	2,766.77	-
<b>Total</b>	<b>105,889.66</b>	<b>117,808.98</b>

### 7 CURRENT TAX ASSETS (NET)

(₹ in hundreds)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Income tax paid ( net of provision)	1,080.17	-
	<b>1,080.17</b>	<b>-</b>

### 8 PROPERTY, PLANT AND EQUIPMENT

(₹ in hundreds)

	Tangible assets					Other Intangible assets	
	Air- Conditioner	Computers	Leasehold Improvement	Office Equipments	Total	Software	Total
<b>Gross carrying amount</b>							
As at 1st April 2022	1,430.00	14,219.71	7,647.08	3,173.40	26,470.19	4,600.00	4,600.00
Additions	-	11,794.00	-	-	11,794.00	-	-
Disposals	-	-	-	-	-	-	-
<b>As at 31 March 2023</b>	<b>1,430.00</b>	<b>26,013.71</b>	<b>7,647.08</b>	<b>3,173.40</b>	<b>38,264.19</b>	<b>4,600.00</b>	<b>4,600.00</b>
Additions	-	21,790.00	-	-	21,790.00	7,000.00	7,000.00
Disposals	-	-	-	-	-	-	-
<b>As at 31 March 2024</b>	<b>1,430.00</b>	<b>47,803.71</b>	<b>7,647.08</b>	<b>3,173.40</b>	<b>60,054.19</b>	<b>11,600.00</b>	<b>11,600.00</b>
Accumulated depreciation/Amortization							
As at 31 March 2022	433.64	5,290.46	4,651.11	2,020.68	12,395.89	2,066.66	2,066.66
Charge for the year	180.34	7,568.34	2,549.03	519.53	10,817.24	1,533.34	1,533.34
Disposals	-	-	-	-	-	-	-
<b>As at 31 March 2023</b>	<b>613.98</b>	<b>12,858.80</b>	<b>7,200.14</b>	<b>2,540.21</b>	<b>23,213.13</b>	<b>3,600.00</b>	<b>3,600.00</b>
Charge for the year	147.70	9,299.16	446.94	285.38	10,179.18	3,333.33	3,333.33
Disposals	-	-	-	-	-	-	-
<b>As at 31 March 2024</b>	<b>761.68</b>	<b>22,157.96</b>	<b>7,647.08</b>	<b>2,825.59</b>	<b>33,392.31</b>	<b>6,933.33</b>	<b>6,933.33</b>
Net carrying amount							
As at 31 March 2023	816.02	13,154.91	446.94	633.19	15,051.06	1,000.00	1,000.00
<b>As at 31 March 2024</b>	<b>668.32</b>	<b>25,645.75</b>	<b>-</b>	<b>347.81</b>	<b>26,661.88</b>	<b>4,666.67</b>	<b>4,666.67</b>

#### 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 period /previous year.

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

### 9 OTHER NON FINANCIAL ASSETS

(₹ in hundreds)		
Particulars	As at 31st March, 2024	As at 31st March, 2023
Prepaid Expenses	5,672.09	668.08
Advance to others	0.60	0.60
<b>Total</b>	<b>5,672.69</b>	<b>668.68</b>

### 10 (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	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### 10 (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	1,785.54	1,799.95
<b>Total</b>	<b>1,785.54</b>	<b>1,799.95</b>

#### 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 -		
1	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 FORMING PART OF FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

**11 PROVISIONS**

(₹ in hundreds)		
Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Provision for Employees Benefits</b>		
- Compensated expenses	100.63	86.30
- Bonus	525.00	1,000.00
<b>Others</b>		
- Provision for Expenses	100.05	100.17
<b>Total</b>	<b>725.68</b>	<b>1,186.47</b>

**12 OTHER NON FINANCIAL LIABILITIES**

(₹ in hundreds)		
Particulars	As at 31st March, 2024	As at 31st March, 2023
Statutory dues payable	2,014.34	213.09
<b>Total</b>	<b>2,014.34</b>	<b>213.09</b>

