

August 01, 2025

<b>To,</b> <b>The Manager,</b> <b>Listing Department,</b> <b>BSE Limited,</b> <b>Phiroze Jeejeebhoy Tower,</b> <b>Dalal Street,</b> <b>Mumbai – 400 001.</b> <b>BSE Scrip Code: 540776</b>	<b>To,</b> <b>The Manager,</b> <b>Listing Department,</b> <b>The National Stock Exchange of India Ltd.,</b> <b>Exchange Plaza, 5<sup>th</sup> Floor, Plot C/1, G Block,</b> <b>Bandra - Kurla Complex, Bandra (E),</b> <b>Mumbai – 400 051.</b> <b>NSE Symbol: 5PAISA</b>
---	--

Dear Sir / Madam,

**Sub: Submission of Integrated Annual Report for the Financial Year 2024-25 (including Business Responsibility and Sustainability Report) along with the Notice convening the 18<sup>th</sup> (Eighteenth) Annual General Meeting (“AGM”) of 5paisa Capital Limited (“the Company”) scheduled to be held on Monday, August 25, 2025 through Video Conferencing (“VC”)/Other Audio-Visual Means (“OAVM”):**

**Ref: Disclosure under Regulation 34 read with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (“Listing Regulations”):**

Pursuant to the provisions of Regulation 34 read with Regulation 30 of the Listing Regulations, we enclose herewith the following:

- Notice convening the 18<sup>th</sup> (Eighteenth) Annual General Meeting (“AGM”) of the Company scheduled to be held on Monday, August 25, 2025 at 11:30 AM (IST) through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”);
- Integrated Annual Report (including Business Responsibility and Sustainability Report) for the Financial Year 2024-25.

The Integrated Annual Report for the Financial Year 2024-25 (including Business Responsibility and Sustainability Report) along with the Notice is being sent through electronic mode to all the Members of the Company, whose e-mail addresses are registered with the Company/ Depository(ies)/ Registrar and Share Transfer Agent (“RTA”) and is also available on the website of the Company at <https://www.5paisa.com/investor-relations>.

Further, in accordance with Regulation 36 of the Listing Regulations, a letter providing the weblink and Quick Response (“QR”) code for accessing the Notice of AGM along with Integrated Annual Report for the FY 2024-25 is being sent to all those members who have not registered their email id’s with the Company / Depository Participant(s) / RTA.

We request you to kindly take the same on record.

Thanking You,  
Yours faithfully,

**For 5paisa Capital Limited**

\_\_\_\_\_  
**Gourav Munjal**  
**Whole Time Director and Chief Financial Officer**  
**DIN: 06360031**  
**Email: [csteam@5paisa.com](mailto:csteam@5paisa.com)**

*Encl: As above*

**5paisa Capital Limited**



**5PAISA CAPITAL LIMITED**

CIN: L67190MH2007PLC289249

Dear Members,

**Invitation to attend the 18th Annual General Meeting on Monday, August 25, 2025**

You are cordially invited to attend the 18<sup>th</sup> Annual General Meeting of the Company to be held on **Monday, August 25, 2025 at 11:30 AM IST** through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"). The notice convening the Annual General Meeting is attached herewith.

In order to enable ease of participation of the Members, we are providing below the key details regarding the meeting for your reference:

Sr. No.	Particulars	Details
1.	Link for live webcast of the Annual General Meeting and for participation through Video Conferencing (VC)	<a href="https://www.evotingindia.com/">https://www.evotingindia.com/</a>
2.	Link for remote e-voting	<a href="https://www.evotingindia.com/">https://www.evotingindia.com/</a>
3.	Username and password for VC	Members may attend the AGM through VC by accessing the link <a href="https://www.evotingindia.com/">https://www.evotingindia.com/</a> by using the remote e-voting credentials. Please refer to the instructions at Note no. 26 of this Notice for further information.
4.	Helpline number for VC participation and e-voting	Contact CDSL Officials by writing an email to <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911.
5.	Cut-off date for e-voting	Monday, August 18, 2025
6.	Time period for remote e-voting	Commences at 09:00 AM IST on Wednesday, August 20, 2025 and ends at 05:00 PM IST on Sunday, August 24, 2025
7.	Book closure dates	Tuesday, August 19, 2025 to Monday, August 25, 2025 (both days inclusive)
8.	Last date for publishing results of the e-voting	Wednesday, August 27, 2025
9.	Registrar and Share Transfer Agent contact details	<b>MUFG Intime India Private Limited</b> <i>(formerly known as Link Intime India Private Limited)</i> C 101, 247 Park, Lal Bahadur Shastri Road, Surya Nagar, Gandhi Nagar, Vikhroli - West, Mumbai - 400083, Maharashtra, India. Email id: <a href="mailto:rnt.helpdesk@in.mpms.mufg.com">rnt.helpdesk@in.mpms.mufg.com</a>
10.	Contact details	Email id: <a href="mailto:csteam@5paisa.com">csteam@5paisa.com</a> Tel no: 022-41035000

Yours Truly,

**For 5paisa Capital Limited**

Sd/-

**Gourav Munjal**

Whole-time Director & Chief Financial Officer

DIN: 06360031

Place: Thane

Date: July 08, 2025

**5PAISA CAPITAL LIMITED**

CIN: L67190MH2007PLC289249

## Notice

**NOTICE IS HEREBY GIVEN THAT THE 18<sup>th</sup> (EIGHTEENTH) ANNUAL GENERAL MEETING ("AGM") OF THE MEMBERS OF 5PAISA CAPITAL LIMITED WILL BE HELD ON MONDAY, 25<sup>TH</sup> DAY OF AUGUST, 2025, AT 11:30 A.M. THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO-VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESSES:**

### **ORDINARY BUSINESSES:**

1. To receive, consider and adopt:
  - (a) The Audited Standalone Financial Statement(s) of the Company for the Financial Year ended March 31, 2025, together with the Reports of the Board of Directors and the Statutory Auditors thereon; and

**"RESOLVED THAT** the Audited Standalone financial statement(s) of the Company for the Financial Year ended March 31, 2025, along with the reports of the Board of Directors and Auditors thereon, be and are hereby received, considered and adopted."

- (b) The Audited Consolidated Financial Statement(s) of the Company for the financial year ended March 31, 2025, together with the Report of the Statutory Auditors thereon.

**"RESOLVED THAT** the Audited Consolidated financial statement(s) of the Company for the Financial Year ended March 31, 2025, along with the reports of the Auditors thereon, be and are hereby received, considered and adopted.

2. To appoint a Director in place of Mr. Ameya Agnihotri (DIN: 07680132), who retires by rotation and being eligible, offers himself for re-appointment.

**"RESOLVED THAT** Mr. Ameya Agnihotri (DIN: 07680132), who retires by rotation from the Board of Directors pursuant to the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, and being eligible, offers himself for re-appointment, be and is hereby re-appointed as the Director of the Company whose office shall be liable to retirement by rotation."

### **SPECIAL BUSINESSES:**

3. To appoint M/s. Nilesh Shah & Associates, Practicing Company Secretaries, (Firm Registration No.: P2003MH008800 and Peer Review No.: 6454 / 2025) as Secretarial Auditors of the Company for a term of 5 (Five) consecutive years w.e.f. April 01, 2025 to March 31, 2030 and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provision of Section 204(1) of the Companies Act, 2013 & Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with circulars issued thereunder from time to time and other applicable provisions, if any, (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to recommendation of the Audit Committee and approval of the Board of Directors, the Company hereby appoints M/s. Nilesh Shah & Associates, Practicing Company Secretaries, (Firm Registration No.: P2003MH008800 and Peer Review No.: 6454 / 2025) as Secretarial Auditors of the Company to carry out the Secretarial Audit for the term of 5 (Five) consecutive years w.e.f. April 01, 2025 to March 31, 2030.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any committee thereof) be and are hereby authorised to fix the remuneration payable to the Secretarial Auditors of the Company, from time to time including the actual travelling and out of pocket expenses incurred in connection with the audit, in addition to taxes as applicable.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to avail or obtain from the Secretarial Auditor, such other services or certificates, reports or opinions which the Secretarial Auditors may be eligible to provide or issue under the applicable laws at a remuneration to be determined by the Board.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and to take all such steps as

may be required in this connection including seeking all necessary approvals to give effect to this resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

4. To Appoint Dr. Sarat Kumar Malik (DIN: 09791314) as an Independent Director of the Company and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (hereinafter called “the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to Regulation 16(1) (b) and other applicable provisions, if any, of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter called “Listing Regulations”) and as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors of the Company, Dr. Sarat Kumar Malik (DIN: 09791314) was appointed as an Additional Non-Executive Independent Director of the Company effective from July 08, 2025 till the date of the Annual General Meeting in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Dr. Sarat Kumar Malik (DIN: 09791314), as a candidate for the office of Director of the Company and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, and Listing Regulations, and whose appointment has been recommended by Nomination and Remuneration Committee and approved by the Board of Directors of the Company, be and is hereby appointed as an Independent Director of the Company for a 1<sup>st</sup> (First) term of 5 (Five) years with effect from July 08, 2025 to July 07, 2030 and the term shall not be subject to retirement by rotation.

**RESOLVED FURTHER THAT** the Board or any Committee thereof, be and is hereby authorized to sign and execute all such documents & papers (including appointment letter etc.) as may be required for the purpose and file such necessary e-form(s) with the Registrar of Companies, Mumbai – Maharashtra and to do all such acts, deeds, things and matters, as may be required to give effect to this resolution and to do all such things incidental and ancillary thereto.”

5. To approve material related party transactions with IIFL Facilities Services Limited and in this regard, to consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Regulation 2(1)(zc) and Regulation 23 and all other applicable provisions, if any of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called “Listing Regulations”), and the Company’s policy on materiality of Related Party Transaction(s), and all applicable provisions of the Companies Act, 2013 (hereinafter called “Act”) and rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the consent of the Audit Committee and Board of Directors of the Company *vide* resolutions passed in their respective meetings held on January 17, 2025, the consent and approval of the members be and is hereby accorded to the Board of Directors (“the Board” which term shall be deemed to include a Committee of the Board) to enter into arrangements / transactions / contracts with IIFL Facilities Services Limited, a Related Party as defined in Listing Regulations, relating to transactions as detailed in the explanatory statement, on such terms and conditions as the Board in its absolute discretion may deem fit **PROVIDED HOWEVER THAT** the aggregate amount / value of all such arrangements / transactions / contracts that may be entered into by the Company with IIFL Facilities Services Limited and remaining outstanding at any one point in time shall not exceed the limit as prescribed in the table provided in the Explanatory statement below, for a period up to the 19<sup>th</sup> Annual General Meeting of the Company to be held in the year 2026, wherein fresh approval of the shareholders shall be obtained in this regard;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation / re-negotiation / modification / ratification / amendments to or termination thereof, of the subsisting arrangements / transactions / contracts or any future arrangements / transactions / contracts and to make or receive / pay monies or to perform all other obligations in terms of such arrangements / transaction / contracts, filing of necessary forms / documents with the appropriate authorities and to execute all such deeds, documents, agreements, letters, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto.”

6. To approve material related party transactions with IIFL Finance Limited and in this regard, to consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

**RESOLVED THAT** pursuant to the provisions of Regulation 2(1)(zc) and Regulation 23 and all other applicable provisions, if any of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015 (hereinafter called "Listing Regulations"), and the Company's policy on materiality of Related Party Transaction(s), and all applicable provisions of the Companies Act, 2013 (hereinafter called "Act") and rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the consent of the Audit Committee and Board of Directors of the Company *vide* resolutions passed in their respective meetings held on January 17, 2025, the consent and approval of the members be and is hereby accorded to the Board of Directors ("the Board" which term shall be deemed to include a Committee of the Board) to enter into arrangements / transactions / contracts with IIFL Finance Limited, a Related Party as defined in Listing Regulations, relating to transactions as detailed in the explanatory statement, on such terms and conditions as the Board in its absolute discretion may deem fit **PROVIDED HOWEVER THAT** the aggregate amount / value of all such arrangements / transactions / contracts that may be entered into by the Company with IIFL Finance Limited and remaining outstanding at any one point in time shall not exceed the limit as prescribed in the table provided in the Explanatory statement below, for a period up to the 19<sup>th</sup> Annual General Meeting of the Company to be held in the year 2026, wherein fresh approval of the shareholders shall be obtained in this regard.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation / re-negotiation / modification / ratification / amendments to or termination thereof, of the subsisting arrangements / transactions / contracts or any future arrangements / transactions / contracts and to make or receive / pay monies or to perform all other obligations in terms of such arrangements / transaction / contracts, filing of necessary forms / documents with the appropriate authorities and to execute all such deeds, documents, agreements, letters, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto."

7. To approve material related party transactions with IIFL Management Services Limited and in this regard, to consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Regulation 2(1)(zc) and Regulation 23 and all other applicable provisions, if any of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called "the Listing Regulations"), and the Company's policy on materiality of Related Party Transaction(s), and all applicable provisions of the Companies Act, 2013 (hereinafter called "Act")

and rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the consent of the Audit Committee and Board of Directors of the Company *vide* resolutions passed in their respective meetings held on January 17, 2025, the consent and approval of the members be and is hereby accorded to the Board of Directors ("the Board" which term shall be deemed to include a Committee of the Board) to enter into arrangements / transactions / contracts with IIFL Management Services Limited, a Related Party as defined in Listing Regulations, relating to transactions as detailed in the explanatory statement, on such terms and conditions as the Board in its absolute discretion may deem fit **PROVIDED HOWEVER THAT** the aggregate amount / value of all such arrangements / transactions / contracts that may be entered into by the Company with IIFL Management Services Limited and remaining outstanding at any one point in time shall not exceed the limit as prescribed in the table provided in the Explanatory statement below, for a period up to the 19<sup>th</sup> Annual General Meeting of the Company to be held in the year 2026, wherein fresh approval of the shareholders shall be obtained in this regard;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation / re-negotiation / modification / ratification / amendments to or termination thereof, of the subsisting arrangements / transactions / contracts or any future arrangements / transactions / contracts and to make or receive / pay monies or to perform all other obligations in terms of such arrangements / transaction / contracts, filing of necessary forms / documents with the appropriate authorities and to execute all such deeds, documents, agreements, letters, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto."

8. To approve material related party transactions with IIFL Capital Services Limited (formerly known as IIFL Securities Limited) and in this regard, to consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Regulation 2(1)(zc) and Regulation 23 and all other applicable provisions, if any of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called "Listing Regulations"), and the Company's policy on materiality of Related Party Transaction(s), and all applicable provisions of the Companies Act, 2013 (hereinafter called "Act") and rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the consent of the Audit Committee and Board

of Directors of the Company *vide* resolutions passed in their respective meetings held on January 17, 2025, the consent and approval of the members be and is hereby accorded to the Board of Directors (“the Board” which term shall be deemed to include a Committee of the Board) to enter into arrangements / transactions / contracts with IIFL Capital Services Limited (formerly known as IIFL Securities Limited), a Related Party as defined in Listing Regulations, relating to transactions as detailed in the explanatory statement, on such terms and conditions as the Board in its absolute discretion may deem fit **PROVIDED HOWEVER THAT** the aggregate amount / value of all such arrangements / transactions / contracts that may be entered into by the Company with IIFL Capital Services Limited (formerly known as IIFL Securities Limited) and remaining outstanding at any one point in time shall not exceed the limit as prescribed in the table provided in the Explanatory statement below, for a period up to the 19<sup>th</sup> Annual General Meeting of the Company to be held in the year 2026, wherein fresh approval of the shareholders shall be obtained in this regard;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation / re-negotiation / modification / ratification / amendments to or termination thereof, of the subsisting arrangements / transactions / contracts or any future arrangements / transactions / contracts and to make or receive / pay monies or to perform all other obligations in terms of such arrangements / transaction / contracts, filing of necessary forms / documents with the appropriate authorities and to execute all such deeds, documents, agreements, letters, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto.”

9. To approve material related party transactions with IIFL Samasta Finance Limited and in this regard, to consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Regulation 2(1)(zc) and Regulation 23 and all other applicable provisions, if any of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called “Listing Regulations”), and the Company’s policy on materiality of Related Party Transaction(s), and all applicable provisions of the Companies Act, 2013 (hereinafter called “Act”) and rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the consent of the Audit Committee and Board of Directors of the Company *vide* resolutions passed in their respective meetings held on January 17, 2025, the consent and approval of the members be and

is hereby accorded to the Board of Directors (“the Board” which term shall be deemed to include a Committee of the Board) to enter into arrangements / transactions / contracts with IIFL Samasta Finance Limited, a Related Party as defined in Listing Regulations, relating to transactions as detailed in the explanatory statement, on such terms and conditions as the Board in its absolute discretion may deem fit **PROVIDED HOWEVER THAT** the aggregate amount / value of all such arrangements / transactions / contracts that may be entered into by the Company with IIFL Samasta Finance Limited and remaining outstanding at any one point in time shall not exceed the limit as prescribed in the table provided in the Explanatory statement below, for a period up to the 19<sup>th</sup> Annual General Meeting of the Company to be held in the year 2026, wherein fresh approval of the shareholders shall be obtained in this regard;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation / re-negotiation / modification / ratification / amendments to or termination thereof, of the subsisting arrangements / transactions / contracts or any future arrangements / transactions / contracts and to make or receive / pay monies or to perform all other obligations in terms of such arrangements / transaction / contracts, filing of necessary forms / documents with the appropriate authorities and to execute all such deeds, documents, agreements, letters, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto.”

10. To approve material related party transactions with IIFL Home Finance Limited and in this regard, to consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Regulation 2(1)(zc) and Regulation 23 and all other applicable provisions, if any of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called “Listing Regulations”), and the Company’s policy on materiality of Related Party Transaction(s), and all applicable provisions of the Companies Act, 2013 (hereinafter called “Act”) and rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the consent of the Audit Committee and Board of Directors of the Company *vide* resolutions passed in their respective meetings held on January 17, 2025, the consent and approval of the members be and is hereby accorded to the Board of Directors (“the Board” which term shall be deemed to include a Committee of the Board) to enter into arrangements / transactions / contracts with IIFL Home finance Limited, a Related Party as defined in

Listing Regulations, relating to transactions as detailed in the explanatory statement, on such terms and conditions as the Board in its absolute discretion may deem fit **PROVIDED HOWEVER THAT** the aggregate amount / value of all such arrangements / transactions / contracts that may be entered into by the Company with IIFL Home Finance Limited and remaining outstanding at any one point in time shall not exceed the limit as prescribed in the table provided in the Explanatory statement below, for a period up to the 19<sup>th</sup> Annual General Meeting of the Company to be held in the year 2026, wherein fresh approval of the shareholders shall be obtained in this regard;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation / re-negotiation / modification / ratification / amendments to or termination thereof, of the subsisting arrangements / transactions / contracts or any future arrangements / transactions / contracts and to make or receive / pay monies or to perform all other obligations in terms of such arrangements / transaction / contracts, filing of necessary forms / documents with the appropriate authorities and to execute all such deeds, documents, agreements, letters, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto."

11. To approve material related party transactions with Livlong Insurance Brokers Limited and in this regard, to consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Regulation 2(1)(zc) and Regulation 23 and all other applicable provisions, if any of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called "Listing Regulations"), and the Company's policy on materiality of Related Party Transaction(s), and all applicable provisions of the Companies Act, 2013 (hereinafter called "Act") and rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the consent of the Audit Committee and Board of Directors of the Company *vide* resolutions passed in their respective meetings held on January 17, 2025, the consent and approval of the members be and is hereby accorded to the Board of Directors ("the Board" which term shall be deemed to include a Committee of the Board) to enter into arrangements / transactions / contracts with Livlong Insurance Brokers Limited, a Related Party as defined in Listing Regulations, relating to transactions as detailed in the explanatory statement, on such terms and conditions as the Board in its absolute discretion may deem fit **PROVIDED HOWEVER THAT** the aggregate

amount / value of all such arrangements / transactions / contracts that may be entered into by the Company with Livlong Insurance Brokers Limited and remaining outstanding at any one point in time shall not exceed the limit as prescribed in the table provided in the Explanatory statement below, for a period up to the 19<sup>th</sup> Annual General Meeting of the Company to be held in the year 2026, wherein fresh approval of the shareholders shall be obtained in this regard;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation / re-negotiation / modification / ratification / amendments to or termination thereof, of the subsisting arrangements / transactions / contracts or any future arrangements / transactions / contracts and to make or receive / pay monies or to perform all other obligations in terms of such arrangements / transaction / contracts, filing of necessary forms / documents with the appropriate authorities and to execute all such deeds, documents, agreements, letters, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto.

12. To approve material related party transactions with India Infoline Foundation and in this regard, to consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Regulation 2(1)(zc) and Regulation 23 and all other applicable provisions, if any of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called "Listing Regulations"), and the Company's policy on materiality of Related Party Transaction(s), and all applicable provisions of the Companies Act, 2013 (hereinafter called "Act") and rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the consent of the Audit Committee and Board of Directors of the Company *vide* resolutions passed in their respective meetings held on January 17, 2025, the consent and approval of the members be and is hereby accorded to the Board of Directors ("the Board" which term shall be deemed to include a Committee of the Board) to enter into arrangements / transactions / contracts with India Infoline Foundation, a Related Party as defined in Listing Regulations, relating to transactions as detailed in the explanatory statement, on such terms and conditions as the Board in its absolute discretion may deem fit **PROVIDED HOWEVER THAT** the aggregate amount / value of all such arrangements / transactions / contracts that may be entered into by the Company with India Infoline Foundation and remaining outstanding at any one point in time shall not exceed the limit as prescribed in the table

provided in the Explanatory statement below, for a period up to the 19<sup>th</sup> Annual General Meeting of the Company to be held in the year 2026, wherein fresh approval of the shareholders shall be obtained in this regard;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation / re-negotiation / modification / ratification / amendments to or termination thereof, of the subsisting arrangements / transactions / contracts or any future arrangements / transactions / contracts and to make or receive / pay monies or to perform all other obligations in terms of such arrangements / transaction / contracts, filing of necessary forms / documents with the appropriate authorities and to execute all such deeds, documents, agreements, letters, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto.”

13. To approve material related party transactions with 5paisa P2P Limited and in this regard, to consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Regulation 2(1)(zc) and Regulation 23 and all other applicable provisions, if any of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called “Listing Regulations”), and the Company’s policy on materiality of Related Party Transaction(s), and all applicable provisions of the Companies Act, 2013 (hereinafter called “Act”) and rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the consent of the Audit Committee and Board of Directors of the Company *vide* resolutions passed in their respective meetings held on January 17, 2025, the consent and approval of the members be and is hereby accorded to the Board of Directors (“the Board” which term shall be deemed to include a Committee of the Board) to enter into arrangements / transactions / contracts with 5paisa P2P Limited, a Related Party as defined in Listing Regulations, relating to transactions as detailed in the explanatory statement, on such terms and conditions as the Board in its absolute discretion may deem fit **PROVIDED HOWEVER THAT** the aggregate amount / value of all such arrangements / transactions / contracts that may be entered into by the Company with 5paisa P2P Limited and remaining outstanding at any one point in time shall not exceed the limit as prescribed in the table provided in the Explanatory statement below, for a period up to the 19<sup>th</sup> Annual General Meeting of the Company to be held in the year 2026, wherein fresh approval of the shareholders shall be obtained in this regard;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation / re-negotiation / modification / ratification / amendments to or termination thereof, of the subsisting arrangements / transactions / contracts or any future arrangements / transactions / contracts and to make or receive / pay monies or to perform all other obligations in terms of such arrangements / transaction / contracts, filing of necessary forms / documents with the appropriate authorities and to execute all such deeds, documents, agreements, letters, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto.”

14. To approve material related party transactions with 5paisa Trading Limited and in this regard, to consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Regulation 2(1)(zc) and Regulation 23 and all other applicable provisions, if any of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called “Listing Regulations”), and the Company’s policy on materiality of Related Party Transaction(s), and all applicable provisions of the Companies Act, 2013 (hereinafter called “Act”) and rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the consent of the Audit Committee and Board of Directors of the Company *vide* resolutions passed in their respective meetings held on January 17, 2025, the consent and approval of the members be and is hereby accorded to the Board of Directors (“the Board” which term shall be deemed to include a Committee of the Board) to enter into arrangements / transactions / contracts with 5paisa Trading Limited, a Related Party as defined in Listing Regulations, relating to transactions as detailed in the explanatory statement, on such terms and conditions as the Board in its absolute discretion may deem fit **PROVIDED HOWEVER THAT** the aggregate amount / value of all such arrangements / transactions / contracts that may be entered into by the Company with 5paisa Trading Limited and remaining outstanding at any one point in time shall not exceed the limit as prescribed in the table provided in the Explanatory statement below, for a period up to the 19<sup>th</sup> Annual General Meeting of the Company to be held in the year 2026, wherein fresh approval of the shareholders shall be obtained in this regard;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation / re-negotiation / modification / ratification /

amendments to or termination thereof, of the subsisting arrangements / transactions / contracts or any future arrangements / transactions / contracts and to make or receive / pay monies or to perform all other obligations in terms of such arrangements / transaction / contracts, filing of necessary forms / documents with the appropriate authorities and to execute all such deeds, documents, agreements, letters, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto.”

15. To approve material related party transactions with 5paisa Corporate Services Limited and in this regard, to consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Regulation 2(1)(zc) and Regulation 23 and all other applicable provisions, if any of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called “Listing Regulations”), and the Company’s policy on materiality of Related Party Transaction(s), and all applicable provisions of the Companies Act, 2013 (hereinafter called “Act”) and rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the consent of the Audit Committee and Board of Directors of the Company *vide* resolutions passed in their respective meetings held on January 17, 2025, the consent and approval of the members be and is hereby accorded to the Board of Directors (“the Board” which term shall be deemed to include a Committee of the Board) to enter into arrangements / transactions / contracts with 5paisa Corporate Services Limited, a Related Party as defined in Listing Regulations, relating to transactions as detailed in the explanatory statement, on such terms and conditions as the Board in its absolute discretion may deem fit **PROVIDED HOWEVER THAT** the aggregate amount / value of all such arrangements / transactions / contracts that may be entered into by the Company with 5paisa Corporate Services Limited and remaining outstanding at any one point in time shall not exceed the limit as prescribed in the table provided in the Explanatory statement below, for a period up to the 19<sup>th</sup> Annual General Meeting of the Company to be held in the year 2026, wherein fresh approval of the shareholders shall be obtained in this regard;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation / re-negotiation / modification / ratification / amendments to or termination thereof, of the subsisting arrangements / transactions / contracts or any future arrangements / transactions / contracts and to make or receive / pay monies or to perform all other obligations

in terms of such arrangements / transaction / contracts, filing of necessary forms / documents with the appropriate authorities and to execute all such deeds, documents, agreements, letters, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto.”

16. To approve material related party transactions with 5paisa International Securities (IFSC) Limited and in this regard, to consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Regulation 2(1)(zc) and Regulation 23 and all other applicable provisions, if any of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called “Listing Regulations”), and the Company’s policy on materiality of Related Party Transaction(s), and all applicable provisions of the Companies Act, 2013 (hereinafter called “Act”) and rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the consent of the Audit Committee and Board of Directors of the Company *vide* resolutions passed in their respective meetings held on January 17, 2025, the consent and approval of the members be and is hereby accorded to the Board of Directors (“the Board” which term shall be deemed to include a Committee of the Board) to enter into arrangements / transactions / contracts with 5paisa International Securities (IFSC) Limited, a Related Party as defined in Listing Regulations, relating to transactions as detailed in the explanatory statement, on such terms and conditions as the Board in its absolute discretion may deem fit **PROVIDED HOWEVER THAT** the aggregate amount / value of all such arrangements / transactions / contracts that may be entered into by the Company with 5paisa International Securities (IFSC) Limited and remaining outstanding at any one point in time shall not exceed the limit as prescribed in the table provided in the Explanatory statement below, for a period up to the 19<sup>th</sup> Annual General Meeting of the Company to be held in the year 2026, wherein fresh approval of the shareholders shall be obtained in this regard;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation / re-negotiation / modification / ratification / amendments to or termination thereof, of the subsisting arrangements / transactions / contracts or any future arrangements / transactions / contracts and to make or receive / pay monies or to perform all other obligations in terms of such arrangements / transaction / contracts, filing of necessary forms / documents with the appropriate authorities and to execute all such deeds, documents,

agreements, letters, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto.”

17. To approve offer or invitation to subscribe to the Non-Convertible Debentures on private placement basis and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter called “Act”) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to the provisions of the Articles of Association of the Company and SEBI (Issue and Listing of Debt Securities) Regulations, 2008, and other applicable regulations as may be amended and applicable from time to time, approval of the members be and is hereby accorded to the Board of Directors of the Company to offer or invite subscriptions for secured / unsecured redeemable non-convertible debentures, in one or more series / tranches, up to ₹ 250 Crores (Rupees Two Hundred and Fifty Crores only), on private placement basis, from such persons and on such terms and conditions as the Board of Directors of the Company may, from time to time, determine and consider proper and more beneficial to the Company including, without limitation, as to when the said Debentures are to be issued, the consideration for the issue, mode of payment, coupon rate, redemption period, utilization of the issue proceeds and all matters connected therewith or incidental thereto;

**RESOLVED FURTHER THAT** the Board of Directors of the Company and / or its duly constituted committee be and is hereby authorized to do all acts, deeds, things and to take all such steps as may be necessary, proper or expedient to give effect to aforesaid resolution.”

18. To approve payment of remuneration by way of Commission to Non-Executive Directors including Independent Directors up to 1% (one percent) of Net Profit of the Company and to consider and if thought fit, to pass, the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of section 149, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (Act), as amended from time to time, Regulation 17(6) and other applicable Regulation, if

any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter called “the Listing Regulation”), consent of the members be and is hereby accorded for the payment of remuneration by way of commission to the sum not exceeding 1% (one percent) per annum of the net profits of the Company calculated in accordance with the provisions of section 198 of the Act, be paid to and distributed amongst the Non-Executive Director including Independent Director of the Company in such amounts or proportions and in such manner and in all respects as may be directed by the Board of Directors (hereinafter referred to as “the Board”, which term shall be deemed to include any Committee constituted by the Board thereof) and such payments shall be made in respect of the profits of the Company for each year commencing April 01, 2025;

**RESOLVED FURTHER THAT** the above commission shall be in addition to fees payable to the Non-Executive Director(s) for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings;

**RESOLVED FURTHER THAT** the Board of the Company be and is hereby authorized severally to do all such acts, deeds, matters and things including deciding on the manner of payment of commission and settle all questions or difficulties that may arise with regard to the aforesaid resolution as it may deem fit and to execute any agreements, documents, instructions, etc. as may be necessary or desirable in connection with or incidental to give effect to the aforesaid resolution.

By Order of the Board of Directors

**5paisa Capital Limited**

**Gourav Munjal**

Whole-time Director & Chief Financial Officer

DIN: 06360031

**Registered Office:**

IIFL House, Sun Infotech Park,  
Road No. 16V, Plot No. B-23,  
Thane Industrial Area, Wagle Estate,  
Thane – 400604

**CIN:** L67190MH2007PLC289249

**E-mail:** [csteam@5paisa.com](mailto:csteam@5paisa.com)

**Telephone No.:** 022-41035000

Date: July 08, 2025

Place: Thane

**Notes:**

1. The Ministry of Corporate Affairs ("MCA") has *vide* its General Circular No. 14/2020 dated April 8, 2020 and Circular No. 17/2020 dated April 13, 2020, issued by Ministry of Corporate Affairs followed by General Circular No. 20/2020 dated May 5, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 10/2022 dated December 28, 2022, Circular No. 09/2023 dated September 25, 2023 and subsequent circulars issued in this regard, the latest being 09/2024 dated September 19, 2024 in relation to "Clarification on holding of Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") (collectively referred to as "MCA Circulars") permitted the holding of the AGM through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the 18<sup>th</sup> AGM of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. In accordance with the aforesaid MCA Circulars and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, Circular No. SEBI/ HO/CFD/CFD-PoD-2/P/CIR/2023/167 and dated October 7, 2023 and the latest being Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 issued by Securities Exchange Board of India (collectively referred to as "SEBI Circulars"), the Notice of the AGM along with the Integrated Annual Report for FY 2024-25 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories". Members may note that the Notice of AGM along with Annual Report has also been uploaded on the website of the Company at [www.5paisa.com](http://www.5paisa.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-voting facility and e-voting system during the AGM i.e. [www.evotingindia.com](http://www.evotingindia.com). Members (Physical / Demat) who have not registered their email addresses with the company can get the same registered with the company by requesting to our Registrar and Share Transfer Agent i.e. MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) ("RTA / MUFG") at [rnt.helpdesk@in.mpms.mufg.com](mailto:rnt.helpdesk@in.mpms.mufg.com) and to company at [csteam@5paisa.com](mailto:csteam@5paisa.com).
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 ("the Act") read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations (as amended), and MCA Circulars as amended, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized E-voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL. For further details, please read the Note No. 26.
4. The Members can join the AGM in the VC / OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC / OAVM will be made available to at least 1,000 members on first come first serve basis. The large Shareholders (Shareholders holding 2% or more shareholding), Promoter(s), Institutional Investor(s), Director(s), Key Managerial Personnel(s), the Chairman / Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. shall attend the AGM without restriction on account of first come first serve basis.
5. Members attending the AGM through VC / OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. Since the AGM will be held through VC / OAVM, the route map of the venue of the Meeting is not annexed hereto.
7. Pursuant to Section 105 of Companies Act, 2013, a Member is entitled to attend and vote at the AGM is entitled to appoint proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since, this AGM is being held through VC / OAVM, the physical attendance has been dispensed with. Accordingly, the facility for appointment of proxies by the members to attend and cast vote is not available for this AGM and therefore Proxy Form and Attendance Slip are not annexed to this notice. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC / OAVM and cast their votes through e-voting.
8. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business is annexed hereto. Further, the relevant details pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standards (SS-2) on General Meetings issued by the Institute of Company Secretaries of India are also annexed.

9. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 26.
10. Institutional / Corporate Shareholders (i.e. other than Individuals / HUF, NRI etc.) intending to attend the meetings through their authorized representatives are requested to send a scanned copy of certified true copy of the Board Resolution to the Company authorizing their representative to attend the AGM through VC / OAVM on their behalf and to vote through e-voting, pursuant to Section 113 of the Act.
11. In terms of Section 152(6) of the Companies Act, 2013, Mr. Ameya Agnihotri (DIN: 07680132), is liable to retire by rotation at the Meeting and being eligible, offers himself for re-appointment and the Board of Directors of the Company recommends his re-appointment. Mr. Ameya Agnihotri (DIN: 07680132), is not related to any of the Directors of the Company. Brief resume and nature of his expertise in specific functional areas are provided in Corporate Governance report. Names of companies in which he holds directorships and memberships / chairmanships of Board Committees and shareholding is provided under the explanatory statement.
12. At the Fifteenth (15<sup>th</sup>) AGM held on July 11, 2022, the members approved the appointment of M/s. V. Sankar Aiyar & Co. Chartered Accountants (Firm Registration No. 109208W), as Statutory Auditors of the Company at a remuneration mutually agreed upon by the Board of Directors for a period of five consecutive years from the conclusion of that AGM till the conclusion to Twentieth (20<sup>th</sup>) AGM.
13. Notice is also given under Section 91 of the Companies Act, 2013 read with regulation 42 of the Listing Regulations that the Register of Members and the Share Transfer Book of the Company will remain closed from Tuesday, August 19, 2025 to Monday, August 25, 2025 (both days inclusive).
14. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice shall be available for inspection in electronic mode. Members can inspect the same by sending an email to [csteam@5paisa.com](mailto:csteam@5paisa.com).
15. Share transfer documents and all correspondence relating thereto, should be addressed to RTA at MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) at C101, 247 Park, L.B.S Marg, Vikhroli West, Mumbai – 400083 or at their designated email id i.e. [rnt.helpdesk@in.mpms.mufig.com](mailto:rnt.helpdesk@in.mpms.mufig.com).
16. Members holding shares in dematerialised form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they have maintained demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to RTA / Company at [rnt.helpdesk@in.mpms.mufig.com](mailto:rnt.helpdesk@in.mpms.mufig.com) and [csteam@5paisa.com](mailto:csteam@5paisa.com).
17. The Company, consequent upon the introduction of the Depository System ('DS'), entered into agreements with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'). The Members, therefore, have the option of holding and dealing in the shares of the Company in dematerialized form through NSDL or CDSL.
18. In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or MUFG Intime India Private Limited, for assistance in this regard.
19. The DS envisages elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, mutilation of share certificates, etc. Simultaneously, Depository System offers several advantages like exemption from stamp duty on transfer of shares, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc.
20. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
21. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in dematerialised form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or MUFG Intime Private Limited.
22. As per Regulation 40(7) of the Listing Regulations read with Schedule VII to the said Regulations, for registration of transfer of shares, the transferee(s) as well as transferor(s) shall mandatorily furnish copies of their Income Tax

Permanent Account Number (PAN) Card. Additionally, for securities market transactions and / or for off market / private transactions involving transfer of shares in physical mode for listed Companies, it shall be mandatory for the transferee(s) as well as transferor(s) to furnish copies of PAN Card to the Company / RTA for registration of such transfer of shares. In case of transmission of shares held in physical mode, it is mandatory to furnish a copy of the PAN Card of the legal heir(s) / Nominee(s). In exceptional cases, the transfer of physical shares is subject to the procedural formalities as prescribed under SEBI Circular No. SEBI/HO/MIRSD/ DOS3/CIR/P/2018/139 dated November 6, 2018.

23. Pursuant to Section 72 of the Companies Act, 2013, Members are entitled to make a nomination in respect of shares held by them. Members desirous of making a nomination, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 are requested to send their requests in Form No. SH-13, to the Registrar and Transfer Agent of the Company. Further, Members desirous of cancelling / varying nomination pursuant to the Rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in Form ISR-3 or Form No. SH-14 as the case may be, to the Registrar and Transfer Agent of the Company. These forms will be made available on request.
24. The Company has designated an exclusive e-mail ID [csteam@5paisa.com](mailto:csteam@5paisa.com) to redress shareholder's complaints / grievances. In case you have any queries / complaints or grievances, then please write to us at [csteam@5paisa.com](mailto:csteam@5paisa.com).
25. Members desirous of asking any questions at the Annual General Meeting are requested to send in their questions to reach the Company at least 7 days before the Annual General Meeting so that the same can be suitably replied. Members can raise questions during the meeting or in advance at [csteam@5paisa.com](mailto:csteam@5paisa.com). However, it is requested to raise the queries precisely and in short at the time of meeting to enable to answer the same.
26. The information and instructions for shareholders for remote e-voting are as under:

In compliance with the provisions of Regulation 44 of the Listing Regulations, Sections 108 and 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (as amended), MCA Circulars and the SS-2, the Company is providing a facility to all its members to enable them to cast their vote on the matters listed in this Notice by electronic means (e-voting). The e-voting facility is provided by Central Depository Services (India) Limited (CDSL). The instructions of shareholders for remote e-voting are as under:

The voting period begins on Wednesday, August 20, 2025 at 09:00 AM and ends on Sunday, August 24, 2025 at 5:00 PM. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, August 18, 2025, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.

Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242** dated December 9, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders / retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1: Access through Depositories CDSL / NSDL e-Voting system in case of individual shareholders holding shares in demat mode.**

- (i) In terms of SEBI circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242** dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email id in their demat accounts in order to access e-voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL / NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; My Easi New (Token) Tab.</li> <li>After successful login, the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-voting service providers, so that the user can visit the e-voting service providers' website directly.</li> <li>If the user is not registered for Easi / Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; My Easi New (Token) Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN from a e-voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting service providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>If you are already registered for NSDL IDeAS facility, please visit the e-services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a personal computer or on a mobile phone. Once the home page of e-services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your</li> </ol>

Type of shareholders	Login Method
	<p>user ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</p> <ol style="list-style-type: none"> <li>If the user is not registered for IDeAS e-services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>Visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a> either on a personal computer or on a mobile phone. Once the home page of e-voting system is launched, click on the icon "Login" which is available under "Shareholder / Member" section. A new screen will open. You will have to enter your user ID (i.e. your sixteen-digit demat account number held with NSDL), Password / OTP and a verification code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN, Verification code and generate OTP. Enter the OTP received on registered email id / mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-voting facility. After Successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk detail
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at: 022-4886 7000 or 022-2499 7000.

**Step 2: Access through CDSL e-voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

**(ii) Login method for e-voting and joining virtual meetings for physical shareholders and shareholders other than individual holding in Demat form:**

- i. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- ii. Click on "Shareholders" module.
- iii. Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

- iv. Next, enter the image verification as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vi. If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).  Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by Company / RTA or contact Company / RTA.
Dividend Bank Account Details OR Date of Birth (DOB)	Enter the Dividend Bank Account Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

After entering these details appropriately, click on "SUBMIT" tab.

- vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach "Password Creation" menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN for the 5paisa Capital Limited on which you choose to vote.
- x. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select the option YES or NO as desired.

The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- xi. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xii. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xv. If a demat account holder has forgotten the changed login password, then enter the user ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi. There is also an optional provision to upload BR / POA if any uploaded, which will be made available to scrutinizer for verification.

**xvii. Additional Facility for Non-Individual Shareholders and Custodians-For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non-Individual shareholders are mandatorily required to send the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [csteam@5paisa.com](mailto:csteam@5paisa.com), if they have voted from

individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**Process for those shareholders whose email / mobile number are not registered with the company / depositories:**

- 1. For Physical Shareholders:** please provide necessary details like Folio No., Name of Shareholder, scanned copy of the Share Certificate (front and back), PAN (self-attested scanned copy), AADHAR (self-attested scanned copy) by email to Company / RTA email id.
- 2. For Demat shareholders:** Please update your email id & mobile no. with your respective Depository Participant (DP).
- 3. For Individual Demat shareholders:** Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-voting & joining virtual meetings through Depository.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC / OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC / OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
5. Further, Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views / ask questions during the meeting may register themselves as a speaker by sending their request in advance at least Seven (7) days prior to meeting mentioning their name, demat account number / folio number, email id, mobile number at [csteam@5paisa.com](mailto:csteam@5paisa.com). The shareholders who do not wish to speak during the AGM but have queries

may send their queries in advance Seven (7) days prior to meeting mentioning their name, demat account number / folio number, email id, mobile number at [csteam@5paisa.com](mailto:csteam@5paisa.com). These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
10. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same

shareholders have not participated in the meeting through VC / OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

If you have any queries or issues regarding attending AGM & e-voting from the CDSL e-voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Senior Manager, Central Depository Services (India) Limited (CDSL), A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N. M. Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 09911.

# Annexure to the Notice

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

### Item No. 03

In accordance with the provisions of Section 204 and other applicable provisions of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) (**"the Act"**), every listed company and certain other prescribed categories of companies are required to annex Secretarial Audit Report issued by a Practicing Company Secretary to their Board's report prepared under Section 134(3) of the Act.

SEBI *vide* its notification dated December 12, 2024 amended Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (**"the Listing Regulations"**). The Amended regulation read with the SEBI circular no. SEBI/HO/CFD/CFDPoD-2/CIR/P/2024/185 dated December 31, 2024 (**the "Circular"**) has *inter-alia* prescribed the term of appointment / re-appointment, eligibility, qualifications and disqualifications of Secretarial Auditor of a Listed Company.

Pursuant to the amendments to Regulation 24A of the Listing Regulations, every listed entity is required to conduct a Secretarial Audit and annex the Secretarial Audit Report to its annual report. Additionally, a listed entity must appoint a Secretarial Audit firm for a maximum of two terms of five consecutive years, with shareholders' approval to be obtained at the Annual General Meeting.

Accordingly, based on the recommendation of the Audit Committee, the Board of Directors has approved and recommended to the members of the Company, the appointment of M/s. Nilesh Shah & Associates, Practicing Company Secretaries, as Secretarial Auditors of the Company to carry out the Secretarial Audit for the 1<sup>st</sup> (First) Term of 5 (Five) consecutive years w.e.f. April 01, 2025 to March 31, 2030.

Before recommending, the Members of the Board and the Audit Committee considered a brief profile as follows:

M/s. Nilesh Shah & Associates is a firm of Practicing Company Secretaries and in practice since 2003 (Registered as NSA – Partnership Firm – since 2003) and involved in the Corporate Law consultancy, procedural and Compliance services for various clients (Listed and Unlisted). M/s. Nilesh Shah & Associates provides services of Audit, Non-audit and Compliance management for different clients and represents before judicial and Quasi-Judicial Authorities like National Company Law Tribunal (NCLT), Regional Director, Registrar of Companies, etc.

The Members of the Company are also requested to note that M/s. Nilesh Shah & Associates has provided its consent cum eligibility letter and consented to act as the Secretarial Auditors of the Company and has confirmed that the proposed appointment, if made, would be within the limit specified by the Institute of Companies Secretaries of India (ICSI) and in compliance with the provisions of the Companies Act, 2013 and the Listing Regulations.

Accordingly, the consent of the shareholders is sought for the appointment of M/s. Nilesh Shah & Associates as the Secretarial Auditors of the Company.

The Board of Directors recommends the ordinary resolution for approval by the members, as set out in the Item No. 03 of the notice convening the meeting.

None of the Directors, Key Managerial Personnel (KMP), or their relatives have any financial or other interest in the proposed resolution.

### Item No. 04

Dr. Sarat Kumar Malik is a Ph. D, & M.A (Economics) from University of Mumbai and JNU respectively and an UGC Research Fellowship holder, having more than 30 Years of rich and varied experience in Financial Sectors, Securities Markets, Banking, Indian Economy etc, and have worked with Government regulatory bodies like SEBI and RBI, IICA (MCA). Presently, he is on contract for one year from June 02, 2025 in Rashtriya Raksha University, under Ministry of Home Affairs, Government of India, Lavad, Gandhinagar. Dr. Malik led the team for Financial Sector Assessment Program (FSAP) undertaken by IMF and played a prominent role in SEBI Policy Advisory Policy Group. Dr. Malik was a part of Secondary Market Advisory Committee (SMAC) and have been associated with different regulations in the areas of Secondary market, Primary market, Mutual funds, Foreign Portfolio Investors, AIF, REITs, INVITs, Debt Market etc. by contributing research and inputs in SEBI. As a member of the World Bank, Dr. Malik has carried out major studies in Emerging Economies, Securities Market in India and was associated with preparation Financial Stability Report (FSR) of RBI from SEBI. He prepared research studies and have done in-depth analysis in areas of Securities Markets, undertaken research studies and provided advisory roles in the field of capital markets, Banking, Indian & Global Economic issues. Dr. Malik is adept in the areas of Banking regulations, Banking Supervision, Foreign Exchange, Public Debt Office, Commercial Banking, NBFC, Rural credit, Monetary Policy etc. Dr. Malik's major contributions in the field of macro-economics, capital and debt market, stock market analysis, monetary and credit policies and associated

with the Special Data Dissemination Program of IMF and World Bank are to name a few. Dr. Malik has provided Consultations / Advisory Services to Guide point, Insight Alpha, Alfasights, Tent bridge, Deccan Value Investors, and many domestic and overseas clients. Dr. Malik has worked in various committees such as Fintech Policy for Government of Maharashtra, Statistical Commission, Government of India, Committee on Fintech and Banking Technology set up by RBI, Capital Market Developments in SAARC countries set up by SAARC, Kathmandu, Household sector savings data for Twelfth Plan, set up by Niti Ayog, Government of India Policy Advisory Group, SEBI and was responsible for advising SEBI on various policy issues and future actions on securities market in India and have undertaken various overseas training and International Assignments.

The Board of Directors of the Company at its meeting held on July 08, 2025, pursuant to the recommendation made by the Members of Nomination and Remuneration Committee has approved the appointment of Dr. Sarat Kumar Malik (DIN: 09791314) as an Additional Non-Executive Independent Director of the Company w.e.f. July 08, 2025, subject to the approval of Members of the Company in the ensuing Annual General Meeting, for a 1<sup>st</sup> (First) term of 5 (Five) consecutive years, not liable to retire by rotation.

The Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company.

Dr. Sarat Kumar Malik has given a declaration to the Board that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and the SEBI Listing Regulations. The Company has also received:- (i) the consent in writing to act as Director (ii) intimation that he is not disqualified under Section 164(2) of the Companies Act, 2013 and (iii) a declaration to the effect that he is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI).

A copy of the draft letter of appointment for Independent Directors, setting out the terms and conditions would be available for inspection by the Members in electronic mode. Members can inspect the same by sending an email to [csteam@5paisa.com](mailto:csteam@5paisa.com).

Dr. Sarat Kumar Malik is interested in the resolution set out at Item No. 04 of the Notice. The relatives of Dr. Sarat Kumar Malik may be deemed to be interested in the resolution set out at Item No. 04 of the Notice, to the extent of their shareholding interest, if any, in the Company. Dr. Sarat Kumar Malik is not related to any Director and Key Managerial Personnel (KMP) of the Company.

Save and except the above, none of the Directors, Key Managerial Personnel or their respective relatives, concerned or interested, financially or otherwise, in the resolution set out at Item No. 04 of the Notice.

Members are further requested to note that with extensive experience and deep expertise in Corporate Governance, Risk Management, and Regulatory Compliance, Dr. Sarat carries valuable insights that will strengthen the Board's oversight and support the company's long-term strategic goals.

The Board recommends the Ordinary Resolution set out at Item no. 04 of the Notice for approval by the members.

#### **Item No. 05 to 16**

As per the provisions of Section 188 of the Companies Act, 2013 ("**Act**"), transactions with related parties which are on an arm's length basis and in the ordinary course of business, are exempted from the obligation of obtaining prior approval of shareholders. However, such transactions, if material, require the approval of shareholders through a resolution, notwithstanding the fact that the same are at an arm's length basis and in the ordinary course of business, as per the requirements of the provisions of Regulation 23(4) of the Listing Regulations.

As per the amendment to clause (zc) of Regulation 2(1) read with the proviso to Regulation 23(1) of the Listing Regulations, which are effective from April 01, 2022, the transactions involving transfer of resources, services or obligations between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand will be considered as "related party transactions", and as "material related party transactions", if the transaction to be entered into individually or taken together with previous transactions during a financial year, exceeds ₹ 1,000 crore or 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower. Further, such material related party transaction shall require prior approval of shareholders through resolution and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

The Shareholders at the Annual General Meeting held on Tuesday, September 10, 2024 had approved the material related party transactions for FY 2024-2025 and the same was valid till March 31, 2025. However, pursuant to the amended regulations, prior approval of shareholders is required in case of transactions to be carried out for FY 2025-26 and hence the resolutions at Item No. 05 to 16 of this notice for the approval of shareholders till the 19<sup>th</sup> Annual General Meeting of the company to be held in the year 2026 wherein fresh approval of the shareholders shall be obtained in this regard.

The Company and / or its subsidiaries lends / borrows funds from its group entities from time to time including IIFL Finance Limited, IIFL Home Finance Limited, Livlong Insurance Brokers Limited, IIFL Samasta Finance Limited, IIFL Capital Services Limited (Formerly IIFL Securities Limited), IIFL Management Services Limited, IIFL Facilities Services Limited, 5paisa P2P Limited, 5paisa Corporate Services Limited, 5paisa Trading Limited and 5paisa International

Securities (IFSC) Limited as and when there is requirement of funds for working capital needs. The said transactions are in the ordinary course of business and at arms' length and are duly approved by the Audit Committee and the Board of Directors.

The Company and / or its subsidiaries may be required to enter into contracts and or transactions and / or arrangements, as stated in the resolution at Item No's. 05 to 16, during FY 2025-26, at an arm's length basis and in the ordinary course of business and the details of the same are as follows:

<b>Sr. No.</b>	<b>Name of the Company</b>	<b>Type / Particulars of transactions</b>	<b>Justification</b>	<b>Percentage of annual consolidated turnover</b>	<b>Maximum Outstanding Limits for 2024-25 approved by Share holders</b>	<b>Proposed Limits for 2025-26 to be approved by Shareholders (please refer note below table)</b>
<b>1 IIFL Capital Services Limited (Formerly known as IIFL Securities Limited) Group Companies</b>						
a)	IIFL Facilities Services Limited	Arrangement of Allocation / Reimbursement of Common / Advisory & Specific Overhead expenses – Received and other expenses	Sharing of premises - common office & business related expense.	0.83%	₹ 5 Crore	₹ 3 Crore
		Arrangement of Allocation / Reimbursement of Common / Advisory & Specific Overhead expenses - Paid and other expenses.	Sharing of premises - common office & business related expenses	1.95%	₹ 7 Crore	₹ 7 Crore
		Inter-Corporate Deposits / Guarantee Taken *	For working capital requirement	111.24%	₹ 500 Crore	₹ 400 Crore
		Inter-Corporate Deposits / Guarantee Given ** (Refer Note 1)	For working capital requirement	83.43%	₹ 400 Crore	₹ 300 Crore
		Rental Agreement	Sharing of common premises	1.39%	₹ 5 Crore	₹ 5 Crore
b)	Livlong Insurance Brokers Limited	Inter-Corporate Deposits / Guarantee Taken*	For working capital requirement	27.81%	₹ 100 Crore	₹ 100 Crore
		Inter-Corporate Deposits / Guarantee Given ** (Refer Note 1)	For working capital requirement	27.81%	₹ 200 Crore	₹ 100 Crore
		Marketing Support Fees / Commission & Brokerage / Service fees / Referral / Arranger Fee Income or any other cross sale income.	Cross Selling of products	2.78%	₹ 10 Crore	₹ 10 Crore
c)	IIFL Management Services Limited	Inter-Corporate Deposits / Guarantee Taken*	For working capital requirement	27.81%	₹ 200 Crore	₹ 100 Crore
		Inter-Corporate Deposits / Guarantee Given ** (Refer Note 1)	For working capital requirement	27.81%	₹ 200 Crore	₹ 100 Crore
		Rental Agreement	Sharing of common premises	0.56%	₹ 2 Crore	₹ 2 Crore
		Guest House Facility Agreement	Facility of the guest house for IIFL employees	0.14%	₹ 50 Lakh	₹ 50 Lakh

Sr. No.	Name of the Company	Type / Particulars of transactions	Justification	Percentage of annual consolidated turnover	Maximum Outstanding Limits for 2024-25 approved by Share holders	Proposed Limits for 2025-26 to be approved by Shareholders (please refer note below table)
d)	IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	Arrangement of Allocation / Reimbursement of Common / Advisory & Specific Overhead expenses – Received and other expenses.	Sharing of premises - common office & business related expenses	2.22%	₹ 10 Crore	₹ 8 Crore
		Arrangement of Allocation / Reimbursement of Common / Advisory & Specific Overhead expenses - Paid and other expenses	Sharing of premises - common office & business related expenses	5.56%	₹ 30 Crore	₹ 20 Crore
		Rental Agreement	Sharing of common premises	1.39%	₹ 5 Crore	₹ 5 Crore
		Marketing Support Fees / Commission & Brokerage / Service fees / Referral / Arranger Fee Income or any other cross sale income.	Cross Selling of products	2.78%	₹ 10 Crore	₹ 10 Crore
e)	Other IIFL Capital Services Limited (Formerly known as IIFL Securities Limited) Group Companies	Inter-Corporate Deposits / Guarantee Taken *	For working capital requirement	-	Limit as permissible under Law / Regulations	Limit as permissible under Law / Regulations
		Inter-Corporate Deposits / Guarantee Given ** (Refer Note 1)	For working capital requirement	-	Limit as permissible under Law / Regulations	Limit as permissible under Law / Regulations
		Arrangement of Allocation / Reimbursement of Common / Advisory & Specific Overhead expenses – Received and other expenses.	Sharing of premises - common office & business related expenses	-	Limit as permissible under Law / Regulations	Limit as permissible under Law / Regulations
		Arrangement of Allocation / Reimbursement of Common / Advisory & Specific Overhead expenses - Paid and other expenses	Common office & business related expenses	-	Limit as permissible under Law / Regulations	Limit as permissible under Law / Regulations
		Marketing Support Fees / Commission & Brokerage / Service fees / Referral / Arranger Fee Income or any other cross sale income.	Cross Selling of products	2.78%	₹ 10 Crores	₹ 10 Crores

<b>Sr. No.</b>	<b>Name of the Company</b>	<b>Type / Particulars of transactions</b>	<b>Justification</b>	<b>Percentage of annual consolidated turnover</b>	<b>Maximum Outstanding Limits for 2024-25 approved by Share holders</b>	<b>Proposed Limits for 2025-26 to be approved by Shareholders (please refer note below table)</b>
<b>2 IIFL Finance Group Companies</b>						
a)	IIFL Finance Limited	Arrangement of Allocation / Reimbursement of Common / Advisory & Specific Overhead expenses – Received and other expenses	Common office & business related expenses	1.39%	₹ 5 Crore	₹ 5 Crore
		Arrangement of Allocation / Reimbursement of Common / Advisory & Specific Overhead expenses - Paid and other expenses	Common office & business related expenses	1.39%	₹ 5 Crore	₹ 5 Crore
		Inter-Corporate Deposits / Guarantee Taken *	For working capital requirement	139.05%	₹ 600 Crore	₹ 500 Crore
		Inter-Corporate Deposits / Guarantee Given ** (Refer Note 1)	For working capital requirement	83.43%	₹ 400 Crore	₹ 300 Crore
		Marketing Support Fees / Commission & Brokerage / Service fees / Referral / Arranger Fee Income or any other cross sale income.	Cross Selling of products	4.17%	₹ 15 Crore	₹ 15 Crore
b)	IIFL Home Finance Limited	Arrangement of Allocation / Reimbursement of Common / Advisory & Specific Overhead expenses – Paid and other expenses	Common office & business related expenses	0.56%	₹ 2 Crore	₹ 2 Crore
		Inter-Corporate Deposits / Guarantee Taken *	For working capital requirement	111.24%	₹ 400 Crore	₹ 400 Crore
		Rental Agreement	Sharing of common premises	0.56%	₹ 2 Crore	₹ 2 Crore
		Inter-Corporate Deposits / Guarantee Given ** (Refer Note 1)	For working capital requirement	83.43%	₹ 400 Crore	₹ 300 Crore
		Marketing Support Fees / Commission & Brokerage / Service fees / Referral / Arranger Fee Income or any other cross sale income.	Cross Selling of products	2.78%	₹ 10 Crore	₹ 10 Crore
c)	IIFL Samasta Finance Limited	Inter-Corporate Deposits / Guarantee Taken *	For working capital requirement	111.24%	₹ 400 Crore	₹ 400 Crore
		Inter-Corporate Deposits / Guarantee Given ** (Refer Note 1)	For working capital requirement	83.43%	₹ 400 Crore	₹ 300 Crore

Sr. No.	Name of the Company	Type / Particulars of transactions	Justification	Percentage of annual consolidated turnover	Maximum Outstanding Limits for 2024-25 approved by Share holders	Proposed Limits for 2025-26 to be approved by Shareholders (please refer note below table)
d)	Other IIFL Finance Group Companies	Inter-Corporate Deposits / Guarantee Given ** (Refer Note 1)	For working capital requirement	-	Limit as permissible under Law / Regulations	Limit as permissible under Law / Regulations
		Arrangement of Allocation / Reimbursement of Common / Advisory & Specific Overhead expenses – Received and other expenses.	Sharing of premises - common office & business related expenses	0.83%	Limit as permissible under Law / Regulations	₹ 3 Crore
		Arrangement of Allocation / Reimbursement of Common / Advisory & Specific Overhead expenses - Paid and other expenses	Common office & business related expenses	4.17%	Limit as permissible under Law / Regulations	₹ 1.5 Crore
		Marketing Support Fees / Commission & Brokerage / Service fees / Referral / Arranger Fee Income or any other cross sale income.	Cross Selling of products	2.78%	₹ 10 Crores	₹ 10 Crores
3	Subsidiaries of 5paisa Capital Limited					
a)	5paisa P2P Limited	Inter-Corporate Deposits / Guarantee Given ** (Refer Note 1)	For working capital requirement	13.91%	₹ 100 Crore	₹ 50 Crore
		Arrangement of Allocation / Reimbursement of Common / Advisory & Specific Overhead expenses – Received and other expenses.	Common office & business related expenses	0.83%	₹ 5 Crore	₹ 3 Crore
		Arrangement of Allocation / Reimbursement of Common / Advisory & Specific Overhead expenses - Paid and other expenses	Common office & business related expenses	0.28%	₹ 2 Crore	₹ 1 Crore
		Inter-Corporate Deposits / Guarantee Taken *	For working capital requirement	-	Limit as permissible under Law / Regulations	Limit as permissible under Law / Regulations
b)	5paisa Trading Limited	Inter-Corporate Deposits / Guarantee Given ** (Refer Note 1)	For working capital requirement	13.91%	₹ 100 Crore	₹ 50 Crore
		Arrangement of Allocation / Reimbursement of Common / Advisory & Specific Overhead expenses – Received and other expenses. Common office & business related expenses	Common office & business related expenses	0.83%	₹ 5 Crore	₹ 3 Crore

<b>Sr. No.</b>	<b>Name of the Company</b>	<b>Type / Particulars of transactions</b>	<b>Justification</b>	<b>Percentage of annual consolidated turnover</b>	<b>Maximum Outstanding Limits for 2024-25 approved by Share holders</b>	<b>Proposed Limits for 2025-26 to be approved by Shareholders (please refer note below table)</b>
		Arrangement of Allocation / Reimbursement of Common / Advisory & Specific Overhead expenses - Paid and other expenses	Common office & business related expenses	0.28%	₹ 2 Crore	₹ 1 Crore
		Marketing Support Fees / Commission & Brokerage / Service fees / Referral / Arranger Fee Income or any other cross sale income.	Cross Selling of products	2.78%	₹ 10 Crore	₹ 10 Crore
		Inter-Corporate Deposits / Guarantee Taken *	For working capital requirement	-	Limit as permissible under Law / Regulations	Limit as permissible under Law / Regulations
c)	5paisa Corporate Services Limited	Inter-Corporate Deposits / Guarantee Given ** (Refer Note 1)	For working capital requirement	13.91%	₹ 100 Crore	₹ 50 Crore
		Arrangement of Allocation / Reimbursement of Common / Advisory & Specific Overhead expenses – Received and other expenses.	Common office & business related expenses	0.83%	₹ 5 Crore	₹ 3 Crore
		Arrangement of Allocation / Reimbursement of Common / Advisory & Specific Overhead expenses - Paid and other expenses	Common office & business related expenses	0.28%	₹ 2 Crore	₹ 1 Crore
		Marketing Support Fees / Commission & Brokerage / Service fees / Referral / Arranger Fee Income or any other cross sale income.	Cross Selling of products	2.78%	₹ 10 Crore	₹ 10 Crore
		Inter-Corporate Deposits / Guarantee Taken *	For working capital requirement	-	Limit as permissible under Law / Regulations	Limit as permissible under Law / Regulations
d)	5paisa International Securities (IFSC) Limited	Inter-Corporate Deposits / Guarantee Given ** (Refer Note 1)	For working capital requirement	13.91%	₹ 100 Crore	₹ 50 Crore
		Arrangement of Allocation / Reimbursement of Common / Advisory & Specific Overhead expenses – Received and other expenses.	Common office & business related expenses	0.83%	₹ 5 Crore	₹ 3 Crore

Sr. No.	Name of the Company	Type / Particulars of transactions	Justification	Percentage of annual consolidated turnover	Maximum Outstanding Limits for 2024-25 approved by Share holders	Proposed Limits for 2025-26 to be approved by Shareholders (please refer note below table)
		Arrangement of Allocation / Reimbursement of Common / Advisory & Specific Overhead expenses - Paid and other expenses.	Common office & business related expenses	0.28%	₹ 2 Crore	₹ 1 Crore
		Marketing Support Fees / Commission & Brokerage / Service fees / Referral / Arranger Fee Income or any other cross sale income.	Cross Selling of products	2.78%	₹ 10 Crore	₹ 10 Crore
		Inter-Corporate Deposits / Guarantee Taken *	For working capital requirement	-	Limit as permissible under Law / Regulations	Limit as permissible under Law / Regulations
4	India Infoline Foundation	CSR & Donation Expenses	CSR Contribution	0.28%	₹ 2 Crore	₹ 1 Crore

\*Note: Maximum Outstanding Intercorporate Deposit taken from all group companies together will not exceed ₹ 500 Crore at any given point of time. Further, all these transactions are balance sheet item and only interest paid on this ICD will be in profit and loss.

