

INDEPENDENT AUDITOR'S REPORT

To the Members of Incred Capital Wealth Portfolio Managers Private Limited

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying financial statements of Incred Capital Wealth Portfolio Managers Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

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

Basis for Opinion

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

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report but does not include the financial statements and our auditor's report thereon. The Directors Report is expected to be made available to us after the date of this auditor's report.

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 identified and when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Directors Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility 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, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and

prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Charged with Governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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 we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (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 (i) (vi) below on reporting under Rule 11(g).
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, specified under section 133 of the Act;
 - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2024;
 - (h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i) (vi) below on reporting under Rule 11(g).
 - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company 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 and as disclosed in the note 45 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

Company ("Ultimate 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 and as disclosed in the note 45 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination which included test checks, and as explained in note 48 to the financial statements, the Company uses separate accounting applications to maintain its books of accounts relating to general ledgers and recording transactions related to the broking business. The accounting software for maintaining its books of account in relation to general ledgers has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered, with regards to this system. For the application used for recording transactions related to the broking business, the Company has not evaluated the enablement of audit trail feature in respect of this application and accordingly, we are unable to comment whether audit trail feature was enabled or tampered with, in respect of such other accounting records.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Sarvesh Warty

Partner

Membership Number: 121411

UDIN: 24121411BKFROU3718

Place: Mumbai

Date: May 17, 2024

ANNEXURE '1' REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF INCRED CAPITAL WEALTH PORTFOLIO MANAGERS PRIVATE LIMITED

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (b) The Company has maintained proper records showing full particulars of intangibles assets. All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) As disclosed in note 15 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and financial institutions during the year on the basis of pledge of government securities held by the Company. Based on the records examined by us in the normal course of audit of the financial statements, the half yearly statements filed by the Company with such banks and financial institutions are in agreement with the unaudited books of accounts of the Company.
- iii. (a). During the year the Company has provided loans and margin trading facilities ('MTF') to companies and other parties as follows:

	Loans	Margin Trading Facility <i>(refer note 06 in the financial statements)</i>
Aggregate amount granted/ provided during the year		
- Subsidiaries	Rs 4,800 lakhs	Nil
- Others	Rs 705 lakhs	Rs 1,435 lakhs
Balance outstanding as at balance sheet date in respect of above cases		
- Subsidiaries	Rs 4,800 lakhs	Nil
- Others	Nil	Rs 361.80 lakhs

During the year the Company has not stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.

(b) During the year the investments made and the terms and conditions of the grant of all loans and advances in the nature of loans and investments to companies or any other parties are not prejudicial to the Company's interest.

During the year the Company has not provided guarantees and provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.

(c) The Company has granted loan(s) during the year to companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

In respect of MTF loans granted by the Company, the schedule of repayment of principle and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments of principle amounts and payment of interest (refer reporting under clause (iii)(f) below).

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to companies or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) As disclosed in note 06 to the financial statements, the Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies or any other parties. Of these following are the details of the aggregate amount of loans or advances in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

	All parties	Related parties
Aggregate amount of loans/ advances in nature of loans		
- Repayable on demand	Rs 5,505 lakhs	Rs 5,505 lakhs
- Without specifying terms of repayment	Rs 1,435 lakhs	-
Percentage of loans/ advances in nature of loans to the total loans	100%	

- iv. The Company is a private company and satisfies the conditions for exemption from the provisions of section 185 prescribed in notification dated June 5, 2015 issued by the Ministry of Corporate Affairs. Accordingly, the provisions of section 185 do not apply to the Company. Further, according to the information and explanations given to us, provisions of sections 186 of the Companies Act, 2013 in respect of loans, investments and, guarantees, and security have been complied with by the Company.
- v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company.
- vii. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in

respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) There are no dues of goods and services tax, provident fund, income-tax, cess, and other statutory dues which have not been deposited on account of any dispute.

viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b), (c) of the Order is not applicable to the Company.

xiii. Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

- xiv. (a) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(a) of the Order is not applicable to the Company.
- (b) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(b) of the Order is not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses in the current and immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) and (b) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx) of the Order is not applicable to the Company.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Sarvesh Warty

Partner

Membership Number: 121411

UDIN: 24121411BKFROU3718

Place: Mumbai

Date: May 17, 2024

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF INCRED CAPITAL WEALTH PORTFOLIO MANAGERS PRIVATE LIMITED

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

We have audited the internal financial controls with reference to financial statements of Incred Capital Wealth Portfolio Managers Private Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls With Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Sarvesh Warty

Partner

Membership Number: 121411

UDIN: 24121411BKFROU3718

Place: Mumbai

Date: May 17, 2024

Incred Capital Wealth Portfolio Managers Private Limited

CIN: U74999MH2018PTC305048

Balance Sheet as at 31 March 2024

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
A. ASSETS			
1. Financial Assets			
(a) Cash and cash equivalents	3	301.66	2,917.38
(b) Bank balance other than cash and cash equivalents	4	2,187.26	821.97
(c) Trade receivables	5	10,598.27	4,406.77
(d) Loans	6	5,157.44	140.57
(e) Investments	7	4,403.14	1,862.15
(f) Other financial assets	8	1,398.46	1,625.79
Total financial assets		24,046.23	11,774.63
2. Non-financial assets			
(a) Current tax assets (Net)	9	-	1.91
(b) Deferred tax assets (Net)	31	72.70	268.70
(c) Property, plant and equipment	10	775.13	427.57
(d) Capital work in progress	11	-	-
(e) Other intangible assets	12	7.10	8.77
(f) Other non-financial assets	13	220.80	109.28
Total non-financial assets		1,075.73	816.23
Total Assets		25,121.96	12,590.86
B. LIABILITIES AND EQUITY			
1. Liabilities			
1.1 Financial liabilities			
(a) Trade payables	14	-	-
(i) total outstanding dues of micro and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro and small enterprises		10,879.22	3,341.02
(b) Borrowings	15	3,313.49	3,847.46
(c) Deposits	16	46.53	40.90
(d) Other financial liabilities	17	1,069.29	337.05
Total financial liabilities		15,308.53	7,566.43
1.2 Non-financial liabilities			
(a) Provisions	18	325.10	46.47
(b) Other non-financial liabilities	19	841.56	144.50
Total non-financial liabilities		1,166.66	190.97
Total Liabilities		16,475.19	7,757.40
2. Equity			
(a) Equity share capital	20	4,850.00	4,850.00
(b) Other equity	21	3,796.77	(16.54)
Total Equity		8,646.77	4,833.46
Total Equity and Liabilities		25,121.96	12,590.86

The accompanying notes are an integral part of the financial statements

Note 1 & 2

As per our report of even date.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors of

Incred Capital Wealth Portfolio Managers Private Limitedper **Sarvesh Warty**

Partner

Membership No: 121411

Kamlesh Dangi

Director

DIN - 05152439

Place : Mumbai

Nitin Subramanya Rao

Director

DIN - 08108320

Place : Mumbai

Rakesh Postandel

Company Secretary

Mem No. - A64419

Place : Mumbai

Date : 17 May 2024

Place : Mumbai

Date : 17 May 2024

Incred Capital Wealth Portfolio Managers Private Limited
CIN: U74999MH2018PTC305048
Statement of Profit and Loss for the year ended 31 March 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No	Year ended 31 March 2024	Year ended 31 March 2023
(I) REVENUE FROM OPERATIONS			
(i) Interest income	22	842.47	365.56
(ii) Fees and commission income	23	10,138.90	5,558.11
(iii) Net gain on fair value changes	24	3.23	245.14
Total revenue from operations (I = i + ii + iii)		10,984.60	6,168.81
(II) Other income	25	55.26	22.62
(III) Total income (III = I + II)		11,039.86	6,191.43
(IV) EXPENSES			
(i) Finance cost	26	642.22	508.29
(ii) Fees and commission expense	27	262.35	491.25
(iii) Impairment on financial instruments	28	7.32	22.85
(iv) Employee benefit expenses	29	2,908.17	2,266.79
(v) Depreciation, amortization and impairment	10 & 12	197.02	146.35
(vi) Other expenses	30	2,063.70	1,365.36
Total expenses (IV = i + ii + iii + iv + v + vi)		6,080.78	4,800.89
(V) Profit before exceptional item and tax (V = III - IV)		4,959.08	1,390.54
Exceptional item		249.57	-
(VI) Profit before tax		5,208.65	
(VI) Tax expense:	31		
(i) Current Tax		1,323.59	216.01
(ii) Previous year tax adjustment		(139.12)	-
(iii) Deferred tax expense / (income)		192.32	127.60
Total Tax expense (VI = i + ii + iii)		1,376.79	343.61
(VII) Profit / (Loss) for the year (VII = V - VI)		3,831.86	1,046.93
(VIII) Other comprehensive income			
(A) Items that will not be reclassified to profit or loss		(14.86)	2.22
Income tax relating to items that will not be reclassified to profit or loss		(3.68)	(0.51)
Total other comprehensive income (VIII = A)		(18.54)	1.71
(IX) Total comprehensive income for the year / period (IX = VII + VIII)		3,813.32	1,048.64
(X) Earnings per equity share (EPS)	32		
(Face value of Rs. 10 each)			
Basic (INR)		7.90	2.16
Diluted (INR)		7.90	2.16

The accompanying notes are an integral part of the financial statements

As per our report of even date.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors of
Incred Capital Wealth Portfolio Managers Private Limited

per Sarvesh Warty
Partner
Membership No: 121411

Kamlesh Dangi
Director
DIN - 05152439
Place : Mumbai

Nitin Subramanya Rao
Director
DIN - 08108320
Place : Mumbai

Place : Mumbai
Date : 17 May 2024

Rakesh Postandel
Company Secretary
Mem No. - A64419
Place : Mumbai
Date : 17 May 2024