**13 EQUITY SHARE CAPITAL**

(₹ in hundreds)		
Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Authorised:</b>		
50,00,000 ( P.Y.50,00,000) Equity Shares of Rs.10/- each	500,000.00	500,000.00
	<b>500,000.00</b>	<b>500,000.00</b>
<b>Issued:</b>		
50,00,000 ( P.Y.50,00,000) Equity Shares of Rs.10/- each	500,000.00	500,000.00
	<b>500,000.00</b>	<b>500,000.00</b>
<b>Subscribed and fully paid up</b>		
Equity shares		
50,00,000 (P.Y. 50,00,000) Equity Shares of Rs.10/- each	500,000.00	500,000.00
<b>Total Equity</b>	<b>500,000.00</b>	<b>500,000.00</b>

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

### a. Reconciliation of the shares outstanding at the end of the reporting period: Equity Shares

(₹ in hundreds)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of shares	Amount	No of shares	Amount
At the beginning of the reporting period	5,000,000	500,000.00	2,000,000	200,000.00
Add: Shares issued during the reporting period	-	-	3,000,000	300,000.00
Outstanding at the end of the reporting period	5,000,000	500,000.00	5,000,000	500,000.00

### 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 shall be 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 50,00,000 (P. Y.50,00,000) 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
<b>i) Equity Shares</b>				
Emkay Global Financial Services Limited (Holding Company) and its nominees	5,000,000	100	5,000,000	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	5,000,000	100	-
<b>Total</b>	<b>5,000,000</b>	<b>100</b>	<b>-</b>

#### 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	5,000,000	100	-
<b>Total</b>	<b>5,000,000</b>	<b>100</b>	<b>-</b>

NOTES FORMING PART OF FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)**14 OTHER EQUITY**

(₹ in hundreds)

Particulars	As at 31st March 2024	As at 31st March 2023
<b>a) Retained Earnings</b>		
Balance at the beginning of the reporting period	(132,745.93)	(83,238.75)
Less: Loss for the year	(59,906.75)	(49,507.18)
Available For Appropriations	(192,652.68)	(132,745.93)
Less: Appropriations	-	-
<b>Balance at the end of the reporting period</b>	<b>(192,652.68)</b>	<b>(132,745.93)</b>
<b>b) Other Comprehensive Income</b>		
<b>Foreign Exchange Translation Reserve</b>		
Balance at the beginning of the reporting period	28,288.51	6,369.78
Add: Movement during the year	4,540.67	21,918.73
<b>Balance at the end of the reporting period</b>	<b>32,829.18</b>	<b>28,288.51</b>
<b>Total</b>	<b>(159,823.50)</b>	<b>(104,457.42)</b>

**a) Retained earnings**

Retained earnings are the profits/(losses) that the Company has earned /(incurred) till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

**b) Other Comprehensive Income****Foreign Exchange Translation Reserve**

Accumulated gains/(losses) (net) on translation of financial statements from functional currency USD to presentation currency INR.

**15 FEES AND COMMISSION INCOME**

(₹ in hundreds)

Particulars	For the Current Year Ended 31st March 2024	For the Previous Year Ended 31st March 2023
<b>Brokerage and fees income</b>		
Brokerage	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**16 NET GAIN ON FAIR VALUE CHANGES**

(₹ in hundreds)

Particulars	For the Current Year Ended 31st March 2024	For the Previous Year Ended 31st March 2023
Net gain on financial instruments at fair value through profit or loss		
- Derivatives	(2.48)	(24.49)
<b>Total Net gain on fair value changes</b>	<b>(2.48)</b>	<b>(24.49)</b>

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

Fair Value changes:		
- Realised - Derivatives	(2.48)	(24.49)
<b>Total Net gain on fair value changes</b>	<b>(2.48)</b>	<b>(24.49)</b>

### 17 OTHER INCOME

(₹ in hundreds)

Particulars	For the Current Year Ended 31st March 2024	For the Previous Year Ended 31st March 2023
Foreign exchange rate fluctuations gain (Net)	165.55	1,829.26
Liabilities no Longer Payable	126.36	63.68
Interest Income on unwinding of Security Deposit	252.55	232.19
Interest on deposits with bank	10,463.65	1,654.18
<b>Total</b>	<b>11,008.11</b>	<b>3,779.31</b>

### 18 FINANCE COSTS

(₹ in hundreds)

Particulars	For the Current Year Ended 31st March 2024	For the Previous Year Ended 31st March 2023
Interest on Lease Liability	3,146.55	3,391.18
<b>Total</b>	<b>3,146.55</b>	<b>3,391.18</b>