\*\*Note: Maximum Outstanding Intercorporate Deposit given to all group companies together will not exceed ₹ 300 Crore at any given point of time.

**Note 1:** The additional details pertaining to the Inter Corporate Deposits (ICD's) to be given by the Company w.r.t the above material related party transactions are as follows:

- a) Terms of ICD given:
  - aa). ICD being short term facility (unsecured) is comparable with Cash credit rates hence pricing for ICD given in particular financial year shall be determined on SBI 1 year MCLR + Credit spread and the same shall be repayable on demand.
  - ab). Pricing: SBI 1 year MCLR\* + Credit spread of 250 to 350 basis point shall be applicable on all ICD transaction during the year.

**\*Note:**

- MCLR rate prevailing on beginning of quarter shall be considered.
  - Credit spread can be reviewed during the year if required.
- b) The source of funds for grant of ICD's will be 5paisa owned liquid network funds.
  - c) No financial indebtedness will be incurred to make or give ICD.
  - d) The funds will be utilized for working capital requirement by the ultimate beneficiary of such funds.
  - e) The proposed material related party transactions for FY 2025-26 are based on the copy of "Certificates for Related Party Transactions" issued by M/s. Kamlesh Mehta & Associates for quarter ended June 2024, September 2024, December 2024 and March 2025. The Shareholders may acquire the same by dropping an email at [csteam@5paisa.com](mailto:csteam@5paisa.com) post which the copy of the report will be sent to the shareholders at their registered email ids.

These transactions, during the financial year 2025-26, between the Company and / or its subsidiaries on one side and the related parties as mentioned above, separately on the other side, may exceed the revised threshold of “material related party transactions” under the SEBI Listing Regulations i.e. ₹ 1,000 Crore or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company for the Financial Year ending March 31, 2025, whichever is lower. All these transactions will be executed at an arm’s length basis and in the ordinary course of business of the Company and/or its subsidiaries. The approval of the shareholders shall remain valid till the 19<sup>th</sup> Annual General meeting of the company to be held in the calendar year 2026 and then the fresh approval of the shareholders will be required.

With respect to the above matter, the Shareholders / Members are requested to note the following disclosures of Interest:

<b>Sr. No.</b>	<b>Name of Related Party</b>	<b>Nature of Interest or Concern</b>
1.	IIFL Facilities Services Limited (IFSL)	Mr. Nirmal Jain and Mr. Venkataraman Rajamani are promoters of IIFL Capital and IFSL is a Wholly Owned Subsidiary of IIFL Capital.
2.	Livlong Insurance Brokers Limited (LIBL)	Mr. Nirmal Jain and Mr. Venkataraman Rajamani are promoters of IIFL Capital and LIBL is a Wholly Owned Subsidiary of IIFL Capital.
3.	IIFL Management Services Limited (IMSL)	Mr. Nirmal Jain and Mr. Venkataraman Rajamani are promoters of IIFL Capital and IMSL is a Wholly Owned Subsidiary of IIFL Capital.
4.	IIFL Capital Services Limited (IIFL Capital) (Formerly known as IIFL Securities Limited)	Mr. Nirmal Jain and Mr. Venkataraman Rajamani are promoters of IIFL Capital and hold along with their relatives & persons acting in concert 9,51,43,214 equity shares i.e. 30.70% in IIFL Capital.
5.	IIFL Commodities Limited (ICL)	Mr. Nirmal Jain and Mr. Venkataraman Rajamani are promoters of IIFL Capital and ICL is Wholly Owned Subsidiary of IIFL Capital.
6.	Livlong Protection & Wellness Solutions Limited (LPWSL)	Mr. Nirmal Jain and Mr. Venkataraman Rajamani are promoters of IIFL Capital and LPWSL is Subsidiary of IIFL Capital.
7.	IIFL Securities Services IFSC Limited	Mr. Nirmal Jain and Mr. Venkataraman Rajamani are promoters of IIFL Capital and IIFL Securities Services IFSC Limited is the Wholly owned subsidiary of IIFL Capital.
8.	India Infoline Foundation (Section 8 Company)	Mr. Nirmal Jain and Mr. Venkataraman Rajamani are promoters of IIFL Capital and India Infoline Foundation is the Wholly owned subsidiary of IIFL Capital.
9.	Shreyans Foundations LLP	Mr. Nirmal Jain and Mr. Venkataraman Rajamani are promoters of IIFL Capital and Shreyans Foundations LLP is the subsidiary (Step down) company of IIFL Capital.
10.	Meenakshi Towers LLP	Mr. Nirmal Jain and Mr. Venkataraman Rajamani are promoters of IIFL Capital and Meenakshi Towers LLP is the subsidiary company of IIFL Capital.
11.	IIFL Capital Inc	Mr. Nirmal Jain and Mr. Venkataraman Rajamani are promoters of IIFL Capital and IIFL Capital Inc is a Wholly owned subsidiary of IIFL Capital.
12.	IIFL Capital Asset Management Limited (Formerly known as IIFL Securities Alternate Asset Management Limited)	Mr. Nirmal Jain and Mr. Venkataraman Rajamani are promoters of IIFL Capital and IIFL Capital Asset Management Limited is a Wholly owned subsidiary of IIFL Capital.
13.	IIFL Wealth (UK) Limited	Mr. Nirmal Jain and Mr. Venkataraman Rajamani are promoters of IIFL Capital and IIFL Wealth (UK) Limited is a Wholly owned subsidiary of IIFL Capital.
14.	IIFL Finance Limited (IIFL)	Mr. Nirmal Jain and Mr. Venkataraman Rajamani are Promoter and Executive Director of IIFL.  Mr. Nirmal Jain and Mr. Venkataraman Rajamani are promoters of IIFL and both hold along with their relatives & persons acting in concert 10,56,74,667 equity shares i.e. 24.89% in IIFL.
15.	IIFL Open Fintech Private Limited	IIFL Open Fintech Private Limited is a wholly owned subsidiary of IIFL Finance Limited.
16.	IIFL Home Finance Limited (IIFL HFC)	Mr. Nirmal Jain and Mr. Venkataraman Rajamani are Non-Executive Directors of IIFL HFC. IIFL HFC is a Subsidiary of IIFL.

Sr. No.	Name of Related Party	Nature of Interest or Concern
17.	IIFL Samasta Finance Limited (ISFL)	ISFL is a Subsidiary of IIFL Finance Limited
18.	5paisa P2P Limited (5P2P)	5P2P is a Wholly Owned Subsidiary of 5paisa Capital Limited (5PCL).
19.	5paisa Trading Limited (5PTL)	5PTL is a Wholly Owned Subsidiary of 5paisa Capital Limited (5PCL).
20.	5paisa Corporate Services Limited (5CSL)	5CSL is a Wholly Owned Subsidiary of 5paisa Capital Limited (5PCL).
21.	5paisa International Securities (IFSC) Limited (5IS(IFSC)L)	(5IS(IFSC)L) is a Wholly Owned Subsidiary of 5paisa Capital Limited (5PCL).

Based on the information on the proposed transactions, summarized in this Notice, the Audit Committee of the Board and the Board of Directors have approved entering into the said transactions and has reviewed and noted and recommended that the approval of the Members be also sought for the resolutions contained at Item Nos. 05 to 16 of the accompanying Notice.

Except the above Directors, Promoters and their relatives none of the Directors, Key Managerial Personnel and their Relatives are, in any way, concerned or interested, financially or otherwise in the Ordinary Resolutions set out at Item No's. 05 to 16.

The Board accordingly recommends the Ordinary Resolutions set out in Item No's. 05 to 16 of the Notice for approval by the members.

### Item No. 17

As per Section 42 of the Companies Act, 2013 ("Act"), read with the rules framed thereunder, a company offering or making an invitation to subscribe to Non-Convertible Debentures (NCD's) on a private placement basis is required to obtain the prior approval of the Members by way of a Special Resolution. Such an approval can be obtained once a year for all the offers and invitations made for such NCD's during the year.

In order to augment long-term resources for financing, *inter-alia*, the ongoing expenditure and for business purposes, the Board may, at an appropriate time, offer or invite subscription for secured / unsecured redeemable NCD's, in one or more series / tranches on private placement basis, issuable / redeemable at par.

The approval of the Members is being sought by way of a Special Resolution under Sections 42 and other applicable provisions of the Act read with the rules made thereunder, to enable the Company to offer or invite subscriptions of NCD's on a private placement basis, in one or more tranches, during the period of one year from the date of passing of the Resolution at Item No. 17, within the overall borrowing limits of the Company, as approved by the Members from time to time.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 17 of the Notice.

The Board recommends the Special Resolution set out in Item No. 17 of the Notice for approval by the Members.

### Item No. 18

With the enhanced Corporate Governance requirements under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called "Listing Regulations") coupled with the size, complexity and operations of the 5paisa Capital Limited and its group companies, the role and responsibilities of the Board, particularly Non-Executive Director has become more onerous, requiring greater time commitments, attention and a higher level of oversight. In view of the above, the Board of Directors at its meetings held on May 01, 2025 recommended and approved payment of commission not exceeding 1% of the net profits of the Company for Financial Year 2025-26, in terms of Section 197 of the Act, computed in accordance with the provisions of Section 198 of the Act or such other percentage as may be specified from time to time. Regulation 17(6) of Listing Regulations authorities, the Board to recommend all fees and compensation, if any, paid to Non-Executive Directors, including Independent Directors and the same would require approval of members in general meeting. This commission will be distributed amongst all or some of the Non-Executive Directors including Independent Directors, taking into consideration various parameter such as attendance at Board and Committee meetings, contribution at or other than at meetings, etc. in accordance with the directions given by the Board.

The above commission shall be in addition to fees payable to the Independent Director(s) for attending meetings of the Board / Committees or for any other purpose whatsoever as may be decided by the Board and reimbursement of expenses for participation in the Board and other Committee meetings.

Accordingly, member's approval is sought by way of a Special Resolution for payment of commission to the Non-Executive Directors as set out in the said resolution.

None of the Directors, Key Managerial Personnel or their respective relatives, concerned or interested, financially or otherwise, in the resolution set out at Item No. 18 of the Notice, except the Independent Directors and their relatives to the extent of their shareholding and commission that may be received by them, including for Financial Year 2025-26.

The Board accordingly recommends the Special Resolution as set out in Item No. 18 of the Notice for approval of the Members.

**DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD-2:**

**1. Mr. Ameya Agnihotri**

<b>Particulars</b>	<b>Remark</b>
DIN	07680132
Date of Birth	May 22, 1982
Nationality	Indian
Date of Appointment on the Board	July 13, 2024
Qualifications	Bachelor of Computer Science and master's degree in computer applications.
Expertise in specific functional areas	Building scalable, low latency, resilient platforms, large scale data platforms in AdTech and MarTech space (SSP, DSP, CDP, DMP) as well as in OTA and logistics.
Number of shares held in the Company (including Options granted under ESOP)	Equity Shares: NIL. ESOPs: 50,000 under 5paisa Capital Limited Employee Stock Option Scheme 2023.
Directorships held in other companies (excluding foreign companies)	1. 5paisa Trading Limited 2. 5paisa P2P Limited 3. 5paisa Corporate Services Limited 4. 5paisa International Securities (IFSC) Limited
Attendance in number of Board Meetings eligible during the financial year 2024-25	3 out of 3 Board Meetings attended.
Memberships / Chairmanships of committees of other companies (Includes only Audit Committee and Stakeholders Relationship Committee)	1 (Member in Stakeholders Relationship Committee)
Relationships between Directors <i>inter-se</i>	None
Remuneration details (Including Sitting Fees & Commission)	Salary: ₹ 1,80,00,000/- p.a. (Rupees One Crores Eighty Lakhs Only).  The aggregate of the remuneration and perquisites as aforesaid in any Financial Year shall not exceed the limit from time to time under Section 197, Section 198 and other applicable provisions of the Act and Rules made thereunder, read with Schedule V of the said Act or any statutory modification(s) or re-enactment thereof for the time being in force, or otherwise as may be permissible at law.  When in any Financial Year, the Company has no profits or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid to Mr. Ameya Agnihotri in accordance with the applicable provisions of Schedule V of the Act, and subject to the approval of the Central Government, if required.

**2. Dr. Sarat Kumar Malik**

<b>Particulars</b>	<b>Remark</b>
DIN	09791314
Date of Birth	March 12, 1961
Nationality	Indian
Date of Appointment on the Board	July 08, 2025
Qualifications	Ph. D, & M.A (Economics)
Expertise in specific functional areas	Dr. Sarat Kumar Malik is an UGC Research Fellowship holder, having more than 30 Years of rich and varied experience in Financial Sectors, Securities Markets, Banking, Indian Economy etc, and have worked with Government regulatory bodies like SEBI and RBI, IICA (MCA). Presently, he is on contract for one year from June 02, 2025 in Rashtriya Raksha University, under Ministry of Home Affairs, Government of India, Lavad, Gandhinagar. Dr. Malik led the team for Financial Sector Assessment Program (FSAP) undertaken by IMF and played a prominent role in SEBI Policy Advisory Policy Group. Dr. Malik was a part of Secondary Market Advisory Committee (SMAC) and have been associated with different regulations in the areas of Secondary market, Primary market, Mutual funds, Foreign Portfolio Investors, AIF, REITs, INVITs, Debt Market etc. by contributing research and inputs in SEBI. As a member of the World Bank, Dr. Malik has carried out major studies in Emerging Economies, Securities Market in India and was associated with preparation Financial Stability Report (FSR) of RBI from SEBI. He prepared research studies and have done in-depth analysis in areas of Securities Markets, undertaken research studies and provided advisory roles in the field of capital markets, Banking, Indian & Global Economic issues. Dr. Malik is adept in the areas of Banking regulations, Banking Supervision, Foreign Exchange, Public Debt Office, Commercial Banking, NBFC, Rural credit, Monetary Policy etc. Dr. Malik's major contributions in the field of macro-economics, capital and debt market, stock market analysis, monetary and credit policies and associated with the Special Data Dissemination Program of IMF and World Bank are to name a few. Dr. Malik has provided Consultations / Advisory Services to Guide point, Insight Alpha, Alfasights, Tent bridge, Deccan Value Investors, and many domestic and overseas clients. Dr. Malik has worked in various committees such as Fintech Policy for Government of Maharashtra, Statistical Commission, Government of India, Committee on Fintech and Banking Technology set up by RBI, Capital Market Developments in SAARC countries set up by SAARC, Kathmandu, Household sector savings data for Twelfth Plan, set up by Niti Ayog, Government of India Policy Advisory Group, SEBI and was responsible for advising SEBI on various policy issues and future actions on securities market in India and have undertaken various overseas training and International Assignments.
Number of shares held in the Company (including Options granted under ESOP)	NIL
Directorships held in other companies (excluding foreign companies)	<ol style="list-style-type: none"> <li>1. String Metaverse Limited</li> <li>2. FYNX Capital Limited</li> <li>3. Spacenet Enterprises India Limited</li> </ol>
Attendance in number of Board Meetings eligible during the financial year 2024-25	Not Applicable

Particulars	Remark
Memberships / Chairmanships of committees of other companies (Includes only Audit Committee and Stakeholders Relationship Committee)	<b>String Metaverse Limited</b> Chairman - Audit Committee Member - Stakeholders' Relationship Committee
Relationships between Directors <i>inter-se</i>	None
Remuneration details (Including Sitting Fees & Commission)	NIL (Sitting Fees & Commission)

By Order of the Board of Directors

**5paisa Capital Limited**

**Gourav Munjal**

Whole-time Director & Chief Financial Officer  
DIN: 06360031

**Registered Office:**

IIFL House, Sun Infotech Park,  
Road No. 16V, Plot No. B-23,  
Thane Industrial Area, Wagle Estate,  
Thane – 400604

**CIN:** L67190MH2007PLC289249

**E-mail:** [csteam@5paisa.com](mailto:csteam@5paisa.com)

**Telephone No.:** 022-41035000

Date: July 08, 2025

Place: Thane

# Platform Transformation...

## Customer centricity with a tech-first approach.



# What's inside

## 1

### CORPORATE OVERVIEW

- 01\_ Theme Introduction
- 02\_ Chairperson's Message
- 04\_ MD & CEO's Message
- 06\_ 5paisa at a glance
- 08\_ Product Portfolio
- 10\_ Technology Advancements
- 16\_ Key Performance Indicators
- 20\_ Value Creation Model
- 22\_ Operating Environment
- 26\_ Strategy
- 28\_ Risk Management
- 32\_ Environmental
- 34\_ Social - Customer
- 36\_ Social - Employees.
- 38\_ Social - Community
- 39\_ Governance
- 40\_ Board of Directors
- 42\_ Management Team
- 44\_ Awards

## 2

### STATUTORY REPORTS

- 45\_ Directors' Report
- 70\_ Business Responsibility and Sustainability Report
- 116\_ Corporate Governance Report
- 155\_ Management Discussion and Analysis

## 3

### FINANCIAL STATEMENTS

- 166\_ Standalone Financial Statements
- 229\_ Consolidated Financial Statements



Download this report or read online at  
[www.5paisa.com](http://www.5paisa.com)

#### Forward-looking Statements

This document contains statements about expected future events and financial performance of 5paisa Capital Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis of this Annual Report.

## Theme Introduction

# Platform Transformation. Customer centricity with a tech-first approach.

FY25 marked a pivotal year in our digital evolution, one that tested our resilience and re-affirmed our vision. The broking industry faced structural challenges led by regulatory shifts in the derivatives market, causing a temporary slowdown in market participation. At 5paise, however, we turned this inflection point into an opportunity to strengthen the core, through relentless product innovation, digital enhancement, and smarter customer acquisition.

We streamlined our mobile and web platforms, rolled out AI-powered tools like **IntraEdge**, introduced **QTV** for real-time expert trading sessions, and fine-tuned our backend to cut latency by 15 milliseconds, empowering both new-age and seasoned traders.

Simultaneously, we remained focused on driving **long-term customer value** by curating quality cohorts, improving life-time value (LTV), and offering a seamless experience for retail investors, especially in Tier 2 and 3 cities.

FY25 wasn't just a year of performance, it was a year of **platform transformation**. A reaffirmation of our belief that technology, when built right, can democratize investing and drive sustainable business outcomes.

## FY25 HIGHLIGHTS

### Financial



₹ **360** Cr  
Revenue

₹ **68** Cr  
Net Profit

₹ **260** Cr  
Avg. Funding  
Book

₹ **3.1** Tr  
Avg. Daily  
Turnover (ADTO)



### Operational

**147** Mn  
Number of  
Orders

**0.60** Mn  
Customers  
Acquired

₹ **1,392** Cr  
MF AUM



**Chairperson's Message**

# India's Resilience in a Shifting World



**Customer base increased to over 4.8 million during the year, and total app downloads crossed the 21-million mark**

**Dear Stakeholders,**

I am delighted to share with you 5paisa Capital Limited's Annual Report for the 2024-25 fiscal year.

The past year was a time of introspection, realignment, and rejuvenation, not only for us but for the entire Indian capital markets. Against the backdrop of global volatility, India remained stable and resilient. With real GDP growth of 6.5% in FY25, we reaffirmed our position as the world's fastest-growing major economy. Growth emanated from several encouraging trends, like rising domestic consumption, record-high exports, stable macro fundamentals, and a significant drop in inflation to levels not seen in recent years.

In addition to being widespread, the economic expansion was inclusive in nature. A youthful and ambitious populace, the economy's ongoing formalization, alongside the government's dedication to digitalization and infrastructure are forebearers of continued and sustainable growth. These are not fleeting indicators; they point to a structural shift. As a corollary, India's financial sector, particularly the capital markets, continues to deepen, expand, and democratize at a rapid pace.

We saw yet another milestone in retail investor participation this year, with the number of unique registered investors crossing 11.3 crore PANs. It's because as a nation we are changing how we think about money. More people are opening demat accounts, starting SIPs, and using digital investment platforms. The transition from savers to investors is well under way.

**MANAGING REGULATORY CHANGES WITH INTENTION**

Despite this encouraging trend, FY25 also presented a number of business imperatives fueled by regulatory changes. The changes introduced by SEBI in the derivatives segment led to a moderation in volumes across the industry, particularly in the F&O segment. These reforms while being wholesome and based on good principles, did lead to revenue reduction across the industry. The intent is to instil greater discipline, reduce excessive risk-taking, and build more sustainable market structures. We see these changes as necessary adjustments, ones that will lead to healthier market participation in the years ahead.

## DELIVERING GROWTH, THE RIGHT WAY

Lower market volumes caused a 9% drop in our topline, but careful cost control and a greater emphasis on customer quality allowed us to increase profitability. Our net profit increased by 25% and our margins significantly expanded, rising from 14% in FY24 to 19% in FY25. This resilience reflects the strength of our digital-led model, our disciplined execution, and the trust of our growing customer base.

We are pleased to share that our customer base increased to over 4.8 million during the year, and total app downloads crossed the 21-million mark. These reflect a broader transformation underway in Indian investing behavior. Users are keen to adopt platforms that are inclusive, dependable, and easy to use. They expect seamless access, relevant insights, and personalized service. And, we are on it.

## TECHNOLOGY THAT LISTENS, LEARNS AND LEADS

We continued to invest in building and enhancing our technology stack across platforms. Our mobile app was upgraded to a new architecture, ensuring faster load times and smoother navigation. We launched FnO 360, a powerful interface for derivative traders, and IntraEdge, an AI-powered intraday trading recommendation tool, which is currently in its pilot phase. We also streamlined SIP investments through UPI Autopay and ENACH, making recurring investments simpler and faster. Behind the scenes, we achieved a 15-millisecond reduction in trade latency, seemingly small but impactful for traders who rely on precision and speed.

Importantly, these enhancements are not just about keeping up with the industry, they are about setting benchmarks. Every improvement, every rollout, and every refinement is guided by one principle: how can we make it easier for our customers to invest, understand, and grow? We are building an ecosystem of trust, simplicity, and innovation.

## BUILDING FORWARD, MINDFULLY

Looking ahead, we believe there continues to be a vast opportunity. Financial inclusion is still in its nascency. Only a small percentage of the population actively participates in capital markets today. As awareness grows and access widens, especially in Tier 2 and Tier 3 cities, we see immense potential for responsible expansion. Our approach will remain focused on three

core principles: deepen engagement with DIY investors, nurture partnerships within the fintech ecosystem, and remain agile and sensitive to evolving needs.

We are equally mindful of our responsibilities beyond business growth. Our governance model, compliance practices, and stakeholder relationships are central to who we are. Throughout the year, we continued to maintain the highest standards of transparency, fairness, and risk management. We remain committed to honoring the trust placed in us by all our stakeholders.

## WITH GRATITUDE AND CONVICTION

Lastly, I want to take a moment to thank everyone who's been part of this journey. To our shareholders, partners, and team members, your support and trust are crucial, as we continue moving forward.

I also wish to acknowledge the leadership team, whose hard work and commitment have helped navigate this period of transition with confidence and care.

FY25 was a year of realignment that offered us valuable lessons. As we move forward, our goal is clear – to build a platform that not only delivers strong long-term value, but also fosters trust, empowers our users, and contributes meaningfully to India's financial growth.

Warm regards,

**Dr. Archana Hingorani**  
Chairperson



**MD & CEO's Message**

# When the Market Changed, So Did We



**“ 25% year-on-year increase in profit after tax with improving our net margin from 14% to 19%, a reflection of the quality of our execution and the resilience of our business model. ”**

**Dear Stakeholders,**

FY25 was a defining year for us, not because it followed a predictable growth curve, but because it tested our ability to adapt and stay the course when the ground shifted beneath our feet.

The year brought with it a distinct shift in market behavior, largely triggered by structural changes introduced by SEBI in the derivatives segment. Changes, including restrictions on weekly expiries, tweaks to lot sizes, and true-to-label circular, directly impacted trading volumes, particularly in the F&O space, and reshaped retail participation patterns across the industry. While these developments created short-term headwinds, we view them as essential and well-intentioned interventions that aim to build a more stable and transparent market for the long term.

At 5paisa, we navigated this disruption with clarity and composure. Rather than overreact, we leaned into our core strengths, product, platform, and operational efficiency. We re-evaluated our cost structures, refined

our customer acquisition funnel, and recalibrated growth levers in line with this evolving landscape. And despite a contraction in exchange volumes industry-wide, I am pleased to share that we delivered a 25% year-on-year increase in profit after tax with improving our net margin from 14% to 19%, a reflection of the quality of our execution and the resilience of our business model.

Our annual revenue stood at ₹360 crore, a 9% decline from last year, driven largely by a dip in exchange turnover and pressure on allied income streams. But under the hood, we became leaner, smarter, and more deliberate. Our cost-to-income ratio improved from 82% to 75%, and our net worth rose by 12% to ₹603 crore, metrics that matter more when topline volatility is industry-wide.

What helped us stay grounded through this cycle was our conscious shift in acquisition strategy. Rather than pursuing volume-centric growth, we prioritized acquiring high-quality customers with stronger lifetime value. Our registered customer base grew to over 4.83 million, with



0.60 million new additions during the year. While this number is lower than last year's 0.74 million, it is exactly in line with our intent to prioritize user cohorts that deliver higher first-year revenues and shorter CAC payback periods. We believe this measured approach strengthens our foundation for long-term value creation.

Our average daily turnover (ADTO) came in at ₹3.1 trillion, slightly lower than last year's ₹3.5 trillion but still among the most stable in the discount broking segment, given the macro and regulatory environment. We also maintained steady performance in our Margin Trading Facility (MTF) book, which averaged ₹260 crore, and grew our mutual fund AUM to ₹1,392 crore, a 9% increase over last year. These figures reinforce our belief that long-term investors continue to stay active on our platform, even when speculative volumes dip.

Technology remains the core of our identity. This year, we undertook a full-stack upgrade of our mobile application, migrating to a new Flutter-based architecture that offers a smoother, faster, and more intuitive experience. On the trader-focused side, we rolled out significant enhancements to our FnO 360 platform, adding advanced features such as open interest analytics, bulk order execution, and ready-to-deploy options strategies. We also expanded our developer ecosystem through Xstream, our API-led platform that now enables traders to build their own custom algos, with improved key and credential management. These efforts are not about chasing trends; they're about deepening capability and future readiness.

But product excellence alone isn't enough. What matters just as much is how our customers experience it. In FY25, we continued to invest in experience design and service responsiveness. Our Customer Satisfaction Score (CSAT) improved to 93%, and our resolution time for common queries reduced further with automation across first-line support channels. These are subtle yet powerful indicators that we're not just building tools, we are building trust.

A key part of our success this year was our focus on improving monetization across cohorts. By cross-selling mutual funds, activating high-retention SIPs, and upselling MTF products where relevant, we were able to optimize revenue per active user. Additionally, our internal analytics engines helped us track user engagement patterns and build personalized journeys that increase activation, retention, and revenue contribution across life stages.

As a SEBI-recognized Qualified Stock Broker (QSB), we continue to hold ourselves to the highest standards of compliance, data security, and operational transparency. During FY25, we remained fully compliant with all regulatory reporting, and took

proactive steps to align with evolving expectations – particularly around segregation of client funds and exposure monitoring.

Looking forward to FY26, we are clear-eyed about the opportunity and the road ahead. While industry-level turnover may take a few more quarters to stabilize, the fundamentals remain unchanged: India is still vastly underpenetrated in capital markets, retail investing continues to gain ground in Tier 2 and 3 cities, and demand for intuitive, low-cost digital platforms is rising. These tailwinds – combined with the long-term impact of better-regulated markets – put us in a strong position to build.

Our focus for FY26 will be on four key areas:

- **Enhancing platform performance** across mobile and web for a seamless user experience
- **Deepening engagement with long-term investors** via SIPs, advisory, and mutual fund products
- **Monetizing advanced trader cohorts** through premium tools, features, and APIs
- **Expanding our partner and developer ecosystem** to drive innovation and distribution

We will continue to optimize our cost base, drive smarter customer acquisition, and invest in tech that differentiates, not duplicates.

In closing, I want to thank our employees for their incredible resolve and hard work during what was undoubtedly a challenging but defining year. I also want to extend my gratitude to our customers, investors, regulators, and partners for their continued trust. Your support motivates us to do better, think sharper, and stay accountable to the purpose we serve.

FY25 reminded us that progress is rarely linear. But with the right focus, right teams, and right intent, it is always possible.

Warm regards,

**Gaurav Seth**  
Managing Director & CEO



### 5paisa at a glance

# India's Digital Gateway to Investing/Driving Digital Investing for a New India.

Founded in 2016, **5paisa Capital Limited** has emerged as one of India's leading digital financial services platforms. We offer a comprehensive suite of investment and advisory solutions tailored for **retail investors, active traders, and digital-first users** seeking a simple, cost-effective, and intuitive experience.

Registered with SEBI as a stockbroker, **depository participant, and research analyst**, and recognized by AMFI as a mutual fund distributor, we operate entirely through a **technology-led model**, with a sharp focus on innovation, automation, and customer centricity.

Our platform supports seamless trading across NSE, BSE, and MCX, and offers access to a broad array of financial products – from equity, commodities, and currencies to mutual funds, US stocks, loans against securities, screeners, algo trading, and wealth management tools.

Designed with a **Do-It-Yourself (DIY)** philosophy, 5paisa is purpose-built to cater to India's digital generation. We are proud to serve a rapidly growing customer base through our **multi-platform ecosystem** that includes **mobile apps, web, and APIs**, backed by a robust backend, deep analytics, and a customer-first mindset.

At 5paisa, we don't just build products. We build possibilities for millions of Indians to take control of their wealth-creation journeys



## Mission

To uncomplicate investments and make them a breeze for you.



## Values

We want to empower each and every investor in India in their wealth creation journey by offering a product that's simple, fast and affordable. At 5paisa, we believe in honest pricing, zero hidden fees.





## By the Numbers

**4.83 Mn+**  
Registered Clients

**21.7 Mn+**  
App Users

**25 Mn+**  
Strategic Fintech  
Partnerships

**500+**  
Employees

**86%**  
Clients under  
35 years of age

## Our Top Partnership



## Product Portfolio

# Delivering Smarter Investing for Every Kind of Trader

At 5paisa, our product ecosystem continues to evolve in sync with the changing needs of modern-day investors. FY25 marked a year of **platform enhancement**, where we not only reinforced our core offerings but also introduced several **smart, tech-driven upgrades** aimed at high-frequency traders, DIY investors, and long-term wealth builders. From **AI-powered tools and research-led trading** modules to a deeply integrated app ecosystem, our product suite is designed to empower investors across categories, **retail, high-volume, and algorithmic traders**, with simplicity, speed, and control.



## Key Offerings (FY25)

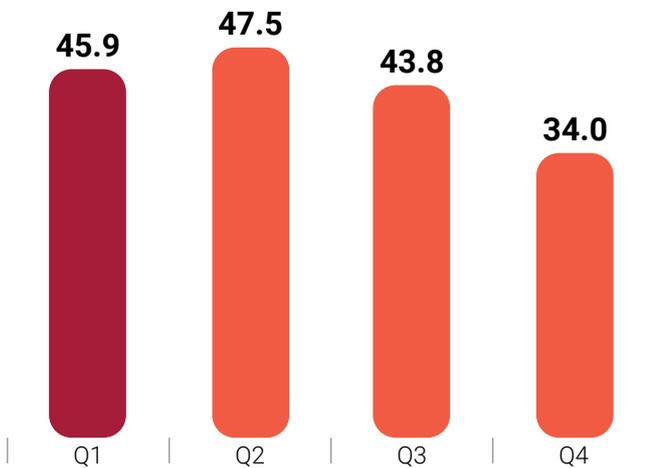
 <p>Stock Broking</p>	 <p>Algo Trading</p>	 <p>Smart Trading Tools:</p> <ul style="list-style-type: none"> <li>- <b>IntraEdge:</b> AI-powered intraday stock baskets (new)</li> <li>- <b>FnO 360:</b> Enhanced options trading platform with real-time analytics</li> <li>- <b>QTV:</b> Live expert-led sessions integrated with instant trading (new)</li> <li>- <b>Trade from Charts:</b> Visual trading experience directly on charts</li> <li>- <b>Predefined Strategies &amp; Straddle Builders</b></li> <li>- <b>Xstream API:</b> Advanced trading API suite</li> </ul>
 <p>Stock SIP &amp; ENACH Autopay (new automation introduced)</p>	 <p>Learning Platform &amp; Community</p>	
 <p>IPO Access</p>	 <p>Wealth Management</p>	
 <p>Commodities &amp; Currencies</p>	 <p>US Stocks</p>	
 <p>Mutual Funds (Direct), SIPs, Robo-Advisory</p>	 <p>Screeners &amp; Portfolio Analyzer</p>	

## Value Proposition for Key Customer Archetypes (FY25)

ARCHETYPE	DESCRIPTION AND KEY NEEDS	OUR VALUE PROPOSITION FOR THEM
<b>Retail Customers</b>	Individual investors, typically investing in cash markets or SIPs. Require an easy interface, smart research tools, and guided experiences.	A trusted platform offering clean UI/UX, zero hidden charges, intuitive onboarding, SIP automation via UPI/ENACH, and basic coaching through the learning platform.
<b>High Volume Traders</b>	Active traders, executing frequent transactions, often in F&O segments. Need platform stability, faster execution, and access to strategy tools.	A robust and dependable trading platform featuring real-time analytics (FnO 360), low latency, trade-from-charts feature, smart straddle tools, and reliable order execution infrastructure.
<b>Algo Traders</b>	Quant traders using automated strategies via APIs and high-speed infrastructure. Need scalability, throughput, and minimal downtime.	High-performance API ecosystem (Xstream), custom API kits, real-time execution, tech reliability, and seamless partner integrations.

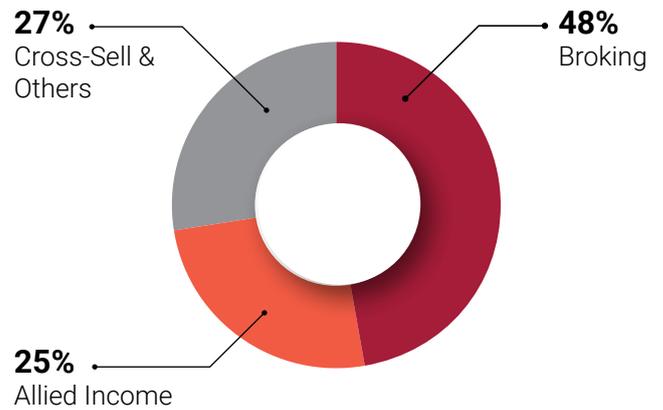
## Quarterly Brokerage (FY25)

(₹ in Crore)



Note: Q4 witnessed a 22% QoQ decline due to SEBI derivative reforms.

## % of Revenue Mix (FY25)



## Technology Advancements

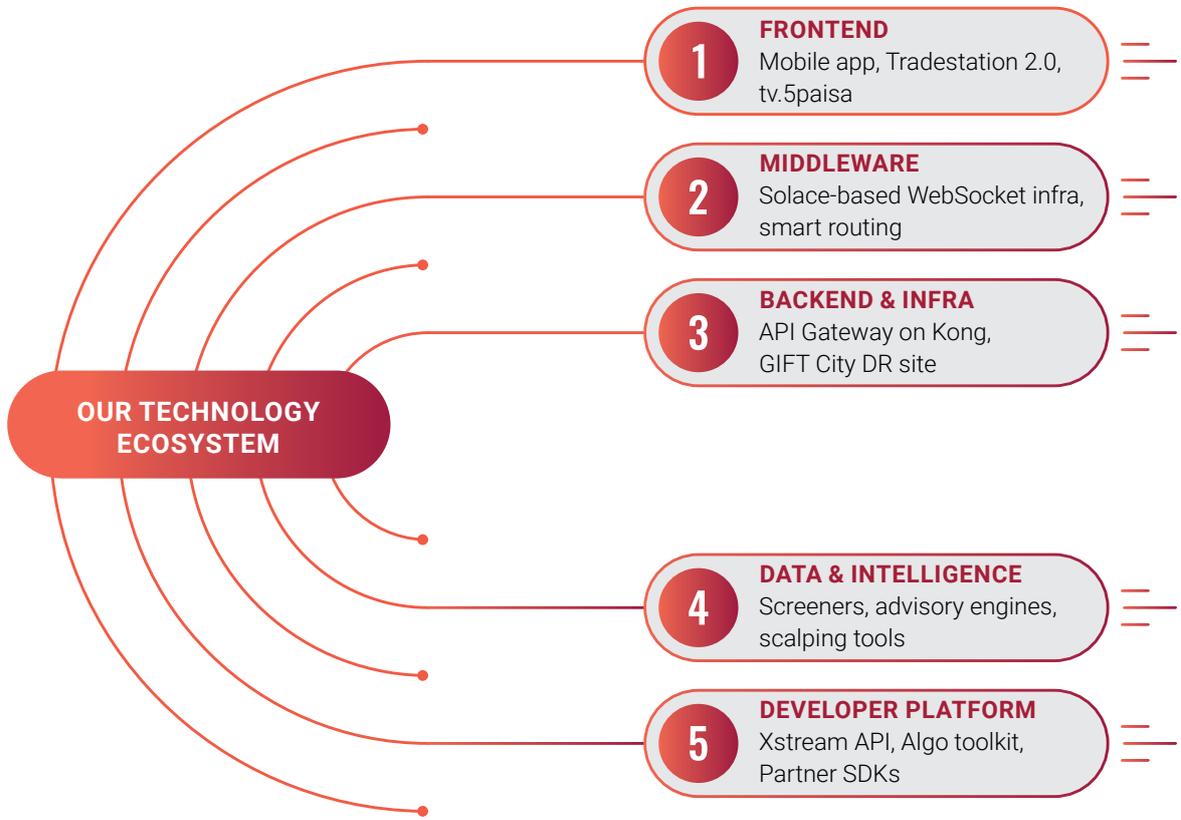
# Our System that Thinks Ahead

At 5paisa, technology is more than a support function. It is our foundation, growth engine, and competitive edge. As a digital-first trading-tech platform, we continued to invest in scalable architecture, high-performing systems, and customer-facing innovations. It was a year of focused transformation, balancing speed, simplicity, and structural resilience across our stack.

### HIGHLIGHTS OF FY25

- Migrated mobile app to Flutter for consistent cross-platform experience
- Established a Disaster Recovery site at GIFT City, now live with load-sharing
- Rewrote key platform logic to enhance performance & load handling
- Revamped tech across mobile, web, and API layers
- Order latency optimized to ~15ms, enhancing trading responsiveness
- 37% of total workforce in Tech & Product teams

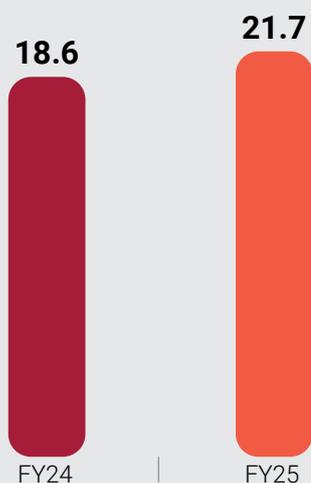




## Digital Drive

### APPS INSTALLED (In Mn)

16.67% ↑



### APPS RATING

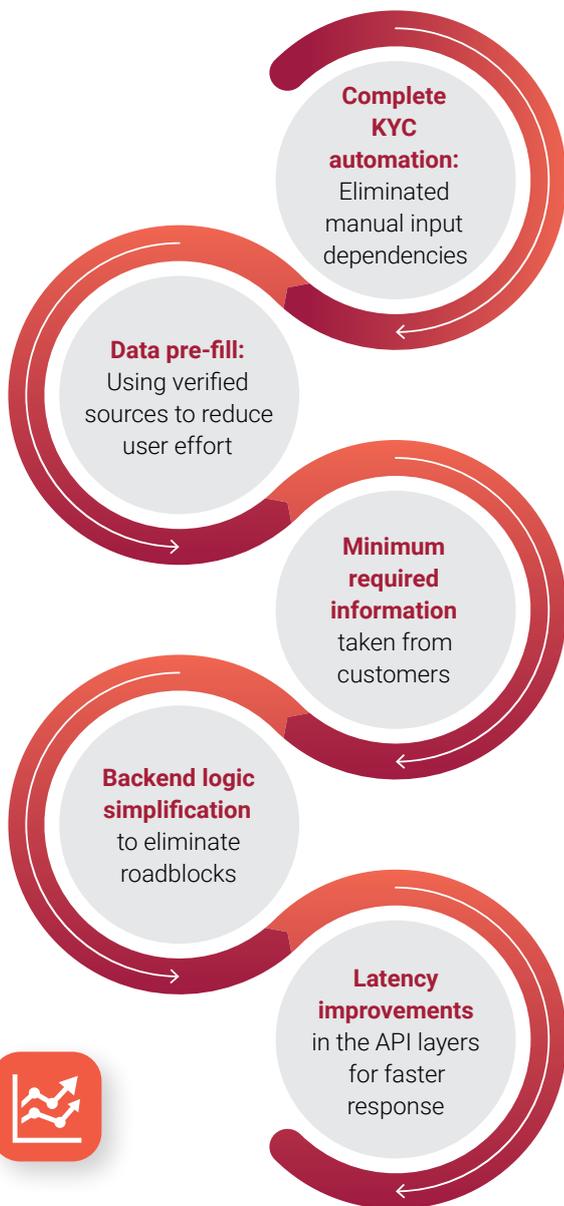
STABLE ↑



## Simplifying Onboarding with Automation

Our onboarding journey has been redesigned to be fast, frictionless, and completely digital. Moving away from assisted setups, we empowered users to open accounts entirely via DIY journeys – helping raise DIY onboarding completion within the year.

### KEY INITIATIVES



### TECH PARTNERSHIPS THAT STREAMLINED ONBOARDING

FEATURE	DESCRIPTION
<b>Reverse Penny Drop</b>	No manual IFSC or account entry needed
<b>Digital eSign (Dual backup)</b>	100% uptime, multi-vendor fallback
<b>Direct bank fetch</b>	Automated statement fetch to replace uploads
<b>Prefill of user details</b>	Reduces drop-offs due to input fatigue
<b>UPI Autopay for SIPs</b>	Simplified SIP setup for equities and MFs

This onboarding architecture helped boost our customer funnel, reduce turnaround time, and improve onboarding NPS significantly.



## Reimagining the App Experience

Our mobile app underwent a foundational overhaul with the migration to **Flutter**, creating a unified, scalable experience across Android and iOS. We redesigned the experience around simplicity, speed, and actionability.

### MAJOR ENHANCEMENTS

#### Revamped Dashboard:

Quick access to EQ, MF, IPO, ETF, NFO, etc.

#### Enhanced Markets Section:

Real-time FII/DII data, sector performance, 52W high/low, gainers/losers

#### Ticker Improvements:

6 indices now available (up from 2), with inline intraday trend charts

#### Customizable Watchlists:

3 layouts + heatmap view, smoother LTP animations

#### Mini Company Page View:

Snapshot of OHLC, market depth, option chain with instant order window

### UX PHILOSOPHY

- Built using our **in-house Design System**: Consistent spacing, color rhythm, and flow
- Designed for both beginner investors and high-frequency traders
- Optimized for speed: lighter load, fewer clicks, zero clutter

This intuitive design philosophy has now been implemented across all our digital platforms.



## FnO 360 – Built for the Serious Trader

Our FnO 360 platform was enhanced to support serious, high-frequency, and strategy-based traders with best-in-class tools and real-time analytics.

### KEY FEATURES ROLLED OUT

#### 16+ Option Greeks:

Real-time values, fully customizable display.

#### Basket Advisory:

Advisory strategy for entire baskets based on market insights

#### Strategy Charts:

Visualize the strategy payoff and market movements dynamically

#### Sticky Order Forms & Pop-out Tabs:

Enables use across multiple monitors

#### WebSocket upgrade using Solace:

Faster position/order updates

#### Complete Option Chain Rewrite:

Optimized for low latency + scalability

### NEW DERIVATIVES TOOLS

TOOL	FUNCTION
Smart Strategy Execution	Entry/Exit based on strategy-wide stop-loss/targets
Scalping Toolkit	Rapid execution logic for micro-movements
Bulk Orders	Place/modify multiple scrips with one click
Straddle Chain View	Convert entire chain into 1-click straddles

Together, these tools have helped our platform evolve into a serious workspace for full-time derivatives traders.



## Advanced Tools that Power Smarter Decisions

We continued to build intelligent, modular tools that amplify customer decision-making and boost engagement across key touchpoints.

### KEY TOOLS INTRODUCED/UPGRADED

#### IntraEdge:

AI/ML-based intraday idea generation engine

#### Strategy Builder:

Create multi-leg strategies, see payoff, place orders with margin logic

#### Derivatives Screeners:

OI gainers/losers, short covering, long unwinding, intraday buildup

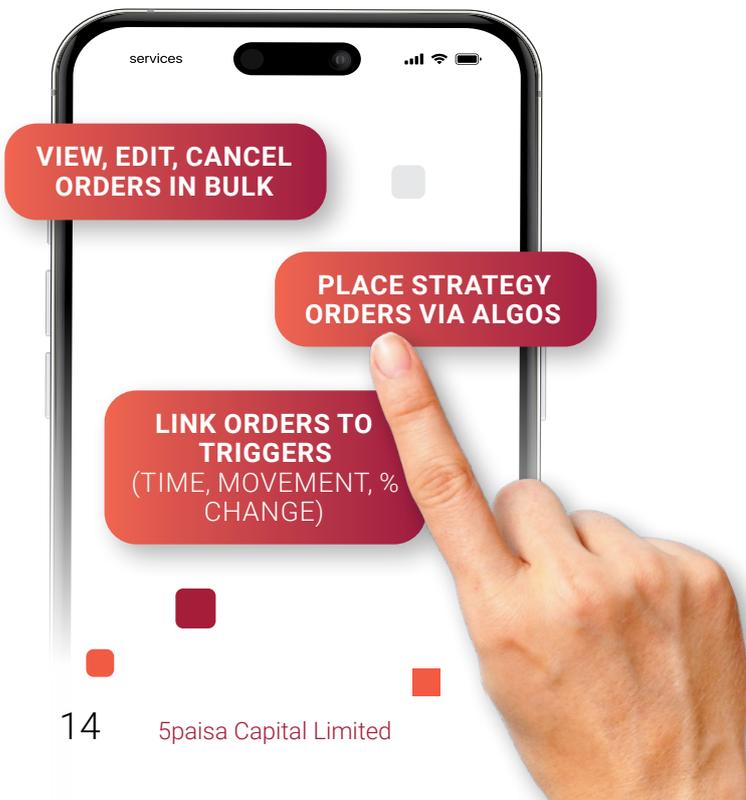
#### Bulk Order + Smart Orders:

Combine bulk placement with defined triggers

#### Option Chain Enhancements:

Improved visualization, real-time sync, and quick trade buttons

### ONE CLICK. MANY POSSIBILITIES.



## The Rise of Xstream – For Developers and Institutions

FY25 was a milestone year for our API platform. With a new name, simplified documentation, and deeper tooling, **Xstream API** now serves a growing base of retail algo users, institutional clients, and fintech partners.

### KEY ENHANCEMENTS TO DEVELOPER STACK

CAPABILITY	WHAT'S NEW
Branding	From Developer API → Xstream API
Homepage	Clear pricing, docs, features
API Dashboard	Credential visibility and management
Publisher JS	Embed 5paisa buttons on third-party sites
TradingView Webhook	Simplified SIP setup for equities and MFs
Curated Kits	Faster partner onboarding

### INFRA & PERFORMANCE

- API Gateway migrated to Kong
- Centralized log writing for all APIs
- NET (C#) and NodeJS libraries revamped
- Partnered with **MarketMaya, InstaOptions, Disclosure360, FoxTrader**, and more
- **Load separation:** Order placement and retrieval now handled by distinct nodes
- DR infra at **GIFT City** to distribute compute and improve regional uptime

We are committed to creating a trading ecosystem where both DIY investors and institutional algo traders can thrive with precision, scale, and reliability.

## The Way Forward

Looking ahead, we are expanding our tech vision across three key vectors, predictive insights, personalization, and proactive automation. With experimentation in AI-led advisory, ML-driven trade screeners, and event-driven algos, we aim to make investing smarter, safer, and more scalable for every Indian investor.

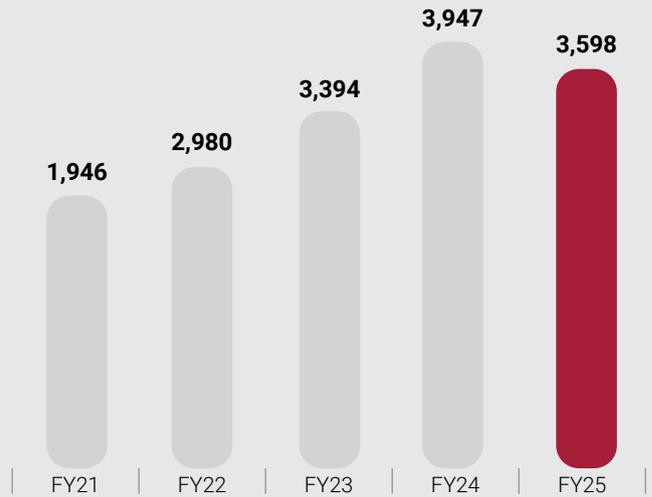
**Key Performance Indicators**

# Sustaining Momentum to Scale Impact

FY25 marks yet another year of resilient performance for 5paisa, underscored by consistent growth in customer engagement, platform usage, and overall operational scale. 5 years the company has steadily expanded its digital footprint, adding high-quality clients, deepening investor participation, and strengthening its value-driven ecosystem. The surge in demat accounts, active traders, and derivative turnover reflects strong investor confidence and adoption of digital investing. Alongside financial metrics, operational and digital indicators, including social media reach and engagement – further reinforce 5paisa’s positioning as a leading digital-first wealth platform. The company’s high lifetime value cohorts, efficient payback cycles, and expanding reach across Tier 2 and 3 markets continue to anchor long-term profitability.

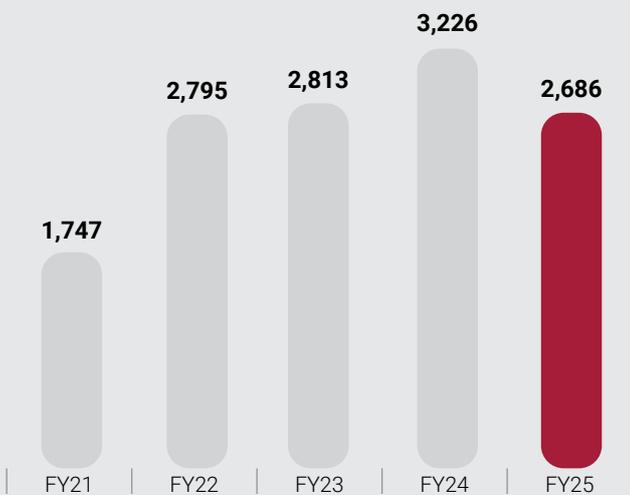
## Financial Performance

### TOTAL INCOME (₹ Mn)



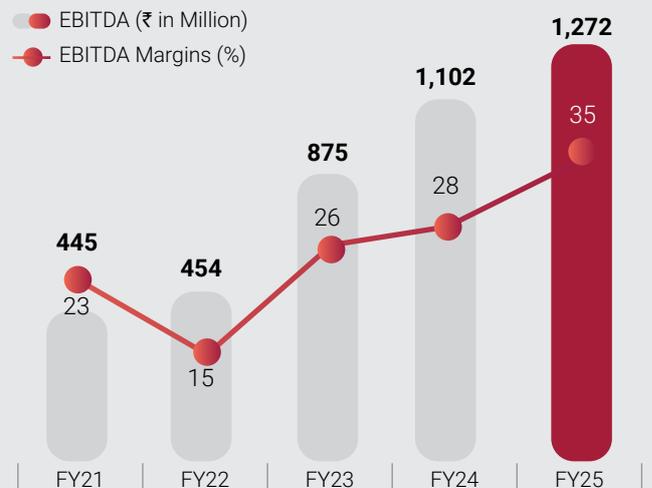
**5-YEAR CAGR 27% | Y-O-Y (9%)**

### TOTAL COST (₹ Mn)



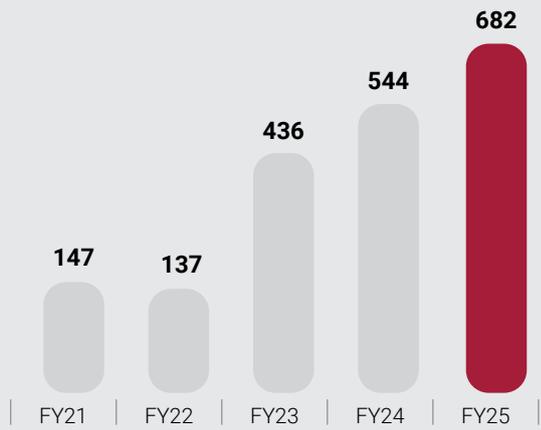
**5-YEAR CAGR 18% | Y-O-Y (17%)**

### EBITDA (₹ Mn)



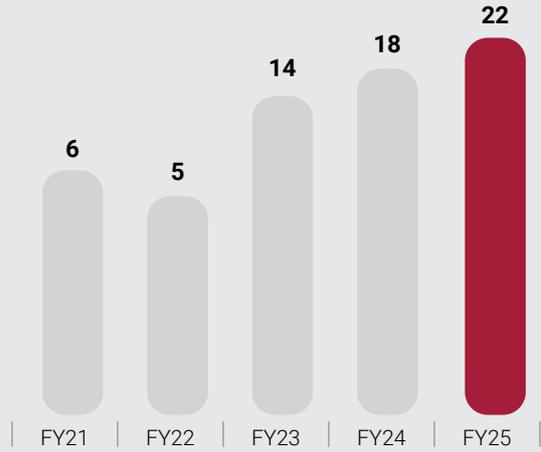
**5-YEAR CAGR 69% | Y-O-Y 15%**

**PAT (₹ Mn)**



↑ Y-O-Y 25%

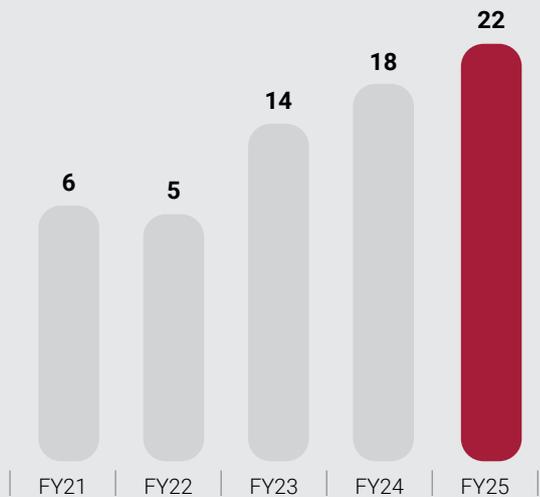
**EPS (₹)\***



↑ Y-O-Y 24%

\*EPS: Earnings Per Share

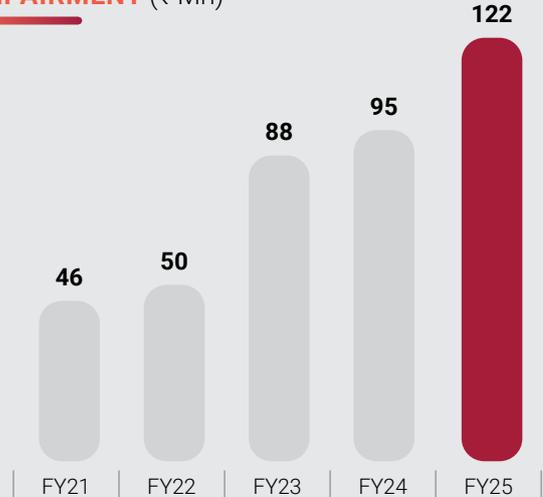
**EPS DILUTED (₹)\*\***



↑ Y-O-Y 31%

\*\* EPS: Earnings Per Share

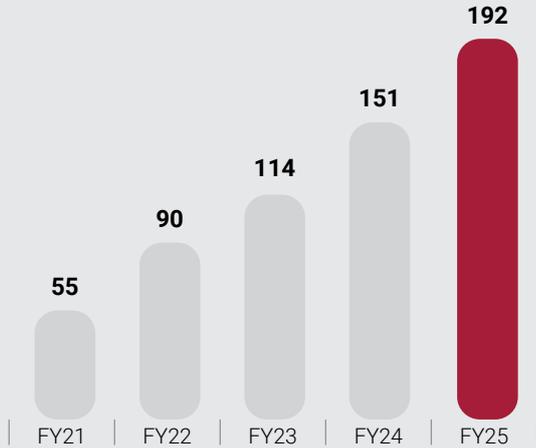
**DEPRECIATION, AMORTIZATION AND IMPAIRMENT (₹ Mn)**



↑ Y-O-Y 28%

## Operational

### DEMAT ACCOUNTS BASE (No. in Mn)

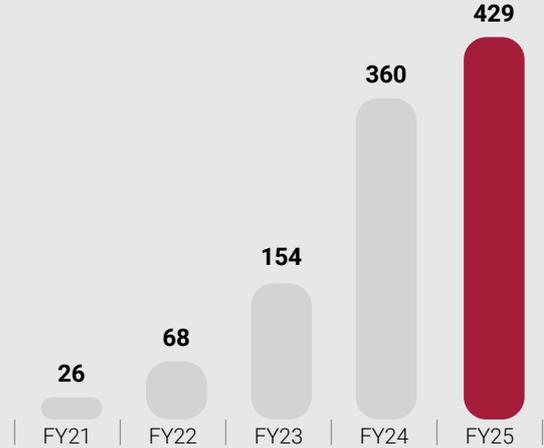


**5-YEAR**  
CAGR 35% | Y-O-Y 27%

#### Summary

- 41 Mn demat accounts opened in FY25 (27% increase YoY)
- Rise in digitization, investor awareness, improved market access, and its relative performance has driven increased market participation

### DERIVATIVE ADTO - NOTIONAL (₹ in Tr)

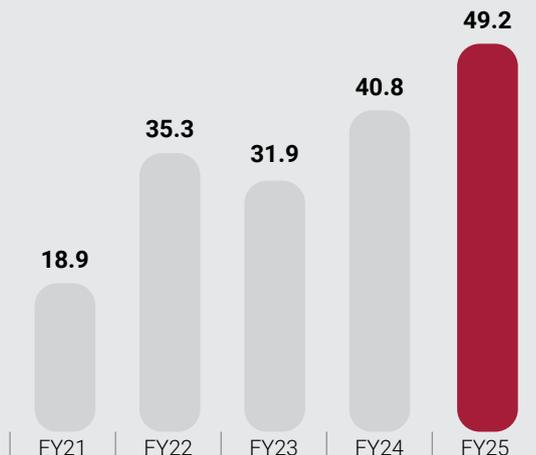


**5-YEAR**  
CAGR 98% | Y-O-Y 19%

#### Summary

- Derivative Average Daily Turnover (ADTO) has seen an exponential rise at 98% CAGR over the last 5 years
- Growth is driven by new participants, products and algorithmic trading

### ACTIVE CLIENTS (Mn)

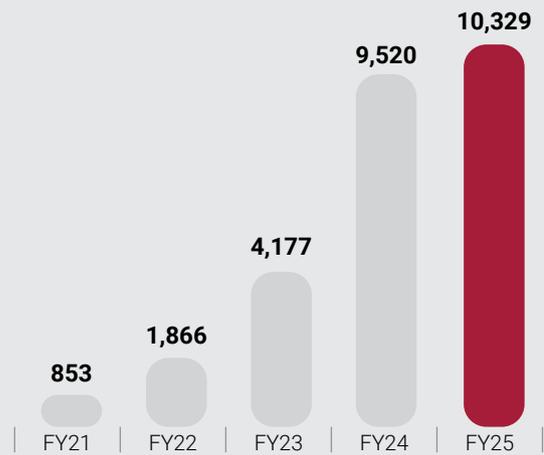


**5-YEAR**  
CAGR 36% | Y-O-Y 21%

#### Summary

- Number of NSE Active clients has seen a 4.6X growth in the past 5 years
- After a slight dip in FY23, active NSE clients has surged to 49.2 million in Mar'25, highlighting sustained investor engagement and momentum

### GROWTH IN DERIVATIVE CONTRACTS (In Cr)



**5-YEAR**  
CAGR 79% | Y-O-Y 9%

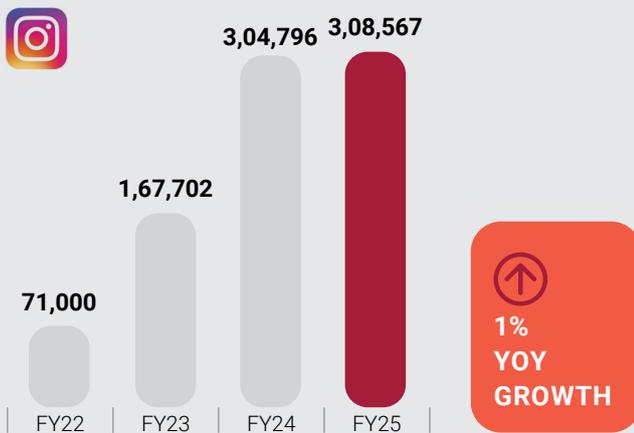
## Expanding Our Digital Footprint

At 5paisa Capital, we continue to amplify our digital presence by harnessing the power of social media and content-driven engagement. Our online platforms serve as vibrant touchpoints, where we share market insights, product explainers, educational content, and client stories. This rich, diverse communication strategy helps build trust, drive traffic, and deepen investor engagement.