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
A. Cash flow from operating activities		
Profit before tax	5,208.65	1,390.54
Adjustments for non-cash/non-operating items:		
Depreciation and amortisation	197.02	146.35
Gain on Sale of Investments	3.23	(245.14)
Interest income on Loans	(17.77)	(0.21)
Interest on borrowings	251.13	292.31
Interest on lease liability	(10.42)	29.10
Impairment of financial instruments	7.32	22.85
Unwinding of discount on security deposit	(0.03)	-
Rent expense on account of deferred lease rental	-	-
Operating cash flow before working capital changes	5,639.13	1,635.80
Changes in working capital:		
Adjustments for decrease / (increase) in operating assets:		
Decrease / (Increase) in trade receivables	(6,198.82)	(4,017.46)
Decrease / (Increase) in other financial assets	227.36	1,234.72
Decrease / (Increase) in other non financial assets	(111.52)	(11.61)
Adjustments for increase in operating liabilities:		
Increase / (Decrease) in trade payables	7,538.20	1,102.71
Increase / (Decrease) in other financial liabilities	513.92	(253.21)
Increase / (Decrease) in deposits	(3.99)	3.27
Increase / (Decrease) in provisions	34.77	21.19
Increase / (Decrease) in other non financial liabilities	697.05	50.31
Cash generated from (used in) operations	8,336.10	(234.27)
Income taxes (paid) / refunds	(953.54)	(93.68)
Net cash generated from / (used in) operating activities (A)	7,382.56	(327.95)
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(227.57)	(50.95)
Purchase of intangibles assets	(2.70)	(5.87)
Sale of property, plant and equipment	10.81	-
Purchase of Investments	(1,00,728.57)	(1,10,219.98)
Sale Proceeds of Investments	98,184.33	1,10,514.20
Net changes in Loans	(5,016.87)	822.88
Interest Income on Loans	17.77	0.21
Investment in Fixed deposits	(1,365.29)	(273.72)
Net cash generated from (used in) investing activities (B)	(9,128.08)	786.77
C. Cash Flow from financing activities		
Borrowings taken	48,857.89	25,705.71
Borrowings repaid	(49,392.00)	(25,175.39)
Interest expense on borrowings	(251.01)	(288.97)
Payment of lease liabilities	(85.10)	(82.27)
Net cash generated from / (used in) financing activities (C)	(870.20)	159.08
Net increase / (decrease) in cash and cash equivalents (A + B + C)	(2,615.72)	617.90
Cash and cash equivalents at the beginning of the year	2,917.38	2,351.81
Cash and cash equivalents at the end of the year [Note 1 below]	301.66	2,917.38
Net Increase / (decrease) in cash and cash equivalents during the year	(2,615.72)	565.57

Notes to Cash flow statement:

1. Components of cash and cash equivalents: [Refer Note No. 3]

Cash on hand		-
Balances with bank		
- in current accounts	301.66	2,917.38
Fixed deposits	-	-
	301.66	2,917.38

The accompanying notes are an integral part of the financial statements

As per our report of even date.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors of
Incred Capital Wealth Portfolio Managers Private Limited

per **Sarvesh Warty**
Partner
Membership No: 121411

Kamlesh Dangi
Director
DIN - 05152439
Place : Mumbai

Nitin Subramanya Rao
Director
DIN - 08108320
Place : Mumbai

Rakesh Postandel
Company Secretary
Mem No. - A64419

Place : Mumbai
Date : 17 May 2024

Place : Mumbai
Date : 17 May 2024

A. Equity share capital [Refer Note No. 20]

Particulars	Amount
Equity shares of INR 10 each issued, subscribed and fully paid-up	
Balance as at the 31 March 2022	4,850.00
Changes in equity share capital during the year	-
Balance as at the 31 March 2023	4,850.00
Changes in equity share capital during the year	-
Balance as at the 31 March 2024	4,850.00

B. Other equity

Particulars	Reserves and Surplus Retained earnings [Refer Note No. 21]	Total other equity
Balance at 31 March 2022	(1,065.18)	(1,065.18)
Profit / (loss) for the year	1,046.93	1,046.93
Other comprehensive income for the year, net of income tax	1.71	1.71
Total comprehensive income for the year, net of income tax	1,048.64	1,048.64
Balance at 31 March 2023	(16.54)	(16.54)
Profit / (loss) for the year	3,831.86	3,831.86
Other comprehensive income for the year, net of income tax	(18.54)	(18.54)
Total comprehensive income for the year, net of income tax	3,813.32	3,813.32
Balance as at the 31 March 2024	3,796.78	3,796.77

The accompanying notes are an integral part of the financial statements

As per our report of even date.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors of
Incred Capital Wealth Portfolio Managers Private Limited

per Sarvesh Warty
Partner
Membership No: 121411

Kamlesh Dangi
Director
DIN - 05152439
Place : Mumbai

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Director
DIN - 08108320
Place : Mumbai

Place : Mumbai
Date : 17 May 2024

Rakesh Postandel
Company Secretary
Mem No. - A64419

Place : Mumbai
Date : 17 May 2024

Note 1 : General information

1.1. Corporate information

Incred Capital Wealth Portfolio Managers Private Limited ('Company') was originally incorporated in India under the provision of Companies Act, 2013 (the Act) with the name and style as BSH Corporate Advisors and Consultants Private Limited vide Certificate of Incorporation dated 13 February 2018 issued by the Registrar of Companies, Mumbai. The name of the Company was changed to Incred Capital Wealth Portfolio Managers Private Limited vide fresh Certificate of Incorporation dated 22 April 2020.

The Company is principally engaged in the financial services space, offering financial services such as Stock Broking on both the stock exchanges i.e. National Stock Exchange ('NSE') & Bombay Stock Exchange ('BSE'), Debt broking on the whole sale debt segment of BSE & NSE, Depository Participant, Portfolio Management services and Investment Advisory services. The Company has received registration from SEBI as a Stock Broker on 30 April 2020 with Registration number: INZ000294632. The Company has also received registration from SEBI as a Investment Adviser on 31 July 2020 with Registration number: INA000014890. The Company has also received registration from SEBI as a Portfolio Manager on 13 January 2021 with Registration number: INP000007128. The Company has been admitted to the Equity Cash and Equity Derivative segments of BSE to operate as Self Clearing member of ICCL from 15 May 2020 with Clearing Number: 6739. It has been admitted to Wholesale Debt Market Segment of BSE and NSE. The company has received certificate of registration no. INM000012865 from SEBI for Merchant Banking on 01 November, 2021. The company has also received certificate of registration no. IN-DP-559-2021 from SEBI as a participant in the CDSL on 04 February, 2021.

The registered office of the Company is Unit No. 1203, 12th floor, B Wing The Capital, Plot No. C - 70, G Block, BKC Mumbai- 400051.

1.2. Basis of preparation

A. Compliance with Ind AS

Financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Companies Act, 2013.

New standards and interpretations

The Company has adopted all of the relevant new, revised, or amended Accounting Standards and interpretations issued by the AASB that are mandatory for the current reporting period.

These financial statements are approved for issue by the Board of Directors on 17 May 2024

B. Functional and presentation currency

The financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency. All the amounts have been rounded-off to the nearest Lakhs, unless otherwise stated.

C. Basis of measurement

The financial statements have been prepared on a going concern basis under historical cost convention and on an accrual method of accounting except for the following items:

- (i) Certain financial assets and liabilities that are measured at fair value (FVTPL & FVOCI) / amortised cost
- (ii) Net defined benefit asset / liability – plan assets are measured at fair value less present value of defined benefit obligation; and
- (iii) Share-based payments - measured at fair value

D. Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires that management make estimates, judgments and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities as at the date of financial statements, reported amount of revenues and expenses for the reporting period. The actual results could differ from these estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The Company makes certain estimates and judgments for valuation and impairment of financial instruments, fair valuation of employee stock options, incentive plans, useful life of property, plant and equipment, deferred tax assets and retirement benefit obligations. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable.

Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Significant Estimates

Determination of the estimated useful lives of tangible assets:

Useful lives of property, plant and equipment are taken as prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

Recognition of deferred tax assets / liabilities

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases and unutilised business loss and depreciation carry forward and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry forward and unused tax credits could be utilised.

Recognition and measurement of provisions and contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

Impairment of financial assets

The Company recognises loss allowances for expected credit losses on its financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Leases

In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease date if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

E. Presentation of financial statements

The financial statements of the Company are presented as per Schedule III ('Division III') of the Companies Act, 2013 applicable to Non-banking finance companies ('NBFC') as notified by the Ministry of Corporate Affairs ('MCA'). The Statement of cash flows has been prepared and presented as per the requirements of Ind AS - 7, Statement of Cash flows. The disclosure requirements with respect to items in the Balance sheet and Statement of Profit and Loss, as prescribed in the Schedule III of the Companies Act, 2013 are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards to the extent applicable.

F. Current / Non-current classification of assets and liabilities

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The Company has identified 12 months as their operating cycle for classification of their current assets and liabilities.

Note 2 : Material accounting policies

2.1. Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

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 Company has an established control framework with respect to the measurement of fair values. The management has the overall responsibility for overseeing all significant fair value measurements, including Level 3 fair value.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair values of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- (i) **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (ii) **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- (iii) **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.2. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when company becomes party to the contractual provisions of the instruments.

A. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss ('FVTPL'), transaction costs that are directly attributable to its acquisition.

B. Classification of financial assets:

Financial assets:

On initial recognition, a financial asset is classified as measured at:

- Amortised Cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

Financial assets measured at amortised cost:

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment), unless the asset is designated at FVTPL:

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

Financial assets measured at fair value through other comprehensive Income ('FVOCI'):

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- (i) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- (ii) the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

Financial assets measured at fair value through profit and loss ('FVTPL'):

A financial asset which is not classified in above category is subsequently measured at FVTPL. Where assets are measured at fair value, gains and losses are recognized entirely in the statement of profit and loss.

C. Subsequent recognition of financial assets:

The assets classified in the aforementioned categories are subsequently measured as follows:

(i) Financial assets at amortised cost:

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss. However the gains and losses resulting from fluctuations in fair value are not recognized for financials assets classified in this category.

(ii) Financial assets at FVTPL:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.

(iii) Debt investments at FVOCI:

These assets are subsequently measured at fair value. Net gains or losses arising out of changes in fair value are recognized in OCI. Interest income under the EIR method, foreign gains and losses and impairment are recognised in statement of profit and loss. On derecognition, gains and losses accumulated in OCI are reclassified to statement of profit and loss as a reclassification adjustment. Other net gains and losses are recognised in OCI.

(iv) Equity investments designated at FVOCI:

In case of equity instruments irrevocably designated at FVOCI, gains / losses including relating to foreign exchange, are recognised through other comprehensive income. Further, cumulative gains or losses previously recognised in other comprehensive income remain permanently in equity and are not subsequently transferred to profit or loss on derecognition. Dividend are recognised as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment.

D. Classification of financial liabilities:

Financial liabilities are classified and measured at amortised cost . A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as on initial recognition. For trade and other payable the carrying amount approximates the fair value due to short maturity of these instruments.

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

E. Subsequent recognition of financial liabilities:

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable and incremental transaction cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs profit and loss.

The Company's financial liabilities include trade payables and other financial liabilities.

F. Derecognition of financial assets and financial liabilities

(i) Financial assets:

The Company derecognizes a financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) when the contractual rights to receive cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

(ii) Financial liabilities:

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

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

G. Offsetting of financial instruments

A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

H. Reclassification of financial assets and financial liabilities

The company is required to reclassify financial assets when and only when it changes its business model for managing financial assets.

Reclassifications are expected to be very infrequent. Such changes must be determined by the company's senior management as a result of external or internal changes and must be significant to the company's operations and demonstrable to external parties.

Further reclassification is not allowed in following cases:

- Investments in equity instruments irrevocably designated as at FVOCI cannot be reclassified,
- Reclassification of financial liabilities.