### 19 EMPLOYEE BENEFIT EXPENSE

(₹ in hundreds)

Particulars	For the Current Year Ended 31st March 2024	For the Previous Year Ended 31st March 2023
Salaries and other benefits	7,160.60	5,716.32
Staff Welfare Expenses	53.28	114.43
<b>Total</b>	<b>7,213.88</b>	<b>5,830.75</b>

### 20 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in hundreds)

Particulars	For the Current Year Ended 31st March 2024	For the Previous Year Ended 31st March 2023
Depreciation on Property, Plant and Equipment	10,179.18	10,817.24
Amortization on other intangible assets	3,333.33	1,533.34
Depreciation on right-of-use assets	4,433.88	4,433.89
<b>Total</b>	<b>17,946.39</b>	<b>16,784.47</b>



## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

### 21 OTHER EXPENSES

(₹ in hundreds)

Particulars	For the Current Year Ended 31st March 2024	For the Previous Year Ended 31st March 2023
Legal and Professional fees	3,089.81	3,789.61
Membership and Subscription	2,833.15	1,711.15
Contribution/Payments to Exchanges	11,308.14	49.41
Electricity Charges	1,003.66	789.11
Depository Charges	-	118.52
Repairs and Maintenance	2,187.22	3,163.32
Communication, Postage and Courier Charges	5,242.21	2,824.79
Security Charges	5,314.11	5,207.50
Payment to Auditors		
- for audit fees	744.79	720.76
- for taxation matters	397.83	240.25
- for Limited Review and other reports	348.35	462.84
Software Expenses	9,981.60	8,448.26
Miscellaneous Expenses	504.29	289.48
<b>Total</b>	<b>42,955.16</b>	<b>27,815.00</b>

### 22 EARNINGS PER SHARE:

Sl. No.	Particulars	Year Ended March, 2024	Year Ended March, 2023
a)	Net Profit after tax available for Equity Shareholders (₹ in hundreds)	(59,906.75)	(49,507.18)
b)	Weighted average number of Equity Shares of ₹ 10/- each outstanding during the period (No. of Shares)		
	- For Basic Earnings	50,00,000	43,09,589
	- For Diluted Earnings	50,00,000	44,98,630
c)	Basic Earnings per Equity Share (₹)	(1.20)	(1.15)
d)	Diluted Earnings per Equity Share (₹)	(1.20)	(1.10)

### 23 SEGMENT REPORTING.

#### a. Business Segment

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 "Advisory and Transactional Services" therefore primary business segment reporting as required by Ind AS 108 "Segment Reporting" is not applicable.

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

### b. Geographical Segment

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

### 24 FINANCIAL INSTRUMENTS:

#### I. Financial instruments by categories and their carrying value 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	
<b>Financial assets</b>				
Cash and cash equivalents	18,622.45			18,622.45
Bank balance other than cash and cash equivalents	188,390.57			188,390.57
Other Financial assets	105,889.66			105,889.66
<b>Total</b>	<b>312,902.68</b>			<b>312,902.68</b>
<b>Financial liabilities</b>				
Other Payables	1,785.54			1,785.54
Other Financial liabilities	29,217.37			29,217.37
<b>-Lease Liability</b>	<b>31,002.91</b>			<b>31,002.91</b>

#### II. Financial instruments by categories and their carrying value 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	
<b>Financial assets</b>				
Cash and cash equivalents	41,596.90	-	-	41,596.90
Bank balance other than cash and cash equivalents	2,27,662.67			2,27,662.67
Other Financial assets	1,17,808.98	-	-	1,17,808.98
<b>Total</b>	<b>3,87,058.55</b>	-	-	<b>3,87,058.55</b>
<b>Financial liabilities</b>				
Other Payables	1,799.95	-	-	1,799.95
Other Financial liabilities	32,055.82	-	-	32,055.82
<b>-Lease Liability</b>				
<b>Total</b>	<b>33,855.77</b>	-	-	<b>33,855.77</b>

#### III. 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 and other financial assets which comprise mainly of bank balances, deposits with bank and security deposits with exchanges and other deposits. These are financial assets whose carrying amounts approximate fair value, due to their short term nature.

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

Financial liabilities such as other payables and other financial liabilities are not measured at FVTPL, whose carrying amounts approximate fair value.