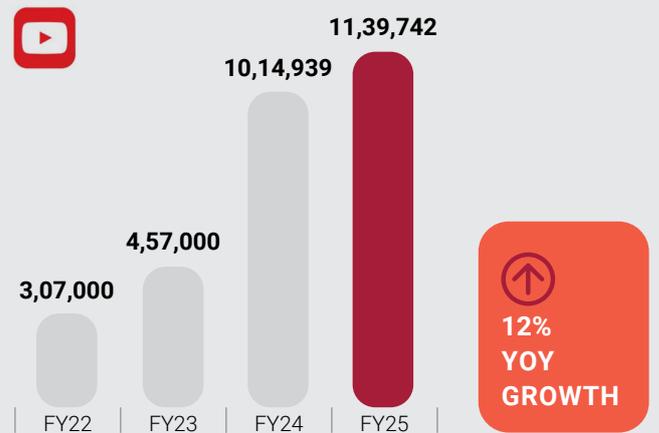
From Instagram and YouTube to LinkedIn and Telegram, our presence spans across multiple digital ecosystems. With consistent content performance and audience expansion, we are now seeing steady growth in reach and interactions. This momentum is reinforced by data-backed content decisions and an agile digital marketing engine that optimizes brand storytelling across platforms.



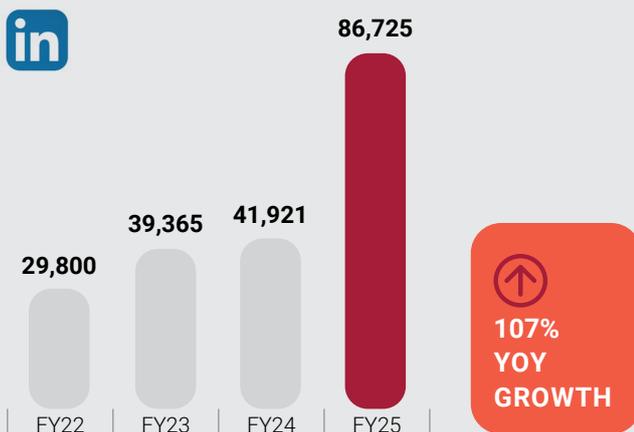
### Instagram



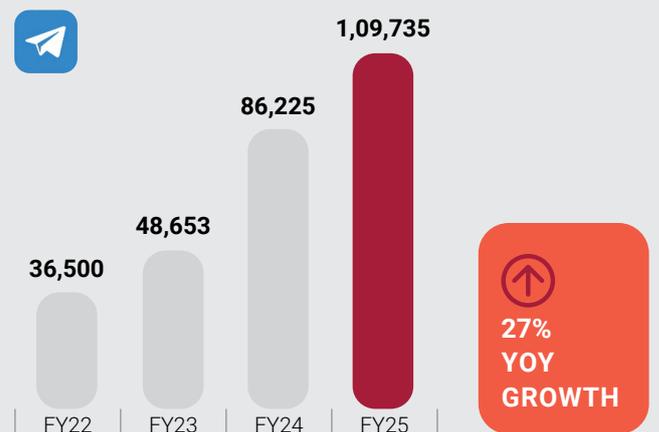
### YouTube



### LinkedIn

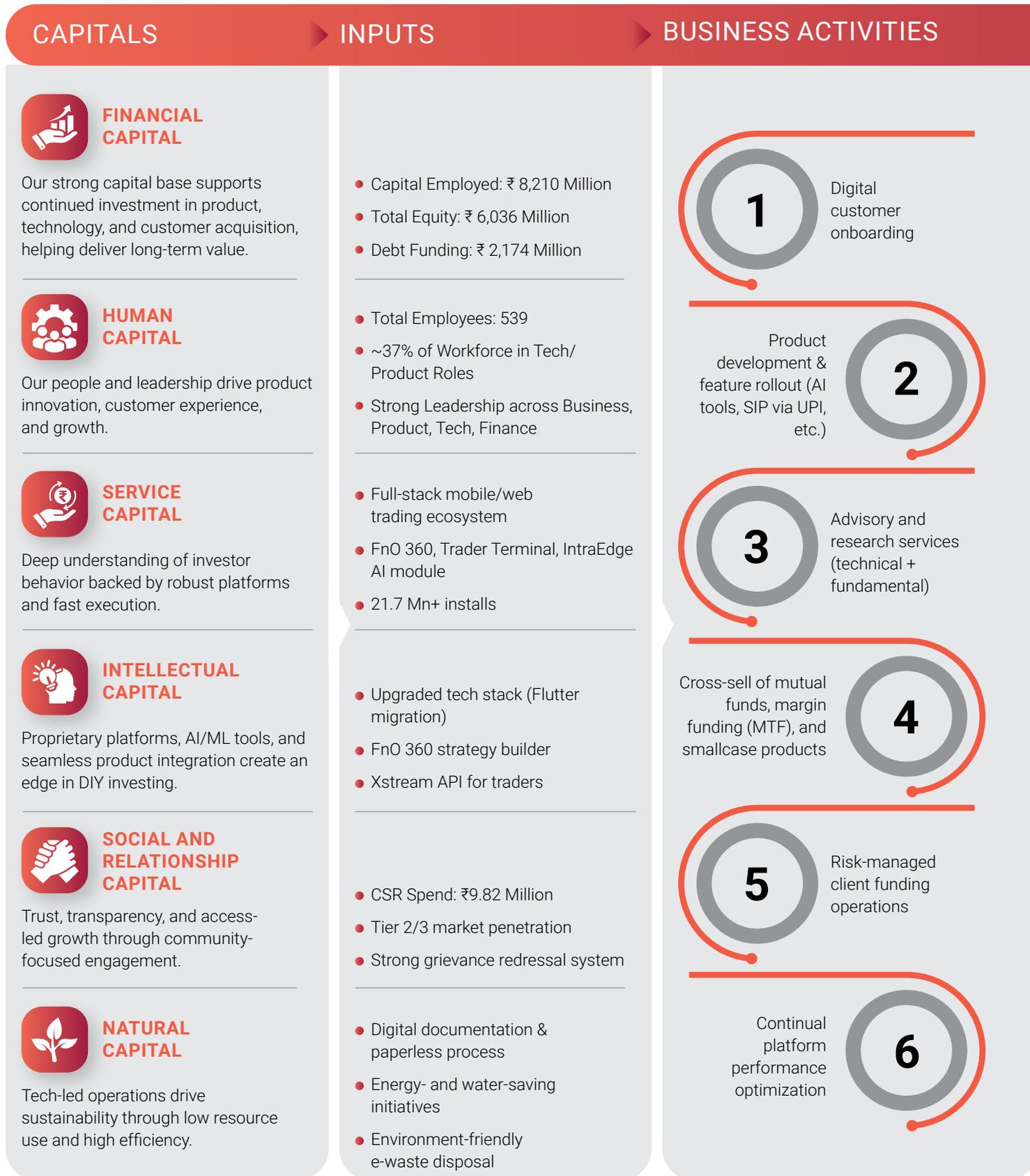


### Telegram



## Value Creation Model

# What We Build, Whom We Impact



## OUTCOMES

### FINANCIAL CAPITAL

- Revenue from Operations: ₹ 3,598 Million (↓9% YoY)
- ROE: 11.9%
- PAT: ₹ 682 Million (↑25% YoY)
- EPS (Basic): ₹ 21.86

### HUMAN

- Employee Training: 2 Hours
- Continued investment in digital and AI talent
- Enhanced employee productivity and agility

### SERVICE

- Avg. Daily Time on App: 22 minutes
- MTF Book: ₹260 Cr (↓11% YoY)
- STP Acquisitions: 86%

### INTELLECTUAL

- App rating: 4.3
- MF AUM ₹1,392 (up by 48%)

### SRC

- 5.97 lakh new customers onboarded in FY25
- 100% grievances resolved
- High NPS and improved customer sentiment

### NATURAL

- Digital documentation & paperless process
- Energy- and water-saving initiatives
- Environment-friendly e-waste disposal

## OUTPUTS

- 100% Profitable in FY25
- Cost-to-Income Ratio improved from 82% to 75%
- Net Profit Margin: 19%

- CSAT score improved to 93%
- Fast-track service resolution and first-time query handling
- Strong retention in volatile year

- 21.7 Mn+ app downloads
- New features: QTV, IntraEdge, Chart-based Trading
- Latency reduction

- Fully digital, stable ecosystem
- Robo advisory, stock SIPs, MF SIP via UPI Autopay
- AI-led product enhancements

- 100% Paperless client activation
- DIY investing supported through self-serve journeys

- Continued promotion of digital-first savings behavior
- Trees plantation & Save Water employee campaigns

## STAKEHOLDERS IMPACTED

- Investors
- Customers
- Employees
- Government/Regulatory Bodies

- Employees

- Customer
- Employees

- Customers

- Customers
- Employees
- Regulators
- Communities

- Communities

## Operating Environment

# Changing the Way India Trades

India's financial services landscape is undergoing a generational shift. A young, digital-first population is stepping into capital markets with greater confidence, intent, and independence than ever before. From app-based investing and F&O trading to mutual funds and algorithmic strategies, retail participation is expanding in depth and breadth.

Against this backdrop, 5paisa stands out as a future-ready, tech-led platform uniquely positioned to meet the evolving needs of this new-age investor. FY25 saw us deepen our capabilities, enhance user experiences, and strengthen our platform resilience — all while navigating regulatory changes and shifting market dynamics.



## Industry Potential & Our Response

### INDIA'S DEMOGRAPHIC DIVIDEND: A GROWING BASE OF YOUNG, DIGITAL-FIRST INVESTORS

India continues to enjoy a demographic advantage, with one of the youngest and fastest-growing working populations in the world. As millions of individuals enter the workforce each year, they bring with them a new mindset – digitally native, financially aspirational, and increasingly inclined towards self-directed investing. This shift is driving a structural transformation in the country's financial ecosystem, creating fertile ground for digital-first platforms like 5paisa to unlock long-term value.



**400** million

Indians are expected to join the middle and affluent class by 2029, accelerating digital consumption and reshaping the country's investing behavior.

### Our Response

Over 86% of our new client base is under 35 years of age. Our DIY-first model, mobile-centric interfaces, and gamified journeys cater directly to this generation's expectations from a modern investing platform.



### SURGING DIGITAL ADOPTION AND APP-FIRST BEHAVIOR

India's digital evolution continues to deepen, with mobile-first platforms driving the next wave of financial inclusion. As per the report, **India saw 185.8 billion digital payment transactions in FY25**, with this momentum extending into FY25 – powered by UPI, Aadhaar, and deep fintech penetration. App-based investing and mobile-led transactions have become the norm, especially across Tier 1 and Tier 2 cities, reflecting a profound behavioral shift toward convenience and immediacy in personal finance.

Over **185.8** billion Digital transactions recorded in India in FY25, positioning it among the most app-driven financial ecosystems globally.

#### Our Response

We migrated our mobile app stack to Flutter to unify Android and iOS experiences and improve performance. New features like advanced market dashboards, mini scrip views, and real-time watchlists were rolled out to enhance the mobile user experience.

### EVOLVING CAPITAL MARKET PARTICIPATION

Despite a moderation in F&O activity in Q4FY25, India's retail participation continues to expand steadily. Backed by regulatory reforms and growing financial awareness, more investors are entering capital markets through systematic, long-term products. SEBI's focus on responsible trading behavior is expected to further strengthen investor confidence and promote healthier market participation – opening space for platforms like 5paisa that prioritize product suitability, education, and risk-managed innovation.

Over **19.2** crore Demat accounts were active as of late FY25 – growing ~27% YoY

₹ **27,269** crore SIP inflows in June 2025 – a new monthly record

<Sources: AMFI, CDSL, NSDL, Moneycontrol, Times of India, Reuters>

#### Our Response

We continued enhancing our derivatives platform – FnO 360 – with tools like real-time Greeks, basket strategies, straddle views, and advanced screeners. We also introduced Smart Strategies to automate trade execution based on predefined logic.



### GROWTH IN MUTUAL FUNDS AND SIPs

India's mutual fund industry crossed the **₹65 lakh crore AUM** mark in FY25, with retail-driven SIPs playing a pivotal role. As of **March 2025**, there were approximately **₹8.11 crore active SIP accounts**, up from 6.38 crore in April 2024, collectively contributing a robust **₹2.89 lakh crore** in annual inflows – up from ₹1.99 lakh crore in FY24 – reinforcing the shift toward long-term, disciplined investing.

#### SIP Retention is rising too:

**33%**  
of regular-plan and  
**19%**  
of direct-plan SIP

Assets are now held for 5+ years (versus 12% and 4% respectively, five years ago)

Source: EY-IVCA Report: Powering India's \$5 Trillion Economy by Fostering Innovations (2024)

#### Our Response

5paisa's MF AUM rose to ₹1,392 crore in FY25. We made mutual fund investing simpler with features like SIP via UPI, AI-powered IntraEdge tools for recommendation, and improved onboarding for first-time MF users.

### RISE OF DIY, ROBO & ALGO INVESTING

Indian investors are showing increased interest in automated strategies, API-led execution, and chart-based trading, especially in the derivatives and equity trading space.

#### Our Response

We rebranded our Developer API suite as **Xstream API**, revamped documentation and onboarded new fintech partners like MarketMaya, Disclosure 360, and FoxTrader. Our TV. 5paisa platform enabled advanced charting with direct execution.





## Our Investment Case

### ROBUST TECHNOLOGY FOUNDATION

5paisa's operations are powered by a modern tech stack designed for resilience, scale, and speed. In FY25, we enhanced our DR setup via GIFT City and optimized backend systems for latency, execution speed, and platform stability.

#### Why It Matters

Every aspect of customer interaction, onboarding, trading, investing, support, runs on this platform backbone. Continuous infra improvement directly enhances investor satisfaction, reduces friction, and improves order throughput.

### SCALABLE DIGITAL ONBOARDING ENGINE

We significantly improved the customer acquisition funnel by redesigning DIY onboarding journeys, automating KYC processes, and reducing dependency on assisted flows.

#### Why It Matters

As regulations tighten and CAC rises, a frictionless onboarding engine ensures cost efficiency and scale while enabling fast, compliant customer growth.

### CUSTOMER FIRST MOBILE EXPERIENCE

From UI/UX overhauls to feature-rich dashboards, our mobile revamp in FY25 addressed both trader and investor personas. Key app improvements included real-time indices, customizable watchlists, heatmap views, and OHLC snapshots.

#### Why It Matters

More than 80% of our users interact via mobile. Delivering a fluid, fast, and intelligent experience drives retention, order volume, and brand loyalty.

### STRONG TRACTION IN MUTUAL FUNDS

Despite broader volatility, 5paisa's MF AUM crossed ₹1,392 crore, supported by organic customer acquisition and deeper cross-sell strategies.

#### Why It Matters

Recurring income from SIPs and fund flows reduces business cyclicity. MF adoption reflects platform trust and growing long-term investing behavior among our user base.

### SMART TOOLS FOR SMART INVESTORS

We launched IntraEdge for real-time AI-based insights, Strategy Builder for structured option trading, and tools like Bulk Orders and Smart Strategies to help pro traders automate and optimize their strategies.

#### Why It Matters

These tools improve user stickiness, enable higher ADTO, and differentiate us in a crowded, cost-sensitive brokerage space.

### EXPANDING PARTNER ECOSYSTEM

Our Xstream APIs powered integrations with algorithmic traders, fintechs, and partner platforms. PublisherJS, TradingView webhooks, and .NET/NodeJS libraries expanded our reach across developer and enterprise ecosystems.

#### Why It Matters

B2B2C and institutional use-cases provide a long-tail growth vector and build 5paisa's presence in high-volume, low-CAC channels.

### STRONG CUSTOMER BASE AND BALANCE SHEET

₹ **48.3** Lac  
total customers

₹ **260** Cr  
average funding  
book

₹ **600** Cr+  
Net Worth

₹ **360** Cr  
Revenue

#### Why It Matters

5paisa is profitable, growing, and structurally sound, combining startup agility with public company discipline.



## Strategy

# Built on the Pillars of Stability, Scalability, and Customer Centricity

Our strategy is anchored in four key pillars that shape every aspect of our business, from product development and acquisition to engagement, monetization, and ecosystem expansion. These pillars are designed to work cohesively, ensuring 5paisa remains future-ready, customer-first, and operationally efficient, while generating sustainable value for all stakeholders.



### Product Stability

We are committed to delivering a highly available, secure, and scalable system across Web, Mobile, and Developer API platforms. FY25 saw continued investment in backend optimization, code cleanup, and resilience upgrades across our trading stack. With enhanced disaster recovery systems via GIFT City and improved uptime across critical modules, we strengthened our foundation for uninterrupted user experience. Our design philosophy of simplification remains central – ensuring a smooth, stable experience under all market conditions.



### Build a Scalable Digital Funnel

We aim to build a digitally scalable funnel that enhances the end-to-end acquisition journey. During FY25, we reengineered our DIY onboarding flow, automated KYC, and reduced assisted dependency. Real-time API integrations, reduced drop-off rates, and faster onboarding contributed to customer delight. This funnel is supported by intelligent targeting, cohort curation, and platform nudges, all contributing to lower CAC and improved lifetime value.



## Cohort Curation

Our approach to cohort curation is designed to enhance user stickiness and increase monetization over time. By understanding behavioral triggers across various investor types – first-time mutual fund investors, high-frequency traders, or options users – we customize product journeys, communication cadences, and support models. FY25 saw improved cross-sell rates, gamified engagement layers, and a stronger feedback loop via AI-driven insights – leading to improved client satisfaction and conversion metrics.



## Ecosystem Development (Franchisee, API, Cross-sell)

We continued to deepen our partner-led ecosystem across B2C and B2B2C channels. The rebranded **Xstream API** suite allowed us to onboard algo-trading users, fintech partners, and enterprise clients more seamlessly. Franchise-led models and cross-sell strategies across MFs, insurance, and gold loans saw healthy traction. With tools like PublisherJS, TradingView webhooks, and curated API kits, 5paisa is evolving from a single-platform broker to a hub for multi-touchpoint financial engagement.

## Risk Management

# Ensuring Resilience Across Operations

At 5paisa Capital Limited, we take a proactive and structured approach to risk identification, mitigation, and governance. As a digital-first platform in the financial services space, we operate in a dynamic environment influenced by regulatory, technological, and stakeholder expectations. Our Enterprise Risk Management framework remains robust, agile, and aligned with our strategic priorities, ensuring business continuity, customer trust, and compliance integrity.



## Data and Customer Privacy

As a digital platform handling sensitive financial data, ensuring confidentiality, integrity, and security of customer information remains a top priority.

### Mitigation Approach:

- ISO 27001:2013 certified security systems
- Multi-layered cyber defense and encryption protocols
- Regular security audits and vulnerability assessments
- Strict access controls and authentication processes
- Periodic training on data privacy best practices

### Financial Implications:

Failure to safeguard data may lead to reputational damage, legal liabilities, and financial penalties. Our robust protocols mitigate exposure to such risks.



## Responsible Marketing

Misleading or non-compliant marketing communication can lead to regulatory scrutiny and erosion of customer trust.

### Mitigation Approach:

- All external communication vetted by legal and compliance teams
- Marketing governed by SEBI & AMFI guidelines
- Clear disclaimers and risk disclosures in investment promotions
- Periodic internal checks and audits

### Financial Implications:

Non-compliance in marketing may lead to monetary penalties or suspension of services. Our checks ensure we remain compliant and customer-focused.



## Overall Enterprise Risk Management

In a volatile financial environment, holistic risk oversight is critical to managing operational, market, and compliance risks.

### Mitigation Approach:

- Enterprise Risk Management (ERM) framework reviewed annually
- Board-level oversight via Risk Management Committee
- Stress testing and scenario-based planning
- Regular risk dashboard reviews across functions

### Financial Implications:

Integrated risk oversight helps reduce losses from systemic disruptions and enhances business agility.



## Corporate Governance and Ethics

Maintaining high governance standards ensures long-term value creation and builds investor confidence.

### Mitigation Approach:

- Board with independent directors and diverse expertise
- Code of conduct, whistleblower policy, PoSH, and ethics frameworks
- Periodic governance audits and declarations of interest

### Financial Implications:

Strong governance safeguards against reputational and legal risks and improves cost of capital.



## Regulatory Compliance

Being a SEBI-registered stockbroker and mutual fund distributor, we operate under stringent regulatory norms.

### Mitigation Approach:

- Dedicated compliance team
- Real-time tracking of SEBI, NSE, BSE, AMFI circulars
- Automated reporting systems
- Internal audits and mock inspections

### Financial Implications:

Ensures license retention, operational continuity, and avoidance of regulatory penalties.



## Customer Satisfaction

Customer experience is core to retention and brand equity, especially in a competitive fintech landscape.

### Mitigation Approach:

- In-house customer service team and knowledge base
- Enhanced app interface (Flutter-based) for seamless experience
- Real-time issue resolution with first-time query handling
- Regular NPS and CSAT tracking

### Financial Implications:

Customer dissatisfaction can lead to higher churn and lost revenue. Proactive support ensures retention and LTV improvement.



## Human Resources Initiatives

A skilled, engaged, and motivated workforce is essential to drive innovation and operational excellence.

### Mitigation Approach:

- Hiring in core tech and product roles (37% of total)
- Training, upskilling, and cross-functional exposure
- Health insurance, mental wellness, and leave policies
- Diversity, equity, and inclusion practices

### Financial Implications:

Attrition and disengagement can affect delivery timelines and product performance. Strong HR practices mitigate talent risks.





## Digitalization

Technology is the backbone of our platform. System downtimes or tech failures can directly impact customers.

### Mitigation Approach:

- High availability architecture
- Disaster Recovery (DR) site at GIFT City (live with load balancing)
- Order latency optimized
- Regular upgrades of mobile/web/API layers

### Financial Implications:

Failure in tech infra may lead to lost transactions, revenue, or goodwill. Our investments minimize this impact.



## Climate Change

While our carbon footprint is minimal, environmental responsibility is part of our ESG vision.

### Mitigation Approach:

- 100% paperless onboarding
- E-waste disposal via certified vendors
- Tree plantation and Save Water campaigns
- Encouraging digital-first operations

### Financial Implications:

Contributes to long-term cost savings and aligns with sustainable investor preferences.



## Employee Health and Wellness

Employee well-being directly impacts productivity, engagement, and innovation.

### Mitigation Approach:

- Comprehensive medical insurance
- Hybrid work flexibility
- Mental health sessions and resources
- Wellness campaigns and surveys

### Financial Implications:

Reduces absenteeism and attrition-related costs while improving performance metrics.



## Resource Management

Efficient use of time, energy, and systems enhances cost competitiveness.

### Mitigation Approach:

- Digital-first operations reduce paper, water, and energy usage
- Internal tools for workflow tracking and SLA monitoring
- Infrastructure scaled for optimal usage

### Financial Implications:

Helps manage operational costs and improves productivity ratios.





## Community Engagement

Social responsibility enhances brand trust and strengthens relationships with local communities.

### Mitigation Approach:

- CSR activities focused on digital education and financial literacy
- 2,250+ lives impacted through FY25 CSR programs
- Focus on Tier 2 & 3 inclusion via vernacular support and easy onboarding

### Financial Implications:

Intangible benefits like brand value, employee pride, and social license to operate.



## Transparency & Disclosures

Transparent communication builds investor and regulator confidence.

### Mitigation Approach:

- Timely and complete disclosures to stock exchanges
- Investor grievance redressal mechanisms
- Regular updates via website, investor calls, and presentations

### Financial Implications:

Protects company from misinformation risks and promotes long-term credibility.



**ENVIRONMENTAL**

# Conserving Today for a Greener Tomorrow

We recognize that sustainable growth must go hand-in-hand with environmental responsibility. As a digital-first organization, we are committed to minimizing our environmental footprint by promoting resource efficiency, responsible waste management, and eco-conscious practices across all touchpoints.

Through focused interventions and awareness, we continue to embed environmentally sound principles into the way we operate and engage, with both our people and platforms.



## Key Focus Areas

### REDUCING PAPER AND PRINTING CONSUMPTION

We continue to expand our digital-first ecosystem, drastically minimizing the use of paper in internal processes and customer transactions.

- Our **100% digital onboarding process** eliminates the need for printed forms and physical documentation
- All supporting documents are uploaded and verified digitally, reinforcing a paperless workflow
- Non-essential printing and physical stationery usage across offices remains discontinued

### E-WASTE MANAGEMENT

We manage our electronic waste responsibly by partnering with government-authorized vendors.

- E-waste, including computers, scanners, batteries, and air conditioners, is systematically collected and disposed of in an **environmentally responsible manner**, as per regulatory guidelines
- Periodic e-waste audits ensure compliance and safe handling of discarded equipment

### SUSTAINABLE CONSUMPTION & AWARENESS

- Procurement of plastic-based stationery and single-use plastics remains restricted
- All offices use **100% biodegradable garbage bags** for waste segregation and disposal
- Employees are encouraged to use **reusable bottles and eco-friendly materials** to curb plastic waste

## Environmental Initiatives Undertaken in FY25

- Continued promotion of tree plantation drives at corporate premises
- Internal campaigns to raise awareness around water conservation and mindful consumption
- Sustained push for digital documentation and workflow digitization across functions
- Responsible disposal of e-waste with registered recycling partners



Together, these efforts represent our belief that even incremental actions can lead to meaningful environmental change. As we grow, we remain committed to operating in a way that preserves our planet for future generations.

**Social - Customer**

# Empowering Relationships. Building Trust.

At 5paisa, we understand that our success is driven by the trust and satisfaction of the people we serve, especially our customers. As a digital-first wealth platform, we remain focused on building intuitive experiences, ensuring transparent communication, and safeguarding customer interests through technology, service, and compliance.



## Fostering Customer Growth

**5.98** lakh

New customers added in FY25

**93%**

Customer grievances resolved during FY25

Amidst evolving market conditions and a more cautious investor environment, we continued to scale our customer base through focused outreach, seamless onboarding, and platform enhancements.

Our dedicated in-house support team handled every customer issue with precision, ensuring timely and satisfactory resolution across all channels.

## Safeguarding Customers with Strong Cybersecurity

As a digital financial services provider, we place the highest priority on protecting the confidentiality and security of our users' data. Our cybersecurity framework is overseen by our Chief Information Security Officer (CISO) and reinforced with ISO 27001:2013-certified practices.

### Key Measures:

- Disaster Recovery infrastructure activated at GIFT City
- Real-time threat monitoring and system audits

- Secure app and API architecture to safeguard digital transactions
- Periodic awareness communication on cyber fraud and safety

Our relentless focus on digital trust ensures a secure and seamless experience for over **48.3 lakh users** on our platform.



**Social - Employees**

# Empowering Talent. Enabling Growth.

At 5paisa, our people are at the core of everything we do. As a digitally-driven and forward-looking organization, we are committed to cultivating a workplace that is inclusive, engaging, performance-oriented, and purpose-led. FY25 was a year of continued focus on workforce well-being, capability-building, diversity, and values-based governance – ensuring that every employee is empowered to grow, contribute, and lead.

We believe that great talent thrives in a culture of trust, innovation, and shared ownership. With strong leadership and a transparent, meritocratic ecosystem, we enable our people to take ownership of their careers while aligning with the company's long-term goals.

**539**

Total Number of Employees

**₹ 740** Million

Employee Benefit Cost



## Building a Future-Ready Workforce

Our people strategy is centered around continuous learning and development. With evolving industry dynamics and regulatory complexity, we invest in robust training programs to equip employees with both technical excellence and ethical grounding.

### KEY LEARNING FOCUS AREAS IN FY25:

- Anti-Money Laundering (AML)
- Prevention of Insider Trading
- Code of Conduct and Business Ethics
- Prevention of Sexual Harassment (PoSH)
- Anti-Bribery & Corruption
- Data Privacy & Information Security

We continued to leverage e-learning platforms, mobile-based learning modules, simulation environments, and video-based training to deliver accessible and impactful learning experiences across roles and levels.

## Workplace Culture & Employee Well-being

We have institutionalized a wide range of policies and initiatives aimed at building a progressive and inclusive work culture:

- **Adopted all employee welfare schemes** including Provident Fund, Gratuity, and Medical Insurance
- **Maintained a gender-diverse workplace** by ensuring equal opportunity across roles and levels
- Regular team-building initiatives, festive celebrations, and cultural events that promote inclusion and camaraderie
- Launched initiatives to celebrate different cultural backgrounds and foster unity
- Recognized employee contributions through **quarterly award ceremonies** and performance celebrations

A unified HR management system provides employees with seamless access to performance reviews, benefits, and feedback tools, ensuring transparency and convenience.

## Compensation, Ownership, and Recognition

We recognize and reward employees not just for outcomes but for innovation, collaboration, and leadership. Our compensation structure is designed around meritocracy and performance, supported by a variable pay scorecard and dynamic goal-setting frameworks.

### TO DEEPEN ENGAGEMENT AND RETENTION:

- We continued to offer **Restricted Stock Units (RSUs)** and **ESOPs** to high-performing employees, reinforcing a culture of ownership and long-term commitment.
- Annual appraisals were linked to behavior, innovation, teamwork, and impact – not just metrics.

## What We Continued to Focus on in FY25

- Talent acquisition with a focus on diversity and merit
- Skill development through digital and on-demand learning
- Transparent performance evaluations and rewards
- A safe, ethical, and inclusive workplace governed by strong policies

At 5paisa, we are not just building a workforce, we are nurturing a community of committed individuals who shape the future of digital investing in India. Through our sustained focus on empowerment, equity, and innovation, we aim to remain an employer of choice in the fintech space.



## Social - Community

# Sustained Impact. Shared Progress.

At 5paisa, we remain committed to creating a lasting social impact by supporting initiatives that promote education, empowerment, and inclusive development. Through strategic CSR collaborations, we aim to uplift underrepresented communities and foster meaningful change.



## Our Continued Support: Sakhion Ki Baadi

As part of our ongoing CSR engagement, we continue to support Sakhion Ki Baadi – a flagship initiative by the IIFL Foundation focused on delivering **Foundational Literacy and Numeracy (FLN)** to girls from vulnerable and marginalized communities in Rajasthan.

- The program reaches **2,250+ girls** across **75 locations** in the **Sirohi district**, many of whom are school dropouts or were never formally enrolled
- The initiative promotes **education, women's empowerment**, and **skill development**, while also preserving **indigenous languages** and enabling employment opportunities for local women

By helping reintegrate girls into mainstream education and providing community-based learning centers, this initiative is a step forward in building more inclusive and equitable futures.

## Sustainable Outcomes Observed

### AS PER PRIOR IMPACT ASSESSMENTS, THE PROGRAM HAS:

- Fostered **behavioral shifts** in the community towards **gender equality**
- Helped improve **learning outcomes, confidence, and decision-making** in young girls
- Provided **employment and skill-building platforms** for native women, improving self-esteem and social standing

Our partnership with IIFL Foundation reflects our belief that real progress stems from empowering those often left behind. As we look ahead, 5paisa remains dedicated to supporting such initiatives that bridge social gaps and build stronger, more resilient communities.

**Governance**

# Strengthening Trust Through Responsible Leadership

Governance is not just a matter of regulatory compliance, it is the foundation of sustainable value creation. We are committed to fostering a culture of transparency, accountability, ethical conduct, and sound decision-making across all levels of the organization.



## Board Oversight & Strategic Direction

Our Board of Directors plays a pivotal role in shaping 5paisa's strategic direction and ensuring that we operate in alignment with stakeholder expectations, long-term value creation goals, and legal frameworks.

**KEY RESPONSIBILITIES INCLUDE:**

- Overseeing business strategy and aligning it with operational excellence
- Ensuring full compliance with applicable laws and maintaining the integrity of financial disclosures
- Monitoring risk, performance, and governance frameworks across the company
- Establishing the company's values, vision, and ethical operating principles
- Regularly reviewing governance performance through active Board committees.



## Board Composition Highlights

**27** years+  
average experience  
of Board members

**28.57%**  
female representation,  
reinforcing diversity in  
leadership

**57%**  
of the Board comprises  
independent directors,  
promoting balanced and  
objective oversight

# Board of Directors



**DR. ARCHANA HINGORANI**  
Chairperson & Independent Director

C C M M M M

Dr. Archana Hingorani holds an M.B.A. and Ph.D. in Finance from the University of Pittsburgh, United States. She has over three decades of experience in the asset management business, teaching and research. She has been associated with the IL&FS Group until 2017 in various capacities, including CEO of IL&FS Investment Managers Limited. Beyond garnering rich experience in fund raising, investing, nurturing investments through four different economic cycles and carving exit paths, among others, she has mentored and nurtured smaller start-ups in technology, education, financial inclusion, with a special focus on enterprises run by women. She has been named as the most influential woman in India by various publications, including Business Today in 2011, 2012 and 2013; Asian Investor in 2014 and Fortune India in 2014, 2015 and 2016. Dr. Archana Hingorani is a Chairperson of Risk Management Committee and Corporate Social Responsibility (CSR) Committee and is a Member of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Independent Directors Committee.



**MS. NIRALI SANGHI**  
Independent Director

C C C M M M

Ms. Nirali Sanghi founded India Parenting Private Limited in 1999 and serves as its Chief Executive Officer and President. Prior to that, she served at Erstwhile Baring Brothers (New York), Citibank (New York and Mumbai) and The Boston Consulting Group (Mumbai). Ms. Sanghi has a bachelor's degree in Economics and Computer Science from Barnard College, Columbia University, New York, USA and M.B.A. in Finance and Marketing from Columbia Business School (New York, USA). Ms. Nirali Sanghi is a Chairperson of Nomination and Remuneration Committee, Stakeholders Relationship Committee, Environmental, Social and Governance (ESG) Committee and a Member of Audit Committee, Corporate Social Responsibility (CSR) Committee, Independent Directors Committee.



**MR. RAVINDRA GARIKIPATI**  
Independent Director

C C C M M

Mr. Ravindra Garikipati is an entrepreneur and technologist with over three decades of experience, largely in technology and executive leadership roles. He is a Board member and advisor to many late-stage start-ups and an active angel investor in deep tech, fintech and consumer tech start-ups. As a CTO at Flipkart, he defined and executed the technology vision and roadmap to transform commerce. Before his stint at Flipkart, he was the President and Chief Technology Officer at [24]7.ai, a Sequoia funded company where he led global product and technology groups to build one of the largest omni-channel client acquisition and engagement platforms. He has also held various senior engineering management positions at Oracle and Covansys, where he gained extensive experience in building scalable enterprise application architectures and services. He is a Chairman of Independent Directors Committee, Information Technology Committee, Cyber Security Committee and a Member of Audit Committee and Nomination and Remuneration Committee.



**MR. MILIN MEHTA**  
Independent Director

C M M M M

Mr. Milin Mehta is a Law Graduate and Chartered Accountant by profession. He has over three decades of experience in the areas ranging from accounting, tax, valuations, strategies, governance and law. He cherishes arguing in complex tax litigations and has to his credit several reported decisions, some of which are pathbreaking. He was invited by the Finance Ministry, Government of India, through CBDT to be member of the committee appointed for formulation of ICDS as well as MAT Computation under Ind-AS scenario. Mr. Milin Mehta actively participates in the activities of the Institute of Chartered Accountants of India. Being a prolific speaker, he has delivered talks in seminars and conferences held at national level which also facilitated him to develop an excellent network amongst the professionals. Further, he also serves as an Independent Director across various listed and unlisted companies and also chairs their audit committees. He is a Chairman of Audit Committee and a Member of Risk Management Committee, Independent Directors Committee, Information Technology Committee and Cyber Security Committee.





**DR. SARAT KUMAR MALIK**

Additional Non-Executive Independent Director (Appointed w.e.f. July 08, 2025)

Dr. Sarat Kumar Malik a Ph.D. & M.A. (Economics) from University of Mumbai and JNU, respectively and an UGC Research Fellowship holder, having more than 30 Years of rich and varied experience in Financial Sectors, Securities Markets, Banking, Indian Economy etc., and have worked with Government regulatory bodies like SEBI and RBI, IICA (MCA). Presently, he is on contract for one year from June 02, 2025 in Rashtriya Raksha University, under Ministry of Home Affairs, Government of India, Lavad, Gandhinagar. Dr. Malik led the team for Financial Sector Assessment Program (FSAP) undertaken by IMF and played a prominent role in SEBI Policy Advisory Policy Group. Dr. Malik was a part of Secondary Market Advisory Committee (SMAC) and have been associated with different regulations in the areas of Secondary market, Primary market, Mutual funds, Foreign Portfolio Investors, AIF, REITs, INVITs, Debt Market etc. by contributing research and inputs in SEBI. As a member of the World Bank, Dr. Malik has carried out major studies in Emerging Economies, Securities Market in India and was associated with preparation of Financial Stability Report (FSR) of RBI from SEBI. He prepared research studies and have done in-depth analysis in areas of Securities Markets, undertaken research studies and provided advisory roles in the field of Capital Markets, Banking, Indian & Global Economic issues. Dr. Malik is adept in the areas of Banking regulations, Banking Supervision, Foreign Exchange, Public Debt Office, Commercial Banking, NBFC, Rural Credit, Monetary Policy etc. Dr. Malik's major contributions in the field of macro-economics, capital and debt market, stock market analysis, monetary and credit policies and associated with the Special Data Dissemination Program of IMF and World Bank are to name a few. Dr. Malik has provided Consultations / Advisory Services to Guide Point, Insight Alpha, Alfasights, Tent Bridge, Deccan Value Investors and many domestic and overseas clients. Dr. Malik has worked in various committees such as Fintech Policy for Government of Maharashtra, Statistical Commission, Government of India, Committee on Fintech and Banking Technology set up by RBI, Capital Market Developments in SAARC countries set up by SAARC, Kathmandu, Household sector savings data for Twelfth Plan, set up by Niti Aayog, Government of India Policy Advisory Group, SEBI and was responsible for advising SEBI on various policy issues and future actions on securities market in India and have undertaken various overseas training and International Assignments.



**MR. GAURAV SETH**

Managing Director and Chief Executive Officer (CEO)



Mr. Gaurav Seth has over two decades of experience building businesses at the intersection of financial services and technology globally with experience spanning the US, India and South East Asia. Prior to joining 5paisa, he was the Chief Product Officer at Syfe where he focused on building Syfe as the leading digital wealth player in Southeast Asia. Earlier, Mr. Seth was the Chief Business Officer and part of the initial team at Paytm Money where he played a pivotal role in establishing Paytm Money as a top brokerage and mutual fund distributor in India. Prior to Paytm, Mr. Seth led the digital transformation of Morgan Stanley's wealth management business in NY and advised leading wealth managers on their digital strategy. Mr. Seth is an alumnus of the Indian School of Business, Hyderabad and Bachelor of Engineering from the Thapar Institute of Engineering & Technology, Patiala. Further, he is a Member of Stakeholders Relationship Committee, Risk Management Committee, Corporate Social Responsibility (CSR) Committee, Finance Committee, Environmental, Social and Governance (ESG) Committee, Information Technology Committee and Cyber Security Committee.



**MR. GOURAV MUNJAL**

Whole Time Director and Chief Financial Officer (CFO)



Mr. Gourav Munjal has a bachelor's degree in Commerce from Kurukshetra University and is a qualified Chartered Accountant, Company Secretary and a diploma holder in IFRS from the Association of Chartered Certified Accountants (ACCA). He has more than 14 years of experience in the field of Finance, Accounts, Treasury, MIS, Cost Control and Process improvements. Before joining the Company, he was associated with the IIFL Group and has handled same functions. He is a Chairman of Finance Committee and a Member of Risk Management Committee, Corporate Social Responsibility (CSR) Committee and Environmental, Social Responsibility (ESG) Committee.

**Committees of the Company**

- Audit Committee
- Risk Management Committee
- Nomination and Remuneration Committee
- Stakeholder Relationship Committee
- Environmental, Social and Governance (ESG) Committee
- Information Technology Committee
- Cyber Security Committee
- Finance Committee
- Corporate Social Responsibility (CSR) Committee
- Independent Directors Committee



**MR. AMEYA AGNIHOTRI**

Whole Time Director and Chief Technology Officer (CTO)



Mr. Ameya Agnihotri is a Bachelor of Computer Science and holds a master's degree in computer applications. Ameya brings over 19 years of diverse experience in building scalable, low latency, resilient platforms, large scale data platforms in AdTech and MarTech space (SSP, DSP, CDP, DMP) as well as in OTA and logistics. Ameya's previous experience includes working at Paytm, Zeotap, Airpush, Pubmatic and Symantec. Prior to joining 5paisa as a CTO from November 2023, Ameya was VP - Technology at Paytm (Travel Vertical). Further, he is a Member of Stakeholders Relationship Committee, Risk Management Committee, Corporate Social Responsibility (CSR) Committee, Finance Committee, Environmental, Social and Governance (ESG) Committee, Information Technology Committee and Cyber Security Committee.

# Management Team



**MRS. NAMITA GODBOLE**

Company Secretary &  
Chief Compliance Officer  
(Resigned w.e.f. July 11, 2025)

Mrs. Namita Godbole is a commerce graduate and a qualified Company Secretary with over 25 years of experience in the stock broking industry. She has previously worked with the National Stock Exchange of India Limited and leading brokerage firms including Prabhudas Lilladher, Sharekhan and Angel One, contributing her deep expertise in compliance and regulatory affairs.



**MR. LALIT BABU LATHE**

Head of Operations &  
Chief Risk Officer (CRO)



Mr. Lalit Babu Lathe holds a Bachelor's degree in Commerce and an M.B.A., with 19+ years of experience in stock broking operations. He has previously held senior roles at Upstox, Angel One, Yes Securities and Edelweiss Securities, with proven expertise in streamlining operations, mitigating risks and driving operational efficiency. In FY25, he led automation across critical functions such as trade processing and bank reconciliation, improved compliance by refining exchange reporting logic and strengthened operational control frameworks across revenue-generating processes like Settlement Payin, CUSPA and Margin Trading. Further, he is also a Member of Risk Management Committee of the Company.



**MR. MANDAR CHAVAN**

Head of Risk Management

Mr. Mandar Chavan holds a Master's degree in Financial Analysis from ICFAI University and a Post Graduate Diploma in Business Administration from Symbiosis, Pune. He has over 19 years of experience in the stock broking industry and has previously worked at Kotak Securities Limited in roles spanning Product, Risk Management and Channel Management.



**MR. SUDHIR JHA**

Head of Business Revenue

Mr. Sudhir Jha holds a Master's degree in Financial Management from ICFAI Business School, Hyderabad. He brings with him 19+ years of valuable experience in financial services, having served at leading institutions including Kotak Securities, ICICI Securities and Unicon Securities. His strength lies in revenue generation and strategic partnerships.



**MR. SAMEER MEHTA**

Chief Marketing Officer (CMO)

Mr. Sameer Mehta is an alumnus of the Indian School of Business (ISB). With an illustrious career spanning over 20 years, he has held key positions across various organizations with a diverse leadership experience in building core marketing systems, teams, processes, expertise in B2C, B2B, SaaS, Fintech, Media etc. Prior to joining 5paisa, he was the founder of Ayoohoo Healthtech, a Start-up funded by Start-up India Seed Fund, where they developed a gamified app for kids to inculcate healthy habits in nutrition, fitness and yoga. His previous leadership roles were at Paytm, PhonePe (WealthDesk), IncNut Digital and CA Technologies among others.





**MR. MEHUL JAIN**  
Head of Product

Mr. Mehul Jain holds a Bachelor’s degree in Banking & Insurance and an M.B.A. in Finance. With over 15 years of experience in product development within the stock broking space, he brings strategic insights in building intuitive and scalable financial platforms. Prior to joining 5paisa, he was associated with Edelweiss Broking Limited. In FY 2024-25, he spearheaded the revamp of 5paisa’s Android, iOS, and web-based Trade Terminal platforms, launched the FnO 360 platform for active traders and improved onboarding and Xstream API performance. His current focus lies in enhancing the trading experience through advanced algo trading features and faster, more reliable execution infrastructure.



**MS. RAJESHREE JADHAV**  
Head of Digital Sales

Ms. Rajeshree Jadhav holds a Bachelor’s degree in Commerce and an M.B.A. in Finance. With 25 years of total experience – including 15 years in customer service and 5+ years in digital sales – she has built deep expertise in sales activation and customer engagement. She has previously worked with ICICI Securities and Kotak Securities.



**MR. DHRUV KAPADIA**  
Head of Customer Service

Mr. Dhruv Kapadia holds a Bachelor’s degree in Business Administration with a focus on Finance. He has over 6 years of experience in customer service and process optimization. Prior to joining 5paisa, he was with Kotak Securities for over 5 years, specializing in customer experience and process excellence. He also worked with Intelenet Global Services Limited (now Teleperformance).



**MR. YOGESH MAROLI**  
Chief Information Security Officer (CISO)



Mr. Yogesh Maroli leads 5paisa’s cybersecurity strategy with a vision to build a resilient, future-ready security framework. Under his leadership, the company implemented a Zero Trust Network Architecture and AI-powered threat detection systems, significantly improving response times and reducing the attack surface. His focus extends to strengthening vendor risk protocols and driving employee awareness through targeted training programs. Amid rising global cyber threats, his proactive posture and real-time threat intelligence capabilities have ensured uninterrupted operations, reinforcing stakeholder trust in 5paisa’s platform. Further, he is also a Member of Risk Management Committee, Information Technology Committee and Cyber Security Committee of the Company.



**AWARDS**

Recognized for excellence



**Masters of Modern Marketing Awards**  
Multi-channel campaign for a financial services enterprise



**Prime Time Awards 2022 Media**  
Best Integration of Digital Content with TV



**India Content Leadership Awards 2023**  
Best financial content on social media platform



**India Content Leadership Awards 2023**  
Best Content on Financial Service App



**Passing 1 Lakh Subscribers on YouTube**



**Passing 1 Million Subscribers on YouTube**



**MCX Awards 2025**  
Leading Member - Client Participation



**Safe Workplace Award**  
Best practices in the category of POSH

# Directors' Report

## Dear Shareholder(s),

Your Directors' take pleasure in presenting the 18<sup>th</sup> (Eighteenth) Annual Report on the business and operations of 5paisa Capital Limited ("**Company**", "**Your Company**", "**We**") along with the Audited Financial Statements for the Financial Year ended March 31, 2025 ("**year under review**" or "**year**" or "**FY 2024-25**"). The consolidated performance of your Company and its subsidiaries has been referred to wherever required.

In compliance with the applicable provisions of the Companies Act, 2013 ("**the Act**") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and the Securities and Exchange Board of India (Listing Obligations

and Disclosure Requirements) Regulation, 2015 ("**the Listing Regulations**"), this report covers the financial performance and other developments during the Financial Year 2024-25 and upto the date of the Board Meeting held on July 08, 2025 to approve this report in respect of 5paisa Capital Limited on a Standalone basis as well as on a Consolidated basis comprising of 5paisa Capital Limited and its Subsidiaries.

## FINANCIAL HIGHLIGHTS:

Your Company's Standalone and Consolidated financial performance during Financial Year 2024-25, as compared with that of the previous Financial Year 2023-24 is summarized below:

Particulars	(₹ In Millions)			
	Consolidated		Standalone	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Gross total income	3,598.46	3,947.36	3,596.69	3,945.58
Profit / (Loss) before interest, depreciation and taxation	1,272.44	1,102.27	1,271.66	1,067.06
Interest and financial charges	238.01	285.68	238.01	285.68
Depreciation	122.24	95.33	122.24	94.71
Profit / (Loss) before tax	912.19	721.26	911.41	686.67
Taxation - Current	258.25	195.28	258.25	195.28
– Deferred	(28.40)	(18.43)	(28.02)	(27.14)
– Short or excess provision for income tax	–	–	–	–
Net profit / (Loss) for the year	682.34	544.41	681.18	518.53
Less: Appropriations	–	–	–	–
Add: Balance brought forward from the previous year	624.18	79.77	633.22	114.69
Balance to be carried forward	1,306.52	624.18	1,314.40	633.22

## Note(s):

1. Previous periods' figures have been re-grouped / re-arranged wherever necessary.
2. Figures in brackets represent deduction(s).

The statement containing extract of subsidiaries financial statement are provided on the corporate website at <https://www.5paisa.com/investor-relations>

## CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial Statements of your Company for the FY 2024-25 are prepared in compliance with the applicable provisions of the Companies Act, 2013 ("**the Act**"), Indian Accounting Standards ("**Ind-AS**") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**the Listing Regulations**"). The Consolidated Financial Statements have been prepared on the basis of Audited Financial Statements of the Company and its subsidiaries, approved by their respective Board of Directors.

Copies of the Balance Sheet, Statement of Profit and Loss, Report of the Board of Directors and Report of the Auditors of the subsidiary companies are not attached to the accounts of your Company for the financial year 2024-25. Your Company will arrange for soft copies of these documents / details upon request by any member of the Company and dispatch the same on the registered email address of the member.

These documents / details will also be available for inspection by any member of your Company at its registered office and at the registered offices of the concerned subsidiary during the business hours on working days i.e. except on Saturdays, Sundays and Public Holidays. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary, whereupon a soft copy of the same would be sent to the registered email address of the member. The Annual Report of subsidiaries is uploaded on our corporate website at <https://www.5paisa.com/investor-relations>. As required by the Companies Act, 2013 and Accounting Standard – 21 (AS 21) issued by the Institute of Chartered Accountants of India, your Company's Consolidated Financial Statements

included in this Annual Report incorporate the accounts of its subsidiaries. A report on the performance and financial position of the subsidiaries is provided in the prescribed form AOC-1 as “Annexure - I” to this Directors’ Report.

The policy on determining the material subsidiary is available on our corporate website: <https://www.5paisa.com/investor-relations>

### **REVIEW OF BUSINESS AND OPERATIONS AND STATE OF YOUR COMPANY’S AFFAIRS:**

Over the next ten years, major megatrends in the Indian capital markets will fundamentally reshape the financial landscape. The increasing digitisation of financial services is a key driver, as reflected in the growing retail participation and the rising financial awareness among younger generations, who are entering the stock markets earlier and prefer digital platforms and self-directed investments. The last five years have witnessed a multi-fold surge in demat accounts especially post the covid pandemic, signalling a structural shift towards broader market participation and confidence in the Indian economy. At the same time, the Indian capital market share steadily maturing, supported by improving regulations, robust compliance norms, enhanced investor education and deeper retail participation. Additionally, the increasing focus on environmental, social and governance (ESG) factors will drive demand for ESG-compliant investment products, pushing the industry toward sustainable and responsible investment offerings.

Following a year of market volatility, regulatory tightening and shifting investor sentiment, we directed our strategic focus from broad-based innovation to strengthening the customer experience, adding new trading features, technology optimisation and delivering a dedicated platform for FnO traders - FnO 360.

While we continue to invest in advanced technologies - including AI-driven insights, automation and scalable APIs - our priority in the past year was to enhance platform reliability, speed, margin transparency and risk controls so that active traders can operate with confidence. As India’s regulatory environment evolves to reinforce transparency, compliance and investor protection, we believe this disciplined, customer-first approach will position us for a decade of inclusive, sustainable innovation across India’s capital markets.

Your Company has improved its financial performance by offering investors a digital platform with a range of features that enables them to learn more about the financial world, make informed decisions, invest through its mobile application and increase their participation and profits from the financial market. The revenue this year stood at ₹ 3,598 million in FY 2024–25, a decrease of 9 % Y-o-Y. The Company earned a net profit after tax of ₹ 682 million in FY 2024–25, a growth of 25 % on Y-o-Y basis. This is due to the Company’s dedication to meet the needs of its esteemed customers, its consistent efforts to build the right teams and culture and its integration of innovation, technology and sustainability at the heart of its operations.

For a detailed overview of your company’s performance during the year, refer to Management Discussion and Analysis Report of the Annual Report. Throughout the year, the company focused on leveraging technology to enhance customer experience, expanding cohort-based personalized service offerings, strengthening the Algo and API ecosystem and fortifying strategic partnerships to drive innovation and market expansion. As a result, the company has reinforced its position as a key player in the discount broking industry by consistently delivering exceptional services and creating value for all stakeholders..

### **MACRO-ECONOMIC OVERVIEW:**

Read more about your company’s performance during the year in the Management Discussion and Analysis Report section of this report.

### **INDUSTRY OVERVIEW:**

Read more about your company’s performance during the year in the Management Discussion and Analysis Report section of this report.

### **RETURN TO INVESTORS (DIVIDEND):**

In order to conserve the resources of your Company for future business expansion and strategic initiatives, the Directors have decided not to recommend any dividend on equity shares of your Company for the financial year under review.

The Dividend Distribution Policy is available on the website at <https://www.5paisa.com/investor-relations>.

### **TRANSFER TO GENERAL RESERVE:**

During the year under review, your Company has not transferred any amount to the reserves.

### **LISTING FEES:**

Your Company has duly paid the annual listing fees for FY 2024–25 to both the National Stock Exchange of India Limited (Symbol: 5PAISA) and BSE Limited (Scrip Code: 540776), where its securities are listed.

### **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF):**

The Company has not declared any dividend till date, therefore there is no case of unclaimed dividend and further no dividend amount is required to be transferred to Investor Education and Protection Fund (IEPF).

### **TRANSFER OF SHARES TO INVESTOR EDUCATION AND PROTECTION FUND:**

The Company has not transferred any shares to Investor Education and Protection Fund during the year under review.

### **TRANSFER OF SALE PROCEEDS TO INVESTOR EDUCATION AND PROTECTION FUND:**

Pursuant to the Scheme of Arrangement approved by the Hon’ble National Company Law Tribunal, Mumbai, *vide* its order

dated September 06, 2017, between IIFL Finance Limited and 5paisa Capital Limited, the shareholders of IIFL Finance Limited were allotted shares in 5paisa Capital Limited. This resulted in 12,707 equity shares being allotted as fractional entitlements, which were consolidated, sold in the market, and the sale proceeds were credited to a designated bank account on June 25, 2018.

As per the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, any amount remaining unclaimed or unpaid for a period of seven years is required to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, the amount must be credited to the IEPF within 30 days from the due date of transfer.

Accordingly, the sale proceeds relating to the unclaimed fractional entitlements arising out of the Scheme of Arrangement which became due for transfer on June 25, 2025 are required to be transferred to the IEPF on or before July 25, 2025. As on date of the report, the Company is currently in the process of completing this transfer.

#### CREDIT RATING:

CRISIL Ratings Limited ("CRISIL"), the credit rating agency, vide its letter dated February 12, 2025, has assigned and/or re-affirmed the credit ratings for various facilities of the Company. The same has been disclosed in the Corporate Governance Report forming part of the annual report.

#### AWARDS AND RECOGNITION:

Your Company received numerous awards and accolades which were conferred by reputable organizations and is designed to honour the efforts made by us and the details of the same are given herein below:

- Prime Time Awards 2022, Media Best Integration of Digital Content with TV.
- India Content Leadership Awards 2023, Inkspell Best Content in a Financial Services App.
- India Content Leadership Awards 2023, Inkspell Best Financial Content on Social Platform(s).
- Masters of Modern Marketing Awards 2023, Inkspell Multi Channel campaign for a Financial Services Enterprise - Special Mention 5paisa.
- Passing 1 Lakh Subscribers on YouTube.
- Passing 1 Million Subscribers on YouTube.
- Safe Workplace Award by SecureUs – FY 2024-25.
- MCX Awards 2025 Leading Member - Client Participation.

#### SHARE CAPITAL:

The authorised share capital of your Company as on March 31, 2025 was ₹ 80,00,00,000/- (Rupees Eighty Crores only). The paid-up equity share capital of your Company as on March 31, 2025 was ₹ 31,23,63,380/- divided into 3,12,36,338 Equity Shares of ₹ 10/- each as compared to ₹ 31,19,09,730/-

divided into 3,11,90,973 Equity Shares of ₹ 10/- each as on March 31, 2024.

The increase in the share capital was on account of exercise of 32,865 ESOPs granted under the 5paisa Capital Limited Employee Stock Option Scheme 2017 and on account of exercise of 12,500 ESOPs granted under the 5paisa Capital Limited Employee Stock Option Scheme 2023, by eligible employees, which were converted into Equity Shares of ₹ 10/- each.

Your Company had made following allotments during FY 2024-25:

Sr. No.	Date of Allotment	No. of Shares Allotted	ESOP Scheme
1.	April 24, 2024	250 Equity Shares	5paisa Capital Limited Employee Stock Option Scheme 2017
2.	May 21, 2024	4,500 Equity Shares	
3.	June 04, 2024	6,750 Equity Shares	
4.	June 20, 2024	7,290 Equity Shares	
5.	July 12, 2024	4,000 Equity Shares	
6.	August 08, 2024	6,350 Equity Shares	
7.	September 25, 2024	1,025 Equity Shares	
8.	November 08, 2024	2,700 Equity Shares	
9.	February 14, 2025	12,500 Equity Shares	5paisa Capital Limited Employee Stock Option Scheme 2023

#### EMPLOYEES STOCK OPTION SCHEMES ("ESOS"):

The Employees' Stock Option Schemes enable your Company to hire and retain the best talent for its Senior Management and key positions. The Nomination and Remuneration Committee of the Board of Directors of your Company, *inter-alia*, administers and monitors the Employees' Stock Option Schemes in accordance with the applicable SEBI Regulations.

ESOS of your Company are in line with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SBEBSE Regulations**"). Your Company, presently, has three Schemes:

1. 5paisa Capital Limited Employee Stock Option Scheme 2017 ("**5PCL ESOS 2017**") was approved by shareholders vide special resolution dated January 25, 2018.
2. 5paisa Capital Limited Employee Stock Option Trust Scheme 2017 ("**5PCL ESOTS 2017**") was approved by shareholders vide special resolution dated January 25, 2018.

3. 5paisa Capital Limited Employee Stock Option Scheme 2023 ("**5PCL ESOS 2023**") was approved by shareholders vide special resolution dated August 31, 2023.

As per Regulation 14 of "SBEBS Regulations", the details of the "ESOS" are disclosed on our corporate website which can be accessed at <https://www.5paisa.com/investor-relations>.

A certificate from the Secretarial Auditors of the Company stating that the aforesaid schemes have been implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and in accordance with the resolution passed by the members shall be available at the ensuing Annual General Meeting for inspection by members.

### **PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

Particulars of loans given, investments made, guarantees given and securities provided as covered under the provisions of Section 186 of the Act are set out in the notes to the accompanying financial statements of your Company.

### **LOAN FROM DIRECTORS OR THEIR RELATIVES:**

During the year under review, there are no loan taken from the Directors or their relatives by the Company.

### **DEPOSITS:**

During the year under review, your Company has not accepted any deposits from the public falling under the ambit of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014. Therefore, payment on the account of principal or interest amount on deposits from the public does not arise.

### **SUBSIDIARY COMPANIES:**

As on 31<sup>st</sup> March 2025, the Company had 4 (four) wholly owned subsidiaries. During the financial year, your Board of Directors reviewed the operations and performance of all subsidiary companies.

The Consolidated Financial Statements of the Company have been prepared in compliance with Section 129(3) of the Companies Act, 2013 and are included as part of this Annual Report. A summary of the key financial highlights of the subsidiaries, presented in the prescribed format AOC-1, is attached as "**Annexure - I**" to the Directors' Report. This annexure outlines the financial performance and position of each subsidiary.

#### **Details of Subsidiary Companies:**

##### **• 5paisa P2P Limited**

5paisa P2P Limited is a wholly owned subsidiary of 5paisa Capital Limited. The company received Certificate of Registration from Reserve Bank of India ("**RBI**") bearing registration number N-13.02371 to act as NBFC P2P.

##### **• 5paisa Corporate Services Limited**

5paisa Corporate Services Limited is a wholly owned subsidiary of 5paisa Capital Limited incorporated on October 27, 2018. The name of the company was changed from "5paisa Insurance Brokers Limited" to "5paisa Corporate Services Limited" with effect from November 16, 2022 pursuant to receipt of fresh Certificate of Incorporation dated November 16, 2022 issued by the Registrar of Companies, Mumbai. The Company shall commence its business shortly.

##### **• 5paisa Trading Limited**

5paisa Trading Limited was incorporated as a public limited company on February 27, 2020 as a wholly owned subsidiary of 5paisa Capital Limited.

##### **• 5paisa International Securities (IFSC) Limited**

5paisa International Securities (IFSC) Limited was incorporated as a public limited company on June 15, 2022 as a wholly owned subsidiary of 5paisa Capital Limited. 5paisa International Securities (IFSC) Limited is incorporated with the object of carrying out business of IFSC (International Financial Service Centre) Unit and act as intermediary in IFSC. The Company shall commence its operations after receipt of necessary clearances / licenses.

The separate audited financial statements of each subsidiary company are available for inspection and can also be accessed on the Company's website at <https://www.5paisa.com/investor-relations>.

In accordance with the provisions of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of loans and advances extended to, as well as investments made in, the subsidiary companies are disclosed in the Notes to the Financial Statements.

Furthermore, the Company did not have any joint venture or associate companies during the year under review, nor at any time after the financial year ended and up to the date of this Report.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Management Discussion and Analysis Report for the year under review, as stipulated under the Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), is presented in a separate section, forming part of the Annual Report.

### **CORPORATE GOVERNANCE:**

Your company is dedicated to maintaining transparency in all its transactions and prioritizes strong business ethics. It has put in place an effective Corporate Governance system which ensures that provisions of the Act and Listing Regulations are duly complied with, not only in form but also in substance.

In accordance with Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a comprehensive Report on Corporate Governance forms part of this Annual Report.

M/s. V Sankar Aiyar & Co., Chartered Accountants, Statutory Auditors of the Company have conducted a review of the Company's compliance with the applicable Corporate Governance provisions under the Listing Regulations. Their certification confirming compliance is appended to the Corporate Governance Report.

## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT ("BRSR"):

The Business Responsibility and Sustainability Report prepared pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of this Annual Report.

## BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

5paisa is dedicated to embracing leading global standards to ensure the Board operates effectively and further is committed to fostering a genuinely diverse Board, whose insights and capabilities can be harnessed to drive enhanced stakeholder value, protect their interests and improve corporate governance. Your Company's Board comprises of eminent persons with proven competence and integrity, who bring in vast experience and expertise, strategic guidance and leadership qualities.