2.3. Impairment

A. Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss model (ECL) for measurement and recognition of impairment loss. The company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. At each reporting date, the company assesses whether the loans have been impaired. The company is exposed to credit risk when the customer defaults on his contractual obligations. For the computation of ECL, the loan receivables are classified into three stages based on the default and the aging of the outstanding. If the amount of an impairment loss decreases in a subsequent period, and the decrease can be related objectively to an event occurring after the impairment was recognised, the excess is written back by reducing the loan impairment allowance account accordingly. The write-back is recognised in the statement of profit and loss. The company recognises life time expected credit loss for trade receivables and has adopted the simplified method of computation as per Ind AS 109. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

B. Impairment of non-financial assets

The carrying values of assets at each balance sheet date are reviewed to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of the asset is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment loss is recognised in the statement of profit and loss for such excess amount.

In respect of assets (except goodwill) for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such reversal of impairment loss is recognised in the statement of profit and loss, to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.4. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash in hand, balances with the banks and short-term deposits with an original maturity of three months or less, and accrued interest thereon, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.5. Property, plant and equipment

A. Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. The cost of an item of property, plant and equipment comprises of its purchase price, including import duties and non-refundable purchase taxes after deducting trade discounts and rebates and any costs 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 and the initial estimate of the cost of dismantling, removing the item and restoring the site on which it is located, referred to as 'decommissioning, restoration and similar liabilities', the obligation for which an enterprise incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during the period.

Borrowing costs relating to acquisition of an item of property, plant and equipment which takes substantial period to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be use.

Repairs & Maintenance costs are recognized in the net profit in the statement of profit and loss when incurred.

Property, plant and equipment held for sale is valued at lower of their carrying amount and net realizable value. Any write-down is recognized in the statement of profit and loss.

B. Subsequent cost

Subsequent cost is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

C. Derecognition

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

D. Depreciation

Depreciation is provided on straight-line basis as per the useful life given under Schedule II of the Companies Act, 2013. The Companies Act, 2013 prescribes that the asset should be written off over its useful life as estimated by the management and provides the indicative useful lives for the different class of assets.

The useful life as estimated by the management and corresponding depreciation rates for the different category of assets recognised in the books are as under:

Asset Group	Useful life estimated by the management (years)
Furniture and fittings	10
Office equipment's	5
Computers	3
Vehicle	8
Leasehold Improvements	Over the lease period
Right of Use Assets	Over the lease period

Depreciation is not recorded on capital work in progress until construction and installation is completed and assets are ready for its intended use.

Depreciation on addition to property, plant and equipment is provided on pro-rata basis from the date the asset is ready for use. Depreciation on sale/ deduction of property, plant and equipment is provided for up to the date of sale, deduction and discarding as the case may be.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively. Based on technical evaluation and consequent advice, the management believes that its estimated useful life as given above best represent the period over which management expects to use these assets.

2.6. Intangible assets

A. Recognition and measurement

Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

B. Subsequent expenditure

Subsequent expenditure on an intangible asset is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure are recognised in the Statement Profit and Loss as incurred.

C. Amortization

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful life using the straight-line method, and is included in depreciation, amortisation and impairment in the statement of profit and loss.

The intangible assets are amortised over the estimated useful life of 3 years.

Amortisation methods, useful life and residual values are reviewed at each reporting date and adjusted prospectively.

2.7. Investment in subsidiaries

Investment in subsidiaries is carried at cost.

2.8. Income tax

Income tax expense comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income ('OCI'), in which case the tax effect is recognised in equity or OCI. Income tax payable on profits is based on the applicable tax laws in each tax jurisdiction and is recognised as an expense in the period in which profit arises.

A. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- (i) has a legally enforceable right to set off the recognised amounts; and
- (ii) intends to realise the asset or settle the liability on a net basis or simultaneously.

B. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- (i) temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit and loss; and
- (ii) temporary differences related to investments in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised, for all deductible temporary differences, to the extent it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied in the year in which the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted as on the reporting date. Taxes relating to items recognised directly in equity or OCI is recognised in equity or OCI.

The tax effects of income tax losses, available for carry forward, are recognised as deferred tax asset, when it is probable that future taxable profits will be available against which these losses can be set-off.

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

Deferred tax assets and liabilities are offset only if:

- (i) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

2.9. Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

2.10. Leases

Effective 1st April, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates.

2.11. Revenue from operations

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115, Revenue from contracts with customers, outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

The Company recognises revenue from the following sources:

(i) **Brokerage** : Company recognizes Brokerage income as per contracted rates on the execution of transactions on behalf of the clients on trade date on the basis of the date of settlement of respective exchanges.

(ii) **Fees and Advisory Income** : Fees and Advisory Income is recognized when the services are rendered. Fees earned from contract with customer is recognised as and when performance obligation is satisfied. Fees or components of fees that are linked to certain performance are recognised after fulfilling the corresponding criteria.

(iii) Interest income or expense is recognised using the effective interest rate method.

(iv) Profit or loss on sale of investments is determined on the basis of first-in-first-out (FIFO) basis.

(v) Other operational revenue represents income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract

2.12. Earning per share

The basic earnings per share ('EPS') is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.13. Provisions, contingent liabilities and contingent assets

A. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

B. Onerous contracts

Provisions for onerous contracts are recognized when the expected benefits to be derived from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

C. Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. The Company assesses its obligations arising in the normal course of business, including pending litigations, proceedings pending with tax authorities and other contracts including derivative and long term contracts periodically and ensures that appropriate treatment has been made as required under Ind AS.

D. Contingent assets

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

2.14. Foreign Exchange Transactions

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional and the presentation currency of the Company is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the closing rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

2.15. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to chief operating decision maker. An operating segment is a component of the Company that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with other components of the same entity, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the chief operating decision maker.

2.16. Events after the reporting period

Events after the reporting period are those events, both favourable and unfavourable that occur between end of the reporting period and the date on which the financial statements are approved for issue.

A. Adjusting events

Events which provide further evidence of conditions that existed at the end of the reporting period are adjusting events. Financials have been adjusted for those events.

B. Non-adjusting events

Events which are of indicative of conditions that arise after the end of the reporting period are Non-adjusting events. Disclosure of the nature of event and estimate of its financial effect have been made in the financial statements.

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

2.17. Borrowing costs

Borrowing costs include interest expense as per the effective interest rate (EIR) and other costs incurred by the Company in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized. Other borrowing costs are recognized as an expense in the year in which they are incurred.

2.18. Employee benefits

A. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

B. Compensated absences

The Company does not have a policy of encashment of unavailed leaves for its employees and are not permitted to carry forward the leaves. Hence there is no liability towards compensated absence.

C. Post-employment benefits

(i) Defined contribution plans- Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The company is statutorily required to contribute a specified portion of the basic salary of an employee to a provident fund as part of retirement benefits to its employees. The contributions during the year are charged to the statement of profit and loss.

(ii) Defined benefit plans - Gratuity

The Company's liability towards gratuity scheme is determined by independent actuaries, using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement of defined benefit plans, comprising of actuarial gains / losses, return on plan assets excluding interest income are recognised immediately in the balance sheet with corresponding debit or credit to Other Comprehensive Income (OCI). Remeasurements are not reclassified to statement of profit and loss in the subsequent period.

2.19. Statement of Cash flows

Cash flows are reported using the indirect method in accordance with Ind AS 7 Statement of Cash Flows, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.20. Exceptional items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as exceptional items.

2.21 Standards issued but not yet effective upto the date of issuance of the financial statements

There are no standards that are issued but not effective.

Note 3 : Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on hand	-	-
Balances with banks	301.66	2,917.38
Fixed deposits (maturity less than 3 months)	-	-
Total	301.66	2,917.38

Note 4 : Bank balance other than cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Fixed deposits*	2,187.26	821.97
Total	2,187.26	821.97

31 March 2024 :

*Out of the total Fixed deposits of INR 2188.13 Lakhs, fixed deposits amounting to INR 819.93 Lakhs is lien marked with IDFC Bank, INR 1250.00 Lakhs is lien marked with HDFC Bank and fixed deposits amounting to INR 46.79 Lakhs is lien marked with BSE Limited for business purpose.

31 March 2023 :

*Out of the total Fixed deposits of INR 821.97 Lakhs, fixed deposits amounting to INR 774.18 Lakhs is lien marked with IDFC Bank and fixed deposits amounting to INR 46.79 Lakhs is lien marked with BSE Limited for business purpose.

Note 5 : Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Secured, considered good	-	-
Unsecured, considered good *	10,612.34	4,432.74
	10,612.34	4,432.74
Less: Allowance for impairment loss	(14.07)	(25.97)
Total	10,598.27	4,406.77

*INR.10,298.87 is receivable from Professional clearing member (PCM)

As at 31 March 24

Particulars	Unbilled	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Undisputed Trade Receivables - Consider good	43.96	10,554.31	-	-	-	-	10,598.27
ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	8.90	5.10	0.08	-	-	14.07
iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
iv) Disputed Trade Receivables - Considered goods	-	-	-	-	-	-	-
v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total	43.96	10,563.20	5.10	0.08	-	-	10,612.34

As at 31 March 23

Particulars	Unbilled	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Undisputed Trade Receivables - Consider good	467.97	3,961.13	-	-	-	-	4,429.10
ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	1.34	2.30	-	-	3.64
iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
iv) Disputed Trade Receivables - Considered goods	-	-	-	-	-	-	-
v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total	467.97	3,961.13	1.34	2.30	-	-	4,432.74

Note 6 : Loans

Particulars	As at 31 March 2024	As at 31 March 2023
(A) At amortised cost -		
Margin Trading Facility to Clients*	361.80	134.60
Loan to Employee	3.94	6.00
Loans to subsidiary	4,810.94	-
Total - Gross	5,176.68	140.60
Less: Allowance for impairment loss	(19.24)	(0.03)
Total - net of impairment loss allowance (A)	5,157.44	140.57
(B) Details of security -		
(i) Secured by tangible asset	-	-
(ii) Secured by intangible asset	361.80	134.60
(iii) Covered by bank / govt. guarantees	-	-
(iv) Unsecured	4,814.88	6.00
Total - Gross	5,176.68	140.60
Less: Allowance for impairment loss	(19.24)	(0.03)
Total - net of impairment loss allowance (B)	5,157.44	140.57

(C) (I) Loans in India		
(i) Public sector		-
(ii) Others	5,176.68	140.60
Total loans in India	5,176.68	140.60
(C) (II) Loans outside India		
(i) Public sector	-	-
(ii) Others	-	-
Total loans outside India	-	-
Total - Gross	5,176.68	140.60
Less: Allowance for impairment loss	(19.24)	(0.03)
Total - net of impairment loss allowance (C)	5,157.44	140.57

*Marqin tradina facility balance has not exceeded on any given day during FY 23 24