At 31 March 2024, and 31 March 2023, the Company did not held any financial assets or financial liabilities which could have been categorized as level 3.

### 25 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 counterparties to financial instruments fail to meet its contractual obligation.

The Company's financial assets comprises of bank balances, deposits with bank and other financial assets which comprise mainly of security deposits with exchanges, professional clearing members and other deposits.

Credit risk in case of bank balances and deposits is very low as the Company is banking with top rated banks. Also credit risk in security deposits with exchanges and professional clearing members is very low. Amount of other deposits are not material.

#### 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 is setting up capital market intermediary, i.e., Stock Broking activities in IFSC and hence require funds for that purpose and it manages liquidity risk by maintaining adequate funds in cash and cash equivalents.

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

PARTICULARS	As at March 31, 2024		
	Total	Within 12 months	After 12 Months
<b>Assets</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	18,622.45	18,622.45	-
Bank balance other than cash and cash equivalents	1,88,390.57	1,88,390.57	-
Other Financial assets	1,05,889.66	2,766.77	1,03,122.89
	<b>3,12,902.68</b>	<b>2,09,779.79</b>	<b>1,03,122.89</b>
<b>Non Financial Assets</b>			
Current tax Assets (Net)	1,080.17	1,080.17	-
Deferred tax Assets (Net)	2,733.00	-	2,73,3.00
Property, Plant and Equipment	26,66,1.88	-	26,661.88
Right-of-use assets	20,202.34	-	20,202.34
Other Intangible assets	4,666.67	-	4,666.67
Other non-financial assets	5,672.69	5,672.09	0.60
	<b>61,016.75</b>	<b>6,752.26</b>	<b>54,264.49</b>

NOTES FORMING PART OF FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(₹ in hundreds)

PARTICULARS	As at March 31, 2024		
	Total	Within 12 months	After 12 Months
<b>Total Assets</b>	<b>3,73,919.43</b>	<b>2,16,532.05</b>	<b>1,57,387.38</b>
<b>Liabilities</b>			
<b>Financial Liabilities</b>			
Other Payable	1,785.54	1,785.54	-
Other Financial Liabilities – Lease Liability	29,217.37	3,768.52	25,448.85
	<b>31,002.91</b>	<b>5,554.06</b>	<b>25,448.85</b>
<b>Non-financial Liabilities</b>			
Provisions	725.68	725.68	-
Other non-financial liabilities	2,014.34	2,014.34	-
	<b>2,740.02</b>	<b>2,740.02</b>	<b>-</b>
<b>Total Liabilities</b>	<b>33,742.93</b>	<b>8,294.08</b>	<b>25,448.85</b>
<b>Net</b>	<b>3,40,176.50</b>	<b>2,08,237.97</b>	<b>1,31,938.53</b>

(₹ in hundreds)

PARTICULARS	As at March 31, 2023		
	Total	Within 12 months	After 12 Months
<b>Assets</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	41,596.90	41,596.90	-
Bank balance other than cash and cash equivalents	2,27,652.67	2,27,652.67	-
Other Financial assets	1,17,808.98	-	1,17,808.98
	<b>3,87,058.55</b>	<b>2,69,249.57</b>	<b>1,17,808.98</b>
<b>Non Financial Assets</b>			
Current tax Assets (Net)	-	-	-
Deferred tax Assets (Net)	2,383.40	-	2,383.40
Property, Plant and Equipment	15,051.06	-	15,051.06
Right-of-use assets	24,636.22	-	24,636.22
Other Intangible assets	1,000.00	-	1,000.00
Other non-financial assets	668.68	668.08	.60
	<b>43,739.36</b>	<b>668.08</b>	<b>43,071.28</b>
<b>Total Assets</b>	<b>430,797.91</b>	<b>269,917.65</b>	<b>160,880.26</b>
<b>Liabilities</b>			
<b>Financial Liabilities</b>			
Other Payable	1,799.95	1,799.95	-
Other Financial Liabilities – Lease Liability	32,055.82	2,838.55	29,217.27
	<b>33,855.77</b>	<b>4,638.50</b>	<b>29,217.27</b>
<b>Non-financial Liabilities</b>			
Provisions	1,186.47	1,186.47	-
Other non-financial liabilities	213.09	213.09	-

NOTES FORMING PART OF FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(₹ in hundreds)

PARTICULARS	As at March 31, 2023		
	Total	Within 12 months	After 12 Months
	1,399.56	1,399.56	-
<b>Total Liabilities</b>	<b>35,255.33</b>	<b>6,038.06</b>	<b>29,217.27</b>
<b>Net</b>	<b>3,95,542.58</b>	<b>2,63,879.59</b>	<b>1,31,662.99</b>

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. Presently, the Company does not have any material exposure to financial instruments whose fair value may get effected due to market risk.