### 1. Composition of Board of Directors:

The Board of Directors of the Company is structured in compliance with Section 149 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations thereby ensuring an appropriate combination of Executive, Non-Executive and Independent Directors.

As on the date of this Boards Report i.e. as on July 08, 2025, your Company's Board of Directors comprises of following Directors:

Name of the Director	DIN	Designation
Dr. Archana Hingorani	00028037	Non – Executive Independent Director and Chairperson
Mr. Milin Mehta	01297508	Non – Executive Independent Director
Mr. Ravindra Garikipati	00984163	Non – Executive Independent Director
Ms. Nirali Sanghi	00319389	Non – Executive Independent Director
Dr. Sarat Kumar Malik	09791314	Additional Non – Executive Independent Director

Mr. Gaurav Seth	10415364	Managing Director and Chief Executive Officer
Mr. Gourav Munjal	06360031	Whole Time Director and Chief Financial Officer
Mr. Ameya Agnihotri	07680132	Whole Time Director and Chief Technology Officer

### 2. Changes in Board Composition:

During the year and upto the date of this report, following changes took place in the Directorships:

#### Appointment / Cessation:

In order to pursue additional responsibilities as a Strategic Advisor to the IIFL group in their new initiatives towards Artificial Intelligence and Digital Transformation, Mr. Narayan Gangadhar (DIN: 09298665), *vide* his letter dated May 30, 2024 resigned from the post of Managing Director and Chief Executive Officer (CEO) of the Company w.e.f. August 28, 2024 where the said resignation was accepted by the Board *vide* Circular Resolution dated May 30, 2024.

Consequently, he also ceased to be the Member of the Risk Management Committee, Stakeholder Relationship Committee, Corporate Social Responsibility (CSR) Committee, Finance Committee, Environmental, Social and Governance (ESG) Committee, Information Technology (IT) Committee and Cyber Security Committee of the Company.

Further, the Board of Directors, based on the recommendation of Nomination and Remuneration (NRC) Committee, at their meeting held on Friday, July 12, 2024 appointed Mr. Ameya Agnihotri (DIN: 07680132) as Additional Director in the capacity of Whole Time Director of the Company w.e.f. July 13, 2024 pursuant to which his appointment was approved by the Members of the Company by way of passing of Special Resolution at their Annual General Meeting held on September 10, 2024.

Further Mr. Ameya Agnihotri was also appointed as a Member of the Corporate Social Responsibility (CSR) Committee, Stakeholders Relationship (SRC) Committee, Finance Committee, Environmental, Social and Governance (ESG) Committee.

Further, the Board of Directors, based on the recommendation of Nomination and Remuneration (NRC) Committee, at their meeting held on January 14, 2025 appointed Mr. Gaurav Seth (DIN: 10415364) as Chief Executive Officer (CEO) of the Company w.e.f. January 14, 2025 and further, based on the recommendation of Nomination and Remuneration (NRC) Committee, at their meeting held on January 17, 2025 appointed him as a Managing Director of the Company w.e.f. January 17, 2025 pursuant to which

his appointment was approved by the Members of the Company by way of passing of Ordinary Resolution vide Postal Ballot Notice dated February 12, 2025, the results of which were declared on March 25, 2025.

Further, the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee (NRC), at their meeting held on July 08, 2025, appointed Dr. Sarat Kumar Malik (DIN: 09791314) as an Additional Non - Executive Independent Director of the Company with effect from July 08, 2025 to hold office till the conclusion of ensuing Annual General Meeting and subject to the approval of Members in the ensuing Annual General Meeting, for appointment as an Independent Director to hold office for a 1<sup>st</sup> (First) term of 5 (Five) consecutive years.

There was no change in the composition of the Board of Directors during the year under review, except as stated above.

### 3. Key developments in the Board Composition pursuant to the conclusion of the financial year:

No key developments had taken place in the Board Composition subsequent to the conclusion of the Financial Year except as stated above. Further, the details mentioning the changes in Board composition during the year have already been discussed in detail in the Corporate Governance Report which forms part of the Annual Report.

### 4. Retirement by Rotation:

Pursuant to Section 152 of the Companies Act, 2013, read with rules made thereunder and Articles of Association of your Company, Mr. Ameya Agnihotri (DIN: 07680132), Whole-time Director and Chief Technology Officer of your Company, retires by rotation at the 18<sup>th</sup> Annual General Meeting of the Company and being eligible for re-appointment has offered himself for re-appointment. Based on the recommendation of the Nomination and Remuneration Committee, the Board has recommended the re-appointment of Mr. Ameya Agnihotri as Whole-time Director of the Company at the ensuing AGM. A brief profile and other information, as required under Secretarial Standard-2 and Regulation 36 of the Listing Regulations, are provided in the AGM Notice.

### 5. Key Managerial Personnel:

Pursuant to the provisions of Section 2(51) and Section 203 of the Companies Act, 2013 and rules made thereunder, the Key Managerial Personnel ("KMPs") of your Company as on March 31, 2025 are:

Mr. Gaurav Seth	: Managing Director and Chief Executive Officer
Mr. Gourav Munjal	: Whole-Time Director and Chief Financial Officer

Mr. Ameya Agnihotri	: Whole-time Director and Chief Technology Officer
Mrs. Namita Godbole	: Company Secretary and Chief Compliance Officer (Resigned w.e.f. July 11, 2025)

The Remuneration and other details of the Key Managerial Personnel for the year ended March 31, 2025 are mentioned in Form MGT-7 - Annual Return which can be accessed on our corporate website at [https:// www.5paisa.com/investor-relations](https://www.5paisa.com/investor-relations).

Further, pursuant to SEBI Circular No. SEBI/HO/MIRSD/ MIRSD-PoD-1/P/CIR/2023/24 dated February 06, 2023, your company has recognized and has designated following senior officers as a Key Managerial Personnel of your company for managing the key risks.

Mrs. Namita Godbole	: Chief Compliance Officer (Resigned w.e.f. July 11, 2025)
Mr. Yogesh Maroli	: Chief Information Security Officer (CISO)

### 6. Independent Directors:

The Independent Directors have been familiarized with the Company, their roles, rights and responsibilities in the Company. The details of Familiarization Programmes are available on the website of the Company at [https:// www.5paisa.com/investor-relations](https://www.5paisa.com/investor-relations).

The Company has received requisite declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence prescribed under Section 149(6) of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI Listing Regulations. The Independent Directors have also confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. This has been noted by the Board of Directors.

In the opinion of the Board, all the Independent Directors satisfy the criteria of independence as defined under the Act, rules framed thereunder and the SEBI Listing Regulations, and that they are independent of the Management of the Company. In the opinion of the Board, all Independent Directors (including those appointed during the year) possess requisite qualifications, experience, expertise, proficiency and hold high standards of integrity for the purpose of Rule 8(5)(iii) of the Companies (Accounts) Rules, 2014. In terms of the requirements under the SEBI Listing Regulations, the Board has identified list of key skills, expertise and core competencies of the Board,

including the Independent Directors, details of which are provided as part of the Corporate Governance Report.

As required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors (including those appointed during the year) have registered themselves with the Independent Directors Databank and completed the online proficiency test conducted by the Indian Institute of Corporate Affairs, wherever required.

### BOARD MEETINGS:

During the year, 5 (Five) Board Meetings were convened and held on April 24, 2024; July 12, 2024; October 17, 2024; January 14, 2025 and January 17, 2025. The particulars of attendance of the Directors at the said meetings are detailed in the Corporate Governance Report of the Company, which forms part of this Report. The intervening gap between consecutive Meetings was within the statutory limit prescribed under the Act and Listing Regulations.

Further, the details regarding the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee, Corporate Social Responsibility (CSR) Committee, Environment, Social and Governance (ESG) Committee, Finance Committee, Information Technology (IT) Committee and Cyber Security Committee, including the meetings held during the year, are disclosed in the Corporate Governance Report.

### MEETING OF INDEPENDENT DIRECTORS:

As per the Provisions of the Companies Act, 2013 and Regulation 25(3) of the SEBI Listing Regulations, a separate meeting of the Independent Directors of your Company was held on March 24, 2025, without the presence of Executive Directors or Non-Independent Directors.

The meeting was conducted in an informal and flexible manner to facilitate free and Independent discussions. The Independent Directors, *inter-alia*, reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairperson of the Company; assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

### COMMITTEES OF THE BOARD:

Your Company has constituted various Board level committees in accordance with the requirements of the Act and the Listing Regulations. Further, the Company being categorized as Qualified Stock Broker (QSB) has also constituted other additional committees as mandated under SEBI Circular SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/24 dated February 06, 2023.

### As on March 31, 2025, the Board has constituted the following committees / sub-committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Finance Committee
- Risk Management Committee
- Corporate Social Responsibility (CSR) Committee
- Environmental, Social and Governance (ESG) Committee
- Independent Directors (ID) Committee
- Information Technology (IT) Committee
- Cyber Security Committee

Details of the above Committees along with terms of reference, composition and meetings held during the year under review are disclosed in the Corporate Governance Report which forms part of this Integrated Annual Report.

### ANNUAL EVALUATION OF BOARD'S PERFORMANCE:

Pursuant to the provisions of the Act read with Rules made thereunder and the Corporate Governance requirements as prescribed under the Listing Regulations, the Board has carried out an annual evaluation of its own performance and that of its Committees and Individual Directors.

The performance of the Board and Individual Directors was evaluated by the Board seeking inputs from all the Directors. The performance of the Committees was evaluated based on their composition, clarity of mandate, frequency of meetings, and decision-making effectiveness. The Nomination and Remuneration Committee reviewed the performance of the Individual Directors. A separate meeting of Independent Directors was held to review the performance of Non-Independent Directors, the Board as a whole and the Chairperson in line with Schedule IV of the Act. Performance of the Board, its Committees and Individual Directors was also discussed during the meeting of the Board of Directors.

The criteria for performance evaluation of the Board included aspects like Board composition and structure, effectiveness of Board processes, information and functioning etc. The criteria for performance evaluation of Committees of the Board included aspects like composition of Committees, effectiveness of Committee meetings etc. The criteria for performance evaluation of the Individual Directors included aspects on contribution to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc.

The evaluation process endorsed the Board Members confidence in the ethical standards of your Company, the cohesiveness that exists amongst the Board Members, the two-way open communication between the Board and the

Management and the openness of the Management in sharing strategic information to enable Board Members to discharge their responsibilities.

#### **RELATED PARTY TRANSACTIONS:**

All related party transactions entered into by the Company during the financial year were on an arm's length basis and in the ordinary course of business. No material contracts or arrangements with related parties were entered into during the year under review. Further, there were no transactions for which consent of the Board was required to be taken in terms of Section 188(1) of the Act and accordingly, no disclosure is required in respect of the related party transactions in Form AOC-2 under Section 134(3)(h) of the Act and rules framed thereunder.

During the year, the Audit Committee had granted an omnibus approval for transactions, which were repetitive in nature for one financial year. The Audit Committee on a quarterly basis reviewed all such omnibus approvals. All related party transactions were placed before the Audit Committee and the Board for the necessary review and approval, as applicable. These transactions are supported by a certificate issued by an Independent Chartered Accountant confirming compliance with the relevant requirements.

In case of transactions which are unforeseen, the Audit Committee grants an approval to enter into such unforeseen transactions provided that the transaction value does not exceed the limit of ₹ 1 crore per transaction in a Financial Year. Your Company has developed and adopted relevant SOPs for the purpose of monitoring and controlling such transactions. Your Company's policy for transactions with the related party which was reviewed by the Audit Committee and approved by the Board, can be accessed at <https://www.5paisa.com/investor-relations>. The policy on Related Party Transactions was revised during the year in view of amendments in applicable rules.

Details of Related Party Transactions are set out in Notes to the Standalone Financial Statements pursuant to IND AS-24.

None of the Directors and the Key Managerial Personnel had any pecuniary relationships or transactions *vis-à-vis* the Company during the year under review, other than those disclosed in the financial statements.

Pursuant to Regulation 23(9) of the SEBI Listing Regulations, your Company has filed the reports on related party transactions with the Stock Exchanges within statutory timelines.

#### **NOMINATION AND REMUNERATION POLICY:**

Your Company has in place Nomination and Remuneration Committee of the Board, which performs the functions as mandated under the Act, the SEBI Listing Regulations and such other functions as prescribed by the Board from time to time. The composition of Nomination and Remuneration Committee, attendance at its meetings and other details have been provided as part of the Corporate Governance Report.

#### **The broad objectives of the Nomination and Remuneration Policy are:**

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management;
- b) To evaluate the performance of the members of the Board;
- c) To recommend to the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

#### **The guiding principles of the Nomination and Remuneration Policy are to ensure that:**

- a) Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run your Company successfully;
- b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of your Company and its goals and ensure that the policy is disclosed in the Board's report.

In accordance with the Nomination and Remuneration Policy, the Nomination and Remuneration Committee formulates the criteria for appointment as a Director, Key Managerial Personnel and Senior Management, identifies persons who are qualified to be Directors and nominates candidates for Directorships subject to the approval of Board, evaluates the performance of the Individual Directors, recommends to the Board, remuneration to Managing Director / Whole-time Directors, ensures that the remuneration to Key Managerial Personnel, Senior Management and other employees is based on Company's overall philosophy and guidelines and is based on industry standards, linked to performance of the self and the Company and is a balance of fixed pay and variable pay and recommends to the Board, sitting fees / commission to the Non-Executive Directors.

The remuneration has been paid as per the Nomination and Remuneration Policy of the Company. The Nomination and Remuneration Policy is available on the website of the Company at <https://www.5paisa.com/investor-relations>.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(3)(c) and 134(5) of the Companies Act, 2013, the Directors of your Company, to the best of their knowledge and based on the information and explanations obtained by them from the Company, confirm that:

- a) In the preparation of the annual financial statements for the financial year ended March 31, 2025, the applicable accounting standards have been followed and there are no material departures from the prescribed accounting standards.

- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of your Company as at March 31, 2025 and of the profit of your Company, for the said period;
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- d) The annual accounts have been prepared on a "going concern" basis.
- e) The Directors, have laid down proper internal financial controls to be followed by your Company and that such internal financial controls are adequate and were operating effectively; and
- f) Proper systems to ensure compliance with the provisions of all applicable laws were devised and that such systems were adequate and operating effectively.

### STATUTORY AUDITORS:

In accordance with the provisions of Section 139 of the Companies Act, 2013 and the applicable rules, the members of the Company, at their 15<sup>th</sup> (Fifteenth) Annual General Meeting, approved the appointment of M/s. V Sankar Aiyar and Co., Chartered Accountants, Mumbai (Firm Registration Number: 109208W) as the Statutory Auditors of the Company for a second term of five (5) years, i.e. from the conclusion of 15<sup>th</sup> AGM till the conclusion of 20<sup>th</sup> AGM of your Company..

As per the Ministry of Corporate Affairs notification dated 7<sup>th</sup> May 2018, the requirement for annual ratification of auditor appointments has been dispensed with for appointments made for a five-year term.

The Statutory Auditors have confirmed their compliance with the independence criteria as prescribed under the Companies Act, 2013.

Further, the Statutory Auditors have not reported any instance of fraud to the Audit Committee or the Board of Directors under Section 143(12) of the Companies Act, 2013 read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014.

Any observations made by the Auditors, if applicable, should be read in conjunction with the Notes to the Accounts, which are self-explanatory and do not require further clarification.

### MAINTENANCE OF COST RECORDS:

The maintenance of cost records, for the services rendered by your Company is not required pursuant to Section 148(1) of the Companies Act, 2013 read with Rule 3 of the Companies (Cost records and audit) Rules, 2014.

### SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Listing Regulations, the Board of Directors of the Company had appointed M/s. Nilesh Shah & Associates, Company Secretaries in whole-time practice, Mumbai, to conduct Secretarial Audit of your Company for FY 2024-25.

The Secretarial Auditor, M/s. Nilesh Shah & Associates conducted the Secretarial Audit of the Company for the Financial Year 2024-25. Observations made by the said auditor are mentioned in detail in the Secretarial Audit Report, issued in prescribed Form MR-3 which is annexed to this report "**Annexure - II**" and is self-explanatory. During the year under review, the Secretarial Auditor has not reported any fraud under Section 143(12) of the Act and therefore disclosure of details under Section 134(3)(ca) of the Act is not applicable.

### INTERNAL CONTROL SYSTEMS:

#### a) Internal Audit and its adequacy:

The scope and authority of the internal audit function is well defined and to maintain independence and objectivity in its functions, the internal audit function reports directly to the Audit Committee of the Board.

At the beginning of each Financial Year, a risk-based annual audit plan is rolled out after it is approved by the Audit Committee of the Board. The audit plan aims to evaluate the efficiency and adequacy of the internal control system(s) and compliance(s) thereof, robustness of internal processes, policies and accounting procedures, compliance with laws and regulations. The Internal Audit function, consisting of professionally qualified chartered accountants and specialists, is adequately skilled and resourced to deliver audit assurances at highest levels.

Based on the reports of internal audit function, process owners undertake corrective action in their respective areas. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

#### b) Internal Financial Control Systems and its adequacy:

Your Company has in place adequate internal controls with reference to financial statements and operations and the same are operating effectively. The Internal Auditors tested the design and effectiveness of the key controls and no material weaknesses were observed in their examination. Further, Statutory Auditors verified the systems and processes and confirmed that the Internal Financial Controls system over financial reporting are adequate and such controls are operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by your Company, the work performed by the internal, statutory and

secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the Audit committee, the Board is of the opinion that your Company's internal financial controls were adequate and effective during FY 2024-25.

### **RISK MANAGEMENT:**

For your Company, Risk Management is an integral and important aspect of Corporate Governance. Your Company believes that a robust Risk Management Framework ensures adequate controls and monitoring mechanisms for smooth and efficient running of the business. A risk-aware organization is better equipped to maximize shareholder value.

#### **The key cornerstones of your Company's Risk Management Framework are:**

- A well-defined risk management policy;
- Periodic assessment and prioritization of risks that affect the business of your Company;
- Development and deployment of risk mitigation plans to reduce vulnerability to prioritized risks;
- Focus on both the results and efforts required to mitigate the risks;
- Defined review and monitoring mechanism wherein the functional teams, the top management, Risk Management Committee, Audit Committee and the Board review the progress of the mitigation plans;
- Integration of Risk Management with strategic business plan, annual operating plans, performance management system and significant business decisions;
- Constant scanning of external environment for new and emerging risks;
- Wherever applicable and feasible, defining the risk appetite and implementing adequate internal controls to ensure that the limits are adhered to.

Your company has constituted a Risk Management Committee (RMC) chaired by an Independent Director and has also formulated a Risk Management Policy to identify risks and mitigate their adverse impact on business which is reviewed by the Risk Management Committee from time to time.

Risk Management Committee assists the Board in monitoring and overseeing the implementation of the Risk Management Policy, including evaluating the adequacy of Risk Management Systems and such other functions as mandated under the SEBI Listing Regulations and as the Board may deem fit from time to time.

The business risks and its mitigation has been reported in detail in the Management Discussion and Analysis Section forming part of this Annual Report.

### **WHISTLE BLOWER POLICY / VIGIL MECHANISM:**

Over the years, your Company has established a reputation for doing business with integrity and displays zero tolerance for any form of unethical behaviour. To create enduring value for all stakeholders and ensure the highest level of honesty, integrity and ethical behaviour in all its operations, your Company has implemented Vigil Mechanism in the form of Whistle Blower Policy for Directors and Employees to report their genuine concerns about misconduct and actual/potential violations, if any, to the Whistle Officer of the Company.

Pursuant to Section 177 of the Act read with the Rules prescribed thereunder and Regulation 22 of the Listing Regulations, the Whistle Blower Policy provides for adequate safeguards against victimisation of persons who use the Vigil Mechanism. In terms of the Policy of the Company, no employee of the Company has been denied direct access to the Chairman of the Audit Committee of the Board.

The Whistle Blower Policy can be accessed on the website of the Company at <https://www.5paise.com/investor-relations>.

The Audit Committee is also committed to ensure fraud free work environment. We investigate complaints speedily, confidentially and in an impartial manner and takes appropriate action to ensure that the requisite standards of professional and ethical conduct are always maintained.

Protected disclosures can be made by a whistle-blower through several channels to report actual or suspected frauds and violation of the Company's Code of Conduct. However, during the year under review, no protected disclosure concerning any reportable matter in accordance with the Policy of the Company was received by the Company.

### **GOING CONCERN STATUS:**

Apart from the mentioned below, there were no material orders passed by the regulators, courts or tribunals, impacting the going concern status and future operations of your Company.

Multi Commodity Exchange of India Limited ("**MCX**") vide its email dated March 14, 2024 ("**Order**") imposed a restriction on your Company with regard to onboarding of new clients across all segments with immediate effect. It was further intimated that the said restrain shall continue till the Company submits a complete Root Cause Analysis ("**RCA**") along with documentary evidence or for a period of 15 days, whichever is higher. Basis the action taken by MCX, NSE and BSE also imposed a similar restriction on your Company vide its email dated March 14, 2024.

Being aggrieved by the Order, the same was immediately challenged by your Company before the Hon'ble Bombay High Court by filing a writ petition. Thereafter, your Company was given an opportunity of being heard on March 27, 2024 wherein your Company had offered a detailed representation along with the Root Cause Analysis ("**RCA**") and Action taken to ensure non-recurrence of the said issues in future. Despite

the same, the Member and Core Settlement Guarantee Fund Committee ("**MCSGFC**") of the MCX passed an order *vide* its letter dated July 01, 2024 and levied a monetary penalty of ₹ 2,59,75,000/- (plus applicable GST) on your company and further, a non-monetary penalty of restricting on-boarding of new clients for a period of Fourteen (14) days from the date of receipt of the order.

Aggrieved by the said order, your company had filed an appeal against the said order before Hon'ble Securities Appellate Tribunal ("**SAT**"). SAT passed an order on July 05, 2024, granting a stay on the operation of the Impugned order of MCX subject to deposit of 50% of the penalty amount i.e. ₹ 1,30,00,000/- (Rupees One Crore Thirty Lakhs Only) within one week with MCX. Your Company promptly deposited the said amount with MCX and the restriction, so imposed was revoked across Exchanges. The matter is currently pending hearing before the SAT.

### **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information on energy conservation, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is appended as "**Annexure – III**" to this Directors' Report.

### **PARTICULARS OF EMPLOYEES:**

Disclosures with respect to the remuneration of Directors, Key Managerial Personnel and employees as required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in "**Annexure - IV**" to this Report. Details of employee remuneration as required under provisions of Section 197 of the Act read with Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 also form part of this Report. However, as per the provisions of Section 136 of the Act, the report and the Audited Standalone and Consolidated Financial Statements along with the Auditors' Report thereon are being sent to the Members and others entitled thereto, excluding the said information. If any Member is interested in obtaining a copy thereof, such Member may write to the Company in this regard.

### **DISCLOSURE ON SEXUAL HARASSMENT OF WOMAN AT WORKPLACE:**

Your Company recognizes its responsibility to provide equal opportunities and further it is committed to create a healthy working environment that enables all the employees to work with equality and without fear of discrimination, prejudice, gender bias or any form of harassment at workplace.

To ensure this, your Company has in place, a gender-neutral policy on prevention of sexual harassment at the workplace and a framework for employees to report sexual harassment cases at the workplace where its process ensures complete anonymity and confidentiality of information. The vigil

mechanism of the Company provides for adequate safeguards against victimization of Directors, employees and third parties who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee in exceptional cases.

All new employees go through a detailed personal orientation on anti-sexual harassment policy. Additionally, separate trainings (classroom / online) on Anti-Sexual Harassment Policy are conducted to educate the employees on said policy / rules.

In compliance with the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder, your Company has constituted Internal Complaints Committee to deal with complaints relating to sexual harassment at workplace.

#### **Internal Complaints (IC) Committee as on March 31, 2025**

<b>Sr. No.</b>	<b>Name</b>	<b>Designation</b>
1.	Namita Godbole	President Officer
2.	Sapna Kshirsagar	IC Member
3.	Jay Parekh	IC Member
4.	Deepak Gupta	IC Member
5.	Rajeshree Jadhav	IC Member
6.	Vasundhara Kaul	External Member

#### **Following are the details of the complaint received by your company on sexual harassment during FY 2024-25:**

- Number of Complaints received during the year: NIL
- Number of Complaints disposed off during the year: NIL
- Number of cases pending for more than 90 days: NIL
- Nature of action taken by employer or district officer: Not Applicable

### **CORPORATE SOCIAL RESPONSIBILITY:**

Your Company has been at the forefront in helping the Community through impactful CSR projects that have addressed critical issues of our time. CSR for a business includes being responsible for its business processes and products, and engaging in accountable relationships with its employees, customers and the community.

Your Company has built its reputation as a good corporate citizen by not only doing good business, but also by driving positive change in society. For your Company, CSR is not only about adhering to statutory and legal compliances but also creating social and environmental value for its stakeholders thus contributing to build an equal and future-ready nation.

As per the Companies Act, 2013, as prescribed, companies are required to spend at least 2% of their average net profits for three immediately preceding financial years.

Accordingly, during the year, your Company has spent ₹ 98,16,858/- towards CSR activities during FY 2024-25.

Your company has undertaken CSR activities to promote education through a project named "Sakhion Ki Baadi", implemented by the IIFL Foundation.

CSR policy of your Company is available at <https://www.5paisa.com/investor-relations>.

The Annual Report on CSR activities is annexed as "Annexure - V" to this report.

### **ENVIRONMENT, HEALTH AND SAFETY:**

Your Company prioritises protecting, promoting, and enhancing employee's wellbeing. Your Company recognises healthy and safe working conditions as a human right and adheres to all local and national health and safety regulations.

Given the nature of business, your Company does not undertake any manufacturing activity. However, the Company has designed and adopted manuals and procedures to cover environmental aspects and health and safety risks that the facility / property can control and directly manage and those that it does not directly control or manage but over which it can be expected to have an influence through its Environment, Health and Safety Manual.

Your Company is sensitive about the health and safety of its employees and has been achieving continuous improvement in safety performance through a combination of systems and processes as well as co-operation and support of all employees.

### **INDUSTRIAL RELATIONS:**

The Company maintained healthy, cordial and harmonious industrial relations at all levels during the year. The Board acknowledges the contribution of the employees and all other stakeholders towards meeting the objectives of the Company.

### **ANNUAL RETURN:**

As per the requirements of Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of your Company is available on your company's corporate website at <https://www.5paisa.com/investor-relations>.

### **CODE OF CONDUCT:**

Your Company has implemented a Code of Conduct applicable to its Board of Directors and senior management personnel, embodying the legal and ethical standards to which the Company is firmly committed.

All Directors and senior management personnel have adhered to the provisions of this Code. They have also submitted their annual affirmation of compliance with the Code for the financial year ended March 31, 2025. The Code of Conduct is available on the Company's website at <https://www.5paisa.com/investor-relations>.

### **GENERAL CONFIRMATIONS:**

1. There has been no change in the nature of business of your Company during the Financial Year 2024-25.
2. The notes on the financial statement referred in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer for the Financial Year 2024-25.
3. There have been no instances of frauds reported by the Auditors under Section 143(12) of the Act and the Rules framed thereunder, either to the Company or to the Central Government.
4. Your Company is fully compliant with the applicable Secretarial Standards (SS) issued by Institute of Company Secretaries of India viz. SS-1 and SS-2 on Meetings of the Board of Directors and General Meetings respectively.
5. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries;
6. There was no instance of one-time settlement of loan obtained from the Banks or Financial Institutions.

### **GENERAL DISCLOSURES:**

The Directors states that there being no transactions with respect to the following items during the financial year 2024-25, no disclosure or reporting is required with respect to the same:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Buyback of shares.
3. Receipt of any remuneration or commission by the Director(s) of your Company from any of its subsidiaries.
4. Material changes and commitments affecting the financial position of your Company that have occurred between the end of the financial year to which the financial statements relate and the date of this report, unless otherwise stated in the report.

5. Application or proceedings made under the Insolvency and Bankruptcy Code, 2016.

**CAUTIONARY STATEMENT:**

Statements in the Annual Report, including those which relate to Management Discussion and Analysis, describing your Company's objectives, projections, estimates and expectations, may constitute "forward looking statements" within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

**APPRECIATION:**

Your directors place on record their sincere appreciation for the assistance and guidance provided by the Government, Regulators, Stock Exchanges, Depositories, other statutory bodies and your Company's Bankers for the assistance, co-operation and encouragement extended to your Company.

Your directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The employees of your Company are instrumental for the Company scaling new heights, year after year. Their commitment and contribution is deeply acknowledged. Your involvement as members is also greatly valued. Your Directors look forward to your continuing support.

**For and on behalf of the Board of Directors  
Spaisa Capital Limited**

**Gaurav Seth**  
**Managing Director  
and Chief Executive Officer**  
DIN: 10415364

**Gourav Munjal**  
**Whole Time Director and  
Chief Financial Officer**  
DIN: 06360031

Date: July 08, 2025  
Place: Thane

## Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013  
read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries / Associate companies / Joint ventures.

### PART A: SUBSIDIARIES:

(₹ in millions, except as stated otherwise)

Sr. No.	Particulars	Details			
		5paisa P2P Limited	5paisa Corporate Services Limited	5paisa Trading Limited	5paisa International Securities (IFSC) Limited
1.	Name of the subsidiary				
2.	Date of acquisition	-	-	-	-
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 01, 2024 to March 31, 2025	April 01, 2024 to March 31, 2025	April 01, 2024 to March 31, 2025	April 01, 2024 to March 31, 2025
4.	Reporting currency	INR	INR	INR	INR
5.	Exchange Rate on the last day of the Financial Year (in case of foreign subsidiaries)	NA	NA	NA	NA
6.	Average Exchange Rate during the Financial Year (in case of foreign subsidiaries)	NA	NA	NA	NA
7.	Share capital	72.50	0.50	0.50	5.00
8.	Reserves & surplus	(33.68)	(0.23)	0.44	(0.87)
9.	Total Assets	52.04	0.32	1.44	4.79
10.	Total Liabilities	13.22	0.05	0.50	0.66
11.	Investments	19.92	-	1.11	-
12.	Turnover	1.38	0.00	0.09	0.31
13.	Profit / (loss) before taxation	1.14	(0.05)	0.06	(0.38)
14.	Provision for taxation - Deferred tax	(0.27)	(0.01)	0.00	(0.10)
15.	Profit / (loss) after taxation	1.41	(0.04)	0.06	(0.28)
16.	Proposed Dividend	-	-	-	-
17.	% of shareholding	100%	100%	100%	100%

#### Notes:

- Names of subsidiaries which are yet to commence operations – **5paisa Corporate Services Limited and 5paisa International Securities (IFSC) Limited**
- Names of subsidiaries which have been liquidated or sold during the year – **NIL**

**PART B: ASSOCIATES AND JOINT VENTURES:****Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures – Not Applicable**

(₹ in millions, except as stated otherwise)

Sr. No.	Name of Associates / Joint Ventures	Details
1.	Latest audited Balance Sheet Date	
2.	Number of Shares of Associate / Joint Ventures held by the Holding Company on the year end	
I.	Total Number of Shares	
II.	Amount of Investment in Associates / Joint Venture	
III.	Extent of Holding %	
3.	Description of how there is significant influence	NOT APPLICABLE
4.	Reason why the associate / joint venture is not consolidated	
5.	Net worth attributable to shareholding as per latest audited Balance Sheet	
6.	Profit / Loss for the year	
IV.	Considered in Consolidation	
V.	Not Considered in Consolidation	

- Names of associates or joint ventures which are yet to commence operations - **Not Applicable**
- Names of associates or joint ventures which have been liquidated or sold during the year- **Not Applicable**

For and on behalf of the Board of Directors  
**5paisa Capital Limited**

**Gaurav Seth**  
 Managing Director and Chief Executive Officer  
 DIN: 10415364

**Gourav Munjal**  
 Whole Time Director and Chief Financial Officer  
 DIN: 06360031

**Namita Godbole**  
 Company Secretary & Chief Compliance Officer

Date: July 08, 2025  
 Place: Thane

## **Form No. MR-3**

### **Secretarial Audit Report**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2025**

*[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To  
The Members,  
**5paisa Capital Limited**  
IIFL House, Sun Infotech Park,  
Road No. 16V, Plot No. B-23,  
Thane Industrial Area,  
Wagle Estate, Thane – 400 604

Dear Sir / Madam,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by **5paisa Capital Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed with regulatory authorities as applicable and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended **31<sup>st</sup> March, 2025**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We further report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management and of the Company. Our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon. We have examined on test basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended 31<sup>st</sup> March, 2025 according to the provisions of:

- (i) The Companies Act, 2013 and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
- (v) Considering activities, the Company is also subject to compliance of the following laws specifically applicable to the Company:
  - (a) The Securities and Exchange Board of India (Depository & Participant) Regulations, 2018;
  - (b) The Securities and Exchange Board of India (Stock-Brokers and Sub-Brokers) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Research Analyst) Regulations, 2014; NO ACTIVITIES DURING THE YEAR.
  - (d) The Securities and Exchange Board of India (Investment Advisors) Regulations, 2013; NO ACTIVITIES DURING THE YEAR.

We have verified systems and mechanism which is in place and followed by the Company to ensure Compliance of these specifically applicable Laws (in addition to the above mentioned Laws (i to iv) and applicable to the Company) and we have also relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for compliances of other applicable

Acts, Laws and Regulations and found the satisfactory operation of the same.

We have also examined compliance with the applicable clauses of:

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013;
- (b) Listing Agreement(s) entered with stock exchanges.

We further Report that, during the year, it was not mandatory on the part of the Company to comply with the following Regulations / Guidelines:

- (a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (b) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018;
- (c) The Securities and Exchange Board of India (Issue and Listing of on-Convertible Securities) Regulations, 2021.
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

Based on the above said information provided by the Company, we report that during the financial year under report, the Company has generally complied with the provisions of the above-mentioned Act/s including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards, etc. mentioned above, and we have no material observation of instances of non-compliance in respect of the same, save and except the following:

1. The Company has not filed e-Form DIR-12 with the Registrar of Companies pursuant to provisions of Section 170 of the Companies Act, 2013 read with Rule 18 of the Companies (Appointment and Qualification of Directors) Rules, 2014 for the following events concerning Mr. Ameya Agnihotri:
  - Change in designation for appointment as Whole-time Director (WTD) at the Board Meeting prior to the Annual General Meeting (AGM).
  - Change in designation as Director at the Annual General Meeting.
2. The Company did not file e-Form CHG-01 with the Registrar of Companies for the creation of charge, as prescribed under Section 77 of the Companies Act, 2013 for availing credit facilities (Bank Guarantee) from Yes Bank Limited. We have been informed that the said credit facility was for short duration and there was no outstanding balance as of March 31, 2025.

3. The Company has appointed Mr. Gaurav Seth as the Chief Executive Officer (CEO) and Managing Director; however, the filing of e-Form DIR-12 is pending as the Company is awaiting prior approvals from the stock exchanges.
4. The Company appointed a new Chief Executive Officer (CEO) on January 14, 2025, and a new Managing Director on January 17, 2025 which was beyond the prescribed period of three months from 28<sup>th</sup> August, 2024 under Regulation 26A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As explained by the Management of the Company, the delay in the appointment of the new Managing Director and CEO was due to the Company's ongoing efforts to identify a suitable candidate for the role. We have been informed that the Company has obtained an extension for the same from Stock Exchange for delay in appointment of new Chief Executive Officer (CEO) and Managing Director. Consequently, the financial results for the quarter ended September 30, 2024, and December 31, 2024, were certified by Chief Financial Officer only without the Chief Executive Officer certification (Regulation 33(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015).
5. An adjudicating Order has been passed by the SEBI on 31<sup>st</sup> October, 2024 levying the penalty pursuant to Section 15HB of SEBI Act 1992 amounting to ₹ 8,00,000/- (Rupees Eight Lakhs Only) for not observing the provisions of Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and applicable SEBI Circulars in respect of incorrect reporting of enhanced supervision data, discrepancy in amount reported for clear client balances for cash and cash equivalent report and segregation report, incorrect reporting of risk-based supervision data, inadequate control and supervision over the Authorised Persons, inadequate collection of margin from clients under the MTF facility, cyber-security requirements, Non-reporting of technical glitches to stock exchanges.
6. An adjudicating Order has also been passed by the SEBI on 30<sup>th</sup> July, 2024, levying penalty of ₹ 2,00,000/- (Rupees Two Lakhs Rupees Only) pursuant to Section 15HB of SEBI Act 1992 for not observing the provisions of Code of Conduct of Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 for uploading wrong / mismatch UCC data in MCX Platform.
7. It is observed that the Member and Core Settlement Guarantee Fund Committee (MCSGFC) of the Multi Commodity Exchange of India Limited (MCX) at Mumbai has passed an Order on 01<sup>st</sup> July, 2024 imposing a restriction on on-boarding of new clients for a period of 14 days and a consolidated monetary penalty of ₹ 2,59,75,000/- with respect to non-reporting and /or delayed reporting of technical glitches to the Exchanges. Further the company had filed an appeal against the said order before Hon'ble Securities Appellate Tribunal ("SAT").

The SAT has passed an order on July 05, 2024, granting a stay on the operation of the Impugned order of MCX dated July 01, 2024 subject to deposit of 50% of the penalty amount i.e. ₹ 1,30,00,000/- (Rupees One Crore Thirty Lakhs Only) within one week. The Company has promptly deposited the said penalty amount. We understand that the next hearing in this matter is scheduled on July 2, 2025.

8. An Administrative Warning and Deficiency Letter was issued by SEBI on 09.01.2025 pursuant to Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 for not observing certain KYC compliances such as gender mismatch between the request form and KYC documents/ photo, not ensuring Aadhar masking in Aadhar obtained from investors during KYC process, for non - submission of required documents to KRA with AOF/ Modification Form, not capturing Client's address correctly in AOF, name mismatch between AOF and PAN, non -submission of the required documents to KRA within stipulated time, failure to capture IPV details, not capturing wet signature of clients in modification form and improper photo or blank photo on AOF/ Modification form.
9. An Advisory dated 23.12.2024 was issued to ensure strict compliance that subsidiary companies will not utilize the name / brand name / any name resembling to that 5paisa for undertaking any activity or offering products / securities or services that are not regulated by financial sector regulator.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors during the year under review was done in compliance with the provisions of the Act save and except as mentioned above.

We also report that adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and short notice in case of urgency and a system exists for Board Members for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Based on the representation made by the Company and its Officers, we herewith report that majority decisions are carried through and proper system is in place which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the minutes.

Based on the representation made by the Company and its Officers explaining us in respect of internal systems and mechanism established by the Company which ensures compliances of Acts, Laws and Regulations applicable to the Company, we report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

There were no events / actions having major bearing on the Company's affairs during the financial year under review.

Note: This Report is to be read along with attached Letter provided as **"Annexure - A"**.

Date: 01.05.2025  
Place: Mumbai  
UDIN: F004554G000248556

Signature:  
Name: Nilesh Shah (Partner)  
For **Nilesh Shah & Associates**  
Company Secretaries  
FCS: 4554  
C.P.: 2631  
Peer Review No. 6454/2025

## “Annexure - A”

To  
The Members,  
**Spaisa Capital Limited**  
IIFL House, Sun Infotech Park,  
Road No. 16V, Plot No. B-23,  
Thane Industrial Area,  
Wagle Estate, Thane – 400 604

Dear Sir / Madam,

Sub: Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis (by verifying records as was made available to us) to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and we rely on Auditors Independent Assessment on the same.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of process followed by Company to ensure adequate Compliance.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Date: 01.05.2025  
Place: Mumbai  
UDIN: F004554G000248556

Signature:  
Name: Nilesh Shah (Partner)  
For **Nilesh Shah & Associates**  
Company Secretaries  
FCS: 4554  
C.P: 2631  
Peer Review No. 6454/2025

## Information relating to conservation of energy, technology absorption and innovation and foreign exchange earnings / outgo forming part of the Directors' Report in terms of Section 134(3)(m) of the Companies Act, 2013.

### CONSERVATION OF ENERGY

The Company is engaged in stock broking and trading and so there were no activities in the nature of research and development involved in the business. However, Your Company is taking all possible measures to conserve energy. Several environment friendly measures were adopted by your Company such as:

- Installation of capacitors to save power;
- Installed Thin Film Transistor (TFT) monitors that saves power;
- Light Emitting Diode (LED) lights;
- Automatic power shutdown of idle monitors;
- Creating environmental awareness by way of distributing the information in electronic form;
- Minimising air-conditioning usage;
- Shutting off all the lights when not in use;
- Education and awareness programs for employees for ensuring effective utilisation of resources;
- Tree Plantations carried out in office premises during Environmental Day.

The Management frequently puts circulars on corporate intranet, IWIN for the employees educating them on ways and means to conserve the electricity and other natural resources and ensures strict compliance of the same.

### Technology

Technology is a driving force at 5paisa. At every level we leverage technology to drive change across the organisation. Whether it is to improve a customer's account opening experience, or their ability to pick the right investment strategies or to ease the life of our internal employees and departments, we use technology to continuously better our processes to achieve these goals.

### Below mentioned are the key achievements of FY-2024-25.

#### Driving Experience:

In FY 2024-25, 5paisa continued its relentless pursuit of delivering a superior trading and investing experience. The mobile app saw a series of high-impact launches, including the all-new FnO360 Dashboard, Gift Nifty integration and Strategy Builder on Option

Chain, offering traders predefined and customizable strategies with real-time analytics. Enhancements like Straddle View and Cumulative Charts enabled users to access comprehensive trading data and charts in a single, streamlined interface.

The Advance Order Form brought greater control to trade execution, while the Flutter Migration significantly improved app speed, responsiveness and cross-platform scalability. On the compliance front, the launch of a seamless Digital Re-KYC Journey and integration of DDPI (Demat Debit and Pledge Instruction) made regulatory processes fully digital and frictionless.

On the web platform, we completely revamped our legacy TradeStation, modernizing the interface and infrastructure. New capabilities like Position Grouping, Transaction Visualization on Charts and full TradingView Library Integration including advanced tools, indicators and multi-layout charts transformed how users view their positions and execute trades.

#### Driving Engagement:

To drive deeper user engagement, we focused on intelligent content delivery and enriched user journeys. We launched QTV, a real-time live streaming module where users could follow expert-led sessions and trade instantly based on shared insights. Further, IntraEdge, our AI / ML-powered intraday trading engine, enabled users to discover curated stock baskets with real-time stop-loss suggestions bridging the gap between research and action.

Through the TradingView Webhook Feature, users can now automate trades based on pre-defined technical signals, elevating the platform for algo-inclined retail traders.

#### Driving Growth:

Growth efforts during FY 2024–25 were anchored in enhancing transactional fluidity, strengthening investment infrastructure and expanding access to market opportunities. By simplifying fund flows, enabling real-time tracking mechanisms and improving backend automation, the organization significantly enhanced investor confidence and platform reliability.

Strategic focus was also placed on enabling seamless entry across investment products, whether through improved mandate journeys, integration of broader market segments or the introduction of scalable architecture to support third-party

and in-house platforms. Collectively, these measures ensured higher user retention, deeper engagement across investment cycles and a more trusted ecosystem for long-term growth.

#### Driving Efficiencies:

We achieved substantial performance gains with API optimization and backend stabilizations, resulting in faster order execution and platform reliability across peak load conditions. Across the platform, efforts were directed toward minimizing latency, reducing failure rates and scaling infrastructure to support an expanding base of active traders.

#### Driving Transformation:

The company accelerated its transformation agenda through comprehensive platform modernization and smarter investor engagement tools. Upgrades to core digital infrastructure improved performance, scalability and compliance readiness particularly through migration to robust content management systems and streamlining of pre-login experiences.

Transformation was also evident in the way investors interacted with research and decision-making utilities via personalized tools, enhanced data visibility and a unified transition across discovery and execution layers. Simultaneously, operational capabilities were reinforced through intelligent automation in onboarding and lead management, ensuring both speed and relevance in client servicing and lifecycle engagement.

#### FOREIGN EXCHANGE EARNINGS / OUTGO OF THE STANDALONE COMPANY:

- a) The foreign exchange earnings: ₹ 8,27,223/-  
b) The foreign exchange expenditure: ₹ 2,24,99,898/-

#### RESEARCH AND DEVELOPMENT (R & D):

The Company is engaged in stock broking and trading and so there were no activities in the nature of research and development involved in the business.

#### Amount of expenditure incurred on Research and Development:

Particulars	March 31, 2025	March 31, 2024
Capital	NIL	NIL
Revenue	NIL	NIL

For and on behalf of the Board of Directors  
**Spaisa Capital Limited**

**Gaurav Seth**  
Managing Director and  
Chief Executive Officer  
DIN: 10415364

**Gourav Munjal**  
Whole Time Director and  
Chief Financial Officer  
DIN: 06360031

Date: July 08, 2025  
Place: Thane

**Annexure – IV**

## Details of Remuneration of Directors, KMP's and Employees

**Pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

(₹ in million)

Sr. No.	Particulars	Name of the Director / KMP	Designation	Ratio of the remuneration of each Director to the median remuneration of the employees of the Company	Percentage (%) increase / (decrease) in remuneration
1.	The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year and the percentage increase / (decrease) in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the Financial Year 2024-25	Mr. Narayan Gangadhar*	Managing Director and Chief Executive Officer (CEO)	15.79	-
		Mr. Gaurav Seth^	Managing Director and Chief Executive Officer	5.93	-
		Mr. Gourav Munjal	Whole Time Director and Chief Financial Officer (CFO)	6.41	10
		Mr. Ameya Agnihotri#	Whole Time Director and Chief Technology Officer (CTO)	21.46	-
		Dr. Archana Hingorani	Non-Executive Independent Director	NA	NA
		Ms. Nirali Sanghi	Non-Executive Independent Director	NA	NA
		Mr. Milin Mehta	Non-Executive Independent Director	NA	NA
		Mr. Ravindra Garikipati	Non-Executive Independent Director	NA	NA
		Dr. Sarat Kumar Malik&	Additional Non-Executive Independent Director	NA	NA
		Mrs. Namita Godbole§	Company Secretary and Chief Compliance Officer	10.09	15
2.	The percentage increase in the median remuneration of employees in the Financial Year	The median remuneration of the employees in the financial year was increased by 9%. The calculation of % increase in median remuneration in done based on comparable employees. For this, the employees who were not eligible for any increment have been excluded.			
3.	The number of permanent employees on the rolls of the Company	539			
4.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	In the Financial Year 2024-25, there is an average increase of 9% in the remuneration other than managerial personnel and 4% increase in the remuneration of managerial personnel.			
5.	It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.				

**Notes:**

*Sitting fees is not forming part of remuneration in aforesaid calculation and there is no remuneration paid to Independent Director and Non-Executive Director.*

*WTD – Whole Time Director, CEO – Chief Executive Officer, CFO – Chief Financial Officer, CTO – Chief Technology Officer, CS – Company Secretary.*

\* *Mr. Narayan Gangadhar resigned from the position of MD & CEO vide his resignation letter dated May 30, 2024 effective from the close of the business hours of August 28, 2024.*

^ *Mr. Gaurav Seth was appointed as Chief Executive Officer (CEO) w.e.f. January 14, 2025 and as a Managing Director w.e.f. January 17, 2025.*

# *Mr. Ameya Agnihotri was appointed as a Whole Time Director w.e.f. July 13, 2024.*

& *Dr. Sarat Kumar Malik was appointed as an Additional Non-Executive Independent Director w.e.f. July 08, 2025 subject to the approval of members at the ensuing Annual General Meeting.*

§ *Mrs. Namita Godbole resigned from the position of Company Secretary and Chief Compliance Officer of the Company w.e.f. close of business hours of July 11, 2025.*

For and on behalf of the Board of Directors

**5paisa Capital Limited**

**Gaurav Seth**

Managing Director and Chief Executive Officer

DIN: 10415364

**Gourav Munjal**

Whole Time Director and Chief Financial Officer

DIN: 06360031

Date: July 08, 2025

Place: Thane

## Annual Report on Corporate Social Responsibility (CSR) Activities for the Financial Year 2024-25

*(Pursuant to the Companies (Corporate Social Responsibility) Rules, 2014)*

### 1. Brief Outline on CSR Policy of the Company:

Your Company is guided by IIFL Group's vision to become the most trusted and respected brand in the financial services space in India. To realize this vision, your Company recognizes the importance of contributing to sustainable social transformation. The approach of the business focuses on building trust, knowledge and delivering quality service to its customers on one hand and on the other; to provide timely assistance to its customers so as to help them achieve their financial goals.

Your Company strongly believes that Corporate Social Responsibility is connected with the principles of sustainable growth and hence recognizes the immense opportunity it has to bring about a positive change in the lives of the communities through its business operations and CSR activities.

The Policy directs its CSR Programmes, *inter-alia*, towards achieving one or more of the following - poverty alleviation; promoting education and skill development; promoting healthcare including preventive healthcare; providing sanitation and drinking water; ensuring environmental sustainability; enabling climate resilience; rural development projects; creating livelihoods for people, especially those from disadvantaged sections of society; protection of national heritage, art and culture; preserving and promoting music and sports; and providing relief and assistance to victims of disasters and calamities.

### 2. The Composition of the CSR Committee:

Sr. No.	Name of Director	Nature of Directorship	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. Archana Hingorani	Independent Director	Chairperson	1	1
2.	Ms. Nirali Sanghi	Independent Director	Member	1	1
3.	Mr. Gaurav Seth <sup>§</sup>	Managing Director and CEO	Member	0	0
4.	Mr. Gourav Munjal	Whole Time Director and CFO	Member	1	1
5.	Mr. Ameya Agnihotri <sup>#</sup>	Whole Time Director and CTO	Member	0	0
6.	Mr. Narayan Gangadhar <sup>^</sup>	Managing Director and CEO	Member	1	1

<sup>§</sup> Mr. Gaurav Seth was appointed as a Member of the Committee w.e.f. January 17, 2025 and the details of attendance pertains to meetings held after such date.

<sup>#</sup> Mr. Ameya Agnihotri was appointed as a Member of the Committee w.e.f. July 13, 2024 and the details of attendance pertains to meetings held after such date.

<sup>^</sup> Narayan Gangadhar stepped down as a Member of the Committee w.e.f. July 13, 2024 and the details of attendance pertains to meetings held up to such date.

### 3. Web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of your company:

The web-links are as follows:

- Composition of CSR Committee - <https://www.5paisa.com/investor-relations>
- CSR Policy and Projects - [Corporate Social Responsibility Policy](#)

### 4. The executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable

### 5. Details of the amount available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any: Not Applicable

**6. (a) Average net profit of your company as per sub-section (5) of section 135:**

Financial Years	Net Profit (₹)
2023-2024	68,69,45,447
2022-2023	58,88,20,633
2021-2022	19,67,62,587
<b>Total Net Profit for the last 3 (Three) Financial Years</b>	<b>1,47,25,28,667</b>
<b>Average Net Profits of your Company for the last 3 (Three) Financial Years</b>	<b>49,08,42,889</b>

- (b) **2% (Two Percent) of average net profit of your company as per sub-section (5) of Section 135:** ₹ 98,16,858/-  
(c) **Surplus arising out of the CSR Projects or programmes or activities of the previous financial years:** Not Applicable  
(d) **Amount required to be set-off for the financial year, if any:** Not Applicable  
(e) **Total CSR obligation for the financial year [(b)+(c)-(d)]:** ₹ 98,16,858/-

**7. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** ₹ 98,16,858/-

- (b) **Amount spent in Administrative Overheads:** NIL  
(c) **Amount spent on Impact Assessment, if applicable:** Not Applicable  
(d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:** ₹ 98,16,858/-  
(e) **CSR Amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
98,16,858	NIL	NA	NA	NIL	NA

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

Sr. No.	Particulars	Amount (in ₹)
(i)	2% (Two Percent) of average net profit of your company as per sub-section (5) of section 135	98,16,858/-
(ii)	Total amount spent for the Financial Year	98,16,858/-
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Not Applicable
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

**8. Details of Unspent Corporate Social Responsibility amount for the preceding 3 (Three) Financial Years:** NIL**9. Details of CSR amount spent in the financial year for ongoing projects of the preceding Financial Years:** NIL**10. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:** NIL**11. Specify the reason(s), if the company has failed to spend 2% (Two Percent) of the average net profit as per sub-section (5) of Section 135:** The Company has spent the entire amount required to be spent towards Corporate Social Responsibility (CSR) activities during the financial year, in compliance with the provisions of Section 135(5) of the Companies Act, 2013.

For and on behalf of the Board of Directors

**Spaisa Capital Limited****Gaurav Seth**Managing Director and Chief Executive Officer  
DIN: 10415364**Gourav Munjal**Whole Time Director and Chief Financial Officer  
DIN: 06360031

Date: July 08, 2025

Place: Thane

# Business Responsibility and Sustainability Report

## Section A: General Disclosure

### I Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	L67190MH2007PLC289249
2. Name of the Listed Entity	5paisa Capital Limited
3. Year of incorporation	July 10, 2007
4. Registered office address	IIFL House, Sun Infotech Park, Road No. 16V, B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane - 400604.
5. Corporate address	IIFL House, Sun Infotech Park, Road No. 16V, B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane - 400604.
6. E-mail	<a href="mailto:csteam@5paisa.com">csteam@5paisa.com</a>
7. Telephone	+91 22 41035000
8. Website	<a href="http://www.5paisa.com">www.5paisa.com</a>
9. Financial year for which reporting is being done	2024-2025
10. Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited ("NSE") and Bombay Stock Exchange Limited ("BSE")
11. Paid-up Capital	₹ 31,23,63,380/-
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report.	<b>Name</b> - Mr. Gourav Munjal <b>Designation</b> - Whole-time Director & CFO <b>Email ID</b> - <a href="mailto:csteam@5paisa.com">csteam@5paisa.com</a> <b>Telephone</b> - +91 22 41035000
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures under this report are made on "Standalone" basis, unless otherwise specified elsewhere in the report.
14. Name of the Assessment or Assurance Provider.	The Company will undertake the assurance of the BRSR in the year of applicability
15. Type of Assessment or Assurance obtained.	NA

### II Products and Services

#### 16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1	Broking and Financial Services	Stock Broking, Financial Advisory, Brokerage & Consultancy Services	99.97%
2	Broking and Financial Services	Fund Based Activities and Distribution	0.03%

#### 17. Products/ Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Stock Broking	66120	99.97%
2	Fund Based Activities & Distribution	66190	0.03%

### III Operations

#### 18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	0	1	1
International	0	0	0

**19. Markets served by the entity:****a. Number of locations:**

Locations	Number
National (No. of States)	28
International (No. of Countries)	0

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

0%

**c. A brief on types of customers**

The Company is a prominent broking and financial services entity known for its role as an online brokerage firm. Specializing in providing cost-effective brokerage services, the Company caters to a diverse array of customers within the financial markets. Its clientele includes Young Investors, Non-Resident Individuals, Self-employed Professionals, HUF's, Corporates, High Net Worth Individuals (HNI's) and Ultra HNI's who trade in stocks, commodities, mutual funds, derivatives etc. through its online platforms. Moreover, the Company attracts long-term investors looking to build portfolios and access a wide range of investment options. The company is supported by robust research credentials and exceptional execution capabilities. Thus, customers rely on the Company to expertly manage their finances through its range of financial products and services, catering to various investment needs and trading preferences.

**Note:** 5paisa Capital Limited, a financial services company, does not engage in the export of financial services and hence its turnover does not include any contribution from exports.