31 March 2024

Type of Borrower	Amount of Loan or Advance in the nature of Loan outstanding	% to the total Loans and Advances in the nature of Loans
Promotor	-	-
Directors	-	-
KMPs	-	-
Related Parties	4,810.94	93.28

31 March 2023

Type of Borrower	Amount of Loan or Advance in the nature of Loan outstanding	% to the total Loans and Advances in the nature of Loans
Promotor	-	-
Directors	-	-
KMPs	-	-
Related Parties	-	-

Note 7 : Investments

Particulars	As at 31 March 2024	As at 31 March 2023
Unquoted, carried at cost:		
Investment in equity instrument of subsidiary:		
InCred Research Services Private Limited (formerly known as Earnest Innovation Partners Private Limited) (1,82,60,000 equity shares of INR 10 each, fully paid up)	1,862.15	1,862.15
Quoted, carried at FVTPL:		
Investment in Government Securities		
Investment in G-Sec	2,540.99	-
Total	4,403.14	1,862.15
Aggregate amount of unquoted investments	1,862.15	1,862.15
Aggregate amount of quoted investments	2,540.99	-

Note 8 : Other financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
Carried at amortised cost		
Security deposits	44.29	29.21
Deposits with stock exchanges	354.17	793.75
Deposits with Professional clearing member	1,000.00	802.83
Total	1,398.46	1,625.79

Note 9 : Current tax assets (Net)

Particulars	As at 31 March 2024	As at 31 March 2023
Income tax refundable (net of provision for Income Tax)	-	1.91
Total	-	1.91

Incred Capital Wealth Portfolio Managers Private Limited

CIN: U74999MH2018PTC305048

Notes forming part of the financial statements for the year ended 31 March 2024

(All amounts in INR Lakhs, unless otherwise stated)

Note 10 : Property, plant and equipment

Particulars	ROU assets (Premises)	Leasehold Improvements	Furniture	Vehicle	Office equipment	Computer & Printer	Total
Gross carrying amount:							
As at 31 March 2022	321.61	64.13	20.86	169.48	34.18	83.61	693.87
Additions during the year	-	0.50	-	16.21	16.24	22.72	55.67
Disposals during the year	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
As at 31 March 2023	321.61	64.63	20.86	185.69	50.42	106.33	749.54
Additions during the year	478.82	140.90	19.93	32.89	18.46	15.39	706.39
Disposals during the year	321.61	-	-	13.35	-	2.93	337.89
Transfers	-	-	-	-	-	-	-
As at 31 March 2024	478.82	205.53	40.79	205.23	68.88	118.79	1,118.04
Accumulated depreciation:							
As at 31 March 2022	101.62	14.41	2.63	18.86	9.52	32.27	179.31
Depreciation charge for the year	64.29	14.61	2.07	21.54	8.46	31.69	142.66
Accumulated depreciation on disposals during the year	-	-	-	-	-	-	-
As at 31 March 2023	165.91	29.02	4.70	40.40	17.98	63.96	321.97
Depreciation charge for the year	90.01	32.85	3.07	23.81	12.66	30.25	192.65
Accumulated depreciation on disposals during the year	166.25	-	-	2.97	-	2.48	171.71
As at 31 March 2024	89.67	61.87	7.77	61.24	30.64	91.73	342.91
Net carrying amount:							
As at 31 March 2024	389.15	143.66	33.02	143.99	38.24	27.06	775.13
As at 31 March 2023	155.71	35.61	16.16	145.29	32.44	42.37	427.57

Note 11 : Capital work in progress

Particulars	CWIP
Gross carrying amount:	
As at 31 March 2022	4.72
Additions during the year	5.23
Capitalised during the year	9.95
As at 31 March 2023	-
Additions during the year	-
Capitalised during the year	-
As at 31 March 2024	-

Incred Capital Wealth Portfolio Managers Private Limited

CIN: U74999MH2018PTC305048

Notes forming part of the financial statements for the year ended 31 March 2024

(All amounts in INR Lakhs, unless otherwise stated)

As at 31 March 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 -3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

As at 31 March 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 -3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

Note 12 : Other intangible assets

Particulars	Software
Gross carrying amount:	
As at 31 March 2022	10.28
Additions during the year	5.87
Disposals during the year	-
Transfers	-
As at 31 March 2023	16.15
Additions during the year	2.70
Disposals during the year	-
Transfers	-
As at 31 March 2024	18.85
Amortisation:	
As at 31 March 2022	3.69
Amortisation during the year	3.69
Amortisation on disposals during the year	-
As at 31 March 2023	7.38
Amortisation during the year	4.37
Amortisation on disposals during the year	-
As at 31 March 2024	11.75
Net carrying amount:	
As at 31 March 2024	7.10
As at 31 March 2023	8.77

Note 13 : Other non-financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
Business Transfer Receivable	138.13	-
Prepaid Expenses	60.12	87.75
Advance to vendors	21.47	18.60
Others	1.09	2.93
Total	220.80	109.28

Note 14 : Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises [Refer Note No. 34 for details of dues to micro and small enterprises]		
- Principal amount due	-	-
- Interest amount due	-	-
Total outstanding dues other than micro enterprises and small enterprises		
- Clients	10,864.61	2,480.11
- Others	14.60	860.91
Total	10,879.22	3,341.02

As at 31 March 24

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1 - 2 years	2 -3 years	More than 3 years	
i) MSME	-	-	-	-	-	-
ii) Others	148.11	10,731.11	-	-	-	10,879.22
iii) Disputed dues – MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
Total	148.11	10,731.11	-	-	-	10,879.22

As at 31 March 23

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1 - 2 years	2 -3 years	More than 3 years	
i) MSME	-	-	-	-	-	-
ii) Others	825.36	2,515.54	-	0.11	-	3,341.02
iii) Disputed dues – MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
Total	825.36	2,515.54	-	0.11	-	3,341.02

Note 15 : Borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured carried at amortized cost:		
Loans from Holding company [Refer Note No. 39] *	-	1,046.53
Loans from related party [Refer Note No. 39] *	1,039.99	2,800.93
Secured carried at amortized cost:		
Bank Overdraft **	2,273.50	-
Total	3,313.49	3,847.46

*Loan is payable on demand bearing Interest Rate of 8.5% p.a.

**Bank Overdraft facility is availed against the pledge of government securities

Note 16 : Deposits

Particulars	As at 31 March 2024	As at 31 March 2023
At amortized cost:		
Security deposits	46.53	40.90
Total	46.53	40.90

Note 17 : Other financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Employee expenses payable	522.42	146.09
Provision for expenses	137.59	-
Lease liability [Refer Note No. 38]	409.27	190.96
Total	1,069.29	337.05

Note 18 : Provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits [Refer Note No. 37]		
Provision for gratuity	81.24	46.47
Provision for Income Tax (Net of Advance tax)	243.86	-
Total	325.10	46.47

Note 19 : Other non-financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Statutory dues payable	841.56	144.50
Total	841.56	144.50

Note 20 : Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
Authorized capital [Refer Note 'e' below]				
Equity shares of INR 10/- each	5,00,00,000	5,000.00	5,00,00,000	5,000.00
	5,00,00,000	5,000.00	5,00,00,000	5,000.00
Issued, subscribed and paid up capital				
Equity shares of INR 10/- each, fully paid-up*	4,85,00,000	4,850.00	4,85,00,000	4,850.00
Total issued, subscribed and paid-up share capital	4,85,00,000	4,850.00	4,85,00,000	4,850.00

a. Terms and rights attached to equity shares

The Company has only one class of equity shares. The equity shares have a paid up value of INR 10 per share. Each holder of equity shares is entitled to vote in proportion of the share of paid-up capital of the Company held by the shareholder. Each shareholder is entitled to receive interim dividend when it is declared by the Board of Directors. The final dividend proposed by the Board of Directors are paid when approved by the shareholders at the ensuing annual general meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company proportionately along with the holders of compulsory convertible preference shares, after distribution of all preferential amounts. The distribution shall be according to the members right and interest in the company.

b. Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
<u>Equity shares</u>				
At the beginning of the period	4,85,00,000	4,850	2,85,00,000	2,850.00
Add: Shares issued during the year	-	-	2,00,00,000	2,000.00
Less: Bought back during the year	-	-	-	-
Outstanding at the end of the period	4,85,00,000	4,850.00	4,85,00,000	4,850.00

c. Details of shares held by Holding Company.

Name of the shareholder	As at 31 March 2024		As at 31 March 2023	
	No. of shares held	% Holding	No. of shares held	% Holding
<u>Equity shares of INR 10 each fully paid-up held by Holding Company</u>				
InCred Wealth Private Limited	4,84,99,999	100%	4,84,99,999	100.00%

d. Details of shareholder(s) holding more than 5% of shares of the Company.

Name of the shareholder	As at 31 March 2024		As at 31 March 2023	
	No. of shares held	% Holding	No. of shares held	% Holding
<u>Equity shares</u> ^{1 & 2}				
InCred Wealth Private Limited	4,84,99,999	100%	4,84,99,999	100.00%

1. As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

2. 1 (One) share is being held by Mr. Nitin Rao as a nominee shareholder.

e. Increase in Authorized capital of the Company

The Company has increased its Authorized share capital from INR 3,000 Lakhs (3,00,00,000 Equity Shares of INR 10 each) to INR 5,000 Lakhs (5,00,00,000) Equity Shares of INR 10 each) vide shareholders' approval at the Extraordinary General Meeting (EGM) held on 15th March 2022.

f. Equity shares held by promoters of the company

Out of the equity shares issued by the company, shares held by its promoters:

Name of the shareholder	As at 31 March 2024			As at 31 March 2023		
	No. of shares held	% of shares held	% Change during the year	No. of shares held	% of shares held	% Change during the year
InCred Wealth Private Limited	4,84,99,999	100%	0%	4,84,99,999	100.00%	70.18%

Note 21 : Other equity

Particulars	As at 31 March 2024	As at 31 March 2023
Retained earnings		
Opening balance	(16.54)	(1,065.18)
Profit / (loss) after tax for the year	3,831.86	1,046.93
Other comprehensive income for the year, net of income tax	(18.54)	1.71
Closing Balance	3,796.77	(16.54)
Total	3,796.77	(16.54)

Note 22 : Interest income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
On financial assets measured at amortised cost:		
- Interest on loans	17.77	0.21
- Interest on deposits with banks	119.49	37.18
- Interest on customer balances	434.41	174.55
- Interest on balances with PCM	190.00	101.29
- Interest on unwinding of security deposits	5.15	3.28
On financial assets measured at FVTPL:		
- Interest on G-Sec	75.65	49.05
- Other interest income	-	-
Total	842.47	365.56