**26 DISCLOSURE AS PER IND-AS 1 ON CAPITAL MANAGEMENT**

The Company's objective for capital management is to fund the setting up of capital market intermediary, i.e., Stock Broking activities in IFSC which are met through equity. On commencing its operation during the year, it will determine capital requirement and its funding based on its business needs and prevailing market conditions.

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 & Sub-Brokers) Regulations, 1992, read with, SEBI (IFSC) Guidelines, 2015. The management ensures that this is complied at all times.

**27 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	-	-
Deferred Tax Expenses/(Benefit)	(349.60)	(559.40)
Earlier years adjustments	-	-
<b>Tax expense for the year</b>	<b>(349.60)</b>	<b>(559.40)</b>

(b) **Amounts recognized in other comprehensive income**

(₹ in hundreds)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
<b>Items that will be reclassified to profit or loss</b>		
Foreign Exchange Translation Reserve	4,540.67	21,918.73
	<b>4,540.67</b>	<b>21,918.73</b>

(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
Loss Before Tax	60,256.35	50,066.58
Enacted Tax Rate in India (%)	26.00%	26.00%

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

Expected Income Tax Expenses/(Benefit)	(15,666.65)	(13,017.32)
Tax Effect of Adjustments to Reconcile Expected Income Tax Expenses to Reported Income Tax Expenses		
- Non Deductible Expenses for Tax Purpose	3,576.07	3,234.11
- Deductible Expenses for Tax Purpose	(4,942.32)	(4,301.22)
- Foreign Exchange Translation Gain	(4,518.30)	5,410.85
- Current Year Loss Carry Forward to Subsequent Year	19,645.95	6,699.43
- IND-AS adjustments	1,905.25	1,974.15
- Deferred Tax Impact	(349.60)	(559.40)
<b>Total</b>	<b>15,317.05</b>	<b>12,457.92</b>
<b>Total Tax Expenses</b>	<b>(349.60)</b>	<b>(559.40)</b>
- Current Tax Expense	-	-
- <b>Deferred Tax Expenses/(Benefit)</b>	<b>(349.60)</b>	<b>(559.40)</b>

### (d) Deferred Tax Disclosure

#### Movement in Deferred Tax Assets / (Liability) Balances

(₹ in hundreds)

Particulars	Lease Deposit	Lease Liability	Rights -of -use Assets	Total
As at 31st March, 2022	515.00	8,868.00	(7,559.00)	1,824.00
(Credited)/Charged to Profit and Loss	60.70	533.50	(1,153.60)	(559.40)
As at 31st March, 2023	454.30	8,334.50	(6,405.40)	2,383.40
Credited/(Charged) to Profit and Loss	65.30	737.50	1,152.40	(349.60)
<b>As at 31st March, 2024</b>	<b>389.00</b>	<b>7,597.00</b>	<b>(5,253.00)</b>	<b>2,733.00</b>

### (e) Amounts for Which Deferred Tax Asset/Liability is Not Recognised

Deferred tax assets/liabilities have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

(₹ in hundreds)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Depreciation and Amortization	90.74	1,522.62
<b>Total Deferred Tax Asset</b>	<b>90.74</b>	<b>1,522.62</b>

## 28 LEASE

- (a) The Company has entered into a lease contract for a property in GIFT Multi-Services Special Economic Zone for its office premise. There are no variable lease payments, residual agreements, sale and leaseback arrangements and other restrictions.
- (b) Set out below are the carrying amount of right-of-use assets recognized and movement during the year.