**IV Employees****20 Details at the end of the financial year****a Employees and workers (including differently abled):**

S No. Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
<b>Employees</b>					
1 Permanent (D)	539	349	64.75%	190	35.25%
2 Other than Permanent (E)	130	61	46.92%	69	53.08%
3 Total Emp. (D + E)	669	410	61.29%	259	38.71%
<b>Workers</b>					
1 Permanent (D)	0	0	0.00%	0	0.00%
2 Other than Permanent (E)	0	0	0.00%	0	0.00%
3 Total Emp. (D + E)	0	0	0.00%	0	0.00%

**b Differently abled Employees and workers:**

S No. Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>					
1 Permanent (D)	0	0	0.00%	0	0.00%
2 Other than Permanent (E)	0	0	0.00%	0	0.00%
3 Total Emp. (D + E)	0	0	0.00%	0	0.00%
<b>DIFFERENTLY ABLED WORKERS</b>					
1 Permanent (D)	0	0	0.00%	0	0.00%
2 Other than Permanent (E)	0	0	0.00%	0	0.00%
3 Total Emp. (D + E)	0	0	0.00%	0	0.00%

**21 Participation/Inclusion/Representation of women as on March 31, 2025**

	Total (A)	No. and % of females	
		No. (B)	% (B/A)
Board of Directors	7	2	28.57%
Key Management Personnel	4	1	25.00%

**22 Turnover rate for permanent employees and workers.**

(Disclose trends for the past 3 years)

	FY2024-25 (Turnover rate in current FY)			FY2023-24 (Turnover rate in previous FY)			FY2022-23 (Turnover rate in the year prior to previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	64.35	50.95	59.80	35.00	50.00	40.00	57.00	72.00	63.00
Permanent Workers	NA								

**V Holding, Subsidiary and Associate Companies (including joint ventures)**
**23a Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	5paisa P2P Limited	Wholly Owned Subsidiary	100.00	No
2	5paisa Corporate Services Limited	Wholly Owned Subsidiary	100.00	No
3	5paisa Trading Limited	Wholly Owned Subsidiary	100.00	No
4	5paisa International Securities (IFSC) Limited	Wholly Owned Subsidiary	100.00	No

**VI- CSR Details**
**24 i- Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)**

Yes

**24 ii Turnover (In Crore Rupees)**

359.67

**24 iii Net worth (In Crore Rupees)**

604.45

**VII- Transparency and Disclosures Compliances**
**25 Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-2025 Current Financial Year			FY 2023-2024 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	<a href="https://www.5paisa.com/contact-us">https://www.5paisa.com/contact-us</a>	0	0	The Company collaborates with the community through CSR projects, overseen by a dedicated CSR committee that ensures project success and facilitates community feedback in-person during the CSR activity or via Company's "Contact us" page: <a href="https://www.5paisa.com/contact-us">https://www.5paisa.com/contact-us</a>	0	0	NA

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-2025 Current Financial Year			FY 2023-2024 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Investors (other than shareholders)	<a href="https://www.5paisa.com/investor-relations/grievance-redressal-information">https://www.5paisa.com/investor-relations/grievance-redressal-information</a>	0	0	Investors have dedicated contact details available on the Company's website for raising their concerns: <a href="https://www.5paisa.com/investor-relations/grievance-redressal-information">https://www.5paisa.com/investor-relations/grievance-redressal-information</a> . Further the Grievance Redressal policy can be requested by sending an email to <a href="mailto:csteam@5paisa.com">csteam@5paisa.com</a>	0	0	NA
Shareholders	<a href="https://www.5paisa.com/investor-relations/grievance-redressal-information">https://www.5paisa.com/investor-relations/grievance-redressal-information</a>	0	0	Shareholders have dedicated contact details available on the Company's website for raising their concerns: <a href="https://www.5paisa.com/investor-relations/grievance-redressal-information">https://www.5paisa.com/investor-relations/grievance-redressal-information</a> . Further the Grievance Redressal policy can be requested by sending an email to <a href="mailto:csteam@5paisa.com">csteam@5paisa.com</a>	0	0	NA
Employees and workers	<a href="https://storage.googleapis.com/5paisa-prod-storage/files/investor-relations/2025-03/Whistle%20Blower%20Policy.pdf">https://storage.googleapis.com/5paisa-prod-storage/files/investor-relations/2025-03/Whistle%20Blower%20Policy.pdf</a>	0	0	The Company has implemented a whistleblower policy that allows employees to confidentially report any concerns they may have regarding misconduct, ethical violations or other issues within the Company	0	0	NA
Customers	<a href="mailto:support@5paisa.com">support@5paisa.com</a> , <a href="mailto:grievance@5paisa.co">grievance@5paisa.co</a> . Further the Grievance Redressal policy can be requested by sending an email to <a href="mailto:csteam@5paisa.com">csteam@5paisa.com</a>	1576	5	NA	1359	30	All Complaints Resolved during the FY 2023-24
Value Chain Partners	Value Chain Partners can report their concerns through the contact details provided on the Company's Contact Us page: <a href="https://www.5paisa.com/contact-us">https://www.5paisa.com/contact-us</a> . Further the Grievance Redressal policy can be requested by sending an email to <a href="mailto:csteam@5paisa.com">csteam@5paisa.com</a>	0	0	NA	0	0	NA
Other (please specify)	NA	0	0	NA	0	0	NA

**26 Overview of the entity's material responsible business conduct issues**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Data and Customer Privacy	R	Risk explained: Protection and security of every customer information in possession of the Company is utmost crucial to avoid data leakage or subsequent misuse. Being a technology driven Company, it relies heavily on its technology infrastructure. As most of the transactions are processed digitally, it increases the chances of cyber threats / information security risks.	The Company has adopted a strong Information technology and cyber security policy wherein cyber risk and its mitigation are monitored and updated by the Board periodically to ensure mitigation of such risks. The Information Technology Committee of the Board and the Board of Directors review and approve any updates in data and customer privacy related matters. The Company has appointed a Chief Information Security Officer (CISO) who is duly responsible and in charge for the information / data as well as customer privacy and to initiate action plans for any data breaches or related issues. The Company has also put in place various measures for managing data privacy to adapt / mitigate any data and customer privacy related incidences. The Company has initiated measures to update employees, customers and other stakeholders of any potential cyber frauds, data privacy etc. Various informative materials on data and customer privacy are shared periodically over mail, SMS and on social media platforms.	Negative Implications include 1) Reputational Risks; 2) Financial Risk due to penalties 3) Regulatory risk in terms of fines, penalties, etc
2	Responsible marketing	O	Opportunity explained: Delivering products and services that are relevant, tailored to customer needs and of superior quality is essential for the long-term success of our business.		Positive Implications include 1) Steady growth in new customer acquisition; 2) Robust financial performance.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Corporate Governance and Ethics	O	Opportunity explained: Use of relevant technology to enhance monitoring and compliance efforts by actively engaging with all the concerned stakeholders and incorporating their feedback into ethical policies and practices thus resulting in detailed and transparent reporting practices.		Positive Implications include 1) Refined Governance Framework; 2) Support in developing Core Business Strategy and decision making process
4	Regulatory compliance	R	Risk explained: Company operates into a highly regulated environment and further being categorized as a Qualified Stock Broker (QSB) needs to adhere to additional compliances thus increasing the risk of non-compliance.	The Company ensures that there are no delays or discrepancies in complying with applicable regulations. A dedicated team of qualified personnel ensures efficient and timely compliance with all regulations applicable to the Company.	Negative Implications include 1) Impacts brand image; 2) Potential legal penalties and fines
5	Customer satisfaction	O	Opportunity explained: Identification and fulfilment of customer needs and expectations is essential for their retention and loyalty thereby contributing to increased revenues.		Positive Implications include 1) Increase in repeat customer business; 2) Improvement in market share; 3) Better asset quality
6	Human Resources Initiatives	O	Opportunities explained: Fair recruitment, hiring processes and efforts to build a congenial work environment through structured training / performance appraisal helps in employee retention. The Company takes constant efforts in providing better benefits to its employees which includes monetary as well as non-monetary benefits.		Positive Implications include 1) Better employee retention; 2) Improvement in productivity.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Digitalization	O	Opportunity explained: Strategic partnerships with fintech's, along with strong in-house digital capabilities have allowed the Company to expand customer base significantly and serve niche segments, because digitalization drives innovation in traditional offerings.	.	Positive Implications include 1) Seamless Business Operation; 2) Reduced Cost; 3) Improved turnover around time.
8	Climate change	R	Risk explained: Climate change can pose several business challenges if not mitigated well in advance. It can cause complete business disruption as well.	The Company has instituted an ESG policy to incorporate ESG factors into its strategy and operations, risk management and governance process and lending portfolio. The ESG policy also aims to communicate the Company's approach of ESG integration to the stakeholders. It continues to identify and act on opportunities to reduce environmental footprint.	Negative Implications include 1) Significant business disruption Risks; 2) Physical and transition risks.
9	Employee health and wellness	O	Opportunity explained: Investing in employee health and wellness is essential for enhancing productivity and also ensures their retention and overall job satisfaction.		Positive Implications include 1) Enhanced loyalty and engagement among employees; 2) Increase in productivity
10	Resource management	O	Opportunity explained: The Company's focus lies on achieving resource efficiency in terms of energy, water, paper and e-waste, since it does not have any other significant environmental impact.		Positive Implications include 1) Lower cost and higher productivity; 2) Better resource utilization.
11	Transparency & Disclosures	O	Opportunity explained: Transparency and disclosure helps the Company for establishing stakeholder trust, gaining investor confidence, and fostering long-term business success		Positive Implications include 1) Lower Conflicts.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
12	Community Engagement	0	Opportunity explained: The CSR initiatives are aimed at promoting the development of vulnerable and marginalized sectors along with the benefits towards overall development of community.		Positive Implications include 1) Engagements with Marginalized and Vulnerable groups; 2) Increased Brand Image

### Section B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1a- Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1b- Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1c- Web Link of the Policies, if available	All Company policies are accessible via: 1. The Company website- <a href="https://www.5paisa.com/investor-relations">https://www.5paisa.com/investor-relations</a> 2. The internal portal for internal accessibility								
<b>Note:</b> The Company has several policies, including Anti-Corruption Policy, Equal Opportunity Policy, Environment Policy, Prevention of Sexual Harassment Policy, Human Rights Policy, Stakeholder Engagement Policy, Diversity and Inclusion Policy, Sustainable Supply Chain and Responsive Sourcing Policy etc. all of which incorporate the elements of the 9 principles of NGRBC (National Guidelines on Responsible Business Conduct) which emphasize ethical governance, sustainability, stakeholder responsiveness, and human rights. The Board of Directors, various functional committees and senior management has approved all statutory policies required under SEBI's Listing Obligations and Disclosure Requirements Regulations, 2015 (referred to as "SEBI Listing Regulations"), along with several voluntarily adopted policies to enhance its governance and operational framework.									
2- Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3- Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4- Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<p><b>P1:</b> Our Company is ISO 27001:2013 (Information Security Management System – ISMS) and ISO 22301:2019 (Business Continuity Management System – BCMS) certified. ISO 27001:2013 promotes ethical governance by requiring top management's commitment to information security and establishing policies that integrate security into the organization's overall strategy. ISO 22301:2019 reinforces accountable governance through structured business continuity planning and risk management.</p> <p><b>P2:</b> The Company is certified for both ISO 27001:2013 (Information Security Management System – ISMS) and ISO 22301:2019 (Business Continuity Management System – BCMS) certified. ISO 27001:2013 ensures the secure management of information related to our products and services, supporting sustainable and safe delivery to customers by protecting data confidentiality, integrity, and availability. ISO 22301:2019 complements this by enabling the company to prepare for, respond to, and recover from disruptions, ensuring continuity in delivering critical services and minimizing downtime, thereby enhancing operational resilience and customer trust.</p>								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
			<p><b>P3:</b> Our Company is ISO 27001:2013 (Information Security Management System – ISMS) certified. The certification ensures the protection of stakeholders' sensitive data, demonstrating responsiveness to their needs and concerns while building trust.</p>						
				<p><b>P4:</b> Our company aligns its human rights approach with internationally recognized frameworks such as the Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights. These frameworks guide our commitment to respecting and promoting human rights across our operations.</p>					
					<p><b>P5:</b> Similar to Principle 4, both the Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights support our commitment to upholding human rights standards in our business practices.</p>				
						<p><b>P6:</b> The Company is ISO 27001:2013 (Information Security Management System – ISMS) certified. While these standards do not directly address environmental protection, our governance systems ensure compliance with applicable environmental regulations as part of overall risk management.</p>			
							<p><b>P7:</b> Our Company is ISO 27001:2013 (Information Security Management System – ISMS) certified. This standard supports consumer protection by ensuring the secure handling of consumer information, reducing risks of data breaches and misuse.</p>		
								<p><b>P8:</b> The Company is ISO 27001:2013 (Information Security Management System – ISMS) certified. This certification promotes inclusive growth by ensuring business resilience, minimizing disruption impacts on employees, customers and partners equitably.</p>	
									<p><b>P9:</b> Our Company is ISO 27001:2013 (Information Security Management System – ISMS) certified. The standard includes controls for managing third-party risks, ensuring that suppliers and partners adhere to robust information security practices and providing access to remedies in case of breaches..</p>
5- Specific commitments, goals and targets set by the entity with defined timelines, if any.					<p><b>P1:</b> 5paisa Capital Ltd. is committed to maintaining high standards of corporate governance and regulatory compliance as evidenced by its adherence to SEBI Listing Regulations and regular disclosures. The company aims to sustain zero non-compliance incidents and enhance transparency through quarterly financial disclosures and annual audits, with ongoing monitoring by the Board and Audit Committee.</p>				
									<p><b>P2:</b> The company targets continuous improvement in its digital trading platform's reliability and security, leveraging ISO 27001:2013 and ISO 22301:2019 certifications to ensure uninterrupted and secure service delivery. The goal is to maintain 99.9% system uptime and zero data breaches annually, with periodic audits and risk assessments.</p>
									<p><b>P3:</b> 5paisa Capital Ltd. commits to fostering a safe and inclusive workplace by implementing employee well-being programs, diversity initiatives, and skill development workshops. The company targets a year-on-year increase in employee engagement scores and aims to conduct annual training on workplace ethics and harassment prevention.</p>



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
					<p><b>P5:</b> During the reporting period, the Company reported zero human rights violations. It successfully conducted its annual human rights impact assessment and delivered training sessions to employees and key suppliers, reinforcing its commitment to international human rights standards.</p>				
						<p><b>P6:</b> Protecting the Environment: The company advanced its sustainability efforts by adopting a fully digital onboarding process, significantly reducing paper consumption. Additionally, initiatives such as promoting water conservation awareness highlight a commitment to environmental stewardship.</p>			
							<p><b>P7:</b> The Company maintained active and transparent engagement with regulators and industry bodies during the reporting period. It disclosed its key policy positions and advocacy efforts in alignment with its ethical standards, with no instances of non-compliance or misrepresentation reported.</p>		
								<p><b>P8:</b> Inclusive Growth and Equitable Development: 5paisa Capital Limited fostered inclusivity and diversity through enhanced hiring and employee development practices, improving workforce representation and engagement. This reflects a dedication to promoting equitable opportunities within the organization.</p>	
									<p><b>P9:</b> During the reporting period, 5paisa Capital Limited successfully resolved customer and stakeholder complaints within the stipulated timelines, demonstrating strong adherence to its grievance redressal commitment and continuous focus on service efficiency.</p>

### Governance, leadership and oversight

7- Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

As a responsible financial services provider, 5paisa Capital Limited has adopted a holistic and strategic approach to Environmental, Social, and Governance (ESG) considerations. The Company is steadfast in embedding ESG principles into its core business operations, demonstrating a firm commitment to sustainability and responsible corporate citizenship.

#### Environmental Sustainability:

The Company has successfully transitioned to a fully digital onboarding process, significantly reducing paper consumption and thereby minimizing its environmental footprint. It is committed to the responsible disposal and management of electronic waste and has undertaken tree plantation initiatives across its premises. Efforts to enhance indoor air quality and maximize the use of natural lighting reflect the Company's dedication to creating a healthy and productive work environment for its employees while contributing positively to the broader community. Furthermore, 5paisa actively promotes water conservation awareness among employees, reinforcing sustainable practices within its daily operations.

#### Social Responsibility:

Social responsibility remains a fundamental pillar of the Company's ethos. At 5paisa, employee well-being is prioritized through inclusive workplace policies, comprehensive wellness programs, and continuous opportunities for skill development. The Company's commitment to diversity and inclusion extends beyond its workforce to encompass supplier relationships, ensuring adherence to fair labor practices and ethical sourcing standards. Additionally, 5paisa actively engages with local communities through initiatives designed to foster positive social impact and cultivate long-term relationships based on mutual respect and trust.

## Governance, leadership and oversight

### Corporate Governance:

The Company upholds the highest standards of corporate governance, supported by a robust framework that includes a comprehensive whistleblower policy and a diverse Board of Directors comprising seasoned professionals. Compliance with SEBI regulations and transparent communication with stakeholders underpin the Company's governance practices, ensuring accountability and maintaining stakeholder confidence.

### Commitment to ESG Leadership:

5paisa remains dedicated to integrating ESG principles across all facets of its operations to deliver sustainable, long-term value to stakeholders while driving positive environmental and social outcomes. Sustainability is deeply embedded in the Company's strategic planning and decision-making processes, enhancing resilience and competitive advantage in an evolving business environment. The Company is actively progressing towards renewable energy adoption, implementing efficient waste management systems, and undertaking measurable actions to reduce its carbon footprint. It champions workplace diversity, fosters employee well-being through proactive initiatives, and supports community development efforts that effect meaningful change. Additionally, the voluntary adoption of enhanced governance practices and the commitment to limited assurance for the Business Responsibility and Sustainability Report (BRSR) Core requirements reflect 5paisa's dedication to maintaining exemplary governance standards. Through transparent ESG reporting and ongoing stakeholder engagement, the Company strives to strengthen trust, uphold accountability, and promote sustainable growth over the long term.

8- Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). Mr. Gourav Munjal - Whole Time Director & CFO, holds the responsibility for overseeing sustainability issues and implementing Business Responsibility policies.

9- Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details. Yes, 5paisa Capital Limited has established a dedicated Executive-level ESG Committee comprising Independent Directors, Executive Directors, and Senior Management personnel. This Committee is entrusted with the responsibility of overseeing and advancing the Company's commitments to environmental, social, and governance (ESG) matters. It provides strategic direction, leadership, and critical oversight to ensure the effective integration of ESG considerations into the Company's overall business strategy.

The ESG Committee operates under the guidance and authority of the Board of Directors. Additionally, the Board conducts an annual evaluation of the Company's business responsibility performance. This evaluation incorporates insights from the Risk Management Committee, which identifies and assesses internal and external sustainability risks. The Board takes these risk assessments into account to ensure a comprehensive and proactive approach to sustainability governance.

## 10 Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									
	P1	P2	P3	P4	P5	P6	P7	P8	P9	
Performance against above policies and follow up action					Director					
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances					Director					
Subject for Review	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)									
	P1	P2	P3	P4	P5	P6	P7	P8	P9	
Performance against above policies and follow up action					Annually					
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances					Quarterly					

### Notes:

- The policies are subject to regular assessments according to designated intervals or as required by departmental and business heads, senior management and the Board of Directors. However, mandatory annual reviews occur during board meetings to evaluate policy effectiveness and providing suggestions for possible modifications or enhancements, if any.

2. The Company has implemented procedures to ensure overall compliance with all relevant regulations.

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>
					No				

**Note:** All policies and processes are subject to audits / reviews done internally in the Company from time to time. Further, the respective Committees are entitled with the responsibility of review, revisions and approval of policies in line with amended Rules, Regulations and Market Trends.

**12 If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:**

Not Applicable, as the Company has all the relevant policies that align with the 9 (Nine) Principles of NGRBC.

**Section C: Principle Wise Performance Disclosure**

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

**PRINCIPLE-1**

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

**ESSENTIAL INDICATORS**

1 Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of trainings and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	2	The training provided to the Board of Directors focused primarily on leadership aspects. However, the Company aims to include in-depth training and awareness sessions on BRSR aspects.	100%
Key Managerial Personnel	2	The training provided to Key Managerial Personnel covered essential topics such as the Prevention of Sexual Harassment (POSH), Managerial Effectiveness, and thought leadership, equipping them with vital skills for their roles.	100%
Employees other than BoD and KMPs	2	The training provided to employees included SQL Training, Managerial Effectiveness, NISM Training, and Thought Leadership, in addition to induction programs covering the Company’s policies, POSH, human rights, and business ethics.	100%
Workers	0	0	0%

2 Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

**Monetary**

	<b>NGRBC Principle</b>	<b>Name of the regulatory/ enforcement agencies/ judicial institutions</b>	<b>Amount (In INR)</b>	<b>Brief of the Case</b>	<b>Has an appeal been preferred?(Yes/No)</b>
Penalty/ Fine	Principle 1	Multi Commodity Exchange of India Limited (MCX)	2,59,75,000	MCSGFC of MCX vide its order dated July 01, 2024 had imposed a restriction on on-boarding of new clients for a period of 14 days from the date of receipt of the order and levied a consolidated monetary penalty of ₹2,59,75,000/- in terms of the exchange circulars.	Company had filed an appeal against the said order before Hon'ble Securities Appellate Tribunal ("SAT") and SAT has passed an order on July 05, 2024, granting a stay on the operation of the impugned order of MCX dated July 01, 2024 subject to deposit of 50% of the penalty amount i.e. ₹ 1,30,00,000/- (Rupees One Crore Thirty Lakhs Only) within one week. Matter is currently pending before SAT.
	Principle 1	National Stock Exchange of India Limited (NSE) -SAMA ODR	11,88,459	Arbitration Award in the matter Ref. No. NSE-SB-2023-10-918221 was in favor of Applicant and 5paise was directed to make the payment of ₹11,88,459/- along with Interest to the Applicant.	5paise has challenged the Arbitral Award before court in Ahmedabad
Settlement				Nil	
Compounding Fee				Nil	

**Non- Monetary**

	<b>NGRBC Principle</b>	<b>Name of the regulatory/enforcement agencies/ judicial institutions</b>	<b>Brief of the Case</b>	<b>Has an appeal been preferred?(Yes/No)</b>
Imprisonment			Nil	
Punishment			Nil	

**Note:** Details of other penalties and regulatory actions are disclosed separately in the Corporate Governance Report, which forms part of the Integrated Annual Report.

**3 Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Refer Point 2 above.

**4 Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, 5paise Capital Limited has implemented a comprehensive Anti-Bribery and Anti-Corruption Policy designed to uphold the highest standards of ethical conduct and ensure strict compliance with all applicable anti-bribery laws. This policy reflects the Company's unwavering commitment to conducting its business with integrity, fairness, and transparency across all operations.

The policy explicitly prohibits any form of bribery, corruption, or illicit payments in both commercial and governmental transactions. It applies universally to all stakeholders, including employees, directors, officers, business partners, consultants, suppliers, vendors, and any other individuals or entities acting on behalf of or in association with 5paisa.

To prevent unethical practices, the policy incorporates rigorous procedures for vetting and ongoing monitoring of associates, contractors, and representatives. It places a clear obligation on all personnel to comply with the policy and to promptly report any suspected violations through established channels, including the Company's whistle-blower mechanism.

The implementation, oversight, and periodic review of the policy are managed by the ESG Team in coordination with the Human Resources department. These teams conduct regular audits to assess the policy's effectiveness and ensure alignment with evolving regulatory requirements and best practices.

Stakeholders seeking access to the Anti-Bribery and Anti-Corruption Policy or wishing to report concerns may contact the Company at [csteam@5paisa.com](mailto:csteam@5paisa.com).

**5 Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.**

	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

**6 Details of complaints with regard to conflict of interest.**

	FY 2024-2025 Current Financial Year		FY 2023-2024 Previous Financial Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

**Note:** The Company has not received any complaints with respect to any instances of conflict of interest for Directors and / or KMPs during both the Financial Years.

**7 Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

There have been no cases of corruption or conflicts of interest and no fines / penalties have been levied by any regulatory / law enforcement agencies or judicial institutions during the FY 2024-25, so no corrective actions were required.

**8 Number of days of accounts payables ((Accounts Payable \*365) / Cost of goods/ services procured) in the following format.**

	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
Number of days of accounts payable	1.7176	1.2420

**9 Open-ness of business. Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:**

Parameter	Metrics	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
Concentration of purchases	a. Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a. Sales to dealers /distributors as % of total sales	NA	NA
	b. Number of dealers / distributors to whom sales are made	NA	NA
	c. Sales to top 10 dealers / distributors as % of total sales to dealers /distributors	NA	NA
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0%	0%
	b. Sales (Sales to related parties / Total Sales)	0%	0%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0%	0%
	d. Investments (Investments in related parties / Total Investments made)	100%	100%

## LEADERSHIP INDICATORS

**1 Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners under the awareness programmes)
8	Commodity Awareness Program and Options Convention	100%

**2 Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

Yes, the Company has established a comprehensive Code of Conduct to prevent and manage conflicts of interest involving members of the Board of Directors and Senior Management Personnel. This Code clearly delineates guidelines and expectations to ensure that no actions are taken that could be detrimental to the interests of the Company.

The Company maintains a clear separation between the Board's independent supervisory role and the management's operational responsibilities. Key areas of oversight are entrusted to specialized Committees of the Board, which include Independent Directors to reinforce impartiality and governance.

Furthermore, robust processes are in place to effectively identify, disclose, and manage any potential conflicts of interest among Board members. The Code of Conduct explicitly addresses scenarios where personal interests might conflict with those of the Company, ensuring transparency and integrity in all decision-making processes.

These measures collectively serve to mitigate risks associated with conflicts of interest, thereby safeguarding the Company's best interests and maintaining stakeholder confidence in its governance framework.

The Company's Code of Conduct is publicly accessible and can be reviewed at: <https://www.5paisa.com/investor-relations>

**PRINCIPLE-2**

Businesses should provide goods and services in a manner that is sustainable and safe.

**ESSENTIAL INDICATORS**
**1 Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	0	0.00	No investments were made in research and development specifically targeted at improving environmental or social impacts during the reported periods.
Capex	0	0.00	No capital expenditures were allocated towards technologies or processes aimed at enhancing environmental or social performance in the current and previous financial years.

**2a Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes, we do have a policy in place for the sustainable sourcing.

**2b If yes, what percentage of inputs were sourced sustainably?**

We have not started tracking the percentage of sustainable vendors; however, same has been taken into consideration.

**Note:** 5paisa Capital Limited, operating within the financial services sector, has limited resource consumption primarily related to its operational activities, as the sourcing of physical inputs is not central to its core business. Nevertheless, the Company has established and implemented comprehensive procedures for sustainable sourcing, as detailed in its internal **"Sustainable Supply Chain and Responsible Sourcing Policy."**

This policy underscores the Company's commitment to conducting business in a lawful, ethical, and socially responsible manner. It mandates that all suppliers strictly comply with sustainability commitments and standards, including adherence to applicable laws, promotion of fair labor practices, fostering diversity and inclusion, prohibition of child and forced labor, prevention of discrimination, upholding health and safety standards, and environmental stewardship.

Any violation of the policy's provisions may lead to corrective measures, including potential termination of the supplier relationship. Additionally, the policy fosters transparency and accountability through a whistle-blowing mechanism that enables reporting of any misconduct or non-compliance within the supply chain.

Suppliers are provided with orientation on the policy during their onboarding process and are required to provide formal consent to adhere to its terms at the time of entering into contractual agreements. This approach reinforces the Company's unwavering commitment to promoting sustainable, ethical, and responsible practices across its entire supply chain.

**3 Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (C) Hazardous waste and (d) other waste.**

a. Plastics (including packaging)	As a financial services provider, the use of plastic is minimal. However, the Company has initiated efforts to protect the environment by substituting traditional plastic bags with bio-degradable alternatives. We use 100% bio-degradable plastic garbage bags to collect and dispose of dry and wet wastes.
b. E-waste	The Company adheres to e-waste regulations, ensuring that all electronic waste is collected and disposed of exclusively through authorized scrap collectors and vendors. Accordingly, all scrap electronic assets like Computers, Tablets, Printers, Scanners, Servers, Batteries, etc. are disposed off through such registered scrap collectors and vendors.
c. Hazardous waste	Considering that the company is involved in providing financial services, therefore this does not apply to the Company.
d. Other waste	All other waste is collected and properly managed through collaboration with local waste management authorities.

- 4 Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No, as the Company is Stock broker, providing financial services, Extended Producer Responsibility (EPR) is NA to the Company.

### LEADERSHIP INDICATORS

- 1 Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ assessment was conducted	Whether conducted by Independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
NA					

**Note:** The Company does not engage in manufacturing any products and hence the above disclosure requirement does not apply.

- 2 If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective/ Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
NA		

**Note:** The Company does not engage in manufacturing any products and hence the above disclosure requirement does not apply.

- 3 Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
NA		

**Note:** The Company does not engage in manufacturing any products and hence the above disclosure requirement does not apply.

- 4 Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2024-2025 Current Financial Year			FY 2023-2024 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	0	0	0	0	0	0
E-waste	0	0	0	0	0	0
Hazardous waste	0	0	0	0	0	0
Other waste	0	0	0	0	0	0

- 5 Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA	

**PRINCIPLE-3**

Businesses should respect and promote the well-being of all employees, including those in their value chains.

**ESSENTIAL INDICATORS**
**1a Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
	(A)	Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	349	349	100.00%	349	100.00%	0	0.00%	349	100.00%	0	0.00%
Female	190	190	100.00%	190	100.00%	190	100.00%	0	0.00%	0	0.00%
Total	539	539	100.00%	539	100.00%	190	35.25%	349	64.75%	0	0.00%
<b>Other than Permanent employees</b>											
Male	61	61	100.00%	61	100.00%	0	0.00%	61	100.00%	0	0.00%
Female	69	69	100.00%	69	100.00%	69	100.00%	0	0.00%	0	0.00%
Total	130	130	100.00%	130	100.00%	69	53.08%	61	46.92%	0	0.00%

**1b Details of measures for the well-being of workers:**

Category	% of employees covered by										
	Total	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
	(A)	Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent workers</b>											
Male	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Female	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
<b>Other than Permanent workers</b>											
Male	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Female	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%

**Note:** No workers are employed with 5PCL

**1c Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:**

	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the company	0.33%	0.16%

**2 Details of retirement benefits, for Current FY and Previous FY.**

Benefits	FY 2024-2025 Current Financial Year			FY 2023-2024 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	90.72%	0.00%	Yes	77.70%	0.00%	Yes
Gratuity	100.00%	0.00%	Yes	100.00%	0.00%	Yes
ESI	0.00%	0.00%	NA	3.46%	0.00%	Yes
Others-Specify			Nil			

**Note:** \*Being a stock broker, providing financial services, the Company does not have any workers employed at its office.

**3 Accessibility of workplaces.****Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes, the Company ensures that its premises and offices are accessible to differently-abled employees in accordance with the provisions of the Rights of Persons with Disabilities Act, 2016. While the Company currently does not have any differently-abled employees, the infrastructure is designed to be inclusive and supportive. The premises are equipped with essential accessibility features, including ramps and elevators, to facilitate ease of movement for differently-abled individuals.

Specifically, the office includes voice-enabled lifts, ramps at restroom entrances, and clearly visible, appropriate signage, all of which contribute to creating a barrier-free and inclusive work environment. These measures reflect the Company's commitment to fostering an accessible and supportive workplace for all individuals, in line with legal requirements and best practices.

**4 Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, the Company has implemented a comprehensive Equal Opportunity Policy designed to foster an inclusive and equitable workplace for all employees, including persons with disabilities. The policy ensures that every individual—irrespective of race, caste, religion, gender, age, disability, or any other characteristic—is provided equal access to employment opportunities based solely on their qualifications and competencies.

At its core, the policy underscores a strict commitment to non-discrimination, prohibiting any form of bias, harassment, or unfair treatment, while promoting a culture of respect and dignity among all employees. Recruitment and selection processes are conducted transparently, emphasizing merit and job-related criteria to guarantee fairness throughout the hiring lifecycle.

Furthermore, the policy mandates the provision of reasonable accommodations to support employees with disabilities in effectively performing their duties without imposing undue hardship on the Company. Regular training and awareness programs on diversity and inclusion are conducted to reinforce the Company's dedication to equal opportunity principles.

A robust grievance redressal mechanism is established to promptly address any complaints related to discrimination, ensuring confidentiality and support for affected employees. Designated Monitoring Officers oversee the implementation and compliance of the policy across all Company locations, reporting any concerns to relevant authorities as required.

The Equal Opportunity Policy is accessible via the internal employee portal and is introduced during new hire induction sessions. The ESG and Human Resources teams, in coordination with the Board of Directors, regularly review and update the policy to ensure ongoing relevance and compliance with applicable laws.

For individuals seeking access to the full Equal Opportunity Policy, please contact the Company at [csteam@5paisa.com](mailto:csteam@5paisa.com).

**5 Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100.00%	100.00%	NA	NA
Female	100.00%	100.00%	NA	NA
Total	100.00%	100.00%	NA	NA

**Note:** \*Being a stock broker, providing financial services, the Company does not have any workers employed at its office.

**6 Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

	Yes/No	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	No	Being a stock broker, providing financial services, the Company does not have any workers employed at its office
Other than Permanent Workers	No	Being a stock broker, providing financial services, the Company does not have any workers employed at its office
Permanent Employees	Yes	<p>The Company has instituted a comprehensive grievance redressal mechanism designed to address concerns raised by employees across all categories. This mechanism is underpinned by specific policies, including the Prevention of Sexual Harassment (POSH) Policy, Human Rights Policy, and other relevant frameworks.</p> <p>To ensure accessibility and confidentiality, employees at every level have multiple channels available for reporting grievances. These include dedicated email addresses, internal communication platforms, and direct communication with Human Resources representatives. The Company is committed to fostering a safe environment where employees can raise concerns without fear of retaliation.</p> <p>The grievance handling process is conducted with utmost transparency and fairness, involving thorough investigations and appropriate remedial actions in accordance with established policies and applicable legal requirements. Regular training sessions are conducted to inform employees about their rights, the grievance reporting procedures, and the importance of maintaining a respectful and inclusive workplace.</p> <p>Furthermore, the Company undertakes periodic reviews and updates of its grievance redressal framework to ensure alignment with evolving regulatory standards and best practices within the financial services sector.</p> <p>Through these robust and continuously improved grievance mechanisms, the Company reinforces its commitment to nurturing a positive and supportive work environment that empowers employees to thrive and feel valued.</p>
Other than Permanent Employees	Yes	<p>The Company has instituted a comprehensive grievance redressal mechanism designed to address concerns raised by employees across all categories. This mechanism is underpinned by specific policies, including the Prevention of Sexual Harassment (POSH) Policy, Human Rights Policy, and other relevant frameworks.</p> <p>To ensure accessibility and confidentiality, employees at every level have multiple channels available for reporting grievances. These include dedicated email addresses, internal communication platforms, and direct communication with Human Resources representatives. The Company is committed to fostering a safe environment where employees can raise concerns without fear of retaliation.</p> <p>The grievance handling process is conducted with utmost transparency and fairness, involving thorough investigations and appropriate remedial actions in accordance with established policies and applicable legal requirements. Regular training sessions are conducted to inform employees about their rights, the grievance reporting procedures, and the importance of maintaining a respectful and inclusive workplace.</p> <p>Furthermore, the Company undertakes periodic reviews and updates of its grievance redressal framework to ensure alignment with evolving regulatory standards and best practices within the financial services sector.</p> <p>Through these robust and continuously improved grievance mechanisms, the Company reinforces its commitment to nurturing a positive and supportive work environment that empowers employees to thrive and feel valued.</p>

**7 Membership of employees and worker in association(s) or Unions recognised by the listed entity.**

Category	FY 2024-2025 Current Financial Year			FY 2023-2024 Previous Financial Year		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	539	2	0.37%	548	0	0.00%
Male	349	0	0.00%	369	0	0.00%
Female	190	2	1.05%	179	0	0.00%
Total Permanent Workers	0	0	0.00%	0	0	0.00%
Male	0	0	0.00%	0	0	0.00%
Female	0	0	0.00%	0	0	0.00%

**8 Details of training given to employees and workers.**

Category	FY 2024-2025 Current Financial Year					FY 2023-2024 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	410	410	100.00%	15	3.66%	537	0	0.00%	0	0.00%
Female	259	259	100.00%	10	3.86%	341	0	0.00%	0	0.00%
Total	669	669	100.00%	25	3.74%	878	0	0.00%	0	0.00%
<b>Workers</b>										
Male	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Female	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Total	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%

**Note:** As a stock brokerage firm operating in the financial services sector, the Company does not employ workers in the traditional sense at its office premises. Nonetheless, the Company is deeply committed to enhancing employee effectiveness through continuous learning and development initiatives.

Throughout the year, a wide range of skill-building programs have been offered, tailored to the diverse roles and levels within the organization. These include health and safety awareness campaigns such as fire drills, medical consultation sessions, and training on the Prevention of Sexual Harassment (POSH) at the workplace.

To cater to varied learning preferences and schedules, the Company has developed interactive training videos hosted on the Moneyversity platform, enabling employees at all levels to enhance their competencies at their convenience.

The comprehensive skill development program encompasses induction training for new employees, regulatory and compliance education, domain-specific knowledge enhancement, behavioral skills, and leadership development. These programs are delivered through a blend of instructor-led sessions and e-learning modules.

For new joiners, the Company organizes induction programs that provide a thorough overview of corporate policies, including relevant health and safety protocols. Furthermore, ongoing on-the-job training sessions are conducted to ensure employees remain updated with the latest operational advancements.

These initiatives reflect the Company's unwavering dedication to the holistic development and well-being of its employees, equipping them with the requisite skills and knowledge to excel professionally and contribute effectively to organizational success.

**9 Details of performance and career development reviews of employees and worker:**

Category	FY 2024-2025 Current Financial Year			FY 2023-2024 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	410	410	100.00%	537	537	100.00%
Female	259	259	100.00%	341	341	100.00%
Total	669	669	100.00%	878	878	100.00%
<b>Workers</b>						
Male	0	0	0.00%	0	0	0.00%
Female	0	0	0.00%	0	0	0.00%
Total	0	0	0.00%	0	0	0.00%

**Note:** As a stock brokerage firm providing financial services, the Company does not employ workers in the traditional sense at its office premises. However, the Organization places strong emphasis on the professional growth and career development of its employees through a well-structured and systematic performance appraisal process.

This process ensures that all eligible employees undergo regular evaluations to assess their performance, achievements, and career progression. The Company is committed to fostering an environment that offers diverse opportunities for employees to develop their skills, expand their capabilities, and excel within the organization.

By supporting multiple pathways for individual growth, the Company aims to unlock the full potential of each employee, thereby driving both personal success and overall organizational development.

**10 Health and safety management system.**
**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

No, the Company does not currently have a formal Occupational Health and Safety (OHS) management system in place. However, acknowledging the inherently low-risk nature of its operations, the Company remains committed to ensuring the health, safety, and well-being of its employees through a range of precautionary measures.

These measures include the installation of essential safety equipment such as fire safety systems, wheelchairs, stretchers, and first aid kits strategically located across all premises. Regular fire safety and emergency preparedness training sessions are conducted to enhance employee readiness and response capabilities. To further safeguard physical and electronic security, the Company has implemented comprehensive CCTV monitoring and access control systems.

Emergency and disaster management drills, including fire-fighting exercises, are periodically conducted across all office locations to ensure preparedness. Additionally, arrangements are made for the availability of medical professionals to provide prompt emergency medical support as needed.

The Company also maintains hygienic workplaces with safe drinking water, adequate ventilation, and clean restroom facilities, all of which contribute to fostering a healthy and secure working environment for all employees.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Operating within the financial services sector, the Company functions in an environment where work-related hazards are comparatively minimal relative to industries such as manufacturing or heavy industrial operations. Nevertheless, the Company has instituted comprehensive manuals and procedures to effectively address environmental factors as well as health and safety risks within its facilities.

These protocols encompass the management of utilities, maintenance of indoor air quality, assurance of elevator safety, and implementation of robust fire safety measures. Additionally, the Company promotes the use of personal protective equipment where applicable and ensures clear safety signage is prominently displayed to uphold high safety standards.

Regular and periodic risk assessments are conducted systematically to identify and evaluate potential hazards linked to service delivery and operational activities, enabling timely mitigation and fostering a safe working environment.

**c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

No. Given the nature of the Company's business operations, it does not employ workers in the conventional sense. However, employees are provided with designated channels within the office premises to report any identified risks or hazards. This framework ensures that safety concerns are promptly communicated and effectively addressed to maintain a secure working environment.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes, the Company ensures that employees have access to non-occupational medical and healthcare services through well-established provisions. First aid kits, stocked with essential medicines, are maintained across all office locations to address immediate health concerns. Furthermore, the office premises are equipped with on-site medical professionals who are readily available to provide medical assistance to employees as needed. These measures underscore the Company's commitment to promoting the holistic health and well-being of its workforce beyond occupational health and safety requirements.

**11 Details of safety related incidents, in the following format.**

Safety Incident/Number	Category	FY 2024-2025	
		Current Financial Year	FY 2023-2024 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

**12 Describe the measures taken by the entity to ensure a safe and healthy work place.**

The Company is dedicated to fostering a safe and healthy work environment that promotes the overall well-being and psychological safety of its employees. This commitment is reflected through continuous training and education programs designed to instill best practices and awareness around workplace health and safety.

Robust health and safety protocols are in place, including the conduct of regular safety drills on a quarterly basis to reinforce preparedness and adherence. The Company ensures the availability of essential medical facilities and maintains fully equipped first-aid kits at all premises to provide prompt assistance in the event of injuries or emergencies.

In addition to physical safety measures, the Company actively promotes employee wellness through initiatives such as Zumba, yoga, and meditation sessions, which support work-life balance and contribute to holistic employee well-being.

**13 Number of Complaints on the following made by employees and workers:**

	FY 2024-2025 Current Financial Year			FY 2023-2024 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

**14 Assessments for the year.**

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Health and safety practices	100.00%
Working Conditions	100.00%

**Note:** The Company conducts basic internal assessments to ensure the maintenance of a healthy and safe workplace environment. Operating within the financial services sector, the Company's working conditions inherently involve minimal physical risk compared to industries such as manufacturing. Nonetheless, to uphold the highest standards of safety, the Company regularly performs electrical safety inspections and maintenance across all its premises. These proactive measures demonstrate the Company's commitment to safeguarding the well-being of its employees and maintaining a secure workplace.

**15 Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

None of such risks/ concerns identified during FY 24-25.

**LEADERSHIP INDICATORS**
**1 Does the entity extend any life insurance or any compensatory package in the event of death of**
**(A) Employees (Y/N)**

Yes, the company offers life insurance coverage.

**(B) Workers (Y/N)**

No, being a stock broker, providing financial services, the company does not have any workers employed at its office.

**2 Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The Company places utmost importance on compliance with statutory obligations throughout its value chain. To this end, it ensures that all vendors and value chain partners consistently deduct and remit statutory dues, including Goods and Services Tax (GST), within the prescribed timelines.

As part of its compliance verification process, the Company systematically cross-references the GST payments made by its vendors against official records maintained in the GST system. This rigorous monitoring mechanism helps to ensure full adherence to statutory requirements and reinforces the Company's commitment to ethical and transparent business practices.

**3 Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment.**

	<b>Total no. of affected employees/ workers</b>		<b>No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment</b>	
	<b>FY 2024-2025 Current Financial Year</b>	<b>FY 2023-2024 Previous Financial Year</b>	<b>FY 2024-2025 Current Financial Year</b>	<b>FY 2023-2024 Previous Financial Year</b>
Employees	0	0	0	0
Workers			NA	

**4 Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Yes, the Company is committed to facilitating continued employability and supporting employees through career transitions resulting from retirement or termination. To this end, the Company provides ongoing opportunities for skill enhancement through specialized training, professional development, and leadership programs. These initiatives are designed to keep employees abreast of the latest industry trends and maintain their competitiveness in the job market.

Additionally, the Company offers structured retirement benefits, including Provident Fund and Gratuity schemes, in accordance with applicable legal requirements and recognized best practices. These provisions underscore 5paisa's holistic approach to employee welfare, reflecting a sustained commitment to supporting employees throughout various phases of their career journey.

## 5 Details on assessment of value chain partners.

% of value chain partners (by value of business done with such partners) that were assessed	
Health and safety practices	0%
Working Conditions	0%

**Note:** The Company has not yet conducted a formal evaluation of its value chain partners. However, it mandates that all partners comply with the terms and conditions stipulated in their contractual agreements. Furthermore, the Company requires its value chain partners to adhere strictly to the safety regulations and standards prescribed by the relevant authorities, particularly concerning workforce safety and welfare.

Moving forward, the Company intends to establish a structured assessment framework to systematically evaluate its value chain partners, ensuring alignment with its commitment to responsible business practices and regulatory compliance.

## 6 Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

NA

### PRINCIPLE-4 Businesses should respect the interests of and be responsive to all its stakeholders.

#### ESSENTIAL INDICATORS

##### 1. Describe the processes for identifying key stakeholder groups of the entity.

At 5paisa, the identification of key stakeholder groups is guided by the principle of mutual impact—that is, stakeholders are recognized based on the significance of their influence on the Company and vice versa. To systematically manage this process, the Company has established a comprehensive Stakeholder Engagement Policy.

The policy begins with a broad definition of stakeholders, encompassing individuals, groups, or organizations affected by the Company's activities. This includes internal stakeholders such as employees and management, as well as external stakeholders comprising customers, clients, investors, shareholders, regulatory authorities, business partners, media, and social organizations.

Stakeholder mapping is conducted to categorize these groups according to their level of influence, interest, and impact on the Company. Based on this analysis, tailored engagement strategies are developed for each stakeholder group. These strategies employ a diverse range of communication channels, including direct interactions, surveys, feedback mechanisms, meetings, online portals, social media platforms, and participation in industry forums.

The Stakeholders Relationship Committee undertakes regular reviews of the Stakeholder Engagement Policy to ensure its continued alignment with the Company's strategic objectives and its adaptability to evolving stakeholder dynamics. Any amendments or updates to the policy are submitted to the Board of Directors for review and approval.

Insights gathered through stakeholder engagement are systematically integrated into the Company's strategic decision-making processes, facilitating the identification of emerging opportunities and potential risks related to stakeholder expectations. Comprehensive documentation and reporting of engagement activities further enhance transparency and accountability, enabling continuous improvement based on stakeholder feedback.

This structured and proactive approach ensures that 5paisa maintains meaningful and trust-based relationships with its stakeholders, thereby supporting sustainable business growth and responsible corporate governance.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	<ul style="list-style-type: none"> <li>• Review meets</li> <li>• Town hall meetings</li> <li>• Learning and development initiatives</li> <li>• Reward and recognition programmes</li> <li>• Newsletters and portals</li> <li>• Discussions with senior leaders</li> <li>• Engagement initiatives</li> </ul>	Frequently or as and when required	Information about Important Advances in the Company, Performance review, Benefits Structure, Career Development and Growth Opportunities, Skills Upgradation Programmes, Rewards & Recognition, Employee engagement activities etc.
Customers & Clients	No	<ul style="list-style-type: none"> <li>• Corporate website</li> <li>• Toll-free number</li> <li>• Digital platforms</li> <li>• Social media</li> <li>• Customer / client relationship managers</li> <li>• Customer / client satisfaction surveys</li> <li>• Media campaigns and advertising</li> <li>• Knowledge seminars and events</li> </ul>	Frequently or as and when required	Delivery of Service, resolving their grievances, addressing their Queries, Feedback Surveys, Introducing new service / feature, etc.
Business Associates, Dealers & Vendors	No	<ul style="list-style-type: none"> <li>• One-to-one meeting with the top management</li> <li>• Product / process trainings for new and old partners</li> <li>• Conferences and Forums •</li> <li>• Written communications •</li> <li>• Engagement portal</li> </ul>	Monthly/ Quarterly/ Annually	Quality of Product / Service, On-time Deliveries, Timely Payments, Contract Commercials & Terms, Statutory Compliances, Maintaining Relationships etc.
Government and Regulators / Regulatory Bodies	No	<ul style="list-style-type: none"> <li>• Industry associations / Forums</li> <li>• Corporate Presentations / Reports</li> <li>• Written / Digital Communications</li> <li>• Express Communications / One-to-one meetings</li> </ul>	As and when required	Policy & Regulatory Matters, Filing of Returns, Reports Submissions, Amendments & Approvals, Assessment Results, Guidelines / Circulars of added regulations, Ethical Practices etc.
Banks and Lending Institutions	No	<ul style="list-style-type: none"> <li>• Corporate Communication</li> <li>• Written Communications</li> </ul>	Frequently or as and when required	Statutory Compliance & Overall Transactions
Shareholders, Investors, and Members	No	<ul style="list-style-type: none"> <li>• Annual General Meetings</li> <li>• Conferences</li> <li>• Investor meets / Conference calls</li> <li>• Annual Reports</li> <li>• Investor Presentations</li> <li>• Website</li> <li>• Press / Media Releases</li> </ul>	Frequently or as and when required	Company's Financial & Non-financial Performance, Expectations & Complaints of Shareholders / Investors, Market Growth, Major developments, Governance, ethics & transparency etc.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Media & Social Organization	No	<ul style="list-style-type: none"> <li>• Press conferences</li> <li>• Meetings</li> <li>• Written communication</li> </ul>	As and when required	New Developments & Additions of Services, Mandatory Announcements, etc.
Communities	Yes	<ul style="list-style-type: none"> <li>• CSR initiatives</li> <li>• Empowerment programs</li> </ul>	Monthly / Quarterly / Annually	CSR Initiatives, Social impact Programmes, Company operations, Grievances & Complaints Management, Well-being of Society, etc.

## LEADERSHIP INDICATORS

### 1 Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Engagement with stakeholders is a continuous and integral part of the Company's business operations. This engagement is primarily facilitated by designated business functions, with active involvement from senior executives as appropriate. The Company is committed to ensuring transparent communication by providing stakeholders with access to relevant information related to decisions that may impact them, while carefully safeguarding confidential and competitive information in compliance with applicable regulatory requirements.

This process encompasses proactive dialogue and collaboration with relevant stakeholders to identify, discuss, and address key economic, environmental, and social issues. Insights and feedback obtained from these engagements are systematically consolidated and regularly communicated to the Board of Directors.

The Board reviews these updates to provide strategic guidance and oversight, ensuring that stakeholder perspectives are duly considered in the Company's decision-making and governance processes.

### 2 Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, stakeholder consultation is a fundamental component of the Company's approach to identifying and managing environmental and social topics. Acknowledging that it is in a continual learning phase with respect to evolving issues, the Company actively collaborates with consultants, subject matter experts, and relevant stakeholders to gain deeper insights into their expectations and concerns.

This consultative process plays a critical role in shaping the Company's environmental strategies, which prioritize energy efficiency, waste management, and reduction of the carbon footprint. Likewise, feedback from stakeholders and CSR specialists informs the design and implementation of social responsibility initiatives, ensuring alignment with the genuine needs of local communities.

Ongoing engagement with stakeholders enables the Company to stay abreast of emerging sustainability trends and regulatory developments. This continuous dialogue supports timely and proactive adjustments to policies and activities, thereby enhancing the Company's commitment to sustainable development and responsible business practices.

### 3 Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The Company is deeply committed to supporting vulnerable and marginalized stakeholder groups through its comprehensive Corporate Social Responsibility (CSR) initiatives. Through the IIFL Foundation, the Company undertakes targeted, need-based projects aimed at fostering holistic wellness and sustainable development within the communities it serves.

These initiatives focus on expanding educational opportunities by providing scholarships, vocational training, and educational sponsorships to underprivileged youth, thereby enhancing their prospects for a better future. In the healthcare domain, the Company sponsors medical camps and conducts health awareness programs tailored to the needs of marginalized populations.

Furthermore, the Company promotes economic empowerment by facilitating skill development workshops and extending support to small businesses within these communities. This multifaceted approach enables the Company to address the concerns of vulnerable groups in a comprehensive manner, thereby fostering social inclusion and contributing to the long-term sustainable development of society's most disadvantaged members.

Through these sustained efforts, the Company strives to create a meaningful and lasting positive impact on the lives of vulnerable and marginalized stakeholders.

#### PRINCIPLE-5 Businesses should respect and promote human rights.

##### ESSENTIAL INDICATORS

#### 1 Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format.

Category	FY 2024-2025 Current Financial Year			FY 2023-2024 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	539	539	100%	548	0	0%
Other than permanent	130	130	100%	330	0	0%
Total employees	669	669	100%	878	0	0%
<b>Workers</b>						
Permanent						
Other than permanent			NA			
Total workers						

**Note:** As a stockbroker providing financial services, the Company does not employ workers on-site at its office. Nevertheless, the Company is steadfastly committed to upholding human rights throughout all aspects of its operations. We maintain a firm policy against discrimination based on race, color, gender, language, religion, political beliefs, national or social origin, property, birth, or any other status.

To reinforce this commitment, the Company has developed a comprehensive Human Rights Policy. This policy is actively communicated to all employees via internal communication channels, including email and the company intranet, ensuring broad awareness and understanding.

Additionally, the Company prioritizes the prevention of sexual harassment in the workplace. To this end, mandatory training programs on this subject are conducted for all employees, underscoring our dedication to fostering a safe, respectful, and inclusive work environment.

Furthermore, induction programs for all new employees include detailed sessions on the Company's policies, with specific emphasis on human rights standards and their practical application within the organization.

**2 Details of minimum wages paid to employees and workers, in the following format.**

Category	FY 2024-2025 Current Financial Year					FY 2023-2024 Previous Financial Year				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No.(B)	% (B/A)	No.(C)	% (C/A)		No.(E)	% (E/D)	No.(F)	% (F/D)
<b>Employees</b>										
Permanent	539	0	0.00%	539	100.00%	548	0.00	0.00%	548	100.00%
Male	349	0	0.00%	349	100.00%	369	0.00	0.00%	369	100.00%
Female	190	0	0.00%	190	100.00%	179	0.00	0.00%	179	100.00%
Other than permanent	130	130	100.00%	0	0.00%	330	330	100.00%	0	0.00%
Male	61	61	100.00%	0	0.00%	168	168	100.00%	0	0.00%
Female	69	69	100.00%	0	0.00%	162	162	100.00%	0	0.00%
<b>Workers</b>										
Permanent										
Male										
Female										
Other than permanent										
Male										
Female										

**Note:** \*Being a stock broker, providing financial services, the Company does not have any workers employed at its office.

**3a Details of remuneration/salary/wages, in the following format.**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	3	70,06,404	0	0
Key Managerial Personnel	1	38,67,977	1	7,70,393
Employees other than BoD and KMP	410	4,63,019.50	259	2,89,542
Workers	0	0	0	0

**Notes:**

- The above disclosure excludes Independent Directors, as they are not entitled to any remuneration other than sitting fees and commission.
- Further, Mr. Gaurav Seth is Managing Director (MD) as well as Chief Executive Officer (CEO) of the Company and Mr. Gourav Munjal holds the position of Whole-Time Director (WTD) and also functions as the Chief Financial Officer (CFO) of the Company.

While their roles fall under both the Board of Directors (BoDs) and Key Managerial Personnel (KMP) categories, in order to avoid duplication of data, their remuneration has been reported under the Board of Directors category only and excluded from the KMP section.

**3b Gross wages paid to females as % of total wages paid by the entity, in the following format.**

	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
Gross wages paid to females as % of total wages	24.61%	22.10%

**4 Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, the Company has designated a focal point for addressing human rights impacts or issues in alignment with its Human Rights Policy. The Head of Human Resources holds the primary responsibility for overseeing and addressing any human rights-related concerns that may arise across the organization.

In addition, the Company has instituted a confidential and accessible mechanism for reporting concerns related to the Prevention of Sexual Harassment (POSH) Policy, through a dedicated email channel. This ensures that employees have a safe and secure platform to raise grievances, thereby reinforcing the Company's commitment to upholding human rights and fostering a respectful and inclusive work environment.

**5 Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The Company has established a comprehensive and structured framework to address grievances related to human rights, reflecting its steadfast commitment to fostering a safe, inclusive, and respectful workplace environment. This framework is anchored in the Company's Human Rights Policy and Prevention of Sexual Harassment (POSH) Policy, both of which are integral to its broader governance and ethical conduct initiatives.

The Human Rights Policy articulates the Company's dedication to upholding the dignity, equality, and fundamental rights of all individuals associated with its operations, irrespective of role or hierarchy. It promotes non-discrimination, equal opportunity, and ethical behavior across all levels of the organization.

In alignment with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has implemented a robust POSH Policy. An Internal Committee (IC), duly constituted under this policy, is responsible for addressing complaints of sexual harassment. The IC is composed of trained members including senior women employees and external NGO representatives, ensuring impartiality and adherence to principles of natural justice throughout the inquiry process.

Additionally, the Whistleblower Policy empowers employees and stakeholders to report any unethical, unlawful, or improper conduct confidentially and without fear of retaliation. Reports can be submitted via email or in person, and are handled with strict confidentiality.

To reinforce awareness and compliance, the Company regularly conducts training programs and workshops aimed at educating employees on their rights, responsibilities, and available grievance redressal channels. Regular audits and compliance checks are undertaken to evaluate the effectiveness of these mechanisms.

Through these integrated policies and continuous engagement, the Company ensures a workplace culture that prioritizes human rights, safeguards employee well-being, and upholds the highest standards of ethical conduct.

**6 Number of Complaints on the following made by employees and workers.**

	FY 2024-2025 Current Financial Year			FY 2023-2024 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	NA	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/ Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights related issues	0	0	NA	0	0	NA

**7 Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format.**

	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

**8 Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company has instituted robust safeguards to prevent any adverse consequences to complainants in cases involving discrimination or harassment. These protections are embedded within its comprehensive policy framework, which includes the Grievance Redressal Policy, Prevention of Sexual Harassment at the Workplace Policy, Whistle Blower Policy, and Human Rights Policy.

These policies collectively provide a secure and confidential mechanism for employees to report concerns or unethical conduct without fear of retaliation. The Company strictly prohibits any form of victimization, intimidation, discrimination, or disciplinary action against individuals raising grievances or making disclosures in good faith. Retaliatory actions such as threats, demotion, isolation, or any form of punitive measure are expressly forbidden.

The identity of the complainant is maintained in strict confidence, and efforts are made to mitigate any challenges they may face because of raising a concern. In instances where the complainant is required to participate in the investigative or disciplinary process, the Company ensures appropriate support and guidance is provided throughout the proceedings.

Additionally, protections extend to any employees who support or assist in such investigations, with a strong emphasis on confidentiality and integrity. The Human Rights Policy further reinforces these commitments by promoting a workplace culture grounded in respect, equity, and dignity. These mechanisms underscore the Company's unwavering dedication to fostering an inclusive, ethical, and safe working environment for all employees.

**9 Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, human rights requirements are duly integrated into select business agreements and contractual arrangements, wherever applicable. The Company ensures that its contractual engagements with third parties reflect its commitment to upholding fundamental human rights principles.

**10 Assessments for the year.**

	<b>% of your plants and offices that were assessed by entity or statutory authorities or third parties)</b>
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	0%

**Note:** The Company remains steadfast in its responsibility to uphold and safeguard human rights across all facets of its operations. It is committed to fostering a workplace environment that is free from any form of human rights violations, including child labour, forced or involuntary labour, sexual harassment, discrimination, and unfair wage practices. To this end, the Company ensures that 100% of its offices are assessed either internally or by statutory authorities for compliance with relevant laws and ethical standards.

While no assessments were conducted under the "Others" category, the Company maintains ongoing vigilance through routine internal reviews and adherence to best practices. These reviews are designed to ensure a safe, inclusive, and equitable workplace. Given the nature of operations within the financial services sector, the Company's work environment does not involve physical risks typically present in manufacturing industries. Nonetheless, it remains proactive in maintaining a secure and compliant workspace aligned with regulatory expectations and ethical commitments.

**11 Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

None of such risk / concerns were identified during FY 2024-25.

## LEADERSHIP INDICATORS

### 1 Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

During the financial year 2024–25, the Company did not receive any grievances or complaints pertaining to human rights violations. Consequently, no modifications or new introductions were made to existing business processes in this regard. Nevertheless, the Company remains committed to upholding human rights and has established mechanisms to promptly address any future concerns. It continuously monitors workplace practices to ensure they align with ethical standards and human rights principles, reinforcing its dedication to fostering a respectful, inclusive, and compliant organizational environment.

### 2 Details of the scope and coverage of any Human rights due-diligence conducted.

The Company undertakes human rights due diligence through the integration of human rights-related parameters within its annual Great Place to Work surveys. These surveys are structured to assess multiple dimensions of the workplace environment, including employees' perceptions, experiences, and concerns pertaining to human rights. By embedding relevant questions in these assessments, the Company proactively identifies areas requiring attention and ensures alignment with human rights principles. The insights derived from this process serve as a foundation for fostering an inclusive, respectful, and ethically sound workplace culture, thereby reinforcing the Company's commitment to upholding human dignity and employee well-being.

### 3 Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the Company's premises are designed to be accessible to differently abled individuals, in alignment with the provisions of the Rights of Persons with Disabilities Act, 2016. Although the Company currently does not employ any differently abled individuals, it has proactively ensured that the infrastructure supports inclusivity. Key accessibility features include the provision of ramps and elevators to facilitate ease of movement, voice-enabled lifts, appropriately designed restroom access with ramps at entrances, and clear, visible signage. These measures collectively foster an inclusive and barrier-free environment for visitors and employees alike.

### 4 Details on assessment of value chain partners.

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	0.00%
Discrimination at workplace	0.00%
Child Labour	0.00%
Forced Labour / Involuntary Labour	0.00%
Wages	0.00%
Others – please specify	0.00%

### 5 Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

NA, since there was no assessment conducted.

## PRINCIPLE-6

Businesses should respect and make efforts to protect and restore the environment.

## ESSENTIAL INDICATORS

### 1 Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format.

Parameter	Unit	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
<b>From renewable sources</b>			
Total electricity consumption (A)	Gigajoule (GJ)	1,097.00	0
Total fuel consumption (B)	Gigajoule (GJ)	0	0
Energy consumption through other sources (C)	Gigajoule (GJ)	0	0
Total energy consumed from renewable sources (A+B+C)	Gigajoule (GJ)	1,097.00	0

Parameter	Unit	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
<b>From non-renewable sources</b>			
Total electricity consumption (D)	Gigajoule (GJ)	1,727.00	6,908.67
Total fuel consumption (E)	Gigajoule (GJ)	96.00	636.76
Energy consumption through other sources (F)	Gigajoule (GJ)	24.00	0
Total energy consumed from non-renewable sources (D+E+F)	Gigajoule (GJ)	1,847.00	7,545.43
Total energy consumed (A+B+C+D+E+F)	Gigajoule (GJ)	2,944.00	7,545.43
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	Gigajoule (GJ) / Crores ₹	8.185	19.125
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	Gigajoule (GJ) / Per 10 MN USD	169.11	428.40
Energy intensity in terms of FTE (Full time Equivalent)	Gigajoule (GJ)/ FTE	4.40	8.59
Energy intensity (optional) – the relevant metric may be selected by the entity	Gigajoule (GJ)	NA	

**Note:** Indicate any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) if yes, name of the external agency.

No

The PPP factor has been sourced from IMF database. <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC>.

**Note:** Last year (FY 2023–2024), the data covered the overall consumption for the entire IIFL building. This year (FY 2024–2025), we have specifically shared the data related to the 5paisa premises.

**2- Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No, the company does not engage in manufacturing any product and therefore the above requirement does not apply

**3 Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	0.00	0
(ii) Groundwater	3,267.79	23,146.00
(iii) Third party water	768.29	3,445.00
(iv) Seawater / desalinated water	0.00	0
(v) Others	43.03	0
Total volume of water withdrawal (in kilo litres) (i + ii + iii + iv + v)	4,079.11	26,591.00
Total volume of water consumption (in kilo litres)	869.00	26,591.00
Water intensity per rupee of turnover (Total water consumption / Revenue from operations INR Crore)	2.41	0.006
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	49.79	0.13
Water intensity in terms of Total FTE	1.3	30.28
Water intensity (optional) – the relevant metric may be selected by the entity	0	

**Note:** Indicate any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) if yes, name of the external agency. No

<https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC>.

**Note:** Last year (FY 2023–2024), the data covered the overall water consumption for the entire IIFL building. This year (FY 2024–2025), we have specifically shared the data related to 5paisa premises.

**4 Provide the following details related to water discharged.**

<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others	3,210.11	26591000
- No treatment	3,210.11	26591000
- With treatment – please specify level of treatment	0	0
<b>Total water discharged (in kilolitres)</b>	<b>3,210.11</b>	<b>26591000</b>

**Note:** Indicate any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) if yes, name of the external agency.

No

**Note:** Last year (FY 2023–2024), the data covered the overall water consumption for the entire IIFL building. This year (FY 2024–2025), we have specifically shared the data related to 5paisa premises.

**5 Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

No

**6 Please provide details of air emissions (other than GHG emissions) by the entity, in the following format.**

<b>Parameter</b>	<b>Please specify unit</b>	<b>FY 2024-2025 Current Financial Year</b>	<b>FY 2023-2024 Previous Financial Year</b>
Nox	µg/m <sup>3</sup>	0	0
Sox	µg/m <sup>3</sup>	0	0
Particulate matter (PM)	µg/m <sup>3</sup>	0	0
Persistent organic pollutants (POP)	µg/m <sup>3</sup>	0	0
Volatile organic compounds (VOC)	µg/m <sup>3</sup>	0	0
Hazardous air pollutants (HAP)	µg/m <sup>3</sup>	0	0
Others – please specify	µg/m <sup>3</sup>	0	0

**Note:** Indicate any independent assessment/ evaluation/ assurance has been carries out by an external agency? (Y/N) if yes, name of the external agency.

No

**7 Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format.**

Parameter	Unit	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	6.53	0
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	348.00	1,418.00
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO <sub>2</sub> equivalent/ Crores ₹	0.98	3.59
Total Scope 1 and Scope 2 emission intensity - per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		20.37	7.26
Total Scope 1 and Scope 2 emission intensity in terms of physical output (Employee Count - Full time Equivalent)		0.53	1.61
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

**Note:** Indicate any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) if yes, name of the external agency.

No

<https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC>.

**Note:** Last year (FY 2023–2024), the data covered the overall emissions for the entire IIFL building. This year (FY 2024–2025), we have specifically shared the data related to 5paisa premises.

**8 Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details**

Yes, the Company has undertaken initiatives aimed at reducing Greenhouse Gas (GHG) emissions as part of its broader sustainability strategy. Notably, Green Power Procurement has been implemented for the Company's Registered Office to reduce dependence on conventional energy sources. This initiative supports the transition to cleaner energy and contributes to minimizing the Company's carbon footprint. Additionally, the use of energy-efficient LED lighting across office premises further aids in decreasing energy consumption, thereby aligning with the Company's commitment to reduce GHG emissions and promote environmental responsibility.

**9 Provide details related to waste management by the entity, in the following format.**

Parameter	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	0	0
E-waste (B)	0.41	2.28
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	2
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	0	0
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	0	0
Total (A+B + C + D + E + F + G + H)	0.41	2.28

Parameter	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.0011	0.0058
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0227	0.1299
Waste intensity in terms of Total FTE	0.0006	0.26537
Waste intensity (optional) – the relevant metric may be selected by the entity		
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	0	0
(ii) Landfilling	0.4146	2.2888
(iii) Other disposal operations	0	0
Total	0.4146	2.2888

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency?

No

**Note:** Last year (FY 2023–2024), the data covered waste generation by item count instead of quantity. This year (FY 2024–2025), we have reported waste by quantity/weight only. The differences in numbers reflect both the change in scope and measurement methodology.

**10 Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes**

The Company is committed to sustainable waste management across its office operations. Key initiatives include the elimination of plastic stationery and the promotion of eco-friendly alternatives such as reusable bottles to reduce plastic waste. Waste collection is conducted using 100% biodegradable plastic bags to ensure environmentally responsible disposal. The Company actively minimizes paper consumption through digitized processes, including fully electronic customer onboarding and documentation. Additionally, e-waste is managed responsibly via certified vendors for the disposal of computers, servers, batteries, and other electronic equipment.

Given the Company's financial services nature, it does not utilize hazardous or toxic chemicals in its operations or products.

**11 If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format.**

Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
NA		

**Note:** None of the sites / offices of the Company fall in / around ecologically sensitive areas.

**12 Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the Current Financial Year.**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

**13 Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format.**

Specify the law / regulation / guide-lines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NA			

**LEADERSHIP INDICATORS****1 Water withdrawal, consumption and discharge in areas of water stress (in kilolitres).**

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area

NA

(ii) Nature of operations

NA

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)		0
Total volume of water consumption (in kilolitres)	0	0
Water intensity per rupee of turnover (Water consumed / turnover)	0	0
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0	0
Water intensity in terms of physical output	0	0
Water intensity (optional) – the relevant metric may be selected by the entity	0	0
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
<b>(i) Surface water</b>		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
<b>(ii) To Groundwater</b>		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
<b>(iii) To Seawater</b>		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0

Parameter	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
<b>(iv) Sent to third-parties</b>	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
<b>(v) Others</b>	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilo litres)	0	0

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

**2. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	0	0
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO <sub>2</sub> equivalent/ Crores	0	0
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	FTE	0	0

**Note:** Indicate any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) if yes, name of the external agency.

No

**3 With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along -with prevention and remediation activities.**

NA

**4 If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format.**

Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Green Power Procurement	Green Power Procurement of 1,096 GJ has been made for the Company's Registered Office	Lower reliance on traditional energy sources thus minimizing carbon footprint
Use of energy efficient LED's	Office is equipped with LED Lights	Decrease in energy consumption thus contributing to sustainability efforts undertaken by the Company
Water Conservation	Installing sensor-based taps to help reduce freshwater consumption	These systems help in reducing overall consumption
Effective Disposal of Sanitary Napkins	The Company ensures effective disposal of Sanitary Napkins	Fostering ecological stewardship and enhancing community health

**5 Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Yes, the Company has established a comprehensive Business Continuity Management System (BCMS) designed to ensure resilience against a wide range of disruptions. The BCMS addresses natural disasters, technological failures, human-related risks, health crises such as pandemics, and supply chain interruptions. It prioritizes employee safety, rapid recovery of critical operations, regulatory compliance, and effective crisis communication to maintain stakeholder confidence. Additionally, the framework includes financial risk mitigation measures to minimize losses. Through proactive planning and continual improvement, the BCMS safeguards uninterrupted service delivery and supports the Company's long-term operational stability.