Note 23 : Fees and commission income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Brokerage income [Refer Note No. 39]	4,527.06	2,319.47
Management fees from PMS [Refer Note No. 39]	82.89	485.42
Fees and Advisory income [Refer Note No. 39]	5,528.95	2,753.22
Total	10,138.90	5,558.11
Geographical Markets		
Within India	10,084.19	5,554.11
Outside India	54.71	4.00
Total	10,138.90	5,558.11
Timing of revenue recognition		
Services transferred at a point in time	10,138.90	5,558.11
Services transferred over time	-	-
Total	10,138.90	5,558.11

Note 24 : Net gain on fair value changes

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Net gain/loss on financial instruments at fair value through profit or loss		
- Investments in Mutual Funds	20.43	19.89
- Investments in non-convertible debentures	10.08	(0.02)
- Investments in Gsec	(27.28)	10.71
- Investments in Equity shares	-	214.56
Total	3.23	245.14
Fair value changes :		
Realised	3.23	245.14
Unrealised	-	-
Total	3.23	245.14

Note 25 : Other income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Reimbursement income [Refer Note No. 39]	47.84	14.18
Interest on income tax refund	7.39	8.44
Others	0.03	-
Total	55.26	22.62

Note 26 : Finance cost

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
On financial liabilities measured at amortised cost:		
Interest expense on Lease Liability	(10.42)	29.10
Interest expense on borrowings	251.14	292.31
Interest expense on PCM balance	349.57	165.62
Bank Guarantee and commission charges	51.94	21.26
Total	642.22	508.29

Note 27 : Fees and commission expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Referral fee expense	146.19	306.47
Others	116.16	184.78
Total	262.35	491.25

Note 28 : Impairment on financial instruments

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
On financial instruments measured at amortized cost:		
- Loans	19.21	0.03
- Trade receivables	(11.89)	22.82
Total	7.32	22.85

Note 29 : Employee benefit expenses

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and bonus	2,805.40	2,186.85
Contribution to provident and other funds	52.27	39.57
Gratuity expenses	27.51	21.19
Staff welfare expenses	22.98	19.18
Total	2,908.17	2,266.79

Note 30 : Other expenses

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Rent	16.93	11.64
Communication cost	23.77	13.85
Travelling and conveyance	12.88	10.59
Lease line & connectivity	16.90	19.99
Stock exchange and PCM charges	73.24	14.09
Legal, professional and consultancy charges	1,319.89	703.23
Membership and Subscription	9.50	19.10
IT expenses	480.40	452.48
Manpower support services	9.85	6.52
Rates and taxes	9.30	7.96
Payment to auditors	10.69	12.42
Advertisement, publicity and sales promotion expenses	6.89	0.22
Office expenses	31.73	17.86
Interest on statutory dues	-	0.29
Recruitment fees	-	9.57
GST Reversal	1.88	22.72
Stamp duty & filing fees	9.46	7.82
Loss on Sale of Fixed Assets	0.66	-
Miscellaneous expenses	29.73	35.01
Total	2,063.70	1,365.36

*** Payment to auditors:**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Auditor's remuneration		
- Audit fees	10.69	12.42
Total	10.69	12.42

Note 31 : Income taxes

31.1 Income tax recognised in the Statement of Profit and Loss

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current tax		
In respect of current year	1,323.59	216.01
In respect of previous year	(139.12)	-
	1,184.47	216.01
Deferred tax expense/(income)	192.32	127.60
Total Income tax expense recognized in the current year	1,376.80	343.60

31.2 Reconciliation of income tax expense applicable to accounting profits / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Profit / (loss) before tax as per Statement of profit and loss (A)	5,208.65	1,390.54
Statutory income tax rate applicable to the Company (B)	25.17%	27.82%
Income tax expense using the statutory income tax rate (C = A * B)	1,311.02	386.85
Tax effect of:		
MAT credit not available		
Amounts which are not deductible in calculating taxable income	1.47	0.41
Rate change impact (from 27.82% to 25.17%)	4.64	(48.30)
Other adjustments	(20.64)	(1.05)
Adjustments recognized in the current year in relation to previous year	80.30	5.69
Effective tax expense	1,376.79	343.60

31.3 Income tax recognized in other comprehensive income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Items that will not be reclassified to profit or loss (A)	(14.86)	2.22
Statutory income tax rate applicable to the Company (B)	25.17%	27.82%
Income tax expense using the statutory income tax rate (C = A * B)	(3.74)	0.62
Tax effect of:		
Rate change impact	0.06	(0.11)
Effective tax expense	(3.68)	0.51

31.4 Deferred tax

The major components of deferred tax (assets) arising on account of timing differences as on 31 March 2024 are as follows:

Particulars	As at 31 March 2023	Recognized in Profit & Loss	Recognized in OCI	As at 31 March 2024
Deferred tax assets:				
Carry forward of losses	-	-	-	-
Temporary Disallowance	15.49	21.79	-	37.28
Expected Credit Loss	7.23	1.15	-	8.39
Employee Benefits Expenses	12.93	13.11	(3.68)	22.36
Leases	9.81	(14.87)	-	(5.06)
MAT	219.42	(219.42)	-	-
Difference between written down value of fixed assets as per the books of accounts and income tax	3.82	5.92	-	9.74
Total deferred tax assets (A)	268.70	(192.32)	(3.68)	72.70
Difference between written down value of fixed assets as per the books of accounts and income tax	-	-	-	-
Deferred tax liabilities (B)	-	-	-	-
Net deferred tax assets (A - B)	268.70	(192.32)	(3.68)	72.70

The major components of deferred tax (assets) arising on account of timing differences as on 31 March 2023 are as follows:

Particulars	As at 31 March 2022	Recognized in Profit & Loss	Recognized in OCI	As at 31 March 2023
Deferred tax assets:				
Carry forward of losses	339.12	-339.12	-	-
Expected Credit Loss	0.82	15.49	-	16.31
Employee Benefits Expenses	7.12	6.41	(0.51)	13.02
Leases	6.28	6.32	-	12.59
MAT	44.90	3.53	-	48.43
		174.52	-	174.52
Total deferred tax assets (A)	398.23	(132.84)	(0.51)	264.88
Difference between written down value of fixed assets as per the books of accounts and income tax	1.43	(5.25)	-	(3.82)
Deferred tax liabilities (B)	1.43	(5.25)	-	(3.82)
Net deferred tax assets (A - B)	396.81	(127.60)	(0.51)	268.70

Note 32 : Earning per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted EPS are calculated using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

i. Profit attributable to Equity shareholders

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Profit attributable to equity holders of the Company used in calculating basic & dilutive earnings per share	3,831.86	1,046.93

ii. Weighted average number of ordinary shares

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Weighted average number of equity shares used as the denominator in calculating basic & diluted earnings per share*	485.00	485.00

* There are no potential dilutive shares in the Company.

Basic earnings per share	7.90	2.16
Diluted earnings per share	7.90	2.16

Note 33 : Contingent liabilities and commitments

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Contingent liabilities and commitments	NIL	NIL

Note 34 : Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the information available with the management, as at 31 March, 2024, no dues were outstanding to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Further, the Company has not received any claim for interest from any supplier under the said Act till 31 March, 2024.

Note 35 : Interest In Other Entities

Subsidiary

The Company has the following subsidiary held directly by the Company which operates and is incorporated in India. Following are the details of the shareholding in the subsidiary:

Name of the Company	Principal business activities	Country of Incorporation	% of ownership interest 31 March 2024
InCred Research Services Private Limited	Research & Consultancy Services	India	100%

Note 36 : Disclosure relating to earnings and expenditure in foreign currency

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
A. Expenditure in foreign currency		
IT Expenses	33.82	17.83
Total	33.82	17.83
B. Earnings in foreign currency		
Fees and Advisory Income	54.71	4.00
Total	54.71	4.00

Note 37 : Employee Benefits**37.1 Defined contribution plan - Provident Fund**

The Company has recognised the following amounts in the Profit & Loss Account towards contributions to provident fund:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Provident fund	46.14	37.55
Total	46.14	37.55

37.2 Defined benefit plan - Gratuity

Every employee who will complete five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service as per Payment of Gratuity Act, 1972.

Table showing change in the present value of projected benefit obligation:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Change in benefit obligations		
Present value of benefit obligation at the beginning of the period	46.47	27.49
Interest cost	3.40	1.67
Current Service cost	24.12	19.52
Liability Transferred In/ Acquisitions	1.01	-
Liability Transferred Out/ Divestments	(8.60)	-
Actuarial (Gains) on obligations - due to change in demographic assumptions	9.56	-
Actuarial (Gains) on obligations - due to change in financial assumptions	0.67	(3.37)
Actuarial Losses on obligations - due to experience	4.62	1.15
Liability at the end of the period	81.25	46.47

Amount recognized in the Balance Sheet:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Present value of benefit obligation	(81.25)	(46.47)
Fair value of plan assets at the end of the period	-	-
Funded Status (Deficit)	(81.25)	(46.47)
Net (Liability) Recognized in the Balance Sheet	(81.25)	(46.47)

Expenses recognized in the Statement of Profit and Loss:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current service cost	24.12	19.52
Net interest cost	3.40	1.67
Expenses recognised	27.51	21.19

Expenses recognized in the Other comprehensive income (OCI)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Actuarial (Gains) on obligation for the period	14.86	(2.22)
Return on plan assets, excluding interest income	-	-
Net (Income) for the period recognized in OCI	14.86	-2.22

The actuarial assumptions used to determine benefit obligations as at 31 March 2022 are as follows:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Discount Rate	7.17%	7.31%
Salary escalation rate	10.00%	10.00%
Expected Rate of return on Plan Assets	NA	NA
Rate of Employee Turnover	15.00%	20.00%
Retirement Age	60 years	60 years
Mortality Rate during employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors.

Incred Capital Wealth Portfolio Managers Private Limited

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Notes forming part of the financial statements for the year ended 31 March 2024

(All amounts in INR Lakhs, unless otherwise stated)

Balance sheet reconciliation

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening net liability	46.47	27.49
Expenses recognized in Statement of Profit and Loss	27.51	21.19
Expenses recognized in OCI	14.86	(2.22)
Net (Asset) Transfer In	1.01	-
Net (Liability)/Asset Transfer Out	(8.60)	-
Net liability recognized in the Balance Sheet	81.25	46.47

Other details:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Number of active members	80	75
Per month salary for active members	70.72	76.89
Weighted average duration of the Projected Benefit Obligation	5.00	7.00
Average expected future service	4.00	4.00
Projected Benefit Obligation (PBO)	81.25	46.47
DBO Non Vested Employees	81.25	46.47
DBO Vested Employees	-	-
Prescribed Contribution For Next Year (12 Months)	-	-

Cash Flow Projection:**Maturity analysis of the benefit payments: from the employer**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Projected benefits payable in future years from the date of reporting		
1st following year	0.34	0.24
2nd following year	6.36	0.23
3rd following year	9.46	6.38
4th following year	10.53	8.46
5th following year	11.64	8.43
Sum of years 6 To 10	53.52	32.90
Sum of years 11 and above	41.31	17.20

Sensitivity analysis:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Projected benefit obligation on current assumptions	81.25	46.47
Delta effect of +1% change in rate of discounting	(4.62)	(2.51)
Delta effect of -1% change in rate of discounting	5.08	2.73
Delta effect of +1% change in rate of salary increase	4.24	2.50
Delta effect of -1% change in rate of salary increase	(4.14)	(2.44)
Delta effect of +1% change in rate of employee turnover	(2.08)	(1.59)
Delta effect of -1% change in rate of employee turnover	2.16	1.64

Risk analysis:

The Company is exposed to a number of risks associated with the defined benefit plans. Most significant risks pertaining to defined benefit plans and management estimation of the impact of these risks are as follows:

Interest rate risk: A fall in the discount rate which is linked to the Government Securities rate will increase the present value of the liability requiring higher provision.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset-Liability matching risk: The plan faces the ALM risk as to the matching cash flows. Company has to manage pay-out based on pay as you go basis from own funds.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

37.3 Compensated Absences

As per the revised policy of the company, the accumulated unavailed leave lapses as at 31 March 2024. Thus no liability has been determined for the current year in respect of compensated absences.