(₹ in hundreds)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Balance at the beginning of the year	24,636.22	29,070.11



NOTES FORMING PART OF FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

Add/(Less) : Other adjustments	-	-
Closure	-	-
Depreciation expense	4,433.88	4,433.89
Balance at the end of the year	<b>20,202.34</b>	<b>24,636.22</b>

- (c) Set out are the carrying amount of lease liabilities and movement during the year:

(₹ in hundreds)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
<b>Balance at the beginning of the year</b>	<b>32,055.82</b>	<b>34,105.60</b>
Add : Accretion of interest	3,146.55	3,391.18
Less/(Add): Other Adjustment	-	-
Payments	5,984.99	5,440.96
Closure	-	-
<b>Balance at the end of the year</b>	<b>29,217.37</b>	<b>32,055.82</b>
Current	3,768.52	2,838.55
Non-current	25,448.85	29,217.27

- (d) The details of the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis are as follows:

(₹ in hundreds)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Up to one year	6,583.56	5,985.10
From one to five years	31,550.82	32,265.52
From above five years	-	5,868.75
<b>Total</b>	<b>38,134.38</b>	<b>44,119.37</b>

- (e) The effective interest rate of lease liabilities is 10.20% with maturities between one to three years.

The following are the amount recognized in statement of profit or loss.

(₹ in hundreds)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Depreciation expense right of use of assets	4,433.88	4,433.89
Interest expense on lease liabilities	3,146.55	3,391.18
Loss/(Gain) on Lease Rental Waiver/Adjustment	-	-
<b>Total Amount recognized in statement of profit and loss account</b>	<b>7,580.43</b>	<b>7,825.07</b>

**29 A RELATED PARTY DISCLOSURES**

**A List of related parties**

Sr. No.	Name of Related Party	Nature of Relationship
(i)	Directors a) Saket Agrawal b) Rajesh Sharma	<input type="checkbox"/> Directors

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(ii)	Individuals having control or significant influence a) Krishna Kumar Karwa b) Prakash Kacholia	<input type="checkbox"/> Individual having significant influence
(iii)	Emkay Global Financial Services Limited	Holding Company
(iv)	Emkay Commotrade Limited	Fellow Subsidiary Company
(v)	Emkay Employees Welfare Trust	Other

B. Related Parties are identified by Management and relied upon by the auditor.

(₹ in hundreds)

Sr No	Particulars	Directors/Key Management Personnel		Holding Company		Fellow Subsidiary Company		Others	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
I	<b>Paid by them on our behalf &amp; Reimbursed to them:</b>								
	<b>(a) Expenses</b>								
	- Emkay Global Financial Services Ltd.	-	-	-	113.79				
	- Saket Agrawal	-	12.00						
	- Emkay Commotrade Limited					-	12.00		
	<b>(b) Others</b>								
	- Emkay Employee Welfare Trust							-	353.99
II	<b>Others</b>								
	<b>Equity shares Allotted</b>								
	Emkay Global Financial Services Ltd.			-	300,000.00				
III	<b>Outstanding</b>								
	<b>Equity Share Capital</b>								
	Emkay Global Financial Services Ltd.			500,000.00	500,000.00				

C. Related Parties are identified by Management and relied upon by the auditor.

D. No balance in respect of related parties has 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.

### 30 CONTINGENT LIABILITY:

Bond cum legal undertakings executed ₹ 11,985.45 hundreds (P.Y. ₹ 11,985.45 hundreds)

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

Loans Given	-	NIL
Investments made	-	NIL
Guarantee given	-	NIL
Security Provided	-	NIL

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

- 32** The Company has set up a unit in the 'GIFT Multi-Services Special Economic Zone' for providing financial services as capital market intermediary in International Financial Service Centre (IFSC) in accordance with the Securities and Exchange Board of India(International Financial Services Centre ) Guidelines,2015. In the opinion of the Management, the business of the Company is still at nascent stage with high growth potential in future. Though the Company had incurred net cash losses during the year as well as in previous period and having accumulated losses as at 31st March, 2024, still the Company has adequate financial resources available with it and has continued support from its parent company, namely, Emkay Global Financial Services Limited , in raising adequate financial resources as and when needed in the coming years for carrying on the said business .Accordingly, the accompanying financial statements have been prepared on the assumption that the entity is a going concern and will continue its operation for the foreseeable future and prepared its financial statements using the going concern basis of accounting.
- 33** 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.
- 34** 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.
- 35** Additional regulatory information required pursuant to Part I and II of Division III of Schedule III to the Act:
- The Company does not own any immovable property as at 31st March, 2024 as well as 31st March,2023.
  - The company does not have any investment property as at 31st March, 2024 as well as 31st March,2023.
  - The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) or intangible assets or both during the current or previous year.
  - 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.
  - There are no capital work- in- progress as at 31st March, 2024 as well as 31st March,2023.
  - There are no Intangible assets under development as at 31st March, 2024 as well as 31st March,2023.
  - 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.
  - The Company has no borrowings from banks or financial institutions on the basis of security of current assets during the current or previous year.
  - The Company is not declared willful defaulter by any bank or financial institution or other lender.
  - There are no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
  - The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
  - 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.
  - 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 as it is in broking business and not an NBFC registered under section 45-IA of Reserve bank of India Act, 1934.
  - The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
  - The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entity