**6 Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

NA

**7 Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

0

**8 Introduction of Green Credits Disclosure****8 i Green Credits generated or procured by the listed entity.**

0

**8 ii Green Credits generated or procured by the top ten value chain partners (based on purchase and sales value).**

0

**PRINCIPLE-7**

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

**ESSENTIAL INDICATORS****1- a. Number of affiliations with trade and industry chambers/ associations.**

1

**1- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/associations (State/National)
1	Association of Mutual Funds in India (AMFI)	National

**2 Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
	NIL	

**Note:** There were no instances or matters related to anti-competitive conduct reported against the Company during the fiscal year 2024-25. Consequently, no corrective actions were required or undertaken in this regard during the period.

## LEADERSHIP INDICATORS

### 1 Details of public policy positions advocated by the entity:

S. NO	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/Quarterly / Others – please specify)	Web Link, if available
1	Penalties considering the intent of the Member and any procedural or technical errors	Emailers to the Stock Exchanges	No	Others - Need based	NA
2	Most Important Terms & Conditions (MITC)	Representations to the Stock Exchanges	No	Others – Need based	NA

## PRINCIPLE-8

Businesses should promote inclusive growth and equitable development.

## ESSENTIAL INDICATORS

### 1 Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

### 2 Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format.

Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
NA					

### 3 Describe the mechanisms to receive and redress grievances of the community.

5paisa Capital Limited has a structured and documented Grievance Redressal Policy in place, applicable to all its stakeholders including employees, vendors, sub-contractors, customers and community members impacted through its operations or CSR initiatives. The Policy outlines a clear framework for receiving, documenting, investigating, resolving and escalating grievances in a time-bound, fair and transparent manner. The Policy can be accessed on the Company's website at <https://www.5paisa.com/investor-relations>

### 4 Percentage of input material (inputs to total inputs by value) sourced from suppliers

Parameter	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
Directly sourced from MSMEs/ small producers	0.00%	0.00%
Directly from within India	0.00%	0.00%

**Note:** As the Company operates exclusively within the financial services sector and does not undertake any manufacturing activities, it does not utilize input materials for production. Consequently, this disclosure is NA to the Company's business operations.

- 5 **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.**

Parameter	FY 2024-2025 Current Financial Year	FY 2023-2024 Previous Financial Year
Rural	0%	0%
Semi-urban	0%	0%
Urban	11%	9.02%
Metropolitan	89%	90.98%

(Place to be categorized as per RBI Classification system- rural/ semi-urban/ urban/ metropolitan)

## LEADERSHIP INDICATORS

- 1 **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above).**

Details of negative social impact identified	Corrective action taken
	NA

- 2 **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.**

S. NO	State	Aspirational District	Amount spent (In INR)
1	Rajasthan	Baran, Chittorgarh	98,16,858/-

- 3 (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)-**

No

- (b) **From which marginalized /vulnerable groups do you procure?**

NA

- (c) **What percentage of total procurement (by value) does it constitute?**

0

**Note:** Given the nature of the Company's business operations, which are primarily service-oriented, the overall procurement requirements are relatively limited in scale. While there is no formal preferential procurement policy in place, the Company, through its CSR initiatives and collaborations with the IIFL Foundation, actively seeks to support marginalized and vulnerable communities.

During the implementation of CSR projects, efforts are made to source materials and services from suppliers representing underprivileged groups, thereby contributing to their socio-economic upliftment. This approach reflects the Company's broader commitment to inclusive development and responsible business practices.

- 4 **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

S. NO	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
				NA

**5 Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the case	Corrective action taken
	NA	

**6 Details of beneficiaries of CSR Projects**

S. NO	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable & marginalized groups
1	Sakhiyo ki baadi – (Foundational Literacy and Numeracy programme for Females in Rajasthan)	Number quantification is not feasible in this project.	Number quantification is not feasible in this project.

**Note:** Given the nature and scope of the Company’s CSR initiatives, accurately quantifying the exact number of beneficiaries remains challenging. However, the Company remains committed to ensuring that its CSR projects are strategically designed to address the needs of marginalized, underprivileged, and vulnerable communities.

**PRINCIPLE-9**

**Businesses should engage with and provide value to their consumers in a responsible manner.**

**ESSENTIAL INDICATORS**

**1 Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The Company has established a comprehensive and customer-centric grievance redressal framework designed to ensure timely resolution of complaints and alignment with regulatory standards. This framework is governed by a dedicated Customer Care Policy, which outlines the Company’s structured approach to handling consumer grievances, ensuring transparency, accountability, and responsiveness.

To facilitate effective communication, customers can lodge complaints or provide feedback through clearly defined channels, including dedicated email addresses: [support@5paisa.com](mailto:support@5paisa.com) and [grievance@5paisa.com](mailto:grievance@5paisa.com). These channels are actively monitored, and the grievance resolution process includes clear escalation protocols in cases where customers are not satisfied with the initial response.

In addition, the Company proactively conducts **customer awareness programs** to educate consumers about its products, services, and complaint resolution mechanisms. Feedback is systematically collected through various means, including feedback forms available on the Company’s website, enabling continuous service enhancement based on consumer insights.

From a regulatory and data privacy standpoint, the Company strictly adheres to applicable legal requirements, incorporating informed consent mechanisms and robust cybersecurity measures to protect customer data.

Overall, the Company’s customer service framework reflects its commitment to fostering ethical customer relationships, maintaining regulatory compliance, and driving continuous improvement through active customer engagement and feedback integration.

**2 Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	NA
Recycling and/or safe disposal	NA

**Note:** As the Company operates as a financial services provider and does not engage in the manufacturer or sale of physical products, this disclosure requirement is NA. The nature of the Company’s offerings is primarily service-based, delivered digitally or through advisory channels, where traditional product labeling or physical product information is not relevant.

**3 Number of consumer complaints in respect of the following.**

	FY 2024-2025 Current Financial Year			FY 2023-2024 Previous Financial Year		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	Nil	0	0	Nil
Advertising	0	0	Nil	0	0	Nil
Cyber-security	0	0	Nil	0	0	Nil
Delivery of essential services	0	0	Nil	0	0	Nil
Restrictive Trade Practices	0	0	Nil	0	0	Nil
Unfair Trade Practices	0	0	Nil	0	0	Nil
Other	0	0	Nil	0	0	Nil

**4 Details of instances of product recalls on account of safety issues.**

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

**5 Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy**

Yes

The Company has instituted a comprehensive **Information and Cyber Security Policy** aimed at effectively managing cybersecurity risks and safeguarding data privacy. This policy serves as a critical component of the Company's risk management framework and is designed in alignment with the industry's best practices and regulatory expectations.

Key areas covered under the policy include:

- **Physical and Environmental Security:** Ensures the protection of sensitive infrastructure from unauthorized access and environmental hazards such as fire and natural disasters.
- **Equipment Security:** Implements measures to prevent unauthorized access to, or loss of, Company assets and data.
- **Business Continuity and Incident & Crisis Management:** Establishes protocols for detecting, reporting, and responding to security incidents. It also defines clear roles and responsibilities for incident response teams and emphasizes continual learning through post-incident reviews.
- **Data Privacy and Regulatory Compliance:** Emphasizes adherence to applicable legal, regulatory, and contractual obligations, including those related to intellectual property rights, data protection, and cryptographic controls.
- **Third-party Risk Management and Performance Monitoring:** Includes regular audits, third-party risk assessments, and ongoing evaluation of security control effectiveness.

While the policy is classified as internal and confidential, stakeholders may request access or further information by contacting the Company at [csteam@5paisa.com](mailto:csteam@5paisa.com).

This policy underscores the Company's strong commitment to maintaining the highest standards of cybersecurity and data privacy across all operations.

**6 Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

During the reporting period, no complaints were received relating to advertising, delivery of essential services, cyber security and data privacy of customers, re-occurrence of instances of product recalls or penalty / action taken by regulatory authorities on safety of products / services. In this regard, no material corrective action was required to be taken by the Company in FY25.

**7- Provide the following information relating to data breaches:**

- a. Number of instances of data breaches  
0
- b. Percentage of data breaches involving personally identifiable information of customers  
0
- c. Impact, if any, of the data breaches  
NA

**Note:** During the financial year 2024–25, the Company did not encounter any incidents of data breaches. Nonetheless, as a proactive and precautionary measure, the Company has established a comprehensive cybersecurity framework to mitigate potential risks. This includes the deployment of advanced tools such as network firewalls, endpoint encryption, web application firewalls, and dark web monitoring, among others. These measures are aimed at ensuring the confidentiality, integrity, and security of data across all operations.

**LEADERSHIP INDICATORS****1 Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Comprehensive information regarding the Company's products and services is made readily accessible through multiple platforms to ensure wide reach and transparency. These include:

- a) The Company's official website: [www.5paisa.com](http://www.5paisa.com), which serves as the primary source of detailed and updated information; and
- b) The Company's official social media handles on platforms such as Instagram, LinkedIn, X (formerly Twitter), and Facebook, where key updates, service offerings, and engagement content are regularly shared.

These channels collectively ensure that stakeholders can conveniently access relevant information at their discretion.

**2 Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

The Company undertakes several proactive measures to ensure that consumers are well-informed and educated on the safe and responsible use of its services. These measures include:

- a) Regularly updating the Company's official website with relevant information to keep consumers informed of best practices and safety protocols;
- b) Disseminating key information through emails, SMS, and in-app notifications to reinforce critical usage guidelines and responsible behavior; and
- c) Utilizing flash messages and strategic pop-up alerts to provide timely reminders and cautionary advisories during service usage.

These initiatives are designed to enhance consumer awareness, mitigate potential risks, and promote the secure and responsible use of the Company's offerings.

**3 Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

The Company has established robust communication mechanisms to ensure that consumers are promptly informed of any potential disruption or discontinuation of essential services. These mechanisms include:

- a) Notifications through the Call Centre;
- b) Real-time updates published on the Company's official website;
- c) Direct communication via email and SMS alerts; and
- d) Public disclosures issued from the Company's registered office.

These channels collectively ensure that customers receive timely, accurate, and comprehensive information regarding service continuity, thereby enabling them to make informed decisions and remain adequately prepared.

**4 Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/NA) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes.

As a financial services provider, the Company ensures that the information related to its products and services, as made available on the official website and other communication channels, is regularly updated and goes beyond the requirements mandated by applicable local regulations.

Furthermore, to assess and enhance consumer satisfaction, the Company incorporates a structured feedback mechanism. In all written communications responding to client concerns, a feedback link is provided to enable clients to rate the quality of service. For verbal inquiries, clients are routed through an Interactive Voice Response (IVR) system, which offers the option to provide a service rating upon completion of the call. This dual feedback approach helps the Company in continuously monitoring and improving customer experience.

# CORPORATE GOVERNANCE REPORT

In accordance with the provisions of Regulation 34(3) read with Schedule V and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (**"Listing Regulations"**), the Board of Directors (**"the Board"**) of 5paisa Capital Limited (**"the Company" or "5paisa"**) have pleasure in presenting the Corporate Governance Report for the Financial Year 2024-25. This Report sets out the Company's governance framework, key practices and disclosures as prescribed under the Listing Regulations and reflects the Company's enduring commitment to maintain high standards of corporate ethics, transparency and accountability in the conduct of its business.

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

At 5paisa, Corporate Governance is not merely a regulatory obligation, but a strategic enabler that guides the way we do business. Our philosophy is deeply rooted in the vision of our founders, who laid a strong foundation based on ethics, transparency and long-term value creation. These principles continue to shape our culture, decisions and stakeholder relationships.

The principles of Corporate Governance are based on transparency, accountability and focus on the sustainable success of the Company over the long term. Your Company believes that Corporate Governance is defined by the actions of the Board, how it sets the company's values and how it drives the business forward based on these guiding principles. The Board firmly believes that strong governance is key to achieving

the goal of operating as a responsible corporate citizen. The Company believes that good governance is essential for building trust, ensuring sustained performance and creating long-term value for all stakeholders. At 5paisa, we prioritize upholding the highest standards of corporate conduct in our interactions with employees, customers, vendors, communities and the environment. This commitment fosters transparency, fairness, integrity, equity and accountability in all our dealings with stakeholders, including regulatory bodies, investors and the broader community. Our approach to Corporate Governance is a direct reflection of our core values, organizational culture and mindset.

The Management's commitment to these principles is reinforced through the adherence of all Corporate Governance practices which forms part of the Regulation No(s). 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Listing Regulations"**), as amended from time to time. These regulations comprehensively govern the functioning of the Board, its Committees, Independent Directors, Related Party Transactions and other key aspects of Governance.

In furtherance of its governance framework, the Company has adopted the Code of Conduct for its Directors and Senior Management Personnel and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) as required under the SEBI (Prohibition of Insider Trading) Regulations, 2015 which has been amended from time to time. In its pursuit of excellence in governance, the Board remains dedicated to continuously improving and refining its practices.

## CORPORATE GOVERNANCE FRAMEWORK



### Board of Directors

Ensures that long-term interests of stakeholders are being served  
Provides strategic direction, evaluates overall performance and maintains oversight



### Board Committees

Makes informed decisions in the best interest of the Company  
Monitors the activities as per the scope defined in their respective terms

Audit Committee	Nomination & Remuneration Committee	Stakeholders Relationship Committee	Risk Management Committee	Corporate Social Responsibility (CSR) Committee	Finance Committee	Environmental, Social and Governance (ESG) Committee	Independent Directors (ID) Committee	Information Technology (IT) Committee	Cyber Security Committee
-----------------	-------------------------------------	-------------------------------------	---------------------------	---	-------------------	--	--------------------------------------	---------------------------------------	--------------------------



### Core Management Team

Ensures effective implementation of decisions taken by the Board across all functions and teams  
Provides progress updates to Board and Board Committees regularly

## SHAREHOLDERS

The governance framework for shareholders is guided by the provisions of the Companies Act, 2013 (**"the Act"**), Listing Regulations which outline the mechanisms for exercising voting rights, passing of ordinary and special resolutions, participation in the corporate actions such as bonus, buyback of shares, declaration of dividend, etc.

Your company operates with a well-defined and transparent process framework, underpinned by core principles of integrity, fairness, transparency, responsible corporate behavior and a strong commitment to compliance. These values shape the relationships between the Board, Senior Management and other stakeholders.

## GOVERNANCE POLICIES

At 5paisa Capital Limited, we are committed to upholding the highest standards of corporate ethics and integrity. Our governance framework is designed to promote responsible, transparent and accountable conduct across all levels of the organization, thereby reinforcing trust among our stakeholders.

To institutionalize these values, the Company has implemented a comprehensive suite of governance policies and codes. These frameworks serve as guiding principles to ensure that business decisions and operations are carried out ethically, lawfully and in alignment with the interests of all stakeholders, including shareholders, regulators, employees and society at large.

### Some of the prominent codes and policies includes:

- Code of Conduct for Board of Directors and Senior Management;
- Code of Conduct for Prohibition of Insider Trading;
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI);
- Policy on Related Party Transactions;
- Corporate Social Responsibility (CSR) Policy;
- Policy for determining of "Material" Subsidiaries and Governance of Subsidiaries;
- Policy for determination of Materiality of Events / Information;
- Familiarization Program for Independent Directors;
- Board Diversity Policy;
- Vigil Mechanism / Whistle Blower Policy;
- Policy for Preservation of Documents / Archival Policy;
- Risk Management Policy;
- Dividend Distribution Policy;
- Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace;
- Nomination & Remuneration Policy.

These policies are available on your company's corporate website and can be accessed at <https://www.5paisa.com/investor-relations>.

## EMPLOYEE AWARENESS

To foster a strong compliance culture, the Company has implemented self-paced compliance modules that all employees are required to complete annually. These modules are designed to ensure that every employee is well-informed about the Company's policies and regulatory requirements.

### Compliance Module Completion:

The Company monitors the completion of compliance training modules to ensure full participation across all levels of the organization. Employees are expected to complete the assigned modules within the stipulated timeframe each year.

Module Name	Status
Business Continuity Management	Completed
Code of Conduct	In Progress
Infosec and Cybersecurity	In Progress
Insider Trading Policy	In Progress
Anti Money Laundering	In Progress
Prevention Of Sexual Assault	In Progress
ESG	In Progress
Whistle Blower	In Progress
Office Safety	In Progress
Blackmark Policy	In Progress
Workplace Health & Safety	In Progress
Human Rights Policy	In Progress

## BOARD OF DIRECTORS

The Board of 5paisa Capital Limited is composed of distinguished professionals and experts from diverse fields, entrusted with the stewardship of the Company's management, strategic direction and overall performance. We believe that a Board characterized by independence, dynamism and deep industry insight is fundamental to upholding the highest standards of corporate governance.

The Board provides visionary leadership and strategic oversight, offering an impartial and well-informed perspective to the Company's management. It ensures that the management operates with integrity, transparency and accountability, fostering a culture that aligns with the Company's long-term vision and the interests of all stakeholders. Through its governance, the Board drives sustainable growth while safeguarding the Company's ethical and regulatory commitments.

In fulfilling its fiduciary duties, the Board holds management accountable for delivering on the Company's strategic objectives and ensures strict adherence to all relevant laws and regulations.

### Composition of the Board and Category of the Directors as on March 31, 2025:

As on March 31, 2025, the Board of your Company comprised of 7 (Seven) Directors, 4 (Four) of which are Non-Executive Independent Directors (Including Two Independent Woman Director), 3 are Executive Directors.

The Company has maintained its target to have more than 50% Independent Directors on Board, thereby reinforcing its commitment to good corporate governance. The Chairperson of the Board is an Independent Director, further emphasizing the Company's focus on Independent oversight. All the Independent Directors have confirmed that they meet the "independence" criteria as mentioned under Regulation 16(1)(b) of the Listing Regulations and Section 149 of the Companies Act, 2013 ("the Act").

### The Composition of the Board and Category directorship as on March 31, 2025 is detailed below:

Category	Name of Director	No. of Director	% of total no. of Directors
Managing Director & CEO	Mr. Gaurav Sheth *	1	14
Whole-time Directors	Mr. Gourav Munjal	2	29
	Mr. Ameya Agnihotri #		
Chairperson & Non-Executive Independent Director	Dr. Archana Niranjn Hingorani	1	14
Non-Executive Independent Director	Mr. Ravindra Babu Garikipati	3	43
	Mr. Milin Kaimas Mehta		
	Ms. Nirali Sharad Sanghi		

\* Mr. Gaurav Seth was appointed as a Chief Executive Officer (CEO) w.e.f. January 14, 2025 and as a Managing Director w.e.f. January 17, 2025.

# Mr. Ameya Agnihotri, Chief Technology Officer of the Company was appointed as a Whole Time Director w.e.f. July 13, 2024.

#### (a) Appointment / Retirement / Resignation of Directors and Relationships between Directors:

##### • Resignation of Managing Director & Chief Executive Officer (CEO):

In order to pursue additional responsibilities as a Strategic Advisor to the IIFL group in their new initiatives towards Artificial Intelligence and Digital Transformation, Mr. Narayan Gangadhar (DIN: 09298665), vide his letter dated May 30, 2024 resigned from the post of Managing Director and Chief Executive Officer (CEO) of the Company with effect from the close of business hours of August 28, 2024 and the said resignation was accepted by the Board vide Circular Resolution dated May 30, 2024.

##### • Resignation of Independent Directors:

None of the Independent Directors of the Company has resigned before the expiry of his / her tenure as an Independent Director.

##### • Appointment of Whole-Time Director:

Based on the recommendation of Nomination and Remuneration (NRC) Committee, the Board of Directors at their meeting held on Friday, July 12, 2024, appointed Mr. Ameya Agnihotri (DIN: 07680132) as an Additional Director in the capacity of Whole Time Director of the Company w.e.f. July 13, 2024. The Members of the Company, upon recommendation of the Board, further approved the appointment of Mr. Ameya Agnihotri as a Whole Time Director of the Company at their Annual General Meeting held on September 10, 2024.

##### • Appointment of Managing Director & Chief Executive Officer (CEO):

The Board of Directors at their meeting held on January 14, 2025, based on the recommendation and

approval of the Nomination and Remuneration Committee, considered and approved the appointment of Mr. Gaurav Seth as Chief Executive Officer (CEO) of the Company w.e.f. January 14, 2025.

Further, the Board of Directors at their meeting held on January 17, 2025, based on the recommendation and approval of the Nomination and Remuneration Committee, considered and approved the appointment of Mr. Gaurav Seth (DIN: 10415364) as an Additional Director in the capacity of Managing Director of the Company for a period of 5 (Five) years w.e.f. January 17, 2025. The appointment including tenure and terms of remuneration was subsequently approved by the Shareholders by way of Postal Ballot, the results of which were declared on March 25, 2025.

##### • Retirement by Rotation:

All Non-Independent Directors of the Company are liable to retire by rotation in accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company.

##### • Inter-se Relationship among Director:

None of the Directors are related to any other Directors on the Board.

##### • Appointment of Non-Executive Independent Director:

Based on the recommendation of Nomination and Remuneration (NRC) Committee, the Board of Directors at their meeting held on Tuesday, July 08, 2025, appointed Dr. Sarat Kumar Malik (DIN: 0971314) as an Additional Non-Executive Independent Director of the Company w.e.f. July 08, 2025, subject to the approval of Members in the ensuing Annual General Meeting, for appointment as an Independent Director to hold office, for a 1<sup>st</sup> (First) term of 5 (Five) consecutive years, not liable to retire by rotation.

**(b) Board membership criteria and selection process:**

The Nomination and Remuneration Committee (“NRC”) is entrusted with the responsibility of periodically evaluating the structure, composition and effectiveness of the Board. As part of this mandate, the NRC undertakes the process of identifying and shortlisting individuals who meet the eligibility criteria for appointment as Directors, in accordance with the parameters detailed in the Company’s [Nomination & Remuneration Policy](#) and [Board Diversity Policy](#).

These policies, which articulate the principles governing director selection and diversity considerations, are accessible on the Company’s website at: <https://www.5paisa.com/investor-relations>.

In the process of evaluating potential candidates, the NRC gives due consideration to a blend of factors such as professional qualifications, relevant industry experience, diversity (including but not limited to gender, age and cultural background) and the overall skill set necessary for the effective functioning of the Board.

Upon identification of a suitable individual, the NRC recommends such candidate to the Board. The Board, after evaluating the recommendation and ensuring alignment with the Company’s strategic objectives and governance standards may approve the appointment and wherever required, place the proposal before the shareholders for their consideration and approval at the General Meeting.

**Board Composition & their Core Competencies:**

At 5paisa, the Board places strong emphasis on maintaining a well-balanced and diverse composition that enables strategic decision-making and effective governance. The collective strength of the Board lies in its blend of professional experience, industry insight and independent judgement, all of

which contribute to the sustained growth and performance of the Company.

To ensure the Board remains equipped to discharge its responsibilities effectively, its composition is regularly reviewed in light of the evolving business environment and regulatory landscape. Each Director brings a unique set of capabilities and together, the Board embodies a broad spectrum of competencies aligned with the strategic direction and operational needs of the Company.

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has identified a set of key skills and areas of expertise that are critical for the effective functioning of the Board in the context of the Company’s operations and industry focus:

- Sector Knowledge
- Strategic Leadership and Business Planning
- Financial Expertise and Accounting Acumen
- Corporate Governance and Legal Compliance
- Marketing Experience
- Information Technology and Cyber Security
- Stakeholder and Investors Relations
- Risk Assessment and Internal Controls
- Environment, Social and Governance (ESG)

These skill sets reflect the dynamic nature of 5paisa Capital’s business, particularly in a rapidly evolving fintech and capital markets ecosystem. While all Directors contribute to the Board’s overall competency, their individual core areas of specialization are outlined in their respective profiles in the subsequent section.

**Profile of Directors:**

Brief profile of Directors of the Company including their category, shareholding in the Company, number of other Directorships including name of listed entities where he / she is a director along with the category of their directorships, committee positions held by them in other companies as a Member or Chairperson, area of expertise and other details as on March 31, 2025 are given below:

**Dr. Archana Hingorani (DIN: 00028037)****Independent Director and Chairperson**

Shareholding as on March 31, 2025	: NIL
Directorship in other listed entity(ies) and category of Directorship	<ul style="list-style-type: none"> <li>• Mafatlal Industries Limited – Independent Director</li> <li>• Grindwell Norton Limited – Independent Director</li> <li>• The Phoenix Mills Limited – Independent Director</li> <li>• Balaji Telefilms Limited – Independent Director</li> <li>• EMA Partners India Limited – Independent Director</li> </ul>
Committee Membership(s) / Chairpersonship(s) in entity(ies) including this listed entity#	: 5 (including 3 as Chairperson)

---

Technical skills / experience / competencies	: • Sector Knowledge • Strategic Leadership and Business Planning • Financial Expertise and Accounting Acumen • Corporate Governance and Legal Compliance • Information Technology and Cyber Security • Stakeholder and Investors Relations • Risk Assessment and Internal Controls • Environment, Social and Governance (ESG)
--	---

---

**Mr. Gaurav Seth (DIN: 10415364)**
**Managing Director & Chief Executive Officer (CEO)**


---

Shareholding as on March 31, 2025	: NIL
-----------------------------------	-------

Directorship in other listed entity(ies) and category of Directorship	: NIL
---	-------

Committee Membership(s) / Chairmanship(s) in entity(ies) including this listed entity#	: 1 (Membership)
--	------------------

---

Technical skills / experience / competencies	: • Sector Knowledge • Strategic Leadership and Business Planning • Financial Expertise and Accounting Acumen • Corporate Governance and Legal Compliance • Marketing Experience • Information Technology and Cyber Security • Stakeholder and Investors Relations • Risk Assessment and Internal Controls • Environment, Social and Governance (ESG)
--	---

---

**Ms. Nirali Sanghi (DIN: 00319389)**
**Independent Director**


---

Shareholding as on March 31, 2025	: NIL
-----------------------------------	-------

Directorship in other listed entity(ies) and category of Directorship	: NIL
---	-------

Committee Membership(s) / Chairpersonship(s) in entity(ies) including this listed entity#	: 2 (including 1 as Chairperson)
---	----------------------------------

---

Technical skills / experience / competencies	: • Sector Knowledge • Strategic Leadership and Business Planning • Financial Expertise and Accounting Acumen • Corporate Governance and Legal Compliance • Information Technology and Cyber Security • Stakeholder and Investors Relations • Risk Assessment and Internal Controls • Environment, Social and Governance (ESG)
--	---

---

**Mr. Milin Mehta (DIN: 01297508)****Independent Director**

---

Shareholding as on March 31, 2025	: NIL
Directorship in other listed entity(ies) and category of Directorship	: <ul style="list-style-type: none"><li>• VA Tech Wabag Limited – Independent Director</li><li>• Styrenix Performance Materials Limited – Independent Director</li></ul>
Committee Membership(s) / Chairmanship(s) in entity(ies) including this listed entity#	: 7 (including 5 as Chairman)
Technical skills / experience / competencies	: <ul style="list-style-type: none"><li>• Sector Knowledge</li><li>• Strategic Leadership and Business Planning</li><li>• Financial Expertise and Accounting Acumen</li><li>• Corporate Governance and Legal Compliance</li><li>• Information Technology and Cyber Security</li><li>• Stakeholder and Investors Relations</li><li>• Risk Assessment and Internal Controls</li><li>• Environment, Social and Governance (ESG)</li></ul>

---

**Mr. Ravindra Garikipati (DIN: 00984163)****Independent Director**

---

Shareholding as on March 31, 2025	: NIL
Directorship in other listed entity(ies) and category of Directorship	: <ul style="list-style-type: none"><li>• NIIT Limited – Independent Director</li><li>• NIIT Learning Systems Limited – Independent Director</li></ul>
Committee Membership(s) / Chairmanship(s) in entity(ies) including this listed entity#	: 1 (Membership)
Technical skills / experience / competencies	: <ul style="list-style-type: none"><li>• Sector Knowledge</li><li>• Strategic Leadership and Business Planning</li><li>• Financial Expertise and Accounting Acumen</li><li>• Corporate Governance and Legal Compliance</li><li>• Information Technology and Cyber Security</li><li>• Stakeholder and Investors Relations</li><li>• Risk Assessment and Internal Controls</li><li>• Environment, Social and Governance (ESG)</li></ul>

---

**Mr. Gourav Munjal (DIN: 06360031)****Whole Time Director and Chief Financial Officer (CFO)**

---

Shareholding as on March 31, 2025	: 9,656 Equity Shares
Directorship in other listed entity(ies) and category of Directorship	: NIL
Committee Membership(s) / Chairmanship(s) in entity(ies) including this listed entity#	: NIL

---

Technical skills / experience / competencies	: • Sector Knowledge • Strategic Leadership and Business Planning • Financial Expertise and Accounting Acumen • Corporate Governance and Legal Compliance • Information Technology and Cyber Security • Stakeholder and Investors Relations • Risk Assessment and Internal Controls • Environment, Social and Governance (ESG)
--	---

**Mr. Ameya Agnihotri (DIN: 07680132)**
**Whole Time Director and Chief Technology Officer**

Shareholding as on March 31, 2025	: NIL
Directorship in other listed entity(ies) and category of Directorship	: NIL
Committee Membership(s) / Chairmanship(s) in entity(ies) including this listed entity <sup>#</sup>	: 1 (Membership)
Technical skills / experience / competencies	: • Sector Knowledge • Strategic Leadership and Business Planning • Financial Expertise and Accounting Acumen • Corporate Governance and Legal Compliance • Information Technology and Cyber Security • Stakeholder and Investors Relations • Risk Assessment and Internal Controls • Environment, Social and Governance (ESG)

<sup>#</sup> In accordance with Regulation 26 of the SEBI Listing Regulations.

In compliance with Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, none of the Directors of the Company serve as a member in more than ten committees or as Chairman / Chairperson in more than five committees across all listed entities where they hold directorships. Furthermore, the number of directorships, committee memberships and chairmanship / chairpersonships held by each Director is well within the limits prescribed under the Companies Act, 2013 and the SEBI Listing Regulations.

**Board Meetings and Directors attendance:**

The Board of Directors of the Company plays a pivotal role in overseeing the strategic direction, financial performance and statutory compliance of the Company and its subsidiaries. The Board meets at regular intervals to deliberate and decide on key business matters including strategic planning, policy formulation, performance review and governance oversight.

In line with good governance practices and statutory requirements, all Board meetings are conducted in a structured manner with comprehensive agendas and supporting documents circulated well in advance to enable informed decision-making. In exceptional circumstances, where

immediate decisions are warranted, resolutions are passed through circulation in accordance with the provisions of the Companies Act, 2013 and are placed before the subsequent Board meeting for ratification and noting.

The Company also facilitates the participation of Directors through video conferencing and other audio-visual means, as prescribed under the Act and Secretarial Standards. This ensures seamless deliberations even when physical presence is not feasible. The Board Agenda includes an Action Taken Report tracking progress on decisions from previous meetings.

As part of its fiduciary responsibilities, the Board periodically invites subject matter experts and special invitees to provide insights on critical business matters. The Board ensures compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

During the year under review, the Board met 5 (Five) times viz. on April 24, 2024; July 12, 2024; October 17, 2024; January 14, 2025 and January 17, 2025. The intervening gap between any two consecutive Board Meetings was within the statutory limit of 120 days.

**Details of Board Meetings and attendance of the Directors thereat and at the previous Annual General Meeting (“AGM”) is mentioned herein below:**

Sr. No.	Name of Director	AGM Attendance in AGM	Board Meeting Attendance					Held during the tenure	Attended	% of attendance
			1 April 24, 2024	2 July 12, 2024	3 October 17, 2024	4 January 14, 2025	5 January 17, 2025			
1	Dr. Archana Hingorani	✓	✓	✓	✓	✓	✓	5	5	100
2	Mr. Narayan Gangadhar*	NA	✓	✗	NA	NA	NA	2	1	50
3	Mr. Gaurav Seth**	NA	NA	NA	NA	NA	✓	1	1	100
4	Ms. Nirali Sanghi	✓	✓	✓	✓	✗	✓	5	4	80
5	Mr. Milin Mehta	✓	✓	✓	✓	✓	✓	5	5	100
6	Mr. Ravindra Garikipati	✗	✓	✓	✓	✓	✓	5	5	100
7	Mr. Gourav Munjal	✓	✓	✓	✓	✓	✓	5	5	100
8	Mr. Ameya Agnihotri <sup>#</sup>	✓	✗	✗	✓	✓	✓	3	3	100

<sup>#</sup> Mr. Ameya Agnihotri, Chief Technology Officer of the Company was appointed as a Whole Time Director w.e.f. July 13, 2024.

<sup>\*</sup> Mr. Narayan Gangadhar resigned as a Managing Director and Chief Executive Officer (CEO) of the Company with effect from the close of business hours on August 28, 2024.

<sup>\*\*</sup> Mr. Gaurav Seth was appointed as a Chief Executive Officer (CEO) w.e.f. January 14, 2025 and as a Managing Director w.e.f. January 17, 2025 and Mr. Gaurav Seth attended one meeting of the Board of Directors held on January 17, 2025 as an invitee in the capacity of Chief Executive Officer (CEO) of the Company.

During the financial year 2024-25, the information specified under Regulation 17 read with Part A of Schedule II of the SEBI Listing Regulations was periodically presented to the Board and its Committees for their review and consideration. Such information was provided to the extent applicable, relevant and as deemed appropriate by the management. It was made available in advance as part of the agenda papers for the respective meetings or through presentations and discussions during the meetings. In exceptional circumstances, the information was tabled directly at the meetings.

**(c) Independent Directors:**

• **Selection of Independent Directors:**

The Nomination and Remuneration Committee (NRC) identifies eminent individuals with strong professional standing, integrity and relevant expertise to serve as Independent Directors. The selection process emphasizes alignment with the Board's competency matrix and the Company's strategic needs.

The Committee evaluates candidates based on criteria laid down under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including qualifications, positive attributes, domain knowledge, independence and number of directorships and committee memberships across listed companies. Recommendations of the NRC are then placed before the Board for its consideration and approval.

Upon selection, the Company issues a formal invitation along with a detailed note on the profile of the Company, the Board structure and other relevant information. At the time of appointment of the Director, a formal letter of appointment as a Director of the Company is given.

The role, functions and responsibilities of the Director are also explained in detail and the Director is informed about the various compliances required from him / her as a Director under the various provisions of the Act, Listing Regulations, SEBI (Prohibition of Insider Trading) Regulations, 2015, the Code of Conduct of the Company and other relevant regulations. A Director, upon appointment, is formally inducted to the Board.

• **Term of Independent Directors:**

In accordance with Section 149(10) and Section 149(11) of the Act, Independent Directors are appointed for a fixed term of five (5) years, subject to shareholders' approval. Re-appointment, if any, is based on performance evaluation and fulfillment of independence criteria.

• **Familiarization Programme:**

Pursuant to Regulations 25(7) and 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company conducts familiarization programmes for its Independent Directors.

At the time of their appointment, Independent Directors are briefed on their roles, rights and responsibilities, along with an overview of the Company's business model, industry landscape and governance framework.

To facilitate ongoing engagement, periodic presentations are made during Board and Committee meetings covering key areas such as the Company's operations, industry and regulatory developments, business strategy, financial performance, risk management systems, ESG initiatives and compliance obligations under applicable laws. These sessions are aimed at enabling Independent Directors to actively contribute to the Board's deliberations and strategic oversight.

The Company conducts familiarization programmes for Independent Directors to provide them an opportunity to familiarize with the Company, its Management and its operations to gain a clear understanding of their roles and responsibilities and contribute significantly towards the growth of the Company. The details of the familiarization programmes are disclosed on the website of the Company at [https://5paisa/Investor\\_relations\\_Familiarization\\_Programme.pdf](https://5paisa/Investor_relations_Familiarization_Programme.pdf)

• **Meetings of Independent Directors:**

In compliance with Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors convened on March 24, 2025. The meeting *inter-alia* reviewed the performance of the Non-Independent Directors including the Chairperson and performance of the Board as a whole and assessed the quality, quantity and timeliness of flow of information between the Management of the Company and the Board of Directors. The Non-Independent Directors did not take part in the meeting.

• **Confirmations by the Independent Directors**

All Independent Directors have provided their annual declarations stating that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. Further, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs.

Basis the declaration as submitted by the Independent Directors and due assessment of the veracity undertaken by the Board in terms of Regulation 25(9) of the Listing Regulations, the Board opined that the Independent Directors fulfil the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and are independent from the management.

• **Confirmation by the Board of Directors:**

In the opinion of the Board, the Independent Directors fulfil the conditions specified under the Act and the Listing Regulations and are independent of the management.

(d) **Board Effectiveness Evaluation:**

Pursuant to the provisions of the Listing Regulations and the Act, Board effectiveness evaluation involving evaluation of the Board of Directors, its Committees and Individual Directors, including the role of the Board Chairperson, was conducted during the year.

Feedback was sought by way of a structured questionnaire covering various aspects of the functioning of the Board and its Committee, such as, adequacy of the constitution and composition of the Board and its Committees, processes followed at the meeting, Board's functioning, etc. Similarly, for evaluation of Individual Directors' performance, the questionnaire covered various aspects like his / her contribution in Board and Committee meetings, knowledge to perform role, managing relationship, etc.

The Independent Directors discussed the performance of Non-Independent Directors and Board as a whole. The Nomination and Remuneration Committee has also carried out evaluation of every Director's performance. The performance evaluation of all Independent Directors has been done by entire Board, excluding the Director being evaluated.

The Directors expressed their satisfaction with the evaluation process.

(e) **Board Procedures:**

The Company Secretary supports the Board to ensure that it has policies, processes, information, time and resources it needs to function effectively and efficiently. The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration.

The Company Secretary is also responsible for preparation of the Agenda and convening of the Board and Committee Meetings. The required information, including information as enumerated in Part A of Schedule II of the Listing Regulations is made available to the Board of Directors for discussions and consideration at Board Meetings. A detailed agenda, setting out the business to be transacted at the Meeting(s), supported by detailed Notes and Presentation(s) if any, is sent to each Director at least 7 (Seven) days before the date of the Board Meeting(s) and of the Committee Meeting(s) except where Meeting(s) have been convened at a shorter notice to transact urgent business.

With a view to leverage technology and reduce paper consumption, the agenda papers for the Board and Committee Meetings are disseminated electronically on a real-time basis, by uploading them on a secured digital application, thereby eliminating circulation of printed agenda papers. The application meets high standards of security and integrity that are required for storage and transmission of Board / Committee Agenda and Pre-reads in electronic form.

The Board meets at least once in a quarter to review financial results and operations of the Company. In addition to the above, the Board also meets as and when necessary to address specific issues concerning the businesses of your Company. Video Conferencing facilities / Other Audio Visual Means are provided to enable Director(s) who are unable to attend the Meeting(s) in person, to participate in the Meeting.

The Company Secretary attends all the Meetings of the Board and its Committees, either in the capacity of Secretary of the Board / Committees or as a Member of the Committee. The Company Secretary advises / assures the Board and its Committees on compliance and governance principles and ensures appropriate recording of minutes of the Meetings. The Board / Committees, at their discretion, invite Senior Management Personnel(s) and other employees of the Company and / or external Advisors to any of their meetings.

The interaction with the Board is not limited only to the meetings of the Board and Committees. The Chairperson of the Board actively encourages interactions between the Board Members and the Senior Management outside the meetings to address the issues related to any functional area. Further, the Board also solicits feedback from the Senior Management. The feedback obtained is objective and accepted by the Board members.

The draft minutes of the Board and its Committees are sent to the members for their comments in accordance with the Secretarial Standard on Meetings of the Board of Directors ("SS-1") issued by the Institute of Company Secretaries of India (ICSI). Thereafter, the minutes are entered in the minutes book within 30 (Thirty) days of conclusion of the meetings, subsequent to incorporation of the comments, if any, received from the members.

After the Board meeting, we have a formal system of follow-up, review and reporting on actions taken by the management on the decisions of the Board and sub-committees of the Board.

The important decisions taken at the Board / Board-level Committee Meetings are promptly communicated. A report on the action taken on the decisions / suggestions of the previous meeting(s) is placed at the immediately succeeding meeting of the Board / Committee for noting the same.

All recommendations made by the Committees of the Board had been accepted by the Board during the year under review.

#### (f) **Directors and Officers Liabilities Insurance Policy:**

Your Company has in place a Directors and Officers (D&O) Liabilities Insurance policy covering all its Directors including Independent Directors. The quantum of coverage and the nature of risks insured are determined as appropriate by the Board of Directors, taking into consideration the evolving risk environment and regulatory expectations.

This policy provides financial protection to Directors and Officers against liabilities that may arise from legal actions initiated against them in their official capacity. It ensures that they can perform their duties and make decisions in good faith, without the concern of personal financial exposure, thereby strengthening the governance framework of the Company.

#### **CEO / CFO CERTIFICATION**

While placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations, the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) have certified to the Board *inter alia*, the accuracy of the financial statements and adequacy of internal controls for the financial reporting, in accordance with Regulation 17(8) of the Listing Regulations, pertaining to CEO and CFO certification for the Financial Year ended March 31, 2025. The CEO / CFO Certificate is enclosed at the end of this report as **Annexure – I**.

#### **CODE OF CONDUCT**

Your Company is committed to ensure that its business is conducted, in all respects and at all the times, according to ethical, professional and legal standards, which prevail from time to time, in the sector in which Company conducts its business. The Company has laid down Code of Conduct for all the Board Members (including Independent Directors), Senior Management and other Employees of the Company. The Code serves as a source of guiding principles for Directors, Officers and Employees. The Code has been posted on the website of the Company at <https://www.5paisa.com/investor-relations#Procedure>. A declaration signed by the CEO to this effect is enclosed at the end of this Report as **Annexure – II**.

#### **CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE**

The Company has obtained a certificate from M/s. Nilesh Shah & Associates, Company Secretary in practice as required under Listing Regulations, confirming that none of the Directors on Board of your Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed at the end of this report as **Annexure – III**.

## INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

The Company has obtained a certificate from M/s. V. Sankar Aiyar & Co., Chartered Accountants, Statutory Auditors of the Company, as required under Listing Regulations, confirming compliance with the conditions of corporate governance as per the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The certificate is enclosed at the end of this report as **Annexure – IV**.

## COMMITTEES OF THE BOARD

The Board of Directors has constituted various Committees to facilitate focused oversight of key functions and to ensure effective governance in accordance with the requirements of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and other applicable laws.

Each Committee has been constituted with defined terms of reference, duly approved by the Board, which outline its scope, powers, responsibilities and functioning. These Committees operate under the supervision of the Board and provide recommendations for its consideration and approval. The Chairperson of each Committee reports significant deliberations to the Board. Additionally, the minutes of all Committee meetings are placed before the Board for noting and discussion. As required, the Committees may invite external experts, senior management or other invitees to provide inputs on specific matters.

During the year under review, all recommendations of the Committees were accepted and approved by the Board.

### As on March 31, 2025, the Board has constituted following Committees:

- A. Audit Committee
- B. Nomination and Remuneration Committee (NRC)
- C. Stakeholders Relationship Committee (SRC)
- D. Risk Management Committee (RMC)
- E. Corporate Social Responsibility (CSR) Committee
- F. Finance Committee
- G. Environmental, Social and Governance (ESG) Committee
- H. Information Technology (IT) Committee
- I. Cyber Security Committee
- J. Independent Directors (ID) Committee

Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided below. Composition of the Committees is also posted on the website of the Company at <https://www.5paisa.com/investor-relations#Committees>.

### A. AUDIT COMMITTEE

The Audit Committee was constituted by the Board of Directors at its meeting held on March 31, 2017. The Committee was last re-constituted by the Board of Directors at its meeting held on July 12, 2023. The Audit Committee acts as an interface between the Statutory and Internal Auditors, the Management and the Board of Directors. It assists the Board in fulfilling its responsibilities of monitoring financial reporting processes; reviewing your Company's established systems and processes for internal financial controls and governance and reviews your Company's statutory and internal audit processes.

### COMPOSITION, MEETINGS AND ATTENDANCE

The Audit Committee of the Board is constituted in compliance with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations. All the members of the Committee, including the Chairman are Independent Directors. The Chairman of the Committee possesses professional qualifications in the field of Finance and Accounting. As on March 31, 2025, the Audit Committee is comprised of 4 (Four) Independent Directors who are financially literate and possess a sound knowledge of finance and accounting practices. The Chairperson of the Board is also a Member of the Committee but does not chair the Committee.

The Company Secretary of the Company act as the Secretary to the Committee. The Committee invites representative(s) of Internal Auditors and Statutory Auditors and any other such executives to be present at the meetings of the Committee.

The Chairman of the Audit Committee (Mr. Milin Mehta) was present at the last Annual General Meeting of your Company held on September 10, 2024.

The Audit Committee met 4 (Four) times during the year on April 24, 2024; July 12, 2024; October 17, 2024 and January 17, 2025. The necessary quorum was present at the meetings. The gap between two Meetings did not exceed 120 days. The Composition of the Committee and attendance of the members at the meetings held during the year is as follows:

Name of Member	Category	Nature of Membership	No. of Meetings	
			Held	Attended
Mr. Milin Mehta	Independent Director	Chairman	4	4
Ms. Nirali Sanghi	Independent Director	Member	4	4
Dr. Archana Hingorani	Independent Director	Member	4	4
Mr. Ravindra Garikipati	Independent Director	Member	4	4

## TERMS OF REFERENCE

The scope of the Audit Committee includes the references made under Regulation 18 read with Part C of Schedule II of Listing Regulations as well as section 177 and other applicable provisions of Act besides the other terms that may be referred by the Board of Directors.

The Committee is governed by a Charter, which is in line with the regulatory requirements mandated by the Act and the Listing Regulations. The terms of reference of the Audit Committee, *inter-alia*, includes the following:

1. Oversight of your Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors of your Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Directors' responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;
  - g. Qualifications / modified opinions in the draft audit report;
5. Reviewing the quarterly financial statements with the management before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue or a preferential issue or qualified institutional placement, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of your Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of your Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Monitoring the end use of funds raised through public offers and related matters, if any;
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. Discussion with internal auditors of any significant findings and follow up thereon;
16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
17. Discussion with statutory auditors before the commencement of the audit, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of your Company;
19. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
20. To establish and review the functioning of the whistle blower mechanism;
21. Approval of appointment of the Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;

**22. Related Party Transactions:**

- a. All related party transactions shall require prior approval of the Audit Committee.
- b. The Audit Committee may grant omnibus approval for related party transactions proposed to be entered into by your Company subject to the following conditions, namely:
  - i. The criteria for granting the omnibus approval shall be specified which shall be in line with your Company's policy on related party transactions and such approval shall be based on the factors namely repetitiveness of the transactions (in past or in future) and the justification for the need of omnibus approval;
  - ii. The Audit Committee shall satisfy itself on the need for omnibus approval for transactions of repetitive nature and that such approval is in the interest of your Company;
  - iii. Such omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of your Company;
- c. The omnibus approval shall specify:
  - i. The name(s) of the related party, nature of transaction, period of transaction, maximum value of transactions that shall be entered into and the value of transactions, in aggregate, which can be allowed under the omnibus route in a year;
  - ii. The extent and manner of disclosures to be made to the Audit Committee at the time of seeking omnibus approval;
  - iii. The indicative base price or current contracted price and the formula for variation in the price if any;
  - iv. Such other conditions as the Audit Committee may deem fit;

Provided that where the need for related party transactions cannot be foreseen and aforesaid details are not available, the committee may grant omnibus approval for such transactions subject to their value not exceeding ₹ 1 crore per transaction.

- d. The Audit Committee shall review, at least on a quarterly basis, the details of related party transactions entered into by your Company pursuant to each of the omnibus approvals given;
- e. Such omnibus approvals shall be valid for a period not exceeding one (1) financial year and shall require fresh approvals after the expiry of such financial year;
- f. However, such prior and omnibus approval shall not be required in case of the transactions entered into between the company and its wholly owned subsidiary / subsidiaries whose accounts are consolidated with your Company and placed before the shareholders at the general meeting for approval;

**23. Review of:**

- a. Management discussion and analysis of financial condition and results of operations;
- b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses;
- e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
- f. Statement of deviations including:
  - i. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations;
  - ii. Annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7) of the SEBI Listing Regulations;
- g. The utilization of loans and / or advances from / investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of asset size of the subsidiary, whichever is lower, including existing loans / advances / investments and all other terms of reference of the committee shall remain unchanged;
- h. The Audit Committee shall have authority to investigate into any matter in relation to the items specified above and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of your Company;
- i. Carrying out any other terms of reference as may be decided by the Board or specified / provided under the Act or the Listing Regulations or by any other regulatory authority.

**B. NOMINATION AND REMUNERATION COMMITTEE (NRC)**

The Nomination and Remuneration Committee was constituted by the Board of Directors at its meeting held on March 31, 2017. The Committee was last reconstituted by the Board of Directors at its meeting held on July 12, 2023.

**COMPOSITION, MEETINGS AND ATTENDANCE**

The Nomination and Remuneration Committee ("NRC") of the Board is constituted in compliance with the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations. The NRC is governed by a Charter in line with the Act and the Listing Regulations. As on March 31, 2025, the Nomination and Remuneration Committee comprised of 3 (Three) members, where all the members, including the Chairperson are Independent

Directors. The Chairperson of the Board is also a Member of the Committee but does not chair the Committee.

The Company Secretary of the Company act as the Secretary to the Committee. Ms. Nirali Sanghi, Chairperson of the NRC was present at the last Annual General Meeting of your Company held on September 10, 2024.

The Nomination and Remuneration Committee met 5 (Five) times during the year on April 24, 2024; July 12, 2024; August 01, 2024; January 14, 2025 and January 17, 2025. The necessary quorum was present in all meetings.

The Composition of the NRC and attendance of the members at the meetings held during the year is as follows:

Name of Member	Category	Nature of Membership	No. of Meetings	
			Held	Attended
Ms. Nirali Sanghi	Independent Director	Chairperson	5	4
Dr. Archana Hingorani	Independent Director	Member	5	5
Mr. Ravindra Garikipati	Independent Director	Member	5	5

### TERMS OF REFERENCE

The scope of the NRC includes the references made under Regulation 19 of Listing Regulations, as amended, read with section 178 and other applicable provisions of Act besides the other terms that may be referred by the Board of Directors. The Brief terms of reference of the Nomination and Remuneration Committee, *inter-alia*, includes the following:

1. Succession planning of the Board of Directors and Senior Management Employees;
2. Identifying and selection of candidates for appointment as Directors / Independent Directors, based on certain laid down criteria;
3. Identifying potential individuals for appointment as Key Managerial Personnel (KMP) and to other Senior Management positions;
4. Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management employees and their remuneration;
5. Review the performance of the Board of Directors and Senior Management Employees based on certain criteria, as approved by the Board. In reviewing the

overall remuneration of the Board of Directors and Senior Management, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, it also ensures that the relationship of remuneration to performance is clear, that the performance meets the appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay, reflecting the short-term and long-term objectives of your Company.

NRC also administers our Company's Stock Option plans. The stock options granted by the Committee are disclosed in detail in the Directors' Report.

### REMUNERATION OF DIRECTORS

The Nomination and Remuneration Committee (NRC) of the Board has framed a policy on selection and appointment of directors and senior management and their remuneration which has been approved by the Board upon recommendation of the NRC. The remuneration of Directors is based on this policy. The said policy is available on the website of the Company at [https://5paisa/investor\\_relations/nomination-and-remuneration-policy.pdf](https://5paisa/investor_relations/nomination-and-remuneration-policy.pdf).

**Details of Remuneration paid to Directors during FY 2024-25 and details of number of shares held by Directors and employee stock options granted to Directors as on March 31, 2025 is as under:**

Name of the Director	Salary and Perquisites	Contribution of Funds	Performance Linked Variable Incentive	Commission	Sitting Fees	Stock Options Granted	No. of Equity Shares held
Dr. Archana Hingorani	NA	NIL	NIL	6,00,000	9,15,000	NA	NIL
Mr. Narayan Gangadhar <sup>^</sup>	1,26,34,429	NIL	NIL	NIL	NA	NA <sup>^</sup>	NIL
Mr. Gaurav Seth <sup>§</sup>	47,40,070	NIL	NIL	NIL	NA	2,00,000	NIL
Mr. Gourav Munjal	51,31,404	NIL	NIL	NIL	NA	1,75,000*	9,656
Ms. Nirali Sanghi	NA	NIL	NIL	6,00,000	7,60,000	NA	NIL
Mr. Milin Mehta	NA	NIL	NIL	6,00,000	8,95,000	NA	NIL
Mr. Ravindra Garikipati	NA	NIL	NIL	6,00,000	9,15,000	NA	NIL
Mr. Ameya Agnihotri <sup>#</sup>	1,71,66,504	NIL	NIL	NA	NA	50,000	NIL

<sup>^</sup> Mr. Narayan Gangadhar was appointed as Managing Director effective July 13, 2023 and 15,00,000 stock options granted under the 5paisa Capital Limited Employee Stock Option Scheme 2023 in January 2024, lapsed.

<sup>§</sup> Mr. Gaurav Seth was appointed as a Chief Executive Officer (CEO) w.e.f. January 14, 2025 and as a Managing Director w.e.f. January 17, 2025 and was granted 2,00,000 stock options under the 5paisa Capital Limited Employee Stock Option Scheme 2017 in January 2025.

<sup>#</sup> Mr. Ameya Agnihotri, Chief Technology Officer (CTO) was appointed as a Whole Time Director w.e.f. July 13, 2024 and was granted 50,000 stock options under the 5paisa Capital Limited Employee Stock Option Scheme 2023 in January 2024.

<sup>\*</sup> Mr. Gourav Munjal was granted 1,75,000 ESOPs under 5paisa Capital Limited Employee Stock Option Scheme 2017.

All the Non-Executive Independent Directors of the Company are remunerated by way of Sitting Fees and Commission out of the net profit of the Company. During the year under review, the Independent Directors were paid ₹ 75,000/- (Rupees Seventy Five Thousand only) towards sitting fees for attending each of the Board Meeting and Audit Committee Meeting and were paid ₹ 20,000/- (Rupees Twenty Thousand only) towards attending each of the other committee meetings plus the reimbursement directly related to the actual travel and out-of-pocket expenses, if any, incurred by them.

In addition to the sitting fees, each Independent Directors were also paid ₹ 6,00,000/- (Rupees Six Lakhs Only) towards Commission out of the net profit of the Company.

Your Company has not granted any Employee Stock Options to the Independent Directors and Non-Executive Director. There are no pecuniary relationships or transaction of the Independent

Directors and Non-Executive Directors with your Company, except the payment of sitting fees for attending meeting of the Board and its Committees and payment of Commission.

During the FY 2024-25, the Company did not advance loan to any of its Directors. Further, the Company does not have a practice of paying severance fees to any of its Directors.

The Company's Board consisted of 3 (Three) Executive Directors as on March 31, 2025 viz. Mr. Gaurav Seth – Managing Director and Chief Executive Officer (CEO); Mr. Gourav Munjal – Whole Time Director and Chief Financial Officer (CFO) and Mr. Ameya Agnihotri – Whole Time Director and Chief Technology Officer (CTO). The NRC comprising of Non-Executive Independent Directors recommends to the Board the remuneration payable to the Executive Director within the overall limits approved by the Members of the Company. The remuneration to Executive Directors comprises of 3 (Three) broad terms – fixed remuneration, variable remuneration in the form of performance incentive and commission on consolidated net profits of the Company. The performance incentive is based on the prevailing policy of the Company. Annual revisions in the remuneration are within the limits approved by the Members.

Appointment of Managing Director and Whole-time Director is in line with relevant section of the Act and the term is for a period of five years with the notice period of three to six months from either side and there is no provision of payment of severance fees.

The Nomination and Remuneration Committee also administers Company's Stock Option plans. During the period under review, 45,365 Stock Options were exercised by eligible employees. Further information is disclosed in Directors' Report.

## SENIOR MANAGEMENT

### A. Following Individuals comprise of Senior Management of your Company as on March 31, 2025:

Sr. No.	Name of Senior Management	Designation
1.	Mr. Gaurav Seth <sup>§</sup>	Managing Director and Chief Executive Officer (CEO)
2.	Mr. Gourav Munjal	Whole Time Director and Chief Financial Officer (CFO)
3.	Mrs. Namita Godbole <sup>^</sup>	Company Secretary and Chief Compliance Officer
4.	Mr. Ameya Agnihotri <sup>#</sup>	Whole Time Director and Chief Technology Officer (CTO)
5.	Mr. Lalit Babu Lathe <sup>@</sup>	Chief Risk Officer (CRO)
6.	Mr. Yogesh Maroli	Chief Information Security Officer (CISO)
7.	Mr. Mahesh Gujran <sup>^^</sup>	Chief Surveillance Officer (CSO)
8.	Mr. Mandar Chavan	Head – Risk Management
9.	Mr. Mehul Kumar Jain	Head – Product
10.	Mr. Sudhir Kumar Jha	Head – Business Revenue
11.	Mrs. Rajeshree Jadhav	Head – Digital Sales
12.	Mr. Manish Karia <sup>&amp;</sup>	Head – Performance Marketing and SEO Management

#### Notes:

<sup>§</sup> Mr. Gaurav Seth was appointed as a Chief Executive Officer (CEO) w.e.f. January 14, 2025 and as a Managing Director w.e.f. January 17, 2025.

<sup>#</sup> Mr. Ameya Agnihotri, Chief Technology Officer (CTO) was appointed as a Whole Time Director w.e.f. July 13, 2024.

<sup>@</sup> Mr. Lalit Babu Lathe was appointed as Chief Risk Officer (CRO) w.e.f. December 03, 2024.

<sup>^^</sup> Mr. Mahesh Gujran was appointed as Chief Surveillance Officer (CSO) w.e.f. January 17, 2025.

<sup>&</sup> Mr. Manish Karia resigned as Head – Performance Marketing and SEO Management w.e.f. May 22, 2025.

<sup>^</sup> Mrs. Namita Godbole resigned from the position of the Company Secretary and Chief Compliance Officer w.e.f. July 11, 2025.

**B. Changes in Senior Management during the Financial Year 2024-25:**

- Mr. Narayan Gangadhar stepped down as a Managing Director and Chief Executive Officer (CEO) of the Company w.e.f. the close of business hours of August 28, 2024.
- Mr. Ameya Agnihotri, Chief Technology officer was appointed as a Whole Time Director of the Company w.e.f. July 13, 2024.
- Mr. Arbind Sinha stepped down as a Chief Risk Officer (CRO) of the Company w.e.f. the close of business hours of July 02, 2024.
- Mr. Yashpal Chopra had been appointed as a Chief Risk Officer (CRO) of the Company w.e.f. July 13, 2024 and resigned w.e.f. the close of business hours of December 02, 2024.
- Mr. Lalit Babu Lathe had been appointed as a Chief Risk Officer (CRO) of the Company w.e.f. December 03, 2024.
- Mr. Yash Upadhyay stepped down as a Deputy Vice President – Strategy of the Company w.e.f. the close of business hours of August 09, 2024.
- Mr. Vikrant Birajdar stepped down as a Head – Human Resources (HR) of the Company w.e.f. July 31, 2024.

- Mr. Manish Karia stepped down as a Head – Performance Marketing and SEO Management of the Company w.e.f. May 22, 2025.

**C. STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC)**

The Stakeholders Relationship Committee was constituted by the Board of Directors at its meeting held on October 13, 2017. The Committee was last reconstituted by the Board of Directors at its meeting held on January 17, 2025.

**COMPOSITION, MEETINGS AND ATTENDANCE**

The Stakeholders Relationship Committee (“SRC”) of the Board is constituted in compliance with the requirements of Section 178 of the Act and Regulation 20 of the Listing Regulations. The Stakeholders Relationship Committee is governed by a Charter in line with the Act and the Listing Regulations.

As on March 31, 2025, the Stakeholders Relationship Committee comprised of 4 (Four) members, where 50% (Fifty Percent) of the members, including the Chairperson are Independent Directors. The Company Secretary of the Company act as the Secretary to the Committee.

The Stakeholders Relationship Committee met 1 (One) time during the year on March 24, 2025. The Composition of the Committee and attendance of the members at the meetings held during the year is as follows:

Name of Member	Category	Nature of Membership	No. of Meetings	
			Held	Attended
Ms. Nirali Sanghi	Independent Director	Chairperson	1	1
Dr. Archana Hingorani	Independent Director	Member	1	1
Mr. Gaurav Seth <sup>§</sup>	Managing Director and CEO	Member	1	1
Mr. Ameya Agnihotri <sup>#</sup>	Whole Time Director and CTO	Member	1	1
Mr. Narayan Gangadhar <sup>^</sup>	Managing Director and CEO	Member	0	0

<sup>#</sup> Mr. Ameya Agnihotri was appointed as a Member of the Committee w.e.f. July 13, 2024 and the details of attendance pertains to meetings held after such date.

<sup>§</sup> Mr. Gaurav Seth was appointed as a Member of the Committee w.e.f. January 17, 2025 and the details of attendance pertains to meetings held after such date.

<sup>^</sup> Mr. Narayan Gangadhar stepped down as a Member of the Committee w.e.f. July 13, 2024 and the details of attendance pertains to meetings held up to such date.

**TERMS OF REFERENCE**

The Committee is governed by a Charter, which is in line with the regulatory requirements mandated by the Act and the Listing Regulations. The terms of reference of the Stakeholders Relationship Committee, *inter-alia*, includes the following:

- To consider and resolve stakeholders and investors grievances;
- It shall consider and resolve the grievances of the security holders of your Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends;

- To approve allotment of shares, debentures and other securities as per the authority conferred to the Stakeholders Relationship Committee by the Board of Directors, from time to time;
- To approve / authorize the officers of your Company to approve requests for transfer, transposition, deletion, consolidation, sub-division, change of name / address etc. in respect of shares, debentures and securities received by your Company;
- To review or address the complaints received by your Company from investors, SEBI, the Stock Exchanges, Ministry of Corporate Affairs, etc. and the action taken for redressal of the same and to suggest resolution of long pending complaints;

6. To approve and ratify the action taken by the authorized officers of your Company in compliance investors for issues of duplicate / replacement / consolidation / sub-division and other purposes for the shares, debentures and securities of your Company;
7. To monitor and expedite the status and process of dematerialization and dematerialization of shares, debentures and securities of your Company;
8. To give directions for monitoring the stock of blank stationery and for printing of stationery required by the secretarial department of your Company, from time to time, for issuance of share certificates, debenture certificates, allotment letters, warrants, pay orders, cheques and other related stationery;
9. To review the status of unpaid dividends, interest and undelivered share certificates and measures taken by your Company to resolve or reduce them;
10. To ensure compliance of transfer of unpaid dividend and shares to IEPF on or before due date;
11. To monitor the progress of release of unpaid dividend and process of dissemination of these records in accordance with the prescribed guidelines, rules and regulations;
12. To review the results of any investigation or audit conducted by any statutory authority;
13. Review the effectiveness of the system for monitoring compliance with laws and regulations;
14. Review the mechanism of handling investor's complaints and the status of any pending complaints which remain unresolved or unattended;
15. Any significant or important matters affecting the interest of your Company.