Note 38 : Leases

Accounting policy: The Company as a lessee

The Company's lease asset classes primarily consists of leases for office premises . The Company has adopted IND AS 116 "Leases" for accounting of lease contracts where the Company is a lessee. As per IND AS 116 the Company assesses whether a contract contains a lease, at the inception of the contract.

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 asset, 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 the use of asset through the period of the lease and
- iii. the Company has the right to direct the use of the asset.

At the date of the commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all the lease arrangements in which the Company is a lessee; except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payment as an operating expense on a straight-line basis over the term of the lease.

The following is the summary of practical expedients elected on initial application:

- i. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- ii. Applied the exemption not to recognize ROU asset and liabilities for leases with less than 12 months of lease term on the date of initial application.
- iii. Excluded the initial direct costs from the measurement of the ROU asset at the date of initial application.

ROU Assets

The ROU assets are initially recognized at cost, which comprise the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment loss.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU asset are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The changes in the carrying value of the ROU asset for the period ended 31 March 2024 are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	155.71	220.00
Addition during the year	479.16	-
Deletion during the year	155.71	-
Depreciation for the year	90.01	64.29
Balance as at the end of the year	389.15	155.71

The aggregate depreciation expense on ROU asset is included under depreciation and amortization expense in the Statement of Profit and Loss.

Lease liability

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

The changes in the carrying value of the lease liability for the period ended 31 March 2023 are as follows:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Balance as at the beginning of the year	190.96	244.13
Addition during the year	459.73	-
Finance cost accrued during the year	(10.42)	29.10
Deletions	(145.90)	-
Payment of lease liabilities during the year	(85.10)	(82.27)
Balance as at the end of the year	409.27	190.96

The break-up of current and non-current lease liabilities as at 31 March 2024 is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Current lease liabilities	80.23	68.36
Non-current lease liabilities	329.05	122.60
Total	409.27	190.96

The details of the contractual maturities of lease liabilities as at 31 March 2023 on an undiscounted basis are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Less than one year	111.00	89.47
One to five years	373.70	134.03
More than five years	-	-
Total	484.70	223.51

Incred Capital Wealth Portfolio Managers Private Limited

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Notes forming part of the financial statements for the year ended 31 March 2024

(All amounts in INR Lakhs, unless otherwise stated)

Expenses recognized in the Statement of Profit & Loss:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation expense on RoU asset [Refer Note No. 10]	90.01	64.29
Interest expense on lease liability [Refer Note No. 26]	(10.42)	29.10
Expense relating to short-term leases [Refer Note No. 30]	16.93	11.64
Total	96.52	105.03

The Company does not face a significant liquidity risk with regard to its lease liability as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Short-term leases

Rental expenses recorded for short-term leases and low value leases was Rs. 16.93 Lakhs for the year ended 31 March 2024 and Rs. 11.64 Lakhs for the year ended 31 March 2023.

Incred Capital Wealth Portfolio Managers Private Limited
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Notes forming part of the financial statements for the year ended 31 March 24
(All amounts in INR Lakhs, unless otherwise stated)

Note 39 : Related Parties Transactions

Related party relationships / transactions warranting disclosures under IND AS - 24 "Related Party Disclosures" are as under:

a. List of Related parties where control exists and/or with whom transactions have taken place and relationships:

Nature of Relationship	Name of party
Key managerial personnel ('KMP')	Nitin Rao, Director Venkatesh Vishwanathan, Director (upto 5 Januaray 2024) Kamlesh Dangi, Director Prateek Indwar, Director Rakesh Gorakh Postandel, Company Secretary
Relatives of KMP	Minal Kamlesh Dangi
Holding Company	Incred Wealth Private Limited
Subsidiary Company	InCred Research Services Private Limited
Enterprise over which KMP is able to exercise significant influence	InCred Financial Services Limited InCred Capital Financial Services Private Limited InCred Wealth and Investment Services Private Limited InCred Asset Management Private Limited Oro Financial Consultants Private Limited

b. Transactions during the year with related parties :

Particulars	KMP & Relatives of KMP		Enterprise over which KMP exercise significant influence		Holding Co.		Subsidiary		Total	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Remunerations to KMP										
	78.66	5.50	-	-	-	-	-	-	78.66	5.50
	78.66	5.50	-	-	-	-	-	-	78.66	5.50
Borrowings taken:										
Incred Wealth Private Limited	-	-	-	-	81.00	1,160.00	-	-	81.00	1,160.00
InCred Wealth and Investment Services Private Limited	-	-	42,682.39	12,207.68	-	-	-	-	42,682.39	12,207.68
InCred Capital Financial Services Private Limited	-	-	-	12,838.03	-	-	-	-	-	12,838.03
	-	-	42,682.39	25,045.71	81.00	1,160.00	-	-	42,763.39	26,205.71
Borrowings repaid:										
Incred Wealth Private Limited	-	-	-	-	1,121.00	120.00	-	-	1,121.00	120.00
InCred Wealth and Investment Services Private Limited	-	-	44,450.00	12,717.36	-	-	-	-	44,450.00	12,717.36
InCred Capital Financial Services Private Limited	-	-	-	12,838.03	-	-	-	-	-	12,838.03
	-	-	44,450.00	25,555.39	1,121.00	120.00	-	-	45,571.00	25,675.39
Interest on Loan:										
Incred Wealth Private Limited	-	-	-	-	48.43	8.76	-	-	48.43	8.76
InCred Wealth and Investment Services Private Limited	-	-	138.90	76.50	-	-	-	-	138.90	76.50
InCred Capital Financial Services Private Limited	-	-	-	207.05	-	-	-	-	-	207.05
	-	-	138.90	283.55	48.43	8.76	-	-	187.33	292.31
Advance Given										
Incred Wealth Private Limited	-	-	-	-	705.06	-	-	-	705.06	-
InCred Research Services Private Limited	-	-	-	-	-	-	4,800.00	-	4,800.00	-
	-	-	-	-	705.06	-	4,800.00	-	5,505.06	-
Advance Repaid										
Incred Wealth Private Limited	-	-	-	-	705.06	-	-	-	705.06	-
InCred Research Services Private Limited	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	705.06	-	-	-	705.06	-
Interest on Advance given										
Incred Wealth Private Limited	-	-	-	-	5.11	-	-	-	5.11	-
InCred Research Services Private Limited	-	-	-	-	-	-	12.52	-	12.52	-
	-	-	-	-	5.11	-	12.52	-	17.63	-
Gross Broking and DP Income										
Nitin Subramanya Rao	0.07	-	-	-	-	-	-	-	0.07	-
Kamlesh Dangi	0.01	-	-	-	-	-	-	-	0.01	-
Minal Kamlesh Dangi	0.01	0.79	-	-	-	-	-	-	0.01	0.79
Incred Wealth Private Limited	-	-	-	-	10.15	8.43	-	-	10.15	8.43
InCred Research Services Private Limited	-	-	-	-	-	-	0.01	0.02	0.01	0.02
InCred Financial Services Limited	-	-	2.77	0.50	-	-	-	-	2.77	0.50
InCred Wealth and Investment Services Private Limited	-	-	77.28	5.90	-	-	-	-	77.28	5.90
InCred Capital Financial Services Private Limited	-	-	3.33	1.41	-	-	-	-	3.33	1.41
InCred Valueplus Private Limited	-	-	0.10	-	-	-	-	-	0.10	-
	0.09	0.79	83.48	7.82	10.15	8.43	0.01	0.02	93.74	17.05

Incred Capital Wealth Portfolio Managers Private Limited
CIN: U74999MH2018PTC305048
Notes forming part of the financial statements for the year ended 31 March 24
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	KMP & Relatives of KMP		Enterprise over which KMP exercise significant influence		Holding Co.		Subsidiary		Total	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Sale of Corporate Bonds										
InCred Capital Financial Services Private Limited	-	-	3,031.16	-	-	-	-	-	3,031.16	-
	-	-	3,031.16	-	-	-	-	-	3,031.16	-
Fee Income										
InCred Wealth and Investment Services Private Limited	-	-	151.98	151.98	-	-	-	-	151.98	151.98
InCred Capital Financial Services Private Limited	-	-	293.65	293.65	-	-	-	-	293.65	293.65
InCred Financial Services Limited	-	-	72.37	122.63	-	-	-	-	72.37	122.63
	-	-	517.99	568.26	-	-	-	-	517.99	568.26
Reimbursement Income										
InCred Research Services Private Limited	-	-	-	-	-	-	27.57	10.69	27.57	10.69
InCred Wealth and Investment Services Private Limited	-	-	-	1.57	-	-	-	-	-	1.57
InCred Capital Financial Services Private Limited	-	-	20.27	0.63	-	-	-	-	20.27	0.63
InCred Asset Management Private Limited	-	-	1.01	0.19	-	-	-	-	1.01	0.19
	-	-	21.28	2.39	-	-	27.57	10.69	48.85	13.08
Distributor Commission Expense										
InCred Wealth Private Limited	-	-	-	-	-	-	-	-	-	-
InCred Wealth and Investment Services Private Limited	-	-	28.16	129.22	-	-	-	-	28.16	129.22
	-	-	28.16	129.22	-	-	-	-	28.16	129.22
Referral expenses										
Oro Financial Consultants Private Limited	-	-	12.58	-	-	-	-	-	12.58	-
	-	-	12.58	-	-	-	-	-	12.58	-
Research cost										
InCred Research Services Private Limited	-	-	-	-	-	-	1,247.85	576.00	1,247.85	576.00
	-	-	-	-	-	-	1,247.85	576.00	1,247.85	576.00
Reimbursement of Expense										
InCred Research Services Private Limited	-	-	-	-	-	-	-	-	-	-
InCred Wealth and Investment Services Private Limited	-	-	-	0.51	-	-	-	-	-	0.51
InCred Capital Financial Services Private Limited	-	-	-	5.01	-	-	-	-	-	5.01
InCred Financial Services Limited	-	-	15.61	1.57	-	-	-	-	15.61	1.57
InCred Asset Management Private Limited	-	-	1.41	-	-	-	-	-	1.41	-
	-	-	17.02	7.09	-	-	-	-	17.02	7.09
Slump Sale - Consideration										
InCred Asset Management Private Limited	-	-	340.00	-	-	-	-	-	340.00	-
	-	-	340.00	-	-	-	-	-	340.00	-

c. Closing balances with Related parties as at 31 March 2024:

Particulars	KMP		Enterprise over which KMP exercise significant influence		Holding Co.		Subsidiary		Total	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Investment										
InCred Research Services Private Limited	-	-	-	-	-	-	1,862.15	1,862.15	1,862.15	1,862.15
	-	-	-	-	-	-	1,862.15	1,862.15	1,862.15	1,862.15
Borrowings (Including Interest):										
InCred Wealth Private Limited	-	-	-	-	-	1,046.53	-	-	-	1,046.53
InCred Wealth and Investment Services Private Limited	-	-	1,039.99	2,800.93	-	-	-	-	1,039.99	2,800.93
	-	-	1,039.99	2,800.93	-	1,046.53	-	-	1,039.99	3,847.46
Advances (Including Interest):										
InCred Research Services Private Limited	-	-	-	-	-	-	4,810.94	-	4,810.94	-
	-	-	-	-	-	-	4,810.94	-	4,810.94	-

Incred Capital Wealth Portfolio Managers Private Limited

CIN: U74999MH2018PTC305048

Notes forming part of the financial statements for the year ended 31 March 24

(All amounts in INR Lakhs, unless otherwise stated)

Trade Receivables										
Minal Kamlesh Dangi	-	1.04	-	-	-	-	-	-	-	1.04
InCred Research Services Private Limited	-	-	-	-	-	-	-	0.62	-	0.62
InCred Wealth and Investment Services Private Limited	-	-	-	151.98	-	-	-	-	-	151.98
InCred Capital Financial Services Private Limited	-	-	9.99	294.28	-	-	-	-	9.99	294.28
InCred Financial Services Limited	-	-	5.13	-	-	-	-	-	5.13	-
	-	1.04	15.12	446.26	-	-	-	0.62	15.12	447.91
Trade Payables										
Incred Wealth Private Limited	-	-	-	-	-	111.06	-	-	-	111.06
InCred Research Services Private Limited	-	-	-	-	-	-	0.70	576.00	0.70	576.00
InCred Wealth and Investment Services Private Limited	-	-	-	42.25	-	-	-	-	-	42.25
InCred Capital Financial Services Private Limited	-	-	-	1.51	-	-	-	-	-	1.51
Oro Financial Consultants Private Limited	-	-	12.58	-	-	-	-	-	12.58	-
InCred Asset Management Private Limited	-	-	-	-	-	-	-	-	-	-
	-	-	12.58	43.76	-	111.06	0.70	576.00	13.27	730.81
Other non financial assets										
InCred Asset Management Private Limited	-	-	138.13	-	-	-	-	-	138.13	-
	-	-	138.13	-	-	-	-	-	138.13	-

d. During the year, InCred Capital Financial Services Private Limited (part of the Group) has given a Corporate Guarantee amounting to Rs. 13,500 lakhs (previous year Rs. 10,000 lakhs) on behalf of the Company for various funding and non-funding facilities availed from banks by the Company. Zero percent commission has been charged as per the terms and conditions of the Corporate Guarantee.

Note 40 : Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to safeguard the Company's ability to remain as a going concern and maximise the shareholder value.

The Company manages its capital structure and makes adjustment in light of changes in economic conditions, annual operating plans and long-term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may adjust the amounts of dividend paid to shareholders, return capital to shareholders or issue new shares. The current capital structure of the Company is equity based financing. The funding requirements are met through a mixture of equity, short term debt and internal fund generation as per Company's policy to meet anticipated funding requirements. The Company is not subject to any externally imposed capital requirements.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2024 and for the year ended 31 March 2023.

Note 41 : Financial instruments

41.1 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the Company, other than those with carrying amounts that are reasonable approximation of fair values:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Carrying Value	Amortized cost	Carrying Value	Amortized cost
Financial assets:				
Cash and cash equivalents	301.66	301.66	2,917.38	2,917.38
Bank balance other than cash and cash equivalents	2,187.26	2,187.26	821.97	821.97
Trade receivables	10,598.27	10,598.27	4,406.77	4,406.77
Loans	5,157.44	5,157.44	140.57	140.57
Investments	4,403.14	4,403.14	1,862.15	1,862.15
Other financial assets	1,398.46	1,398.46	1,625.79	1,625.79
Total financial assets	24,046.23	24,046.23	11,774.63	11,774.63
Financial liabilities:				
Trade payables	10,879.22	10,879.22	3,341.02	3,341.02
Borrowings	3,313.49	3,313.49	3,847.46	3,847.46
Deposits	46.53	46.53	40.90	40.90
Other financial liabilities	1,069.29	1,069.29	337.05	337.05
Total financial liabilities	15,308.53	15,308.53	7,566.43	7,566.43

The management of the Company assessed that the fair values of cash and cash equivalents, bank balance other than cash equivalents, trade receivables, loans, investments, other financial assets, trade payables, borrowings, deposits and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments and accordingly no disclosures in respect of fair values are not applicable.

Note 42 : Financial risk management objectives and policies

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's principal financial liabilities, comprise trade and other payables. The main purpose of these financial liabilities is to finance the company's operations and to provide guarantees to support its operations. The company's principal financial assets include trade and other receivables, cash and cash equivalents and other bank balances that derive directly from its operations.

The company's activities expose it to a variety of financial risk namely market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's board of directors reviews and agrees policies for managing each risk, which are summarised as below:-

(a) Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include deposits, FVTPL investments and other financial assets.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Company manages its interest rate risk by monitoring the movements in the market interest rates closely.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings and loans and other Interest bearing instruments. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Particulars	As at 31 March 2024	As at 31 March 2023
Bank balance other than cash & cash equivalents	2,187.26	821.97
Loans given	5,157.44	140.57
Total	7,344.70	962.54
Borrowings:		
Fixed rate borrowings	3,313.49	3,847.46
Total	3,313.49	3,847.46

All instruments are fixed rate instruments

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

(b) Credit risk:

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables and loans given. Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has always been managed by the company through continuous monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. Under Ind AS 109, the company uses expected credit loss model to assess the impairment loss or gain. The company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The company does not hold collateral as security.

Measurement of Expected Credit Losses ('ECL')

The Company has segmented its outstanding portfolio based on the risk profiles i.e. risk management policies, historical experiences with respect to default rates etc. for the computation of ECL.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss).

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis /collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on management estimation and calculation ECL provision has been kept as 100% for all the trade receivable outstanding more than 90days and 0.5% on loan outstanding as at reporting date.

The Company measures the amount of ECL on a financial instrument in a way that reflects an unbiased and probability-weighted amount. The Company considers its historical loss experience and adjusts the same for current observable data. The key inputs into the measurement of ECL are the probability of default, loss given default and exposure at default. These parameters are derived from the Company's internally developed statistical models and other historical data. In addition, the Company uses reasonable and supportable information on future economic conditions including macroeconomic factors such as interest rates, gross domestic product, inflation and expected direction of the economic cycle. Since incorporating these forward looking information increases the judgment as to how the changes in these macroeconomic factor will affect ECL, the methodology and assumptions are reviewed at regular intervals.

Following is the exposure to the credit risk for trade receivables and loans:

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables (net of ECL)	10,598.27	4,406.77
Loans (net of ECL)	5,157.44	140.57
Total	15,755.70	4,547.34

Following table provides information about exposure to credit risk and ECL on Loan-

Particulars	As at 31 March 2024	As at 31 March 2023
Loss allowance - stage 1		
Gross carrying amount of financial assets	5,176.68	140.60
Expected credit Loss	(19.24)	-0.03
Carrying amount net of impairment provision	5,157.43	140.57

Following table provides exposure to credit risk for trade receivable-

Particulars	As at 31 March 2024	As at 31 March 2023
Loss allowance measured at 12 month ECL - Trade receivable		
Gross carrying amount of financial assets	10,612.34	4,432.74
Expected credit Loss	(14.07)	(25.97)
Carrying amount net of impairment provision	10,598.27	4,406.77

Movement in the allowance for Impairment in respect of trade receivables and Loans in as follows :

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	26.00	3.15
Additional Provision	7.32	22.85
Closing balance	33.32	26.00

Margin Trading Facility

In accordance with Ind AS 109, the Company applies expected credit loss model (ECL) for measurement and recognition of impairment loss. The expected credit loss is a product of exposure at default (EAD), probability of default (PD) and Loss given default (LGD). The financial assets have been segmented into three stages based on the risk profiles, primarily based on past due.

Company has large number of customer base with shared credit risk characteristics. Margin trading facilities are secured by collaterals. As per policy of the Company, margin trading facilities to the extent covered by collateral and servicing interest on a regular basis is not considered as due/default. Accounts becoming due/default are fully written off as bad debt against respective receivables and the amount of loss is recognised in the Statement of Profit and Loss. Subsequent recoveries of amounts previously written off are credited to the Statement of Profit and Loss as bad debts recovered.

As per Ind AS 109, the maximum period to consider when measuring expected credit losses is the maximum contractual period (including extension options) over which the entity is exposed to credit risk and not a longer period, even if that longer period is consistent with business practice. Therefore, the maximum period to consider when measuring expected credit losses for these margin trading facilities is the maximum contractual period (i.e. on demand/one day).

For the computation of ECL, the against margin trading facilities are classified into three stages as follows:

Following table provides information about exposure to credit risk and ECL on Margin trading facility

Staging as per Ind AS 109	Receivable including interest
Stage 1	0 to 30 days past due
Stage 2	31 to 90 days past due
Stage 3	More than 90 days past due

The Company does not have any margin trading facilities which may fall under stage 2 or stage 3.

ECL is computed as follow, assuming that these receivables are fully recalled by the Company at each reporting period:

EAD is considered as receivable including interest (net of write off).

PD is considered at 100% for all receivables being the likelihood that the borrower would not be able to repay in the very short payment period.

LGD is determined based on fair value of collateral held as at the reporting period. Unsecured portion is considered as LGD.

Collaterals

The Company holds collateral and other credit enhancements against certain of its credit exposures. The following table sets out the principal types of collateral held against different types of financial assets.

Instrument type	Percentage of exposure that is subject to collateral		Principal type of collateral held
	As at 31 March 2024	As at 31 March 2023	
Margin trading facility	100%	100%	Shares and securities

Margin Trading Facility to clients are fully secured by the collateral and therefore Expected Credit Loss is not required to be created on the same.