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024 (Contd.)

(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.
- p) 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.
- q) 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.
- r) The provisions of section 135 of the Companies Act, 2013 pertaining to expenditure on Corporate Social Responsibility are not applicable to the Company.
- s) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

**36** The Company has used three accounting softwares namely Tally, Focus Back Office and Interface for maintaining its books of account and in case of Tally, the Company has migrated to upgraded version of the said software from Legacy version of the same during the year on 24th May, 2023. The upgraded version of Tally has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except at database level when using certain access rights. In case of legacy version of Tally, the audit trail feature is not enabled and in case of Focus Back Office and Interface, they did not have feature of recording audit trail (edit log) facility throughout the year. Further, there are no instance of audit trail feature being tampered with in respect of upgraded version of Tally where audit trail has been enabled.

**37** Other Additional and regulatory Information required pursuant to Part I and II of Division III of Schedule III to the Act are not applicable to the Company.

**38** 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.

**39** Figures in brackets represents for previous year.

### **40 EVENTS AFTER REPORTING DATE:**

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

### **41 APPROVAL OF FINANCIAL STATEMENTS :**

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

For and on behalf of the Board of

**EmkayGlobal Financial Services IFSC Pvt. Ltd.**

**Saket Agrawal**  
**Director**  
DIN: 06960186

**Rajesh Sharma**  
**Director**  
DIN :01239871

Place : Mumbai  
Date : May 14, 2024



## EMKAYGLOBAL FINANCIAL SERVICES IFSC PRIVATE LIMITED

**Registered Office:** Unit No. 517, Fifth Floor, Signature, 13B, Zone-1, GIFT SEZ, Gandhinagar – 382355, Gujarat

**Administrative Office:** C-06, Paragon Centre, Ground Floor, P.B. Marg, Worli, Mumbai - 400013

**CIN- U65999GJ2018PTC102945**

### ATTENDANCE SLIP

I hereby record my presence at the 6th Annual General Meeting of the Company held on Wednesday, August 07, 2024 at 11.30 a.m. at the 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 Proxy holder .....

No. of Share(s) Held: .....

\_\_\_\_\_  
Signature of Member/Proxy

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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Your success is our success

### EMKAYGLOBAL FINANCIAL SERVICES IFSC PRIVATE LIMITED

**Registered Office:** Unit No. 517, Fifth Floor, Signature, 13B, Zone-1, GIFT SEZ, Gandhinagar – 382355, Gujarat

**Administrative Office:** C-06, Paragon Centre, Ground Floor, P.B. Marg, Worli, Mumbai - 400013

**Website:** www.emkayglobal.com **T:** 022-66299299 **Email:** secretarial@emkayglobal.com

**CIN- U65999GJ2018PTC102945**

### 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: \_\_\_\_\_

DPID: \_\_\_\_\_

I/We, being the member (s) of Emkayglobal Financial Services IFSC Private Limited holding \_\_\_\_\_ equity shares of the above named company, hereby appoint.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him \_\_\_\_\_

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 6th Annual General Meeting of the Company, to be held on Wednesday, August 07, 2024 at 11.30 a.m. at the 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 of the Company for the financial year ended March 31, 2024 together with the report of the Board of Directors and Auditors thereon.
2	Re-appointment of Statutory Auditors and to fix their remuneration