#### SUMMARY OF COMPLAINTS DURING FINANCIAL YEAR 2024-25

No complaints were received from shareholder / investors during the financial year ended March 31, 2025. There were no pending complaints as on March 31, 2025.

#### NAME AND DESIGNATION OF THE COMPLIANCE OFFICER

The name, designation and address of Compliance Officer of your Company is as under:

Name and designation	: Ms. Namita Godbole, Company Secretary and Chief Compliance Officer
Corporate Office Address & Registered Office	: IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B - 23, Thane Industrial Estate, Wagle Estate, Thane – 400604.
Contacts	: +91 22 41035000
E-mail:	: <a href="mailto:csteam@5paisa.com">csteam@5paisa.com</a>

The Company Secretary of our Company acts as the Secretary of the Committee.

#### D. RISK MANAGEMENT COMMITTEE (RMC)

With an embedded approach to Risk Management which puts risk and opportunity assessment at the core of the Board's Agenda, the Risk Management Committee was last re-constituted by the Board of Directors at their meeting held on January 17, 2025, in line with the Listing Regulations.

#### COMPOSITION, MEETINGS AND ATTENDANCE

As on March 31, 2025, the Risk Management Committee comprises a combination of Board Members and Senior Executives of the Company (majority being board members) and 2 (Two) Independent Directors. The Company Secretary of the Company is the Secretary to the Committee.

The Committee met 4 (Four) times during the year on April 24, 2024; July 12, 2024; October 17, 2024 and January 17, 2025. Composition of the Committee and attendance of the members at the meetings held during the year is as follows:

Name of Member	Category	Nature of Membership	No. of Meetings	
			Held	Attended
Dr. Archana Hingorani	Independent Director	Chairperson	4	4
Mr. Milin Mehta	Independent Director	Member	4	4
Mr. Gaurav Seth <sup>§</sup>	Managing Director and CEO	Member	1	1
Mr. Gourav Munjal	Whole Time Director and CFO	Member	4	4
Mr. Ameya Agnihotri	Whole Time Director and CTO	Member	4	3
Mr. Yogesh Maroli**	Chief Information Security Officer (CISO)	Member	1	1
Mr. Lalit Babu Lathe <sup>@</sup>	Chief Risk Officer (CRO)	Member	1	1
Mr. Narayan Gangadhar <sup>^</sup>	Managing Director and CEO	Member	2	1
Mr. Arbind Sinha <sup>^^</sup>	Chief Risk Officer (CRO)	Member	1	1
Mr. Yashpal Chopra <sup>***</sup>	Chief Risk Officer (CRO)	Member	1	1

<sup>§</sup> Mr. Gaurav Seth was appointed as a Member of the Committee w.e.f. January 17, 2025 and the details of attendance pertains to meetings held after such date where Mr. Gaurav Seth attended the meeting as an invitee.

<sup>\*\*</sup> Mr. Yogesh Maroli was appointed as a Member of the Committee w.e.f. November 12, 2024 and the details of attendance pertains to meetings held after such date.

<sup>@</sup> Mr. Lalit Babu Lathe was appointed as a Member of the Committee w.e.f. December 03, 2024 and the details of attendance pertains to meetings held after such date.

<sup>^</sup> Mr. Narayan Gangadhar stepped down as a Member of the Committee w.e.f. July 13, 2024 and the details of attendance pertains to meetings held up to such date.

<sup>^^</sup> Mr. Arbind Sinha stepped down as a Member of the Committee w.e.f. July 02, 2024 and the details of attendance pertains to meetings held up to such date.

<sup>\*\*\*</sup> Mr. Yashpal Chopra was appointed as a Member of the Committee w.e.f. July 13, 2024 and stepped down as a Member of the Committee w.e.f. December 02, 2024 and the detail of attendance pertains to meetings held up to such date.

#### TERMS OF REFERENCE

The Committee is governed by a Charter, which is in line with the regulatory requirements mandated by the Listing Regulations. The terms of reference of the Risk Management Committee, *inter-alia*, includes the following:

1. Reviewing risks including cyber security and evaluating the treatment including initiating mitigation actions;
2. To monitor and review the overall risk management plan of your Company including liquidity risk;
3. To ensure there is an embedded, robust process in place throughout your Company to identify, assess, mitigate and report business risks with clear lines of ownership;
4. Laying down the risk tolerance limits and monitoring risk exposures at periodic intervals;
5. To drive and co-ordinate risk management process covering all areas of risk (including operational, strategic, financial, commercial, regulatory, reputational etc.);
6. To ensure that the business risk strategy and management processes comply with applicable regulatory requirements and corporate governance principles;
7. To ensure that the business risk management principles and processes are widely understood across your Company through adequate induction, training and awareness programs;
8. To periodically monitor and review your Company's key business risks and risk mitigation plans, and advise the Board of business risks which could materially impact your Company's delivery of

its business plans, strategy, and reputation, if left untreated;

9. To monitor external developments in the business environment which may have an adverse impact on your Company's risk profile, and make recommendations, as appropriate;
10. To sponsor specialist reviews of key risk areas as appropriate;
11. To report to the Board on key risks, risk management performance and the effectiveness of internal controls on periodical basis;
12. To constitute operating risk management committee and delegate such powers to it as may be deemed necessary;
13. To formulate a detailed ERM policy this shall include:
  - a. A framework for identification of internal and external risks specifically faced by the organization, including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
  - b. Measures for risk mitigation include systems and processes for internal control of identified risks;
  - c. Business continuity Plan.
14. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
15. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
16. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
17. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
18. To review the appointment, removal and terms of remuneration of the Chief Risk Officer / Designated Risk Officer;
19. Any other matter as may be mandated / referred by the Authority / Board.

#### E. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Corporate Social Responsibility ("CSR") Committee was constituted on April 20, 2021 and the Committee

was last re-constituted by the Board of Directors at their meeting held on January 17, 2025.

The role of CSR Committee includes formulating and recommending to the Board the CSR Policy and activities to be undertaken by the Company, recommending the amount of expenditure to be incurred on CSR activities of the Company, reviewing the performance of the Company in the areas of CSR.

The Committee met 1 (One) time during the year on April 24, 2024. Composition of the Committee and attendance of the members at the meetings held during the year is as follows:

Name of Member	Category	Nature of Membership	No. of Meetings	
			Held	Attended
Dr. Archana Hingorani	Independent Director	Chairperson	1	1
Ms. Nirali Sanghi	Independent Director	Member	1	1
Mr. Gaurav Seth <sup>§</sup>	Managing Director and CEO	Member	0	0
Mr. Gourav Munjal	Whole Time Director and CFO	Member	1	1
Mr. Ameya Agnihotri <sup>#</sup>	Whole Time Director and CTO	Member	0	0
Mr. Narayan Gangadhar <sup>^</sup>	Managing Director and CEO	Member	1	1

<sup>§</sup> Mr. Gaurav Seth was appointed as a Member of the Committee w.e.f. January 17, 2025 and the details of attendance pertains to meetings held after such date.

<sup>#</sup> Mr. Ameya Agnihotri was appointed as a Member of the Committee w.e.f. July 13, 2024 and the details of attendance pertains to meetings held after such date.

<sup>^</sup> Narayan Gangadhar stepped down as a Member of the Committee w.e.f. July 13, 2024 and the details of attendance pertains to meetings held up to such date.

#### TERMS OF REFERENCE

The terms of reference of the Corporate Social Responsibility (CSR) Committee, *inter-alia*, includes the following:

- Formulating and recommending to the Board, the CSR Policy which shall indicate the activities to be undertaken by your Company as specified in Schedule VII to the Act. The CSR policy of your Company may be accessed on your company's corporate website at <https://www.5paisa.com/investor-relations>;
- Making recommendation on the amount of the expenditure to be incurred on CSR activities;
- Instituting a transparent monitoring mechanism for implementation of the CSR activities to be undertaken by your Company;

#### COMPOSITION, MEETINGS AND ATTENDANCE

As on March 31, 2025, the Corporate Social Responsibility (CSR) Committee comprises of a combination of Executive and Non-Executive Directors. The Chairperson of the Committee is an Independent Director and the Company Secretary of the Company act as the Secretary to the Committee.

- Such other functions, as may be entrusted to it by the Board of Directors, from time to time.

#### F. FINANCE COMMITTEE (NON-MANDATORY COMMITTEE)

The Finance Committee was constituted on January 11, 2018 and was last re-constituted by the Board of Directors at their meeting held on January 17, 2025.

#### COMPOSITION, MEETINGS AND ATTENDANCE

The Finance Committee met 7 (Seven) times during the year on May 16, 2024; September 13, 2024; September 18, 2024; October 11, 2024; November 26, 2024, December 16, 2024 and January 24, 2025. Composition of the Committee and attendance of the members at the meetings held during the year is as follows:

Name of Member	Category	Nature of Membership	No. of Meetings	
			Held	Attended
Mr. Narayan Gangadhar <sup>^</sup>	Managing Director and CEO	Chairman	1	1
Mr. Gourav Munjal <sup>*</sup>	Whole Time Director and CFO	Chairman	7	7
Mr. Gaurav Seth <sup>§</sup>	Managing Director and CEO	Member	1	1
Mr. Ameya Agnihotri <sup>#</sup>	Whole Time Director and CTO	Member	6	6

<sup>^</sup> Mr. Narayan Gangadhar stepped down as a Chairman of the Committee w.e.f. July 13, 2024 and the details of attendance pertains to meetings held up to such date.

<sup>\*</sup> Mr. Gourav Munjal, Member of the Committee, was appointed as a Chairman of the Committee w.e.f. July 13, 2024.

<sup>§</sup> Mr. Gaurav Seth was appointed as a Member of the Committee w.e.f. January 17, 2025 and the details of attendance pertains to meetings held after such date.

<sup>#</sup> Mr. Ameya Agnihotri was appointed as a Member of the Committee w.e.f. July 13, 2024 and the details of attendance pertains to meetings held after such date.

**TERMS OF REFERENCE**

The terms of reference of the Finance Committee, *inter-alia*, includes the following:

1. To borrow funds for and on behalf of your Company up to the maximum amount as determined by the Board of Directors of your Company from time to time;
2. To invest funds of your Company from time to time in equity shares, preference shares, debt securities, bonds, whether listed or unlisted, secured or unsecured, fixed deposits, units of mutual fund, security receipts, securities, etc. taking into consideration all investment parameters up to the maximum amount as determined by the Board of Directors of your Company from time to time and also to enter into any agreements including but not limited to enter into Share Purchase Agreement, Share Subscription Agreement, Shareholders Agreements etc. as may be required to give effect to such transaction;
3. To allot securities of your Company including equity shares, preference shares, debt securities, bonds, etc. from time to time;
4. To borrow funds for meeting the short-term requirements of funds of your Company by issuing Commercial Paper including redemption and buyback of Commercial Paper and also to list the same as per the SEBI Regulations;
5. To avail intraday facilities from Banks / Financial Institution upto ₹ 3,000 Crores (Rupees Three Thousand Crore);
6. To offer assurances on behalf of Subsidiaries, in the form of guarantee, security, undertakings, letters (including without limitation, letter of comfort), deeds, declarations or any other instruments in connection with loan availed by them from Bank, Financial Institution, Non-Banking Financial Companies, other

body corporates, etc. up to such limit, if applicable, as delegated / decided by the Board from time to time;

7. Powers relating to issuance and allotment of Debentures:
  - i. To determine terms and conditions and number of debentures to be issued;
  - ii. Determining timing, nature, type, pricing and such other terms and conditions of the issue including coupon rate, minimum subscription, retention of over-subscription, if any and early redemption thereof;
  - iii. To approve and make changes to the Draft Prospectus, to approve the Final Prospectus, including any corrigendum, amendments supplements thereto, and the issue thereof;
  - iv. To approve all other matters relating to the issue and do all such acts, deeds, matters and things including execution of all such deeds, documents, instruments, applications and writings as it may, at its discretion, deem necessary and desirable for such purpose including without limitation the utilization of the issue proceeds, modify or alter any of the terms and conditions, including size of the Issue, as it may deem expedient, extension of Issue and / or early closure of the Issue;
8. Other Routine Matters.

**G. ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) COMMITTEE**

The Environmental, Social and Governance ("ESG") Committee was constituted on December 06, 2022 and was last re-constituted by the Board of Directors at their meeting held on January 17, 2025.

**COMPOSITION, MEETINGS AND ATTENDANCE**

The Environmental, Social and Governance ("ESG") Committee met 1 (One) time during the year on March 24, 2025. Composition of the Committee and attendance of the members at the meetings held during the year is as follows:

Name of Member	Category	Nature of Membership	No. of Meetings	
			Held	Attended
Ms. Nirali Sanghi	Independent Director	Chairperson	1	1
Mr. Narayan Gangadhar <sup>A</sup>	Managing Director and CEO	Member	0	0
Mr. Gaurav Seth <sup>S</sup>	Managing Director and CEO	Member	1	0
Mr. Gourav Munjal	Whole Time Director and CFO	Member	1	1
Ms. Namita Godbole <sup>@</sup>	Company Secretary and Chief Compliance Officer	Member	1	1
Mr. Ameya Agnihotri <sup>#</sup>	Whole Time Director and CTO	Member	1	1

<sup>^</sup> Mr. Narayan Gangadhar stepped down as a Member of the Committee w.e.f. July 13, 2024 and the details of attendance pertains to meetings held up to such date.

<sup>§</sup> Mr. Gaurav Seth was appointed as a Member of the Committee w.e.f. January 17, 2025 and the details of attendance pertains to meetings held after such date.

<sup>#</sup> Mr. Ameya Agnihotri was appointed as a Member of the Committee w.e.f. July 13, 2024 and the details of attendance pertains to meetings held after such date.

<sup>@</sup> Mrs. Namita Godbole resigned from the position of the Company Secretary and Chief Compliance Officer w.e.f. July 11, 2025.

#### TERMS OF REFERENCE

The terms of reference of the Environmental, Social and Governance (ESG) Committee, *inter-alia*, includes the following:

1. Ensure that your company has an ESG Strategy and that it remains fit for purpose;
2. Ensure that objectives for ESG activities are in place and that key metrics are monitored and reported on;
3. Ensure compliance with relevant legal and regulatory requirements and industry standards and guidelines applicable to ESG matters;
4. Ensure that ESG related policies are in place, are regularly reviewed for their relevance, effectiveness and compliance with relevant national and international regulations, and are updated as necessary;
5. Monitor and review current and emerging ESG trends, relevant international standards and legislative requirements; identify how these are likely to impact on the strategy, operations and reputation of your Company and determine whether and how these are

incorporated into or reflected in our Company's ESG policies and objectives;

6. Approve any projects developed in response to the ESG strategy;
7. Identify, manage and mitigate or eliminate ESG risks in connection with your Company's operations and corporate activity;
8. Approve all internal and external ESG reporting including information to be included in the annual report;
9. Review the results of any reviews or independent audits of your Company's performance in regard to ESG matters and review any strategies and action plans developed by management in response to issues raised;
10. Make recommendations to the Board on any of the matters listed above that the Committee considers appropriate.

#### H. INFORMATION TECHNOLOGY (IT) COMMITTEE

The Information Technology ("IT") Committee was constituted on May 01, 2023 and was last re-constituted by the Board of Directors at their meeting held on January 17, 2025.

#### COMPOSITION, MEETINGS AND ATTENDANCE

The Information Technology (IT) Committee met 3 (Three) times during the year on July 12, 2024; October 17, 2024 and January 17, 2025. Composition of the Committee and attendance of the members at the meetings held during the year is as follows:

Name of Member	Category	Nature of Membership	No. of Meetings	
			Held	Attended
Mr. Ravindra Garikipati	Independent Director	Chairman	3	3
Mr. Milin Mehta	Independent Director	Member	3	3
Mr. Narayan Gangadhar <sup>^</sup>	Managing Director and CEO	Member	1	0
Mr. Gaurav Seth <sup>§</sup>	Managing Director and CEO	Member	1	1
Mr. Ameya Agnihotri	Whole Time Director & CTO	Member	3	3
Mr. Yogesh Maroli <sup>**</sup>	Chief Information Security Officer (CISO)	Member	3	3

<sup>^</sup> Mr. Narayan Gangadhar stepped down as a Member of the Committee w.e.f. July 13, 2024 and the details of attendance pertains to meetings held up to such date.

<sup>§</sup> Mr. Gaurav Seth was appointed as a Member of the Committee w.e.f. January 17, 2025 and the details of attendance pertains to meetings held after such date where Mr. Gaurav Seth attended the meeting as an invitee.

<sup>\*\*</sup> Mr. Yogesh Maroli was appointed as a Member of the Committee w.e.f. April 24, 2024 and the details of attendance pertains to meetings held after such date.

#### TERMS OF REFERENCE

The terms of reference of the Information Technology (IT) Committee, *inter-alia*, includes the following:

1. Ensure that the organization has put an effective IT strategic planning process in place.

2. Guide in preparation of IT Strategy, containing overall strategy of the organization vis-à-vis adoption of IT, and ensure that the IT Strategy aligns with the overall strategy of the organization towards accomplishment of its business objectives.

3. Ensure that the IT Governance and Information Security Governance structure fosters accountability, effectiveness & efficiency with well defined objectives and unambiguous responsibilities for each level in the organization.
4. Ensure putting in place processes for assessing and managing IT risks, including cyber security risks.
5. Ensure that the budgetary allocations for the IT function (including for IT security) are commensurate with the organization's IT maturity, digital depth, threat environment and industry standards and are utilised in a manner intended for meeting the stated objectives.
6. Oversight over the Business Continuity Planning and Disaster Recovery Management of the organization.

#### I. CYBER SECURITY COMMITTEE

The Cyber Security Committee was constituted on May 01, 2023 and was last re-constituted by the Board of Directors at their meeting held on January 17, 2025.

#### COMPOSITION, MEETINGS AND ATTENDANCE

The Cyber Security Committee met 3 (Three) times during the year on July 12, 2024; October 17, 2024 and January 17, 2025. Composition of the Committee and attendance of the members at the meetings held during the year is as follows:

Name of Member	Category	Nature of Membership	No. of Meetings	
			Held	Attended
Mr. Ravindra Garikipati	Independent Director	Chairman	3	3
Mr. Milin Mehta	Independent Director	Member	3	3
Mr. Narayan Gangadhar <sup>^</sup>	Managing Director and CEO	Member	1	0
Mr. Gaurav Seth <sup>§</sup>	Managing Director and CEO	Member	1	1
Mr. Ameya Agnihotri	Whole Time Director & CTO	Member	3	3
Mr. Yogesh Maroli <sup>**</sup>	Chief Information Security Officer (CISO)	Member	3	3

<sup>^</sup> Mr. Narayan Gangadhar stepped down as a Member of the Committee w.e.f. July 13, 2024 and the details of attendance pertains to meetings held up to such date.

<sup>§</sup> Mr. Gaurav Seth was appointed as a Member of the Committee w.e.f. January 17, 2025 and the details of attendance pertains to meetings held after such date where Mr. Gaurav Seth attended the meeting as an invitee.

<sup>\*\*</sup> Mr. Yogesh Maroli was appointed as a Member of the Committee w.e.f. April 24, 2024 and the details of attendance pertains to meetings held after such date.

#### TERMS OF REFERENCE

The terms of reference of the Cyber Security Committee, *inter-alia*, includes the following:

1. Facilitating development of information security policies, implementation of information security policies, standards and procedures to ensure that all identified information security risks are managed within the organization's risk appetite.
2. Approving and monitoring major information security projects and the status of information security plans and budgets, establishing priorities, approving standards and procedures.
3. Supporting the development and implementation of information security management programme.
4. Reviewing information / cyber security incidents, various information security assessments, monitoring and mitigation activities across the organization.
5. Reviewing security awareness programmes.
6. Assessing new developments or issues relating to cyber / information security.
7. Reporting to the Board / Board level Committee on information security activities.

#### J. INDEPENDENT DIRECTORS (ID) COMMITTEES

The Independent Directors ("ID") Committee was constituted on December 06, 2022.

#### COMPOSITION, MEETINGS AND ATTENDANCE

The Independent Directors Committee met 1 (One) time during the year on March 24, 2025. Composition of the Committee and attendance of the members at the meetings held during the year is as follows:

Name of Member	Category	Nature of Membership	No. of Meetings	
			Held	Attended
Mr. Ravindra Garikipati	Independent Director	Chairman	1	1
Ms. Nirali Sanghi	Independent Director	Member	1	1
Mr. Milin Mehta	Independent Director	Member	1	1
Dr. Archana Hingorani	Independent Director	Member	1	1

There was no change in the Composition of the Committee during the Financial Year 2024-25.

#### TERMS OF REFERENCE

The terms of reference of the Independent Directors Committee, *inter alia*, includes the following:

1. To review the performance of Non-Independent Directors, the Chairman and the Board as a whole and bring an objective view in the evaluation of Board and the management;
2. To assess the Quality, Quantity and Timeliness of flow of Information between your Company's

Management and the Board that is necessary for the Board to effectively and reasonably perform their duties;

3. To deliberate on improving corporate credibility and governance standards and help in managing risks;
4. To bring an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointment and standards of conduct;
5. Any other matter as may be deemed fit by the Independent Directors.

### GENERAL BODY MEETINGS

#### A. ANNUAL GENERAL MEETINGS

The following table gives the details of the last 3 (Three) Annual General Meetings of your Company:

Date of AGM	Location	Time	Special Resolutions passed
September 10, 2024	Video Conferencing or Other Audio-Visual Means (VC / OAVM)	11:30 AM	<ol style="list-style-type: none"> <li>1. To re-appoint Mr. Milin Mehta (DIN: 01297508) as an Independent Director of the Company.</li> <li>2. To approve appointment and remuneration of Mr. Ameya Agnihotri (DIN: 07680132) as the Whole Time Director of the Company.</li> <li>3. To approve offer or invitation to subscribe to the Non-Convertible Debentures on private placement basis.</li> <li>4. To approve payment of remuneration by way of Commission to Non-Executive Directors including Independent Directors up to 1% (one percent) of Net Profit of the Company.</li> </ol>
August 31, 2023	Video Conferencing or Other Audio-Visual Means (VC / OAVM)	02:00 PM	<ol style="list-style-type: none"> <li>1. Approval of payment of remuneration by way of Commission to Non-Executive Directors including Independent Directors up to 1% (one percent) of Net Profit of the Company.</li> <li>2. Approval of offer or invitation to subscribe to the Non-Convertible Debentures on private placement basis.</li> <li>3. Approval for increasing the limits of borrowing u/s 180(1)(c) of the Companies Act, 2013.</li> <li>4. Approval for increasing the limit u/s 180(1)(a) of the Companies Act, 2013.</li> <li>5. Consideration and Approval for adoption of 5Paisa Capital Limited Employee Stock Options Scheme named 5Paisa ESOS – 2023.</li> </ol>
July 11, 2022	Video Conferencing or Other Audio-Visual Means (VC/OAVM)	11:00 AM	<ol style="list-style-type: none"> <li>1. Re-appointment of Mr. Gourav Munjal (DIN: 06360031) as a Whole-Time Director of the Company w.e.f. January 16, 2023.</li> <li>2. Re-appointment of Ms. Nirali Sanghi as an Independent Director of the Company.</li> <li>3. Approval of offer or invitation to subscribe to the Non-Convertible Debentures on private placement basis.</li> <li>4. Approval of amendment in the 5paisa Employee Stock Option Scheme 2017.</li> </ol>

**B. POSTAL BALLOT**

Postal ballots are conducted in accordance with the provisions of Section 110 and 108 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014. Shareholders are provided the facility to vote through e-voting and the postal ballot notice is sent to shareholders as per the permitted mode wherever applicable. Shareholders holding equity shares as on the cut-off date can cast their votes through e-voting or through postal ballot during the e-voting period fixed for this purpose.

After completion of scrutiny of votes, the scrutinizer submits their report to the Chairman / Chairperson, or any other person authorized by the Chairman / Chairperson of the Company and the results of voting by postal ballot are announced within 2 working days of conclusion of the e-voting period.

The results are displayed on the website of the Company and communicated to the Stock Exchanges, Depositories and Registrar and Share Transfer Agent. The resolutions, if passed by the requisite majority, are deemed to have been passed on the last date specified for receipt of duly completed postal ballot forms or e-voting.

The Ministry of Corporate Affairs ("MCA") has permitted companies to transact items through postal ballot as per the framework set out in relevant MCA Circulars upto September 30, 2025. In accordance with these circulars, only e-voting facility is to be provided to all shareholders to cast their votes electronically. Hence, there is no requirement of sending physical copy of Postal Ballot Notice along with postal ballot forms and pre-paid business envelope to shareholders. Further, there is a requirement to publish a notice in the newspapers and arrange for shareholders to register their e-mail addresses with the company to enable ease of electronic voting process.

**During the year under review, the Company obtained approval of shareholders on the following resolutions through postal ballot:**

Resolutions	Type of Resolution	Votes cast in favour		Votes cast against	
		No. of Votes	%	No. of Votes	%
Approval for the appointment of Mr. Gaurav Seth as a Director of the Company, liable to retire by rotation.	Ordinary Resolution	2,12,26,722	99.9967	703	0.0033
Approval for the appointment and remuneration of Mr. Gaurav Seth (DIN: 10415364) as a Managing Director & Chief Executive Officer (CEO) of the Company.	Ordinary Resolution	2,11,38,376	99.5805	89,049	0.4195

The Company had sent the notice of Postal Ballot by way of e-mail to those members whose names appeared in the Register of Members / Register of Beneficial Owners maintained by the Depositories and Registrar and Share Transfer Agent as on the cut-off date i.e. Friday, February 14, 2025.

The Company had offered e-voting facility to all its Members as on the Cut-off date to exercise their right to vote. For this purpose, the Company had availed the services of Central Depository Services (India) Limited ("CDSL").

The Company had appointed CS Aparna Joshi (Membership No. F7172/CP No. 6738), Proprietress of M/s. Aparna Paricharak and Associates, Practicing Company Secretary, Thane, as the Scrutinizer ("Scrutinizer") for scrutinizing the e-voting process in a fair and transparent manner. The results were declared on March 25, 2025, wherein the resolutions were passed with requisite majority.

The results of the Postal Ballot were uploaded on the designated Stock Exchanges i.e BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and simultaneously uploaded on the website of the Company viz. <https://www.5paisa.com/investor-relations> and on the website of the CDSL at [www.evotingindia.com](http://www.evotingindia.com).

Further, there is no proposal to pass any resolution through Postal Ballot as on the date of this Report.

**C. NATIONAL COMPANY LAW TRIBUNAL (NCLT) CONVENED MEETINGS**

During the year under review there was no meeting held as per the order of the National Company Law Tribunal.

**PERIODIC REVIEW OF COMPLIANCES OF ALL APPLICABLE LAWS**

Your Company follows a system whereby all the acts, rules and regulations applicable to your Company are identified and compliance with such acts, rules and regulations is monitored by a dedicated team on a regular basis. Verification of the compliances with the major acts / regulations is carried out by suitable external auditors / lawyers / consultants and their reports and implementation of their observations are reported to the Board / Audit Committee. In addition, the audit and verification plan and actual status thereof are reviewed by the Board / Audit Committee periodically. A consolidated compliance certificate based on the compliance status received in respect of various laws, rules and regulations applicable to your Company is placed before the Board on a regular basis and reviewed by the Board. Necessary reports are also submitted to the various regulatory authorities as per the requirements from time to time.

## MEANS OF COMMUNICATION TO THE STAKEHOLDERS

The primary source of information to the shareholders, customers, analysts and other stakeholders of your Company and to the public at large is through your company's corporate website at <https://www.5paisa.com/investor-relations>.

Quarterly and Annual Financial results are announced in accordance with the Regulation 33 of the Listing Regulations by submitting the same with Stock Exchanges and are also uploaded on the Company's Website along with publishing the same in the newspapers in accordance with Regulation 47 of the Listing Regulations. Quarterly, Half-yearly and Annual Financial Results and other public notices issued to the Members are usually published in Business Standards, Free Press Journal and Navshakti, which are widely circulated.

We also regularly make presentations to the Analyst / Institutional Investors in their meetings held from time to time, transcripts of which are uploaded on your company's website.

The schedule of Analyst / Institutional Investors meets are also informed to the public through the Stock Exchanges.

The Annual Report, shareholding pattern, material events, corporate actions, copies of press releases, schedule of analysts / investor meets amongst others, are regularly intimated to the Stock Exchanges and uploaded on your Company's website.

The Board of Directors has approved a policy for determining materiality of events for the purpose of making disclosure to the stock exchanges and the same is available on your Company's website at <https://www.5paisa.com/investor-relations>. The Chief Executive Officer, Company Secretary and Chief Compliance Officer and the Chief Financial Officer of your Company are empowered to decide on the materiality of the information for the purpose of making disclosure to the Stock Exchanges.

All the official disclosures made to the stock exchanges are also available on your Company's website at <https://www.5paisa.com/investor-relations>.

## GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting	: Day, Date and Time - Monday, August 25, 2025 at 11:30 AM (IST) (Through Video Conferencing / Other Audio-Visual Means as set out in the Notice convening the Annual General Meeting)
Book closure date	: From Tuesday, August 19, 2025 to Monday, August 25, 2025
Financial Year	: The Financial Year of the Company is from April 01 to March 31 of every year
For the year ended March 31, 2025 results were announced on	: First quarter – July 12, 2024 Half Year – October 17, 2024 Third quarter – January 17, 2025 Annual – May 01, 2025
Tentative Schedule for declaration of Financial Results during the Financial Year 2025-26 (Note: The duration mentioned is indicative)	: First quarter – Mid July Half Year – Mid October Third quarter – Mid January Annual – End of April / First Week of May
Dividend	: During the year under review, your Company has not paid any dividend. The Board of Directors does not propose any dividend at ensuing Annual General Meeting.
Corporate Identity Number	: L67190MH2007PLC289249
ISIN	: INE618L01018
Registrar and Transfer Agent	: MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited)
Share Transfer System	: As per Listing Regulations, Transfer / Transmission of Equity Shares of the Company can be made only in dematerialized form. In the case of transfers in physical form, which are lodged at the Registrar and Transfer Agent's Office, these are processed within a period of 30 days from the date of receipt.  All share transfers and other share related issues are approved in the Stakeholders Relationship Committee Meeting, which is normally convened as and when required.
Dematerialization of Shares	: As on March 31, 2025, 99.99% of the paid-up share capital of your Company was in dematerialized form. Trading in equity shares of your Company is permitted only in dematerialized form through CDSL and NSDL as per notifications issued by the Securities and Exchange Board of India (SEBI).

Listing details	: <b>1. BSE Limited</b> Stock / Scrip Code: 540776 Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 <b>2. National Stock Exchange of India Limited</b> Stock / Scrip Code: 5PAISA Address: Exchange Plaza, 5 <sup>th</sup> Floor, Plot C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051.
Listing fees	: The Company has paid the Listing Fees for the Financial 2025-2026 to both the Stock Exchanges as mentioned above.
Outstanding GDR's / ADR's / Warrants or any convertible instruments, conversion date and likely impact on equity	: Your Company has outstanding unexercised vested ESOPs of 1,26,725 stock options under 5paise Employee Stock Option Scheme 2017 and NIL under 5paise Employee Stock Option Scheme 2023 as on March 31, 2025 under its ESOP plans which may be exercised by the grantees as per the vesting Period. Each option granted is convertible into one equity share of your Company. Upon exercise of options by grantees, the paid-up share capital of your Company will accordingly increase.
Address for correspondence	: <b>1. Shareholding related queries:</b> MUGF Intime India Private Limited (formerly known as Link Intime India Private Limited) Address: C 101, Embassy 247, L. B. S. Marg, Vikhroli (West), Mumbai – 400083. Tel: +91 810 811 6767 Email: <a href="mailto:rnt.helpdesk@in.mpms.mufg.com">rnt.helpdesk@in.mpms.mufg.com</a> <b>Notes:</b> A. Please contact to MUGF Intime India Private Limited (formerly known as Link Intime India Private Limited) for all correspondence related to dematerialization, transfer of shares, non-receipt of dividend on shares and any other query relating to the shares of your Company. B. The Company has also designated <a href="mailto:ir@5paise.com">ir@5paise.com</a> an exclusive Email ID for the investors for the purpose of registering complaints and the same has been displayed on the Company's Website. <b>2. General Correspondence:</b> Mr. Gourav Munjal, Whole-time Director & Chief Financial Officer Address: IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B- 23, Thane Industrial Estate, Wagle Estate, Thane – 400604. Tel: : +91 22 2580 6654 / +91 22 4103 5000 Email: <a href="mailto:csteam@5paise.com">csteam@5paise.com</a> <b>Note:</b> Your Company can also be visited at its website <a href="http://www.5paise.com">www.5paise.com</a>

## DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2025

Category of Shares	Number of Shareholders	% of Total Shareholders	Total Shares for the range	Percentage (%) of Issued Capital
1 to 500	58191	97.5181	3158136	10.1105
501 to 1,000	908	1.5217	657909	2.1062
1,001 to 2,000	348	0.5832	502177	1.6077
2,001 to 3,000	84	0.1408	212465	0.6802
3,001 to 4,000	43	0.0721	153530	0.4915
4,001 to 5,000	17	0.0285	78292	0.2506
5,001 to 10,000	32	0.0536	219375	0.7023
10,001 and more	49	0.0821	26254454	84.0510
<b>Total</b>	<b>59672</b>	<b>100.0000</b>	<b>31236338</b>	<b>100.0000</b>

**CATEGORY WISE SHAREHOLDING PATTERN AS ON MARCH 31, 2025:**

Sr. No	Category	Number of equity shares held	Percentage of holding
1.	Promoters & Promoters Group	1,02,30,698	32.75
2.	Public	2,10,02,640	67.24
3.	Others	3,000	0.01
<b>Total</b>		<b>3,12,36,338</b>	<b>100.00</b>

Detailed Shareholding pattern has been submitted to Stock Exchanges on a Quarterly basis in compliance with SEBI (LODR) Regulations, 2015. Further the Shareholding pattern is also available on the website of the Company at <https://www.5paisa.com/investor-relations/shareholding-ownership>.

**CREDIT RATINGS OBTAINED BY THE COMPANY**

CRISIL Ratings Limited ("CRISIL"), the credit rating agency vide its letter dated February 12, 2025, assigned / reaffirmed the following ratings for various facilities of the Company as per the details given below:

Sr. No.	Rating For	Credit Rating	Amount (₹ in Crores)	Remark
1.	Long Term Non-Convertible Debentures	CRISIL A+/stable	50	Reaffirmed
2.	Long Term Bank Loan Facility	CRISIL A+/stable	100	Reaffirmed
3.	Short Term Bank Loan Facility	CRISIL A1+	300	Reaffirmed
4.	Commercial Paper	CRISIL A1+	100	Reaffirmed

The rating rationale is available on the website of CRISIL at: <https://www.crisilratings.com/en/home/our-business/ratings/company-factsheet.IIFLCL.html>.

**DETAILS OF PUBLIC FUNDING OBTAINED IN THE PREVIOUS THREE YEARS**

The Company has not obtained any public funding in the previous three years.

**UNCLAIMED DIVIDEND**

The Company has not declared any dividend till date, therefore there is no case of unclaimed dividend.

**TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

The Company has not declared any dividend till date, therefore there is no case of unclaimed dividend and further no dividend amount is required to be transferred to Investor Education and Protection Fund (IEPF).

**TRANSFER OF SHARES TO INVESTOR EDUCATION AND PROTECTION FUND**

The Company has not transferred any shares to Investor Education and Protection Fund during the year under review.

**TRANSFER OF SALE PROCEEDS TO INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to the Scheme of Arrangement approved by the Hon'ble National Company Law Tribunal, Mumbai, vide its order dated September 06, 2017, between IIFL Finance Limited and 5paisa Capital Limited, the shareholders of IIFL Finance Limited were allotted shares in 5paisa Capital Limited. This resulted in 12,707 equity shares being allotted as fractional entitlements,

which were consolidated, sold in the market, and the sale proceeds were credited to a designated bank account on June 25, 2018.

As per the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, any amount remaining unclaimed or unpaid for a period of seven years is required to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, the amount must be credited to the IEPF within 30 days from the due date of transfer.

Accordingly, the sale proceeds relating to the unclaimed fractional entitlements arising out of the Scheme of Arrangement which became due for transfer on June 25, 2025 are required to be transferred to the IEPF on or before July 25, 2025. As on date of the report, the Company is currently in the process of completing this transfer.

**AUDIT OF RECONCILIATION OF SHARE CAPITAL**

As stipulated by SEBI, a Practicing Company Secretary carries out the Audit of Reconciliation of Share Capital on a quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and paid-up capital. The report is submitted to the designated Stock Exchanges on quarterly basis.

## COMPLIANCE WITH SECRETARIAL STANDARDS

The Institute of Company Secretaries of India, a statutory body established under a special act of Parliament, has issued Secretarial Standards (SS) on Meeting of the Board of Directors (SS-1) and General Meetings (SS-2). The Company has complied with all the applicable provisions of the Secretarial Standards.

## OTHER DISCLOSURES

### A. RELATED PARTY TRANSACTIONS

The Company has formulated a Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions in line with the requirements of Section 177(4)(iv) and 188 of the Act read with Rules framed thereunder and the Listing Regulations. This Policy is available on the website of the Company at <https://www.5paisa.com/investor-relations>.

All Related Party Transactions (RPTs) entered into by the Company during the year under review were on arms' length basis and in the ordinary course of business. As a practice of good corporate governance, Company for approval, places all the Related Party Transactions before the Audit Committee and the Board.

During the year under review, shareholders approved the material Related Party Transactions which were considered material in accordance with Listing Regulations at the Annual General Meeting of our Company held on September 10, 2024 via Video Conferencing (VC) / Other Audio Visual Means (OAVM).

A statement showing the disclosure of transactions with related parties as required under Indian Accounting Standard 24 (IND AS-24) is set out separately under the Financial Statements.

There were no material transactions entered into with related parties, during the period under review, which may have had any potential conflict with the interests of the Company.

### B. DETAILS OF NON-COMPLIANCE, PENALTIES, STRICTURES IMPOSED BY THE STOCK EXCHANGE OR BOARD OR STATUTORY AUTHORITY ON ANY MATTER RELATED TO CAPITAL MARKETS:

No Strictures / Penalties were imposed on your Company by Stock Exchanges or by the Securities and Exchange Board of India or by any Statutory authority on any matter related to the Securities markets during the financial year 2024-25 except as mentioned below:

1. We received a final letter from NSE confirming that there are no adverse observations arising out of this thematic inspection (advance brokerage).
2. A penalty of ₹ 400/- was levied by CDSL for typographical error by DP staff (3 instances) and

rectification of erroneous PAN details previously entered (4 instances).

3. A penalty of ₹ 500/- was levied by CDSL for BO Grievances not redressed within 30 days.
4. A penalty of ₹ 20,100/- and advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as on October 10, 2023 and November 28, 2023 as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on October 10, 2023 and November 28, 2023.
5. A penalty of ₹ 67,000/- and advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as on October 16, 2023, November 13, 2023 and November 20, 2023 as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on October 16, 2023, November 13, 2023 and November 20, 2023.
6. An Advise was issue by NSE for incorrect reporting of data towards daily submission of holding statement as on February 09, 2024.
7. MCXCCL issued a penalty letter of ₹ 77/- for non-submission of Segregation and Monitoring of collateral at client level for the period of February 01, 2023 to February 29, 2024.
8. BSE levied a penalty of ₹ 1,00,000/- pertaining to limited purpose Inspection conducted by the exchange for FY 2023-24.
9. A penalty of ₹ 2,96,300/- and advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as on October 30, 2023 as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on October 30, 2023.
10. BSE levied a penalty of ₹ 1,25,000/- as per exchange Notice No. 20230704-27 dated July 04, 2023, towards non-compliance of technical glitch reporting by 5paisa Capital Limited.
11. An Advise was issued by NSE for filing Internal audit report for the period April 2023 to September 2023.

12. A penalty of ₹ 500/- was levied by CDSL for Incorrect entry of PAN details in CDAS during the month of March 2024.
13. A penalty of ₹ 2,000/- was levied by the CDSL for non-submission of the Concurrent Audit Report for the month of January 2024.
14. A penalty of ₹ 56,300/- and advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as on October 23, 2023 as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on October 23, 2023.
15. A monetary penalty of ₹ 1,00,000/- was levied by NSE for non-issuance of statement of accounts & retention statement at the time of settlement of client accounts for the period October to December 2023.
16. A monetary penalty of ₹ 8,000/- was levied by NSE for Incorrect reporting in MTR file (February to March 2024).
17. A penalty of ₹ 1,87,200/- and advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as on March 11, 2024 and March 18, 2024 as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on March 11, 2024 and March 18, 2024.
18. An advise was issued by NSE for Delay in settlement for the month April 2024.
19. An advise was issued by NSE for Incorrect data submission towards segregation and monitoring of collateral at client level to Clearing Member / Clearing Corporation for February 2024.
20. An advise was issued by NSE for Incorrect data submission towards segregation and monitoring of collateral at client level to Clearing Member / Clearing Corporation for March 2024.
21. An advise was issued by NSE for Incorrect data submission towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on January 15, 2024.
22. The total penalty of ₹ 8,00,000/- was levied by MCX for Failure to conduct DR drill/live trading from DR site as per the provisions.
23. A penalty of ₹ 100/- was levied by CDSL for Incorrect entry of PAN details in CDAS during the month of May 2024.
24. A penalty of ₹ 6,800/- and advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as on January 23, 2024 and January 29, 2024 as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on January 23, 2024 and January 29, 2024.
25. A monetary penalty of ₹ 3,800/- was levied by NSE for Incorrect reporting of margin collection from clients (February 2024).
26. A penalty of ₹ 35,400/- and advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation.
27. An advise was issued by NSE for non-settling of funds of active clients and incorrect reporting of data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on January 05, 2024.
28. An advise was issued by NSE for undertaking fund-based activity as on January 16, 2024.
29. MCXCCL issued a penalty letter of ₹ 466.91/- for non-submission of data towards Segregation and Monitoring of collateral at client level for the period of June 01, 2024 to June 30, 2024.
30. A monetary penalty of ₹ 1,00,000/- was levied by NSE for non-issuance of statement of accounts & retention statement at the time of settlement of client accounts for the period January 05, 2024 / January 06, 2024 (Payout date).
31. An advise was issued by NSE for incorrect data reporting towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation and non-issuance of statement of accounts to the clients for the period January 31, 2024.
32. A penalty of ₹ 12,800/- and advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on February 05, 2024.

33. A monetary penalty of ₹ 5,000/- was levied by NSE for Incorrect reporting in MTR file during April 2024.
34. A monetary penalty of ₹ 33,000/- was levied by NSE for Incorrect reporting in MTR file (March to April 2024).
35. An advise issue by NSE for Internal audit report for the period October 2022 to March 2023.
36. A penalty of ₹ 2,000/- was levied by CDSL for delay per fortnight till the submission of Internal audit report (March 2024).
37. An advise was issued by NSE for non-settlement of clients securities within one working day from the payout date and non-receipt & non-delivery of securities to / from respective clients as on July 2024.
38. A penalty of ₹ 1,25,000/- was levied by NSE for failure to inform the exchanges about the incident / glitch within 1 hour (Delay in reporting by 34 mins and fourth such instance of Technical Glitch).
39. An advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on February 29, 2024.
40. A penalty of ₹ 51,300/- and advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on February 12, 2024.
41. A penalty of ₹ 6,500/- and advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on April 02, 2024.
42. A penalty of ₹ 17,700/- and advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on March 11, 2024 and March 18, 2024.
43. An advise was issued by NSE for wrongly invoking client's securities, despite of client's having credit balance and in some instances invoked securities in excess of the debit balance of clients for April 2024.
44. A penalty of ₹ 1,000/- and advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange and incorrectly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on February 26, 2024.
45. An advise was issued by NSE for Incorrect reporting of data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on February 20, 2024.
46. A penalty of ₹ 19,200/- and advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on March 04, 2024.
47. An advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on April 08, 2024.
48. An advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on June 03, 2024.
49. A penalty of ₹ 4,000/- was levied by CDSL for non-submission of the Internal Audit Report for the month of March 2024.
50. A penalty of ₹ 62,400/- and advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on April 29, 2024.
51. An advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on May 13, 2024.

52. A Penalty of ₹ 40,000/- was levied by CDSL for non-receipt of complete compliance report within the given timelines.
53. A penalty of ₹ 1,00,000/- was levied by NSE for Issuance of Advertisements without prior approval of the Exchange.
54. An advise was issued by BSE for delay in settlement of those clients who did not trade in past 30 calendar days (for the period January 2024 to March 2024, April 2024 and May 2024).
55. A penalty of ₹ 20,800/- and advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as on April 15, 2024 as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on April 15, 2024.
56. A penalty of ₹ 25,000/- and advise was issued by NSE for non-settlement of client's securities within one working day from the payout date.
57. A penalty of ₹ 50,000/- was levied by NSE for unauthorized trading - September 2024.
58. A penalty of ₹ 1,56,200/- and advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as on March 26, 2024.
59. An advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on May 27, 2024.
60. A penalty of ₹ 20,500/- and advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on April 22, 2024.
61. A Penalty of ₹ 200/- was imposed by CDSL as Delivery Instruction Slip (DIS) was not scanned and uploaded for the month of October 2024 in the system provided by Depositories.
62. An advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on May 21, 2024.
63. A penalty of ₹ 4,000/- and advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on June 10, 2024.
64. A penalty of ₹ 2,00,000/- was levied by NSE for Issuance of Advertisements without prior approval of the Exchange (2 instances).
65. An advise was issued by NSE for Issuance of Advertisements without prior approval of the Exchange.
66. An advise was issued by NSE for Delay in reporting of Authorised Person for Inspection to the Exchange.
67. A final penalty of ₹ 3,11,560.47/- was levied by MCXCCL for short/non-collection of margins for October 2022 to May 2023.
68. An advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on July 01, 2024.
69. A Penalty of ₹ 60,000/- was imposed by BSE for non-closure of Action Taken Report of VAPT for the financial year 2023-2024.
70. A Penalty of ₹ 236/- was imposed by CDSL for default in payment of Penalty.
71. A Penalty of ₹ 200/- was imposed by CDSL as Delivery Instruction Slip (DIS) was not scanned and uploaded for the month of December 2024 in the system provided by Depositories.
72. An advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on June 18, 2024.
73. An advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on July 15, 2024.

74. An advise was issued by NSE for wrongly pledging the clients' securities in favour of CUSPA account even though clients were in credit for the period June 2024 and non-sending of communication via Email / SMS to the clients and also levied penalty of ₹ 2,000/- for non-updation of CUSPA Policy as per provisions of relevant circular.
75. An advise was issued by NSE for wrongly invoking client's securities, despite of client's having credit balance and in some instances invoked securities in excess of the debit balance of clients for June and July 2024.
76. An advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on August 12, 2024.
77. An advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on August 26, 2024.
78. An advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on July 08, 2024.
79. A penalty of ₹ 18,500/- and advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on July 23, 2024.
80. An advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on July 29, 2024.
81. An advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on August 05, 2024.
82. A Penalty of ₹ 3,900/- was imposed by CDSL as Delivery Instruction Slip (DIS) was not scanned and uploaded for the month of January 2025 in the system provided by Depositories.
83. An advise issued by NSE for wrongly pledging the clients' securities in favour of CUSPA account even though clients were in credit for the period August 2024 and non-sending of communication via Email / SMS to the clients.
84. An advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on July 26, 2024.
85. An advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on September 02, 2024.
86. A final monetary penalty of ₹ 15,00,000/- was imposed by NSE for Internal audit report for the period October 2022 to March 2023.
87. Caution was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on September 23, 2024.
88. A penalty of ₹ 8,500/- and advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as the Member has not correctly reported the data towards Segregation and Monitoring of Collateral at Client Level to Clearing Member / Clearing Corporation as on September 23, 2024.
89. An advise was issued by NSE for wrongly invoking client's securities, despite of client's having credit balance and in some instances invoked securities in excess of the debit balance of clients for September 2024.
90. A penalty of ₹ 47,600/- and advise was issued by NSE for Incorrect reporting of margin / MTM loss collection from clients to Exchange as on September 16, 2024.
91. An advise was issued by NSE for wrongly pledging the clients' securities in favour of CUSPA account even though clients were in credit for the period

August 2024 and non-sending of communication via Email / SMS to the clients.

92. A penalty of ₹ 5,000/- and advise was issued by NSE for non-reporting of bank account closure to the exchange within one week of closing.
93. SEBI imposed a penalty of ₹ 8,00,000/- (Rupees Eight Lakhs Only) vide its order dated October 31, 2024 for the violations observed during the joint inspection which was scheduled in the month of January 2024.
94. SEBI imposed a penalty of ₹ 2,00,000/- via SEBI Adjudication Order against 5paisa Capital Limited in the matter of UCC showing incorrect state city codes (Sikkim related).

### C. VIGIL MECHANISM

The Company has a well-defined vigil mechanism / whistle blower policy which is fully implemented by the Management, particulars of which have been explained in greater detail as part of the Board's Report.

No personnel have been denied access to the Whistle Officer / CEO / Chairman of the Audit Committee.

### D. COMPLIANCE WITH MANDATORY REQUIREMENTS

Your Company has complied with all the mandatory requirements relating to Corporate Governance under the Listing Regulations as well as the Corporate Governance Requirements specified in Regulation 17 to 27 to the extent applicable and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

### E. COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

The non-mandatory requirements under the Listing Regulations as adopted by the Company are as under:

1. There is no audit qualification in the Company's financial statements for the year ended March 31, 2025. Your Company continues to adopt best practices to ensure regime of unqualified financial statements.
2. The Internal Auditor of the Company reports to the Audit Committee and participates in the meetings of the Audit Committee of the Board of Directors of the Company and presents his internal audit observations to the Audit Committee.

### F. DISCLOSURE IN RELATION TO SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

During the year under review, your company did not receive any complaints in relation to Sexual Harassment of women at workplace. For further details, please refer Director's Report.

### G. TOTAL FEES FOR ALL SERVICES PAID BY THE LISTED ENTITY AND ITS SUBSIDIARIES, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR AND ALL ENTITIES IN THE NETWORK FIRM / NETWORK ENTITY OF WHICH THE STATUTORY AUDITOR IS A PART.

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part, are as follows:

Particulars	Amount (₹ in million)
Audit Fees	1.75
Certification Expenses	0.25
Out of Pocket Expenses	NIL
<b>Total</b>	<b>2.00</b>

### H. SUBSIDIARY COMPANIES

The Company has formulated a policy for determining material subsidiaries in terms of the Listing Regulations and is available on the website of your Company at <https://www.5paisa.com/investor-relations#Procedure>.

None of the subsidiaries are material unlisted subsidiaries as defined under Regulation 16 of the Listing Regulations.

During the Financial Year 2024-25, the Company had 4 (Four) Wholly Owned Subsidiaries as follows.

#### 1. 5paisa P2P Limited

5paisa P2P Limited is a wholly owned subsidiary of 5paisa Capital Limited. The company received Certificate of Registration from Reserve Bank of India ("RBI") bearing registration number N-13.02371 to act as NBFC P2P.

#### 2. 5paisa Corporate Services Limited

5paisa Corporate Services Limited is a wholly owned subsidiary of 5paisa Capital Limited, incorporated on October 27, 2018. The name of the company was changed from '5paisa Insurance Brokers Limited' to '5paisa Corporate Services Limited' with effect from November 16, 2022 pursuant to receipt of fresh Certificate of Incorporation dated November 16, 2022 issued by the Registrar of Companies, Mumbai. The Company shall commence its business shortly.

#### 3. 5paisa Trading Limited

5paisa Trading Limited was incorporated as a public limited company on February 27, 2020 as a wholly owned subsidiary of 5paisa Capital Limited.

#### 4. 5paisa International Securities (IFSC) Limited

5paisa International Securities (IFSC) Limited was incorporated as a public limited company on June 15, 2022, as a wholly owned subsidiary of 5paisa Capital Limited. 5paisa International Securities (IFSC)

Limited was incorporated with the object of carrying out business of IFSC (International Financial Service Centre) Unit and act as intermediary in IFSC. The Company is in process of registration with NSE IFSC Limited as a trading cum clearing member and shall commence its operations after receipt of necessary clearances / licenses.

The Audit Committee reviews the financial statements and in particular, the investments, if any, made by the subsidiary companies. The summary of minutes of board meetings of the subsidiary companies are circulated to the Board of the Company along with agenda papers and the minutes are tabled at the Board meeting. The management of the subsidiary periodically brings to the notice of the Board of Directors of the Company a statement of all significant transactions and arrangements, if any, entered into by the subsidiary companies.

#### I. DIVIDEND DISTRIBUTION POLICY

Your Company has adopted a Dividend Distribution Policy formulated in accordance with the Regulation 43A of the Listing Regulations, and the same can be accessed on the website of the Company at <https://www.5paisa.com/investor-relations>

#### J. CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations 2015, the Company has adopted a Code of Conduct to regulate, monitor and report trading by Insiders ("Code"). The objective of the Code is to restrict an insider from dealing in the shares of the Company either directly or indirectly when in possession of unpublished price sensitive information (UPSI). The Company maintains structured digital database for insiders. The Code enumerates the procedure to be followed for dealing in the shares of the Company and periodic disclosures to be made. It also restricts the insiders from dealing in the Company's shares during the period when the "Trading Window" is announced as closed.

#### P. DISCLOSURE OF LOANS AND ADVANCES IN THE NATURE OF LOANS BY LISTED ENTITY AND ITS SUBSIDIARIES TO FIRMS / COMPANIES IN WHICH DIRECTORS ARE INTERESTED

(₹ in million)

Nature of Loans advanced by the Company / Subsidiary	Name of the Company extending loan	Name of the Group Company to whom loan is extended	Name of the interested director	Amount (₹)
Not applicable				

#### Q. DETAILS OF UNCLAIMED SHARES OF THE COMPANY

The Hon'ble National Company Law Tribunal, Mumbai bench had *vide* its order dated September 06, 2017 sanctioned the Scheme of Arrangement between IIFL Finance Limited (Formerly known as "IIFL Holdings Limited") ('Demerged Company') and 5paisa Capital Limited, the ('Resulting Company') and their respective

#### K. CODE OF CORPORATE DISCLOSURE PRACTICES

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations 2015, in order to restrict communication of UPSI, the Company has adopted Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) which is available on the website of the Company at <https://www.5paisa.com/investor-relations>.

#### L. DISCLOSURE OF ACCOUNTING TREATMENT

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) and provisions of the Act and comply in material aspects with the Ind AS, as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under Section 133 and other provisions of the Act.

There was no deviation in following the treatments prescribed in any of Indian Accounting Standards (Ind AS) in the preparation of the financial statements of your Company.

#### M. DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES

Details of the same are mentioned in the Notes to Accounts in the Annual Report.

#### N. DETAILS OF UTILISATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT (QIP) AS SPECIFIED UNDER REGULATION 32(7A)

Not Applicable as the Company has not raised the funds through Preferential Allotment or Qualified Institutions Placement (QIP).

#### O. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10) OF SCHEDULE V OF THE LISTING REGULATIONS

There are no non-compliances of any requirements of Corporate Governance Report of sub-paras (2) to (10) mentioned in schedule V of the Listing Regulations.

Shareholders ("the Scheme"). The Scheme with effect from October 01, 2016, *inter alia*, provided for Demerger of 5paisa digital undertaking business from IIFL Finance Limited to 5paisa Capital Limited.

Upon the Scheme coming into effect and in consideration of the transfer and vesting of the 5paisa digital Undertaking into the Company, the equity shareholders

of IIFL Finance Limited whose name appeared in the Register of Members on October 18, 2017 i.e. Record Date were allotted 1 (one) equity share in 5paisa Capital Limited of ₹ 10/- each credited as fully paid-up for every 25 (Twenty Five) equity share of ₹ 2/- each fully paid-up held by such equity shareholder in IIFL Finance Limited, on October 20, 2017. Accordingly, 9,405 unclaimed shares in IIFL Finance Limited were also allotted 376 equity shares of your Company. Also pursuant to the Rights issue, the Rights entitlement on 376 equity shares have been kept in abeyance.

#### **R. DETAILS OF UNCLAIMED FRACTIONAL SHARES ENTITLEMENTS**

Pursuant to Scheme of Arrangement with respect to demerger of 5paisa digital Undertaking of IIFL Finance Limited into 5paisa Capital Limited. Your Company allotted fresh 1,27,39,022 equity share of ₹ 10 each to the shareholders of IIFL Finance Limited in the ratio of 1 (One) fully paid-up New Equity Share of ₹ 10 (Rupees Ten) each of Company for every 25 (Twenty-Five) fully paid-up equity shares of ₹ 2/- (Rupees Two) each held in IIFL Finance Limited.

Consequent, the shareholders of IIFL Finance Limited were allotted shares in 5paisa Capital Limited. However, 12,707 equity shares arose as fractional entitlements, which were consolidated, sold in the market, and the sale proceeds were credited to a designated bank account on June 25, 2018.

As per the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, any amount remaining unclaimed or unpaid for a period of seven years is required to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, the

amount must be credited to the IEPF within 30 days from the due date of transfer.

Accordingly, the sale proceeds relating to the unclaimed fractional entitlements arising out of the Scheme of Arrangement which became due for transfer on June 25, 2025 are required to be transferred to the IEPF on or before July 25, 2025. As on date of the report, the Company is currently in the process of completing this transfer.

#### **S. PROCEEDS FROM PUBLIC ISSUES, RIGHT ISSUES AND PREFERENTIAL ISSUE, AMONG OTHERS**

The paid-up equity share capital of your Company as on March 31, 2025 was ₹ 31,23,63,380/- (3,12,36,338 equity shares of ₹ 10/- each).

#### **T. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES**

Not applicable

#### **U. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT**

The Company does not have any shares in the demat suspense account or unclaimed suspense account.

**For and on behalf of the Board of Directors**  
**5paisa Capital Limited**

**Gaurav Seth**  
**Managing Director**  
**and Chief Executive Officer**  
DIN: 10415364

**Gourav Munjal**  
**Whole Time Director and**  
**Chief Financial Officer**  
DIN: 06360031

Date: July 08, 2025  
Place: Thane

## Annexure – I

## Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,  
The Board of Directors  
**5paisa Capital Limited**

Dear Sir / Madam,

**Subject : CEO / CFO Certificate**

We, the undersigned, in our respective capacities as Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of 5paisa Capital Limited ("**the Company**") to the best of our knowledge and belief certify that:

- (a) We have reviewed the financial statements and the cash flow statement of 5paisa Capital Limited for the year ended March 31, 2025 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal

controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

- (d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
  - (i) Significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

This certificate is being given to the Audit Committee of the Board and the Board of Directors of 5paisa Capital Limited, pursuant to Regulation 17(8) read with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

For and on behalf of the Board of Directors  
**5paisa Capital Limited**

**Gaurav Seth**

Managing Director  
and Chief Executive Officer  
DIN: 10415364

Date: July 08, 2025  
Place: Thane

**Gourav Munjal**

Whole Time Director  
and Chief Financial Officer  
DIN: 06360031

## **Declaration on Compliance with the Code of Conduct**

To the Shareholders of  
**5paisa Capital Limited**

**Subject : Compliance with the Code of Conduct**

I hereby declare that all the directors and senior management personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2025.

**For 5paisa Capital Limited**

**Gaurav Seth**

Managing Director & Chief Executive Officer  
DIN: 10415364

Date: July 08, 2025

Place: Thane

## Annexure – III

**Certificate of Non-Disqualification of Directors**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
**5paisa Capital Limited**  
IIFL House, Sun Infotech Park,  
Road No. 16V, Plot No. B-23,  
Thane Industrial Area,  
Wagle Estate, Thane – 400 604.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **5paisa Capital Limited**, having CIN: L67190MH2007PLC289249 and having registered office situated at IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, Thane Industrial Area, Wagle Estate, Thane – 400 604 (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and carried by us and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **March 31, 2025** have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory:

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Archana Hingorani	00028037	07/06/2017
2.	Nirali Sanghi	00319389	11/01/2018
3.	Ravindra Garikipati	00984163	03/09/2020
4.	Milin Mehta	01297508	01/04/2020
5.	Gourav Munjal	06360031	16/01/2020
6.	Ameya Agnihotri	07680132	13/07/2024
7.	Gaurav Seth	10415364	17/01/2025

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company, our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 01.05.2025  
Place: Mumbai  
UDIN: F004554G000248600

**Signature:**  
**Name: Nilesh Shah**  
**For Nilesh Shah & Associates**  
Company Secretaries  
FCS: 4554  
C.P.: 2631  
Peer Review No. 6454/2025

## **Auditor's Certificate on Compliance of Conditions of Corporate Governance**

To the Members of  
**5paisa Capital Limited**  
Mumbai

We have examined the compliance of conditions of Corporate Governance by, 5paisa Capital Limited (the "Company") for the year ended on March 31, 2025, as per the regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and para-C, D and E of schedule V of chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance as stipulated in the said clauses. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Management, as above, we certify that the Company has complied with, in all material respect, the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

We further state that such Compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For V. Sankar Aiyar & Co.,**  
Chartered Accountants  
(FRN 109208W)

**Asha Patel**  
Partner  
M.No.166048  
UDIN: 25166048BMKNNW7004

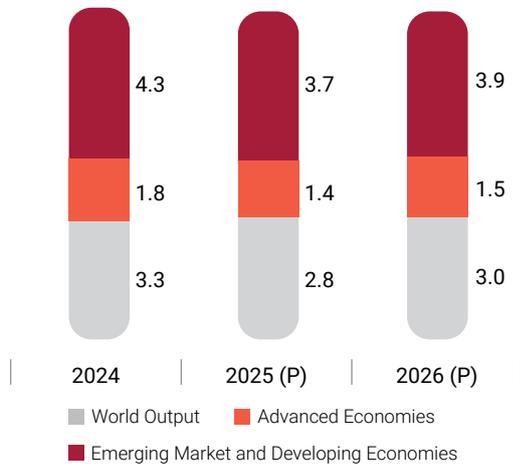
**Place: Mumbai**  
**Date: May 01,2025**

# Management Discussion & Analysis

## Global Economy

In 2024, the global economy demonstrated a degree of stability despite navigating a complex environment shaped by numerous economic, geopolitical, and policy challenges. According to the International Monetary Fund's (IMF) 'World Economic Outlook,' the growth of global Gross Domestic Product (GDP) slowed to 3.3%. There were notable differences in growth trends; while developed economies experienced a more gradual rate of expansion, emerging markets, particularly in Asia, continued to show a comparatively steady growth path.