(c) Liquidity risk:

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the rate applicable as of reporting period ends respectively has been considered.

Incred Capital Wealth Portfolio Managers Private Limited

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Notes forming part of the financial statements for the year ended 31 March 2024

(All amounts in INR Lakhs, unless otherwise stated)

As at 31 March 2024:-

Particulars	Note No.	Contractual cash flows						
		Carrying Amount	Gross outflow	On Demand	Less than 1 year	1 - 3 years	3 - 5 years	After 5 years
Maturities of financial liabilities:								
Trade payables	14	10,879.22	(10,879.22)	-	10,879.22	-	-	-
Borrowings	15	3,313.49	(3,313.49)	3,313.49	-	-	-	-
Deposits	16	46.53	(46.53)	-	-	-	46.53	-
Other financial liabilities	17	1,069.29	(1,144.72)	-	771.02	365.19	8.51	-
Total		15,308.53	(15,383.96)	3,313.49	11,650.23	365.19	55.04	-

As at 31 March 2023:-

Particulars	Note No.	Contractual cash flows						
		Carrying Amount	Gross outflow	On Demand	Less than 1 year	1 - 3 years	3 - 5 years	After 5 years
Maturities of financial liabilities:								
Trade payables	14	3,341.02	(3,341.02)	-	3,341.02	-	-	-
Borrowings	15	3,847.46	(3,847.46)	3,847.46	-	-	-	-
Deposits	16	40.90	(40.90)	-	-	-	40.90	-
Other financial liabilities	17	337.05	(369.59)	-	235.56	134.03	-	-
Total		7,566.43	(7,598.97)	3,847.46	3,576.58	134.03	40.90	-

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on nonderivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis. Hence, maturities of the relevant assets have been considered below.

As at 31 March 2024:-

Particulars	Note No.	Contractual cash flows						
		Carrying Amount	Gross inflow	On Demand	Less than 1 year	1 - 3 years	3 - 5 years	After 5 years
Maturities of financial assets:								
Cash and cash equivalents	3	301.66	301.66	301.66	-	-	-	-
Bank balance other than cash and cash equivalents	4	2,187.26	2,187.26	-	2,187.26	-	-	-
Trade receivables	5	10,598.27	10,598.27	10,298.87	299.40	-	-	-
Loans	6	5,157.44	5,176.68	5,176.68	-	-	-	-
Investments	7	4,403.14	4,403.14	-	2,540.99	-	-	1,862.15
Other financial assets	8	1,398.46	1,413.84	-	1,000.00	59.67	-	354.17
Total		24,046.23	24,080.84	15,777.21	6,027.65	59.67	-	2,216.32

As at 31 March 2023:-

Particulars	Note No.	Contractual cash flows						
		Carrying Amount	Gross inflow	On Demand	Less than 1 year	1 - 3 years	3 - 5 years	After 5 years
Maturities of financial assets:								
Cash and cash equivalents	3	2,917.38	2,917.38	2,917.38	-	-	-	-
Bank balance other than cash and cash equivalents	4	821.97	821.97	-	775.19	46.79	-	-
Trade receivables	5	4,406.77	4,406.77	3,217.56	1,189.20	-	-	-
Loans	6	140.57	140.60	-	-	140.60	-	-
Investments	7	1,862.15	1,862.15	-	-	-	-	1,862.15
Other financial assets	8	1,625.79	1,637.76	-	802.83	41.19	-	793.75
Total		11,774.63	11,786.65	6,134.95	2,767.22	228.57	-	2,655.90

Incred Capital Wealth Portfolio Managers Private Limited

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Notes forming part of the financial statements for the year ended 31 March 2024

(All amounts in INR Lakhs, unless otherwise stated)

Note 43 : Current and Non-current classification

Note 45 : Current and non-current classification		As at 31 March 2024			As at 31 March 2023		
Particulars	Note No.	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS							
(A) Financial assets:							
Cash and cash equivalents	3	301.66	-	301.66	2,917.38	-	2,917.38
Bank balance other than cash and cash equivalents	4	2,187.26	-	2,187.26	775.19	46.79	821.97
Trade receivables	5	10,598.27	-	10,598.27	4,406.77	-	4,406.77
Loans	6	5,157.44	-	5,157.44	-	140.57	140.57
Investments	7	2,540.99	1,862.15	4,403.14	-	1,862.15	1,862.15
Other financial assets	8	1,000.00	398.46	1,398.46	802.83	822.96	1,625.79
Sub-total (A)		21,785.62	2,260.61	24,046.23	8,902.17	2872.46	11,774.63
(B) Non-financial assets:							
Current tax assets (Net)	9	-	-	-	1.91	-	1.91
Deferred tax assets (Net)	31	-	72.70	72.70	-	268.70	268.70
Property, plant and equipment	10	-	775.13	775.13	-	427.57	427.57
Capital work in Progress	11	-	-	-	-	-	-
Other intangible assets	12	-	7.10	7.10	-	8.77	8.77
Other non-financial assets	13	210.77	10.03	220.80	97.50	11.78	109.28
Sub-total (B)		210.77	864.96	1,075.73	99.41	716.82	816.23
Total Assets (A + B)		21,996.39	3,125.57	25,121.96	9,001.58	3,589.29	12,590.86

		As at 31 March 2024			As at 31 March 2023		
Particulars	Note No.	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
LIABILITIES & EQUITY							
(A) Financial liabilities:							
Trade payable	14	-	-	-	-	-	-
(i) total outstanding dues of micro and small enterprises		-	-	-	-	-	-
(ii) total outstanding dues of creditors other than MSME		10,879.22	-	10,879.22	3,341.02	-	3,341.02
Borrowings	15	3,313.49	-	3,313.49	3,847.46	-	3,847.46
Deposits	16	-	46.53	46.53	-	40.90	40.90
Other financial liabilities	17	740.24	329.05	1,069.29	214.45	122.60	337.05
Sub-total (A)		14,932.95	375.58	15,308.53	7402.93	163.50	7,566.43
Non-Financial liabilities							
Provisions	18	244.20	80.91	325.10	0.24	46.23	46.47
Other non-financial liabilities	19	841.56	-	841.56	144.50	-	144.50
Sub-total (B)		1,085.76	80.91	1,166.66	144.74	46.23	190.97
Total Liabilities (A + B)		16,018.71	456.49	16,475.19	7547.67	209.73	7,757.40

Note 44 : Ratio Analysis and its elements

Additional regulatory information required under (WB) (xvi) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Company.

Note 45 : Other Statutory Information

(i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company do not have any transactions with companies struck off.

(iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company is not required to file quarterly statement of current assets submitted to banks / financial institutions which are provided as security against the borrowings.

(vi) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vii) The Company does not have any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(viii) 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).

(ix) There are no scheme of arrangements which have been filed by the Company under the Act and which have been approved by the competent authority u/s 232 to 237 of the Act.

(x) The company is in compliance with provisions of sec 2(87) read with Companies (Restriction on number of Layers) Rules, 2017.

(xi) The Company has not been declared as wilful defaulter by any bank or financial institution or any other lender.

(xii) The Company has not revalued any property plant and equipment and intangible assets.

Note 46 : Business Combinations**Transfer of Discretionary Portfolio Management Scheme (DPMS) business on Slump sale basis (Discontinued operation)**

The Board of Directors of InCred Capital Wealth Portfolio Managers Private Limited (ICWPMPL, Company) in its meeting held on 31 October 2022, has approved the transfer of Discretionary Portfolio Management Scheme (DPMS) business of InCred Asset Management Private Limited. The details of this transaction are as under:

As per Business Transfer Agreement (BTA) dated 15 November 2022 and amendment thereto, the Company has sold its entire business on closing date, on going concern basis, at an agreed consideration of Rs. 340.00 lakhs.

The accounting impact of the aforesaid Slump Sale in the books of the Company has been summarily presented as follows:

Particulars	Amount in lakhs
(A) Purchase consideration	340.00
(B) Net Assets and liabilities recorded pursuant to Slump Sale	90.43
Profit an sale of Slump Sale (A-B)*	249.57

Note 47 : Other notes to accounts

a. Segment reporting

The Company is principally engaged in the financial services space, offering financial services such as Stock Broking on both the stock exchanges i.e. National Stock Exchange ('NSE') & Bombay Stock Exchange ('BSE'), Debt broking on the whole sale debt segment of BSE & NSE, Depository Participant, Portfolio Management services, Merchant Banking Services and Investment Advisory services.

For the financial year ended 31 March 2023, the Company has three operating segments:- **Broking, Fees and Advisory** and **Portfolio Management Services** as per Ind As - 108 Operating Segments. Pursuant to the provisions of IND AS 108-Operating Segments, Disclosures pertaining to Segment Reporting will be provided in the consolidated financial statements prepared by InCred Wealth Private Limited (holding company).

b. Note on consolidated financial statements

The Company has decided not to present consolidated financial statements with its subsidiary Incred Research Services Private Limited (formerly known as Earnest Innovation Partners Private Limited) by applying the exemption available to the Company under Rule 6 of the Companies (Accounts) Rules, 2014 as the Company is a wholly-owned subsidiary of Incred Wealth Private Limited (formerly known as Incred Capital Inclusion Advisory Services Private Limited) and the holding company is required to file its consolidated financial statements to the Registrar of Companies.

c. Corporate social responsibility

The Ministry of Corporate Affairs notified section 135 of the Companies Act 2013 along with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The provisions related to Corporate Social Responsibility are not applicable to the Company.

d. Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

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

Note 48 : Back up of Books and Audit trail

a. As per MCA notification dated August 05,2022 Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules back-up of the books of the books of account/ other books & papers maintained in electronic mode, including at a place outside India, shall be kept in servers physically located in India and backup is done on daily basis. Thus the Company is compliant with the requirements of the above notification.

b. The Company has uses two separate accounting applications to maintain its books of accounts relating to general ledgers and recording transactions relevant to the broking business.

The accounting software used for maintaining books of account in relation to general ledgers has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in this software. Further, there are no instance of audit trail feature being tampered with respect to this accounting software.

For the application used for transactions related to the broking business, the Company has not evaluated the enablement of audit trail feature in respect of such system. The Company is in discussion with the vendor of the application to enable such feature as per the requirements of regulation. The Company currently relies on alternate manual controls in place around reports produced.

As per our report of even date.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors of
Incred Capital Wealth Portfolio Managers Private Limited

per Sarvesh Warty
Partner
Membership No: 121411

Kamlesh Dangi
Director
DIN - 05152439
Place : Mumbai

Nitin Subramanya Rao
Director
DIN - 08108320
Place : Mumbai

Rakesh Postandel
Company Secretary
Mem No. - A64419

Place : Mumbai
Date : 17 May 2024

Place : Mumbai
Date : 17 May 2024