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2024

Signature of the Shareholder: \_\_\_\_\_

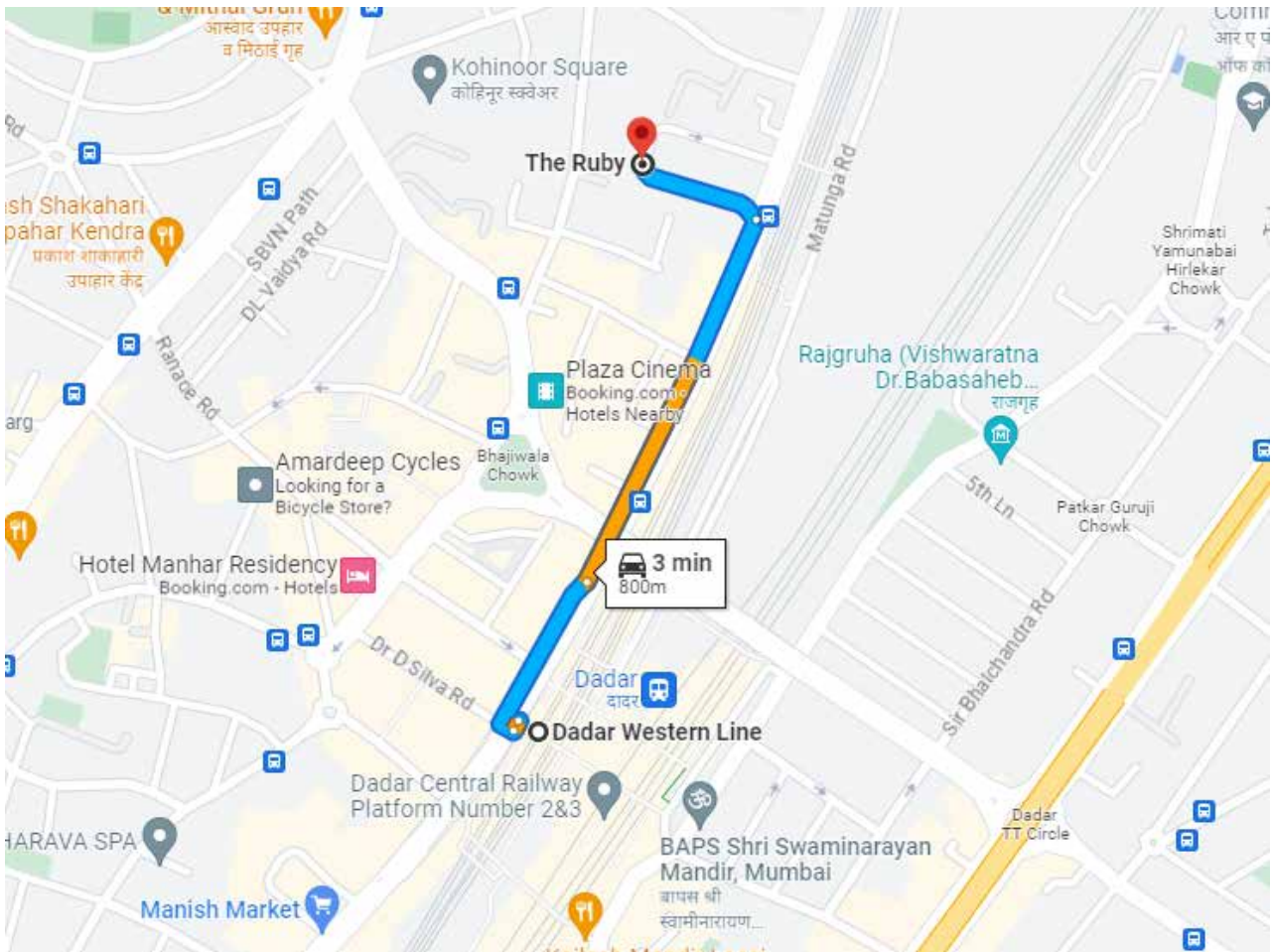
Signature of the Proxy Holder(s): \_\_\_\_\_

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.**

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### Route Map for AGM





Your success is our success

Emkayglobal Financial Services IFSC Private Limited

CIN : U65999GJ2018PTC102945

Registered Office: The Ruby, 7th Floor,  
Senapati Bapat Marg,

Dadar West, Mumbai 400 028.

Tel: +91 22 66121212