### Real GDP Growth (%)



Geopolitical issues such as the ongoing conflict between Russia and Ukraine, disturbances in the Red Sea, ongoing supply chain disruptions, and trade tensions among major economies continued to challenge global economic stability. Additionally, the shifting landscape of climate change policies and regulations impacted investment decisions across various sectors.

Despite these hurdles, the United States economy demonstrated notable strength, achieving a growth rate of 2.8%, boosted by a strong labor market and easing inflation. In contrast, the Eurozone saw slower growth at 0.9%, with Germany experiencing a slight contraction. Emerging markets, maintained a stronger growth trajectory, averaging 4.3%, driven by investments in technology and infrastructure. China's economy expanded by 5.0%, supported by government initiatives and a recovering property market.

Global inflation showed signs of improvement, estimated at 5.7% for 2024, down from 6.7% in the previous year. Advanced economies are expected to meet their inflation targets sooner than their emerging market counterparts, where the decline in inflation may be more gradual. Advanced economies are projected to average an inflation rate of 2.6% in 2024, likely reaching target levels by late 2025, while emerging markets will see a slower but still positive trend.

In response to economic challenges, major central banks undertook significant interest rate cuts to stimulate growth. The Federal Reserve lowered its federal funds rate by 100bps, bringing it to a range of 4.75% to 5% by the end of 2024. The European Central Bank also reduced its deposit rate to 3.0% by December, down from a peak of 4.0% earlier in the year. Similarly, the Bank of England cut its key interest rate to 4.5% in November, down from 5.25%, to support the UK economy amid ongoing uncertainties. December 2024 marked the most significant wave of interest rate cuts among G10 central banks since the pandemic, totaling 825 basis points for the year, reflecting an aggressive easing cycle not witnessed since 2009.

## Outlook

The global economy is expected to maintain a steady growth trajectory, with projected GDP growth rates of 2.8% and 3.0% in 2025 and 2026. This optimistic forecast is backed by strong economic growth in the United States and significant advancements in key emerging markets.

In the United States, growth is anticipated to dip at 1.8% in 2025, and to 1.7% in 2026, influenced by changes in labor market conditions and a decline in consumer spending. The Eurozone is predicted to be at 0.8% in 2025 and improving to 1.2% in 2026, driven by increased consumer spending and lower inflation rates. Overall, growth in developed economies is expected to stabilize within the range of 1.4% to 1.5% during this period.

While global disinflation is ongoing, some regions are facing stagnation due to persistently elevated inflation levels. Global inflation is projected to fall to 4.3% in 2025 and further to 3.6% in 2026, with developed economies likely to meet their inflation targets ahead of others. Monetary policies are expected to vary across different regions, reflecting the diverse economic conditions.

(Source: WEO)

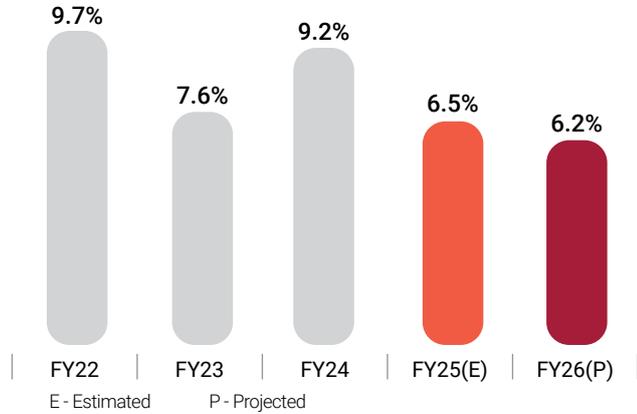
## Indian Economy

India's economy has exhibited steady growth and stability during FY 2024-25, reaffirming its position as one of the fastest-growing major economies globally. According to the Second Advanced Estimate (SAE) data from the National Statistical Office (NSO), the real Gross Domestic Product (GDP) is projected to grow by 6.5% for FY 2024-25, following an impressive 9.2% growth as per the First Revised Estimates from the prior financial year. This ongoing growth trend highlights the nation's solid economic foundations, supportive government policies, a flourishing services sector, and a strong domestic demand, all of which promotes confidence in India's long-term growth trajectory.

Significant government reforms and considerable investments in both physical and digital infrastructure, alongside initiatives

such as 'Make in India' and the Production-Linked Incentive (PLI) scheme, have been instrumental in enhancing the country's growth trajectory and promoting self-sufficiency.

### GDP Growth Rate



The services sector experienced consistent growth of 7.2% during FY 2024-25, driven by strong activity across various segments, including finance, real estate, professional services, public administration, and defense, among others.

India's economic position continues to improve, now ranking as the fifth-largest economy in the world by nominal Gross Domestic Product (GDP) and the third-largest when measured by purchasing power parity (PPP). The nation has set ambitious goals to achieve a \$5 trillion economy by FY 2027-28 and a \$30 trillion economy by 2047. These objectives are to be realized through significant investments in infrastructure, ongoing reforms, and the widespread integration of technology. The capital investment budget for 2025-26 reflects this commitment, increasing to ₹11.21 lakh crore, which accounts for 3.1% of GDP.

### Outlook

India's economy is anticipated to grow at 6.2% in FY 2025-26. By 2030, it is projected to become the third-largest economy globally, driven by investments in infrastructure, increased private capital expenditure, and the growth of financial services. Ongoing reforms are expected to support this long-term expansion.

This positive outlook is bolstered by India's demographic advantages, rising capital investments, proactive government initiatives, and strong consumer demand. Enhanced rural consumption, aided by easing inflation, further reinforces this growth path. The government's focus on capital expenditure, fiscal prudence, and boosting business and consumer confidence is conducive to both investment and consumption.

Programs such as Make in India 2.0, reforms aimed at improving the Ease of Doing Business, and the Production-Linked Incentive (PLI) scheme are intended to enhance infrastructure, manufacturing, and exports, positioning India as a key player in global manufacturing. With inflation projected to meet targets by 2025, a more accommodating monetary policy is expected. Infrastructure development and supportive public policies will

facilitate capital formation, while rural demand will benefit from initiatives like the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY).

(Source: PIB, MoSPI, Economic Survey)

### Union Budget 2025-26

The Union Budget 2025-26 outlines a balanced, growth-oriented financial strategy that addresses both immediate and long-term economic needs. By enhancing disposable income, prioritizing infrastructure development, and promoting domestic manufacturing, the budget sets the stage for sustained economic growth while maintaining fiscal responsibility.

A key highlight is the increased income tax exemption limit of ₹12 lakh per annum, which significantly boosts disposable income for middle-class households. This change is expected to stimulate consumer spending and savings, benefiting salaried individuals and contributing to overall economic growth. The focus on infrastructure includes substantial investments in roads, railways, and urban projects, aimed at improving connectivity, generating employment, and driving demand in related sectors.

Additionally, the budget reinforces the Production Linked Incentive (PLI) scheme, targeting sectors such as electronics and textiles, and supports the "Make in India" initiative to establish India as a global manufacturing hub. The transformation of India Post into a catalyst for the rural economy will enhance logistics and financial inclusion, integrating rural areas into the broader economy.

The government's commitment to clean mobility and renewable energy is evident through the extension of subsidies under the FAME India Phase II scheme and investments in electric vehicle (EV) charging infrastructure, promoting a more sustainable economy. With a targeted fiscal deficit of 4.4% of GDP for 2025-26, reduced from 4.8%, the government showcases its commitment to fiscal prudence, ensuring that growth-focused reforms are implemented sustainably.

### Industry Overview

#### Indian Financial Services

The Indian financial services sector is a vital component of the nation's economy, encompassing a wide range of institutions and services, including banking, non-banking financial companies (NBFCs), insurance, mutual funds, and digital financial services.

Scheduled Commercial Banks (SCBs) experienced a notable improvement in asset quality, with Gross Non-Performing Assets (GNPAs) declining to a 12-year low of 2.6% in FY 2024-25 (as on September 30, 2024). This reduction in GNPAs reflects effective risk management and recovery strategies implemented across the banking sector. Profitability metrics also showed positive trends, with SCBs reporting a 22.2% YoY increase in Profit After Tax (PAT) during the first half of FY 2024-25.

This surge in profitability can be attributed to improved asset quality and operational efficiencies.

Government initiatives such as Digital India and the Jan Dhan Yojana have significantly improved access to formal financial services. In FY 2024-25, Unified Payments Interface (UPI) transactions surged, recording over 18.3 billion monthly transactions by March 2025. The rise of digital payments has transformed transaction processes and operational frameworks across various financial institutions.

Despite the growth in FY 2024-25, challenges remained, including elevated non-performing assets (NPAs) in the banking sector and liquidity issues faced by some NBFCs. The Reserve Bank of India (RBI) implemented measures to address these challenges, such as providing liquidity support and enforcing stricter asset quality regulations.

The banking sector experienced strong deposit growth, with aggregate deposits in scheduled commercial banks (SCBs) increasing 11.1% YoY as of FY 2024-25 (November 2024), reflecting continued public trust. Credit expansion was broad-based. Agricultural credit grew to 5.1% as of November 29, 2024. Industrial credit accelerated to 4.4% in FY 2024-25 (by end-November 2024), up from 3.2% the previous year, suggesting a revival in industrial activity. MSME credit demonstrated a solid 13% YoY growth, significantly outpacing the 6.1% growth for large enterprises, highlighting targeted support for smaller businesses.

India's capital markets experienced heightened activity, with the National Stock Exchange (NSE) facilitating 80 Mainboard Initial Public Offerings (IPOs) in FY25, raising approximately ₹1.63 trillion. This surge positioned India as a leading contributor to global primary market issuances.

### Outlook

The outlook of the Indian financial sector faces a complex landscape in FY 2025-26, influenced by regulatory reforms, economic conditions, and evolving market dynamics. The RBI projects that the Gross Non-Performing Assets (GNPA) ratio may rise to 3% by March 2026 (from 2.6% in September 2024) under baseline scenarios, and potentially to 5.3% in adverse conditions. However, all banks are expected to maintain capital adequacy above the 9% minimum.

Fitch Ratings anticipates a 10-basis point decline in banks' net interest margins (NIMs) in FY 2025-26 due to the RBI's 25 basis point policy rate cut to 6.25%. India Ratings forecasts loan growth to moderate to 13-13.5% in FY 2025-26, with deposit growth at 12-13%, due to competition and rising delinquencies in unsecured loans.

The Union Budget 2025-26 proposes increasing the FDI limit in insurance from 74% to 100%, conditional on companies investing the entire premium within India. A revamped Central KYC registry is planned for 2025. A new Income Tax Bill aims for greater tax certainty. The budget also outlines measures

to rationalize customs duty rates and decriminalize over 100 legal provisions.

With an expected slowdown in IPOs, private equity and venture capital are expected to play a larger role in funding. PE and VC investments totaled \$56 billion in 2024. Financial services and IT are projected to be the most attractive sectors for PE buyouts in 2025.

Inflation is projected at 4.6% in Q1 and 4.0% in Q2 of FY 2025-26. The government aims for a fiscal deficit of 4.4% of GDP in FY 2025-26 (down from 4.8% in FY 2024-25).

(Sources: PIB, E&Y, Reuters)

### Indian Capital Markets

In the fiscal year 2024-25, India's capital markets demonstrated notable growth. The National Stock Exchange (NSE) saw its market capitalization rise by 7% in FY25, reaching ₹409 trillion by March 31, 2025. This increase was accompanied by a 22.8% surge in investor numbers, totaling 11.3 crore by March 31, 2025. (Source: NSE Pulse-April 2025)

India's capital markets experienced significant growth, reflecting the country's economic trajectory. The market capitalization of companies listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) reached to ₹413 trillion and ₹409 trillion respectively by the end of March 2025, marking a notable increase from the previous fiscal year. This surge was driven by strong corporate earnings, increased investor participation, and a series of successful initial public offerings (IPOs).

Recent findings from the National Stock Exchange (NSE) reveal a substantial growth in the Indian capital markets. Over the past 24 years, the number of Indian companies achieving a market capitalization exceeding ₹1 lakh crore has increased dramatically, showing a forty-fold rise. This growth not only signifies the strong economic development of the country but also a considerable expansion of its market.

The NSE report further indicates that the proportion of total market capitalization held by these large-cap companies, within NSE-listed entities, has climbed from approximately 18 percent to over 60 percent. This significant increase is attributed to several key factors like, India's strong economic foundation, the successful implementation of critical reforms, the influx of global liquidity following the 2008 financial crisis, and a consistent growth in the investor population. (Source: [Economic Times](#))

Investor participation saw a substantial uptick, with the number of registered investors increasing from 9.2 crore in FY24 to 11.3 crore by FY25. This growth underscores the deepening penetration of capital markets among the Indian populace. (Source: [Press Information Bureau](#))

The primary market was vibrant, with India's share of global IPO listings rising to 30% in 2024, up from 17% in 2023, positioning

the country as a leading contributor to global primary resource mobilisation. Additionally, the corporate bond market witnessed heightened activity, with issuances increasing to ₹8.6 lakh crore from ₹7.6 lakh crore in the previous year. (Source: [Business Today](#))

Foreign portfolio investors (FPIs) played a pivotal role, infusing a net \$41.0 billion into Indian markets during FY 2024-25, with \$25.3 billion directed towards equities and \$14.2 billion towards debt instruments. This influx was instrumental in bolstering market liquidity and sentiment. (Source: [ICRA](#), [Reuters](#))

The Nifty 50 index experienced a 5.34% gain for the fiscal year ending in March 2025, while the BSE Sensex increased by 5.1%. This performance was bolstered by a 6.3% rise in March, marking the Nifty 50's best performance in 15 months and aiding a recovery from a historic five-month losing streak. Financial stocks were significant contributors, with the sector gaining nearly 20% during FY 2024-25. Analysts project a 12-13% credit growth for the banking sector in FY 2025-26, driven by demand in services and retail segments. (Source: [Reuters](#))

### Outlook

The outlook for India's capital markets in FY 2025-26 appears promising, underpinned by several key factors. The Reserve Bank of India (RBI) is anticipated to implement interest rate cuts in August, which could stimulate credit expansion and enhance corporate profitability. (Source: [Reuters](#))

Sectors such as banking, oil and gas, and real estate are expected to offer favorable risk-reward opportunities, attracting both domestic and foreign investments. HDFC Securities forecasts Nifty earnings to grow by 12% to 15% over the next two fiscal years, reflecting strong corporate performance. (Source: [Reuters](#))

The government's continued emphasis on infrastructure development and digitization is likely to further catalyze market growth. Additionally, India's inclusion in major global bond indices is projected to attract substantial foreign inflows, enhancing market depth and stability.

However, potential challenges remain. Global geopolitical tensions, fluctuations in commodity prices, and changes in foreign investment patterns could introduce volatility. Nonetheless, the underlying strength of India's economy, coupled with proactive policy measures, positions the capital markets for sustained growth in the forthcoming fiscal year.

### Stock Broking Sector

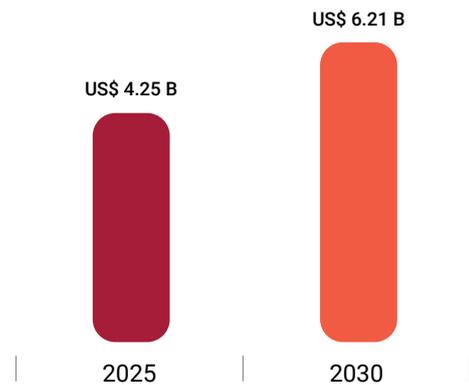
In FY 2024-25, India's stock broking sector experienced significant growth, driven by heightened investor participation and technological advancements. The industry's aggregate net operating income (NOI) increased by over 40% year-on-year, leading to record profitability with a profit after tax (PAT) to NOI ratio of 46% and a return on equity (RoE) of 29%. (Source: [worldonomics.in](#), [ICRA](#))

The number of demat accounts surged, reflecting a growing retail investor base. In FY25, 4.1 crore new demat accounts were opened, marking a 11.2% increase from the previous year. This trend highlights the growing participation of Indians in capital markets. (Source: [NSDL](#) & [CDSL](#))

### India Security Brokerage Market

Market Size in US\$ Billion

CAGR **7.89%**



Source: Mordor Intelligence

Technological innovations have played a pivotal role in reshaping the brokerage industry. The adoption of Application Programming Interfaces (APIs) and algorithmic trading has enhanced trading efficiency, while the transition to a T+1 settlement cycle has expedited transaction processes. Additionally, AI-driven interventions, such as predictive analytics, chatbots, and personalized investment recommendations, are further transforming client engagement and decision-making. These advancements have collectively contributed to increased trading volumes and improved client experiences. (Source: [worldonomics.in](#))

However, the sector also faced challenges. The Securities and Exchange Board of India (SEBI) implemented stricter regulations to mitigate risks associated with the booming derivatives market. These measures included reducing the number of weekly options contracts and increasing the minimum contract size nearly threefold. Such regulatory changes impacted trading volumes and necessitated adjustments in brokerage operations. (Source: [Reuters](#))

### Outlook

The Indian stock broking sector is poised for continued evolution. While the previous fiscal year witnessed strong growth, projections indicate a moderation in performance from the fourth quarter of FY 2024-25 onwards. Factors contributing to this outlook include the anticipated impact of regulatory changes and a potential slowdown in market activity. (Source: [ICRA](#))

Nonetheless, opportunities remain. The government's emphasis on digitization and financial inclusion is expected to further expand the investor base. Additionally, the growing interest in algo trading may open new avenues for brokerage firms to diversify their service offerings.

## Indian Mutual Fund Sector

India's mutual fund industry experienced remarkable growth, underscoring its pivotal role in the nation's financial ecosystem. The Assets Under Management (AUM) surged to ₹66 trillion by March 2025, representing a 23% increase from ₹53 trillion in March 2024. This expansion was predominantly driven by equity mutual funds, which accounted for ₹29 trillion or 45% of the total AUM. A decade earlier, in 2013, the equity mutual fund AUM was a mere ₹1.9 lakh crore, highlighting the sector's exponential growth. Investor participation also saw a significant uptick. By March 31, 2025, the total number of mutual fund accounts, or folios, reached 23.45 crore.

(Source: AMFI India)

The industry witnessed a surge in New Fund Offers (NFOs). In the first three quarters of FY 2023-24, 122 mutual fund schemes were launched across various categories, including debt, equity, hybrid, solution-oriented, and other specialized funds. These NFOs collectively mobilised significant funds, reflecting investors' growing appetite for diverse investment avenues. (Source: AMFI India)

Systematic Investment Plans (SIPs) continued to gain traction as a preferred investment method. Monthly SIP contributions reached an all-time high of ₹25,926 crore in March 2025, underscoring the increasing commitment of retail investors to disciplined, long-term investment strategies.

(Source: AMFI India)

## Outlook

The Indian mutual fund industry is poised for multifaceted growth. Projections indicate that the industry's market size will reach ₹660 billion (approximately \$80 billion) in 2025, with a Compound Annual Growth Rate (CAGR) exceeding 18% from 2019 to 2033. This expansion is expected to be fueled by increasing financial literacy, a burgeoning middle class, and the proliferation of digital investment platforms. [Data Insights Market](#)

Regulatory initiatives are also set to influence the industry's trajectory. The Securities and Exchange Board of India (SEBI) is encouraging fund houses to introduce monthly investments as low as ₹250 to widen equity investing across the country, particularly targeting smaller towns to enhance financial inclusion. In addition, many fund houses have launched Daily SIP options starting at amounts as low as ₹10, providing even greater flexibility for small investors and promoting the habit of regular investing. This strategy aims to make systematic investment plans more accessible and broaden the investor base. (Source: [Reuters](#))

Furthermore, the government's emphasis on infrastructure development and capital expenditure revival is anticipated to create new investment opportunities within the mutual fund landscape. These initiatives are expected to stimulate economic growth, thereby enhancing the performance of various sectors and, consequently, mutual fund returns.

## Indian Discount Brokerage Industry

India's discount brokerage sector continued to transform the financial services landscape, driven by technological innovation and a surge in retail investor participation in FY 2024-25. The industry's growth was marked by a significant increase in active client accounts, with discount brokers' market share rising from 8% in FY 2017-18 to 73% in FY 2024-25. (Source: [LinkedIn](#) and [NSE website](#))

The overall securities brokerage market in India was valued at \$3.94 billion in 2024 and is projected to reach \$5.75 billion by 2029, reflecting a compound annual growth rate (CAGR) of 7.9%. This expansion is largely attributed to the proliferation of discount brokers offering cost-effective trading solutions, which have attracted a growing number of retail investors seeking affordable access to capital markets. (Source: [LinkedIn](#))

However, the sector faced regulatory challenges during this period. The Securities and Exchange Board of India (SEBI) implemented stricter regulations to curb speculative trading in derivatives. These measures included increasing the minimum contract size and reducing the number of weekly options contracts available for trading, which had surged in popularity following the introduction of weekly expiries on multiple indices. Such regulations aimed to enhance market stability but posed challenges for discount brokers, who traditionally relied on high-volume, low-margin transactions.

(Source: [Financial Times](#), [The Economic Times](#))

## Outlook

The discount brokerage industry is expected to navigate a landscape shaped by both opportunities and challenges. The anticipated growth of the securities brokerage market, projected to reach \$5.75 billion by 2029 with a CAGR of 7.9%, suggests a favorable environment for discount brokers. Additionally, the increasing adoption of digital platforms and a tech-savvy population are likely to further drive the demand for online trading services. (Source: [LinkedIn](#))

Nonetheless, the implementation of SEBI's new regulations may impact trading volumes and revenue streams for discount brokers. Firms may need to adapt by diversifying their service offerings, enhancing technological infrastructure, and focusing on investor education to maintain competitiveness. The evolving regulatory landscape underscores the importance for discount brokers to balance innovation with compliance to sustain growth in the forthcoming fiscal year. (Source: [Financial Times](#))

## Company Overview

Established in 2007, 5paisa Capital Limited operates as a technology-focused financial services provider with a significant online presence. The company is registered with the Securities and Exchange Board of India (SEBI) as a stock broker, depository participant, and research analyst, and with the Association of Mutual Funds in India (AMFI) as a mutual fund distributor. Our primary client base consists of retail investors and high-volume traders participating in the securities market.

We offer a suite of financial products and services delivered through online platforms and mobile applications, employing a self-directed (DIY) model that prioritizes accessibility and affordability. By leveraging streamlined, technology-driven solutions – such as intuitive mobile applications, advanced trading and charting tools, algorithmic trading capabilities, and a fully digital account opening process – 5paisa Capital Limited has accelerated its growth to become one of India's leading online brokerage firms.

### **Customer Acquisition**

5paisa Capital's strategic focus is on the development of a forward-looking product pipeline, designed to capitalize on emerging opportunities across our diverse product offerings. We have aligned our business strategy with evolving market demands, placing a strong emphasis on the creation of specialized products that address specific customer requirements.

Our objective is to broaden the reach of our value proposition, extending our financial services to a wider customer base, including those residing in India's semi-urban and rural regions. During the financial year, we acquired 6 lakh new customers, bringing our total customer base to 4.8+ million.

### **Enhancing Onboarding Experience**

This financial year, a strategic emphasis was placed on encouraging prospective clients to complete the account opening process autonomously, transitioning from predominantly assisted methods. To achieve this, we streamlined the customer journey, driving greater adoption of self-directed (DIY) interactions.

Enhancements to the user interface (UI) and user experience (UX) across both the application and web platforms.

- Improvements in API latency to ensure faster response times
- Streamlining and simplification of backend logic
- Automation of previously manual processes
- Integration of new vendor partnerships to provide industry-leading features
- Reduction of user input requirements
- Utilization of data to pre-populate fields, thereby reducing user input

### **Automation:**

- The Know Your Customer (KYC) process was automated, which previously required manual intervention and was time-consuming. This automation resulted in significant Man-hour savings and a reduction in the turnaround time (TAT) for Demat account openings.

### **Strategic Partnerships:**

- Implementation of bank account verification via reverse penny drop, eliminating the need for manual input of account numbers and IFSC codes.

- Integration of digital e-signature capabilities with dual backup systems to ensure uninterrupted service availability.
- Direct bank statement retrieval, streamlining the process for customers and eliminating the need for downloads and uploads.
- Automated retrieval and pre-filling of user personal details, minimizing errors and accelerating the account opening process.

### **Technological Updates**

5paisa Capital continues to be a leader in technology-driven innovation within the equity market. We are committed to ongoing investment in our engineering systems to enhance reliability, speed, and overall performance. During the reporting year, significant advancements were made in strengthening our technological infrastructure and improving user experience across all platforms.

### **Streamlining the Onboarding Process**

- As part of our modernization efforts, we have streamlined our onboarding workflows to create a more efficient customer journey.
- Significant API performance optimizations have been implemented, resulting in faster account creation and reduced friction during the customer acquisition process.

### **Enhanced Mobile Experience**

- We have completely re-engineered our mobile application using cutting-edge technology, delivering substantial improvements in user experience and performance.
- The revamped application has been successfully launched on both iOS and Android platforms, providing our users with enhanced navigation, faster load times, and improved overall efficiency.

### **Web Platform Transformation**

- Our web trading platform has undergone a comprehensive revamp, focusing on intuitive design and seamless functionality.
- This redesign has significantly improved user satisfaction by simplifying complex trading activities and providing more accessible market insights.

### **Xstream API Capabilities**

- Our Order Placement APIs have been optimized to power the Xstream API platform specifically designed for algorithmic traders, reducing latency and increasing execution speed.
- These optimizations enable algo traders to execute strategies with greater precision and reliability.

### **F&O 360 Platform Expansion**

- Significant enhancements have been made to our F&O 360 platform on the web, incorporating advanced analytical tools and improved visualization features.

- We successfully launched F&O 360 on mobile devices for both Android and iOS, bringing comprehensive derivatives trading capabilities to mobile users.

#### Infrastructure Optimization

- We have made substantial optimization efforts on our infrastructure, resulting in both cost efficiency and performance improvements.
- These optimizations have enhanced system reliability during peak trading hours while reducing operational expenditure.

#### Future Roadmap

In the coming year, we will continue to double down on our efforts to improve user experience, increase the speed and efficiency of our platform, and optimize overall infrastructure spending. Our commitment to technological excellence remains central to our strategy as we develop innovative solutions that address evolving market demands.

#### Risk and Cyber Security Management

- To strengthen our operational risk management framework and protect against cyber threats, we have developed a comprehensive Cyber Security and Cyber Resilience policy, aligned with SEBI guidelines.
- Regular system audits are conducted by recognized exchange/depository auditors, and audit reports, along with action taken reports, are reviewed by the audit committee.
- Management conducts periodic reviews of technology-related concerns and risks, including customer data protection, identity theft, cybercrime, data leakage, business continuity, and access controls.

#### Prioritizing Customer Data Security

- We have implemented various tools and measures to mitigate security risks, including privileged identity management, advanced malware detection and protection, endpoint encryption, mobile device management, network firewalls, web application firewalls, secure remote access, brand protection, dark web monitoring, and secured internet access.

#### Maintaining Regulatory Compliance

- As a financial services provider, we adhere to regulatory requirements from SEBI, BSE, NSE, CDSL, and NSDL. We have maintained a consistent record of compliance without any reported deviations.

### SWOT ANALYSIS

#### Strengths

##### Innovative Digital Operational Structure

5paisa's business approach is centered on digital innovation, scalable growth, and a focus on customer satisfaction. Digital transformation is integrated into all facets of our operations, delivering a streamlined and personalized experience for our clientele.

#### High-Performance Trading Interface

Our trading platform is recognized for its intuitive user interface, sophisticated functionalities, and rapid transaction processing. It is designed to accommodate the varied requirements of investors and traders, providing a comprehensive range of services. Moreover, we consistently integrate cutting-edge technology into our trading platform and mobile application to ensure a seamless user journey.

#### Comprehensive Financial Product Range

As a prominent fintech brokerage, 5paisa Capital Limited offers a broad spectrum of financial products and services to cater to the diverse needs of its customers. This includes Stock Broking, Systematic Investment Plans (SIPs), Initial Public Offerings (IPOs), Commodities, Currencies, Direct Mutual Funds, and Exchange-Traded Fund (ETFs). Additionally, 5paisa provides access to US equities, algorithmic trading, and educational resources for traders seeking to improve their knowledge and skills.

#### Expert Management and Governance

Our Board of Directors comprises individuals with extensive industry expertise, and our management team has been instrumental in steering the company through both prosperous and challenging periods. Their collective experience enables us to anticipate future market shifts and effectively pursue our growth objectives.

#### Weaknesses

##### Significant Competitive Market Pressures

The Indian brokerage market is characterized by intense competition, with numerous companies actively competing for market share and providing a wide variety of services aimed at attracting and retaining customers. This sector includes full-service, discount, and hybrid brokers, each targeting specific investor demographics with unique operational models and service offerings.

#### Opportunities

##### Expansion of Digital Financial Services

The rapid development of India's digital financial services sector is driven by several factors, including increased smartphone and internet penetration, a growing need for accessible and economical financial services, and regulatory changes that have streamlined digital service delivery by financial institutions.

##### Demographic and Economic Growth

India's large and increasing young population, alongside rising prosperity, has stimulated demand for financial products and services. The expanding Indian middle class also creates a substantial market for financial offerings.

##### Supportive Governmental Policies

The Digital India initiative has promoted the growth of online platforms and mobile applications, which 5paisa Capital utilizes in its operations. Regulations implemented by SEBI and other

regulatory bodies have improved market transparency, investor protection, and market integrity, benefiting 5paisa Capital and other market participants. Government policies, such as the Fintech Regulatory Sandbox, have facilitated the development and testing of innovative fintech solutions. Additionally, the Start-up India initiative allows 5paisa Capital to capitalize on various incentives and benefits available to start-ups, further enhancing its growth prospects.

### Regulatory Shifts and Ambiguities

The possibility of regulatory alterations is a significant concern for 5paisa Capital, particularly given its operations within the highly regulated capital market sector. Uncertainties in regulatory landscapes, including policy and rule changes, could substantially affect the company's operational activities and financial outcomes. Therefore, maintaining up-to-date awareness of regulatory developments and ensuring adherence to compliance requirements is vital for 5paisa Capital to minimize the potential impact of regulatory changes on its business.

### Threats

#### Impact of Global Economic Weakness

A slowdown in global economic activity may create an unfavorable macro environment, with reduced liquidity and fewer new orders potentially slowing the industry's pace of growth.

#### Challenges from Rapid Technological Change

On the technology front, the risk of obsolescence remains significant for 5paisa Capital in a rapidly evolving financial services sector. As new technologies emerge, legacy systems and software may struggle to keep pace, which could lead to operational inefficiencies, increased security threats, and limited ability to deliver innovative products to clients. This scenario may also result in a weaker market position, lower client satisfaction, or regulatory concerns if critical systems do not comply with prevailing standards.

#### Key regulatory changes affecting the company's operational segments during FY 2024-25 are summarised below:

- From July 1, 2023, SEBI classified certain stock brokers as Qualified Stock Brokers (QSBs). This classification is based on various factors, including the scale and extent of operations. QSBs are required to fulfill enhanced obligations and responsibilities to ensure appropriate governance structures, risk management policies and procedures, scalable infrastructure, and an efficient framework for cybersecurity and investor services, including online complaint resolution mechanisms.
- 5paisa Capital Limited was recognized as a Qualified Stock Broker from July 1, 2023, in compliance with these regulations.
- SEBI implemented measures to protect client funds held by stockbrokers and clearing members, requiring daily transfer of funds to Clearing Corporations. This initiative

aims to decrease fund-related risks by investing surplus funds in low-risk instruments and providing clients with independent daily confirmations

- To mitigate leverage and client fund risks, SEBI mandated that stockbrokers cease creating new Bank Guarantees (BGs) using client funds from May 1, 2023, and that all existing BGs created from client funds be terminated by September 30, 2023
- SEBI revised short selling regulations for both institutional and retail investors, with the goal of enhancing market transparency
- Under SEBI's guidance, BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) established a technology-based platform to streamline data backup and repository processes for IPOs, FPOs (Follow-on Public Offers), Rights Issues, and other capital market activities. This platform will serve as a central repository for due diligence documents prepared and maintained by merchant bankers for various capital market transactions
- PFA SEBI introduced Online Dispute Resolution (ODR) as the primary mechanism for resolving disputes within the Indian securities market. The circular issued by SEBI outlines a detailed framework for escalating disputes to ODR, selecting ODR institutions, conducting ODR processes, defining process timelines, and determining associated costs
- SEBI reduced the share listing timeline on stock exchanges following IPO closures from T+6 days to T+3 days. This reduced timeline, voluntary for public issues opening on or after September 1, 2023 and mandatory for issues after December 1, 2023, benefits both issuers and investors
- SEBI, via its Master Circular dated October 16, 2023, established a comprehensive framework for Offer for Sale (OFS) of shares to employees through the stock exchange mechanism. Previously, OFS to eligible company employees occurred outside this mechanism. To improve efficiency, simplify compliance, and reduce costs, SEBI amended the procedure, allowing promoters to offer shares to employees in OFS through the Stock Exchange Mechanism. This process, effective from February 23, 2024, aligns employee OFS with the retail category on a T+1 day basis

### FINANCIAL PERFORMANCE

During the financial year 2024-25, the company demonstrated resilient performance despite a decline in total revenue, which stood at ₹3,598 million. This decrease was effectively mitigated by a substantial reduction in operational expenses. Employee costs fell by 17.3%, primarily due to the strategic recruitment of new personnel in the previous financial year at optimized cost levels. Additionally, Other Expenses declined by 18.6% because of cost optimization measures.

Driven by these cost efficiencies, the company reported a Profit After Tax (PAT) of over ₹682 million for FY 2024-25, up from ₹544 million in FY 2023-24. This result underscores the company's strong financial discipline and operational efficiency in the face of challenging revenue conditions.

### Consolidated Financial Statement

(₹ in Millions)

Particulars	March 31, 2025	March 31, 2024
<b>1. Income</b>		
a. Brokerage Income	1,714	1,827
b. Allied Broking Income	886	1,175
c. Other Operating Income	998	945
<b>Total Revenue</b>	<b>3,598</b>	<b>3,947</b>
<b>2. Expenses</b>		
Employee Benefits Expense	740	895
Finance Cost	238	286
Depreciation and Amortization Expense	122	95
Other Expenses	1,586	1,950
<b>Total Expense</b>	<b>2,686</b>	<b>3,226</b>
<b>3. Profit before tax (1+2)</b>	<b>912</b>	<b>721</b>
<b>4. Tax Expense</b>		
Current Tax	258	195
Deferred Tax	(28)	(18)
<b>Total Tax Expenses</b>	<b>230</b>	<b>177</b>
<b>5. Profit for the period (3-4)</b>	<b>682</b>	<b>544</b>

### Key Financial Ratios (Consolidated)

Key Ratios	March 31, 2025	March 31, 2024
Debt/Equity Ratio	0.36	0.62
Return on Net Worth	11.9%	10.9%
Interest Coverage Ratio	3.59	3.86
Net Profit Ratio	19.0%	14.0%
Return on Capital Employed	13.6%	11.0%

### OPERATIONAL PERFORMANCE

During FY 2024-25, 5paisa Capital Limited delivered strong operational performance, demonstrating growth across key performance indicators. The company recorded a revenue of ₹360 crore, supported by a 14% increase in its client base, which now exceeds 4.8 million.

Despite an 11% decline in Average Daily Turnover (ADTO), which stood at ₹3.1 trillion, and an 11% reduction in the average client funding book, the company's strategic focus on digital acquisition and client engagement remained effective.

Operational efficiencies were further enhanced by a decline in employee costs and finance expenses. As a result, 5paisa Capital reported a robust 25% year-on-year growth in Profit After Tax (PAT), reaching ₹68 crore.

This performance reflects the company's resilient business model and disciplined financial management in a dynamic market environment.

### RISK MANAGEMENT

Effective risk management is vital for our organization as it preserves value, enhances decision-making, and ensures the continuity of our business operations. It fosters compliance, nurtures our reputation, and strengthens stakeholder confidence, all while driving long-term sustainability and competitive advantage.

To navigate risks effectively, our company employs the "three lines of defense" (3 LOD) model. The first line is comprised of management controls implemented at the operational level, while the second line encompasses various risk control and compliance functions overseen by management. The third line is represented by our internal audit and assurance function, which provides an additional layer of oversight.

We encounter a range of risks stemming from both inherent business characteristics and shifts in the external landscape. Below, we identify some of these risks along with our proactive measures to mitigate them:

Risk	Impact	Mitigation
 <p><b>Market Risk</b></p>	<p>The performance of our digital financial services brokerage is closely tied to the broader economic climate, which can directly affect the expansion of the Indian capital market. Our earnings, operational activities, and financial returns are substantially affected by prevailing market conditions, regulatory changes, international political situations, and shifts in interest rates, all of which have a direct impact on Indian trading volumes. A prolonged decline in market activity would likely lead to a reduction in the number of trades we process for clients, consequently lowering our revenue.</p>	<p>To counteract these risks, we conduct ongoing analysis of market trends, economic data, and international political events, enabling us to adapt our operational strategies quickly. Furthermore, our company provides a varied selection of financial products through our service offerings, which helps to mitigate reliance on specific market conditions.</p>
 <p><b>Regulatory Risk</b></p>	<p>5paisa Capital functions within a very competitive market and is subject to the supervision of multiple regulatory authorities and legal frameworks. Increased regulatory oversight and unfavorable changes in regulations could potentially create disruptions in our business operations. Moreover, failure to meet regulatory requirements or breaches of compliance standards could result in the loss of licenses, financial penalties, and damage to our company's reputation.</p>	<p>To manage this, we have a specialized compliance department that provides immediate assistance to all corporate divisions, enabling them to respond to significant alterations in compliance standards. Furthermore, we implement detailed internal audit procedures to guarantee that we meet all legal obligations and industry benchmarks.</p>
 <p><b>Technology Risk</b></p>	<p>The risks associated with technology encompass possible negative outcomes arising from problems with technological infrastructure, data protection, and online security breaches. Such issues could lead to monetary losses and damage the company's public image.</p>	<p>To address these concerns, our company allocates substantial resources to technological advancements and cyber security protocols. We perform routine risk evaluations and maintain operational continuity strategies. Furthermore, our company has secured all required certifications and consistently adheres to relevant legal and regulatory standards regarding online security and data confidentiality.</p>
 <p><b>Operational Risk</b></p>	<p>The company faces potential revenue loss and reputational harm should internal procedures, staff actions, or technological systems fail, or in the event of external incidents. A failure to act, oversights, miscommunications, false representations, or improper conduct by a large number of employees across different locations could lead to significant damage to our reputation and financial stability.</p>	<p>To mitigate these risks, we have established a layered and geographically distributed system of risk control self-assessment for our essential business activities. These procedures are monitored through a management information system (MIS) and regular audits. Furthermore, a maker/checker protocol is implemented, which significantly reduces the potential for such risks to materialize.</p>
 <p><b>Human Resource Risk</b></p>	<p>The company is exposed to risks stemming from employee misconduct, fraudulent activities, and operational mistakes, including unauthorized trading, inaccurate reporting, and failure to comply with regulations. Even with preventative measures in place, these actions may remain undiscovered, resulting in legal and regulatory problems that affect our operational capacity, financial stability, and public image.</p>	<p>To lessen these risks, the company provides comprehensive training to staff, ensuring they are aware of their responsibilities and adhere to company policies. The Human Resources Department oversees compliance with employment law and performs extensive pre-employment screening for all-new staff. Furthermore, we implement a clear separation of duties to minimize the potential for fraudulent activities.</p>

## HUMAN RESOURCE

At 5paisa Capital, our employees are the foundation of our success. We pride ourselves on cultivating a talented and committed workforce, providing ample opportunities for innovation and diverse team, recognizing that our employees drive our expansion across market segments. With 539 permanent staff members as of March 31, 2025, we prioritize continuous learning, offering extensive training programs to enhance skills and align with evolving industry demands.

To attract and retain top talent, we offer competitive salaries, performance-linked bonuses, and benefits such as Employee Stock Ownership Plans (ESOPs) and comprehensive health coverage. Our commitment to diversity and inclusion ensures fair treatment for all employees, encouraging a culture that values every individual. We engage our workforce through open communication channels, regular town hall meetings, and feedback surveys to enhance satisfaction and motivation.

Further to explore our commitment to employee development and well-being please refer to the 'Our Employee' chapter included in the ESG section within this Annual Report.

## INTERNAL CONTROLS

Our organization undertakes internal audits based on the Annual Audit Plan sanctioned by the Audit Committee. This audit encompasses all operational areas, including both front-end and back-end activities, alongside compliance checks. The primary objective is to evaluate process controls, assess our risk management strategies, and identify any instances of non-compliance, leakage, or fraudulent behavior.

We have prioritized the enhancement of our internal audit and control systems to ensure they are suitable for our business model, regulatory demands, and operational scale. Our internal control framework is reinforced through ongoing audits, special assessments, and regular management reviews. For comprehensive audits across the company, we have partnered with A N S A & Associates LLP, Chartered Accountants, an independent firm that brings a diverse perspective to the verification process, thereby increasing the overall value of our audits.

Moreover, we engage specialized audit firms to perform targeted audits of critical functions. This includes half-yearly internal audits as required by SEBI, Exchanges, and Depositories, as well as audits related to DP processes, Know Your Customer (KYC) checks, demat transfers, payout assessments, systems audits, end-use verification, and related party transaction assessments. We also comply with various audits mandated by regulatory authorities, ensuring timely submission of reports to SEBI, Exchanges, and Depositories.

The Board and Audit Committee are responsible for reviewing the overall risk management framework and evaluating the effectiveness of the internal controls established by management. The Audit Committee examines significant fraud cases quarterly and takes appropriate actions as necessary.

It also focuses on implementing systems and controls that enhance our processes and mitigate the risk of future incidents. Our internal procedures are designed to maintain effective checks and balances, ensuring compliance with regulations at every level. The internal audit team conducts risk-based assessments of these processes to confirm the adequacy and effectiveness of our internal controls in preventing, detecting, reporting, and addressing non-compliance and fraud.

## INTERNAL FINANCIAL CONTROLS

We have established effective internal controls concerning our financial statements and operations, which are functioning well. Our Internal Auditors have assessed 66 critical financial controls across various areas, including Finance & Accounts, Fixed Assets, Administration, HR Payroll, and Retail Broking, Compliance and have identified no significant weaknesses. Furthermore, the Statutory Auditors have reviewed our systems and processes, confirming the adequacy of our Internal Financial Controls over financial reporting, which are also operating effectively.

## OUTLOOK

The Indian economy continues to thrive and is currently well-positioned within the global landscape, which has become increasingly uncertain due to international disruptions affecting countries worldwide. Looking forward, India is poised to leverage its youthful demographic, which is increasingly inclined towards digital technology. This trend is permeating various sectors, particularly finance, where individuals and businesses can expect faster, more transparent, and efficient services.

The capital markets, especially the stock markets, have witnessed a notable surge in activity, driven by an influx of new investors and listings. This includes heightened participation from both individual and institutional investors, alongside numerous IPOs throughout the year. As the equity culture expands, our company is strategically positioned to serve a growing customer base across the nation, particularly in tier 2 and 3 towns and rural areas. This advantage is bolstered by significant investments made in people, processes, and technology in previous years. Our commitment remains steadfast in delivering consistent performance while staying ahead of trends in the capital market and brokerage sectors, leveraging our technological capabilities.

## CAUTIONARY STATEMENT

This document contains forward-looking statements regarding anticipated future events and the financial and operational outcomes of 5paisa Capital Limited. By their nature, these statements necessitate the Company to make certain assumptions and are subject to inherent risks and uncertainties. There is a considerable risk that the assumptions, predictions, and other forward-looking statements may not be accurate. Readers are advised to exercise caution and not place undue reliance on these forward-looking statements, as various factors could lead to actual results and events differing materially from those expressed.

# Independent Auditor's Report

## To the Board of Directors of 5paisa Capital Limited Report on the Audit of Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statement of **5PAISA CAPITAL LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial

Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

### Emphasis of Matters

We draw attention to Note 43 to the accompanying financial statements, describing the search conducted by Income-Tax authorities ('the department') at the premises of the Company. The Company has not received any communication from the department regarding the outcome of the search. Hence, the consequent impact on the financial statements, if any, is not ascertainable.

Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Response to Key Audit Matter
<p><b>Information technology (IT) systems used in financial reporting process.</b></p> <p>The company's operational and financial processes are dependent on IT systems due to large volume of transactions that are processed daily.</p> <p>We therefore identified IT systems and controls over financial reporting as a key audit matter for the Company.</p>	<p>We obtained an understanding of the Company's IT control environment relevant to the audit.</p> <p>We tested the design, implementation and operating effectiveness of the Company's General IT controls over the key IT systems which are critical to financial reporting.</p> <p>We also tested key automated and manual controls and logic for system generated reports relevant to the audit that would materially impact the financial statements.</p> <p>In addition to above, we have also relied on the work of the internal auditors and system auditors.</p>

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Management Discussion and Analysis report but does not include the financial statements and our auditor's report thereon. The Director's report and Management Discussion and Analysis 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Director's report and Management Discussion and Analysis report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

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

These Standalone financial statements have been prepared on the basis of the standalone annual financial statements of the Company. 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 net profit and other comprehensive income and other financial information of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statement 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 Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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 Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Statements of the Company to express an opinion on the Standalone financial Statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### 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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the

remuneration paid by the Company to its managing director during the year is in accordance with the provisions of section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note No 30 of the Standalone Financial Statements;
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses- Refer Note No 42(c) of the Standalone Financial Statements;
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company- Refer Note No 42(d) of the Standalone Financial Statements;
  - (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries - Refer Note No 42(a) of the Standalone Financial Statements;
  - (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

- Refer Note No 42(b) of the Standalone Financial Statements; and

- (c) In our opinion and based on the audit procedures, we have 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) The Company has neither declared nor paid any dividend during the year.
- (vi) Based on our examination which included test checks and in accordance with requirements of implementation Guide on Reporting on Audit Trail under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014, the Company has used accounting software for maintaining its books of accounts which has a feature of recording Audit Trail (edit log facility) and the same has

operated throughout the year for all relevant transactions recorded in the software.

Further audit trail has been preserved by the company as per the statutory requirements for record retention and during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For **V. Sankar Aiyar & Co.,**  
Chartered Accountants  
(FRN 109208W)

**Asha Patel**  
Partner  
(M.No.166048)  
UDIN no.: 25166048BMKNNR3756

Place: Mumbai  
Date: May 01, 2025

## Annexure A to the Independent Auditor's Report

### Annexure referred to in our report of even date to the members of 5Paisa Capital Limited on the accounts for the year ended 31st March 2025

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) In respect of the Company's property, plant and equipment, right-of-use assets and intangible assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
- (B) The Company has maintained proper books showing full particulars of intangible assets.
- (b) The Company has a program of physical verification of property, plant and equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment and right-of-use assets were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable property. Therefore, paragraph 3(i)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanation given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act 1988 (45 of 1988) and rules made thereunder and accordingly, the requirements of paragraph 3(i) (e) of the Order are not applicable to the Company.
- (ii) (a) The Company is not carrying on any trading or manufacturing activity. Therefore, paragraph 3(ii)(a) of the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanation given to us, the Company has availed working capital limits from Banks on the basis of security of current assets. The quarterly returns or statements filed by the Company with banks

are in agreement with the books of accounts of the Company.

- (iii) (a) According to the information and explanations given to us, during the year company has provided loans to the companies, firms, Limited Liability Partnerships or any other parties as follows :

Particulars	Amount in Millions
Aggregate amount granted /provided during the year	
- Others	70,972.27
-Subsidiaries	NIL
-Other related parties	NIL
Balance Outstanding as at Balance Sheet date in respect of above cases	
- Others	2,248.87
-Subsidiaries and other related parties	NIL

The Company has not made any investment in, provided any guarantee or security or advances in the nature of loans, secured or unsecured, to companies, firm, Limited Liability Partnerships or any other parties during the year. Therefore, paragraph 3(iii)(a) of the Order is not applicable to the Company.

- (b) During the year the terms and conditions of the grant of all loans to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.

During the year the Company has not made investments, provided guarantees, given security and granted advances in the nature of loans and guarantees to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.

- (c) In respect of MTF loans granted by the Company, the schedule of repayment of principal 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 principal amounts and payment of interest. (Refer reporting under clause (iii) (f) below)

The Company has not granted advances in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties where the schedule of repayment of principal and payment of interest has been stipulated. Accordingly,

the requirement to report on this is not applicable to the Company.

- (d) There are no loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

The Company has not granted advances in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on this is not applicable to the Company.

- (e) There were no loans granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

The Company has not granted advances in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on this is not applicable to the Company.

- (f) The Company has granted loans or advances repayable on demand or without specifying any terms or period of repayment to companies or other parties. Of these following are the details of the aggregate amount of loans granted to promoters or related parties as defined in clause (76) of Section 2 of the Companies Act, 2013.

(Amount in million)

Particulars	All Parties	Related Parties	Promoters
Aggregate amount of loans		-	-
- Repayable on demand	70.972.27	-	-
<b>Percentage of loans to total loans</b>	<b>100%</b>	<b>-</b>	<b>-</b>

The Company has not granted advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment

to Companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.

- (iv) According to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act with respect to the loans, investments, guarantees and securities made as applicable.

- (v) According to information and explanations given to us and records of the Company examined by us, the Company has not accepted any deposits from the public, within the meaning of Section 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder. We are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or other tribunal.

- (vi) According to the information and explanations given to us, in respect of the class of industry the company falls under, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act. Therefore, paragraph 3(vi) of the Order is not applicable to the Company.

- (vii) (a) According to the information and explanations given to us and based on our verification of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, service tax, sales tax, value added tax, goods and services tax, cess and other statutory dues as applicable to the Company with the appropriate authorities. Further as explained to us, there are no undisputed statutory dues outstanding for more than six months as at March 31, 2025 from the date they became payable;

- (b) According to the information and explanations given to us and records of the Company examined by us, there are no cases of non-deposit of disputed dues of sales tax or goods and services tax, Service tax or duty of customs or duty of excise. However, according to the information and explanations given to us, the following dues of income tax has not been deposited by the Company on account of dispute:

Nature of the Statute	Nature of the Dispute	Tax Amount under dispute (₹ in Millions)	Period to which amount relates	Forum where dispute is pending
Income Tax Act 1961	Demand raised due to Disallowance of various expenses	218.50	FY 2022-23	CIT(A)

- (viii) In our opinion and according to the information and explanation given to us, in respect of tax assessments made under the Income Tax Act, 1961, there are no transactions which have been surrendered or disclosed as income by the Company. Accordingly, there are no previously unrecorded income and related assets which have been accounted in the books of account during the year.
- (ix) According to information and explanation given to us,
- (a) The Company has not defaulted in repayment of loans or borrowings or in 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 has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) 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.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) According to the information and explanation given to us,
- (a) The Company has not raised moneys by way of initial public offer or further public offer or public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) According to the information and explanation given to us,
- (a) Based upon the audit procedures performed and information and explanations given by the management, we have not come across any instances of fraud by the Company or on the Company during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) The Company has a whistle blower policy system in place and according to the information and explanation received, no complaints have been received by the Company during the year (and up to the date of this report).
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanation given to us,
- (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence the provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) According to the information and explanation given to us,
- (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) In our opinion and on the basis of examination of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the balance sheet date as and when they fall due within a period of one year from the balance sheet date. We however state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) According to information and explanation given to us and records examined by us, in respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in

compliance with second proviso to Section 135(5) of the Act. This matter has been disclosed in note 37 to the standalone financial statements the Company does not have other than ongoing projects. Hence reporting under clause 3(xx)(a) of the Order is not applicable.

(b) According to information and explanation given to us and records examined by us, the Company does not have any ongoing projects. Hence reporting under clause 3(xx)(b) of the Order is not applicable.

For **V. Sankar Aiyar & Co.,**  
Chartered Accountants  
(FRN 109208W)

**Asha Patel**  
Partner  
(M.No.166048)  
UDIN no.: 25166048BMKNNR3756

Place: Mumbai  
Date: May 01, 2025

## **Annexure B** to the Independent Auditor's Report

**Annexure referred to in our report of even date to the members of 5Paisa Capital Limited on the Standalone Financial Statements for the year ended 31st March 2025**

**Report on the Internal Financial Controls with reference to Standalone Financial Statements 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 standalone financial statements of **5Paisa Capital Limited** ("the Company") as of March 31, 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

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.

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone 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 standalone financial statements.

### **Meaning Of Internal Financial Controls with reference to these Standalone Financial Statements**

A company's internal financial controls with reference to these Standalone 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 standalone 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 Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone 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, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **V. Sankar Aiyar & Co.,**  
Chartered Accountants  
(FRN 109208W)

**Asha Patel**  
Partner  
(M.No.166048)  
UDIN no.: 25166048BMKNNR3756

Place: Mumbai  
Date: May 01, 2025

# Standalone Balance Sheet

As at March 31, 2025

(₹ in Millions)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
<b>I ASSETS</b>			
<b>(1) Financial Assets</b>			
(a) Cash and cash equivalents	3	200.63	706.24
(b) Bank balance other than (a) above	4	13,158.87	15,660.64
(c) Receivables			
(i) Trade receivables	5	0.49	0.29
(d) Loans	6	2,248.87	1,756.34
(e) Investments	7	43.44	43.44
(f) Other financial assets	8	643.30	1,909.29
<b>Sub total</b>		<b>16,295.60</b>	<b>20,076.24</b>
<b>(2) Non-Financial Assets</b>			
(a) Current tax assets (net)		-	10.93
(b) Deferred tax assets (net)	9	114.10	86.70
(c) Property, Plant and Equipment	10(a)	50.50	71.25
(d) Other intangible assets	10(b)	37.10	26.36
(e) Intangible assets under development	10(c)	0.76	4.10
(f) Right of use assets	11	111.79	146.90
(g) Other non-financial assets	12	50.03	56.59
<b>Sub total</b>		<b>364.28</b>	<b>402.83</b>
<b>Total</b>		<b>16,659.88</b>	<b>20,479.07</b>
<b>II LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(1) Financial Liabilities</b>			
(a) Payables			
(i) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises		-	0.31
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	13	7.46	6.63
(ii) Other payables			
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	13	570.91	791.69
(b) Borrowings (Other than debt securities)	14	2,174.16	3,363.17
(c) Other financial liabilities	15	7,716.58	10,746.01
<b>Sub total</b>		<b>10,469.11</b>	<b>14,907.81</b>
<b>(2) Non-Financial Liabilities</b>			
(a) Current tax Liabilities (net)		101.30	56.01
(b) Provisions	16	17.67	19.23
(c) Other non-financial liabilities	17	27.33	87.95
<b>Sub total</b>		<b>146.30</b>	<b>163.19</b>
<b>(3) EQUITY</b>			
(a) Equity share capital	18	312.36	311.91
(b) Other equity	19	5,732.11	5,096.16
<b>Sub total</b>		<b>6,044.47</b>	<b>5,408.07</b>
<b>Total</b>		<b>16,659.88</b>	<b>20,479.07</b>

See accompanying notes forming part of Standalone Financial Statements 1-44

As per our report of even date

**For and on behalf of Board of Directors**

**For V Sankar Aiyar & Co.**

Chartered Accountants

Firm's Registration No.109208W

By the hand of

**Asha Patel**

Partner

Membership No.: 166048

**Gaurav Seth**

Managing Director & CEO

(DIN : 10415364)

**Gourav Munjal**

Whole Time Director & CFO

(DIN : 06360031)

Place : Mumbai

Dated : May 1, 2025

**Namita Godbole**

Company Secretary

# Standalone Statement of Profit and Loss

For the year ended March 31, 2025

(₹ in Millions)

Particulars	Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Revenue from operations</b>			
(a) Interest income	20	1,304.13	1,351.98
(b) Fees and commission income	21	2,291.57	2,593.33
<b>(I) Total revenue from operations</b>		<b>3,595.70</b>	<b>3,945.31</b>
(a) Other income	22	0.99	0.27
<b>(II) Total income</b>		<b>3,596.69</b>	<b>3,945.58</b>
<b>(III) Expenses</b>			
(a) Finance cost	23	238.01	285.68
(b) Impairment of financial Instruments	24	-	35.06
(c) Employee benefits expense	25	740.30	895.06
(d) Depreciation, amortization and impairment	26	122.24	94.71
(e) Other expenses	27	1,584.73	1,948.40
<b>(III) Total expenses</b>		<b>2,685.28</b>	<b>3,258.91</b>
<b>(IV) Profit/(Loss) before exceptional items and tax (II-III)</b>		<b>911.41</b>	<b>686.67</b>
<b>(V) Exceptional items</b>		-	-
<b>(VI) Profit/(Loss) before tax (IV-V)</b>		<b>911.41</b>	<b>686.67</b>
<b>(VII) Tax expense:</b>	<b>28</b>		
(1) Current tax		258.25	195.28
(2) Deferred tax		(28.02)	(27.14)
<b>(VIII) Profit/(Loss) for the year (VI-VII)</b>		<b>681.18</b>	<b>518.53</b>
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss		2.44	(4.08)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.61)	1.03
<b>(IX) Other Comprehensive Income</b>		<b>1.83</b>	<b>(3.05)</b>
<b>(X) Total Comprehensive Income for the year (VIII) + (IX)</b>		<b>683.01</b>	<b>515.48</b>
Earnings per equity share of face value of ₹ 10 each	29		
Basic in (₹)		21.82	16.81
Diluted in (₹)		21.76	15.88

See accompanying notes forming part of Standalone Financial Statements 1-44

As per our report of even date

**For V Sankar Aiyar & Co.**

Chartered Accountants

Firm's Registration No.109208W

By the hand of

**Asha Patel**

Partner

Membership No.: 166048

Place : Mumbai

Dated : May 1, 2025

**For and on behalf of Board of Directors**

**Gaurav Seth**

Managing Director & CEO

(DIN : 10415364)

**Gourav Munjal**

Whole Time Director & CFO

(DIN : 06360031)

**Namita Godbole**

Company Secretary

# Statement of Changes in Equity

For the year ended March 31, 2025

## A. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	(₹ in Millions)	No. of Shares	(₹ in Millions)
<b>Equity Shares</b>				
At the beginning of the year	3,11,90,973	311.91	3,06,35,568	306.36
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated Balance at the beginning of the previous reporting period	3,11,90,973	311.91	3,06,35,568	306.36
Changes in equity share capital during the year *	45,365	0.45	5,55,405	5.55
<b>Closing at the end of year</b>	<b>3,12,36,338</b>	<b>312.36</b>	<b>3,11,90,973</b>	<b>311.91</b>

\* During the year 45,365 equity shares has been issued to the employees of the Company under employee stock option scheme. (In Previous year 5,55,405 equity shares has been issued to the employees of the Company under employee stock option scheme).

## B. OTHER EQUITY

Particulars	Reserves and Surplus							Total
	Share Warrants	General Reserve	Securities Premium Reserve	Capital Reserve	Retained Earnings	Employee Stock option Reserve	Other items of Other Comprehensive Income	
<b>Balance as at March 31, 2023</b>	-	7.97	4,123.37	47.71	114.69	71.68	(4.08)	<b>4,361.34</b>
Changes in accounting policy or prior year errors	-	-	-	-	-	-	-	-
<b>Restated balance at the beginning April 1, 2023</b>	-	7.97	4,123.37	47.71	114.69	71.68	(4.08)	<b>4,361.34</b>
Profit for the year	-	-	-	-	518.53	-	-	518.53
Other comprehensive Income for the year	-	-	-	-	-	-	(3.05)	(3.05)
Premium of equity shares issued (net of share issue expenses)*	-	-	151.77	-	-	-	-	151.77
Additions during the year	-	-	-	-	-	67.57	-	67.57
<b>Balance as at Mar 31, 2024</b>	-	7.97	4,275.14	47.71	633.22	139.25	(7.13)	<b>5,096.16</b>
Changes in accounting policy or prior year errors	-	-	-	-	-	-	-	-
<b>Restated balance at the beginning April 1, 2024</b>	-	7.97	4,275.14	47.71	633.22	139.25	(7.13)	<b>5,096.16</b>
Profit for the year	-	-	-	-	681.18	-	-	681.18
Other comprehensive Income for the year	-	-	-	-	-	-	1.83	1.83
Premium of equity shares issued (net of share issue expenses)*	-	-	10.82	-	-	-	-	10.82
Additions during the year	-	-	-	-	-	(57.88)	-	(57.88)
<b>Balance as at March 31, 2025</b>	-	7.97	4,285.96	47.71	1,314.40	81.37	(5.30)	<b>5,732.11</b>

\* Securities Premium reserve of ₹ 10.82 million (P.Y. ₹ 151.77 million) is created during the year due to issue of shares under equity stock option scheme.

See accompanying notes forming part of Standalone Financial Statements 1- 44

As per our report of even date  
**For V Sankar Aiyar & Co.**  
 Chartered Accountants  
 Firm's Registration No.109208W  
 By the hand of

**For and on behalf of Board of Directors**

**Asha Patel**  
 Partner  
 Membership No.: 166048

**Gaurav Seth**  
 Managing Director & CEO  
 (DIN : 10415364)

**Gourav Munjal**  
 Whole Time Director & CFO  
 (DIN : 06360031)

Place : Mumbai  
 Dated : May 1, 2025

**Namita Godbole**  
 Company Secretary

# Standalone Cash Flow Statement

For the year ended March 31, 2025

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Cash Flows From Operating Activities</b>		
Net Profit before tax	911.41	686.67
<b>Adjustments for:</b>		
Depreciation, amortisation and impairment	122.24	94.71
Employee benefit expenses - share based	(57.88)	67.57
Employee benefit expenses - others	10.02	12.55
Finance Cost	238.01	285.68
Impairment of financial Instruments	-	35.06
(Gain)/Loss on financial assets measured at fair value	(2.96)	(0.13)
Interest Income	(0.90)	-
(Gain)/Loss on sale of PPE & Intangible Assets	(0.07)	(0.27)
<b>Operating profit before working capital changes</b>	<b>1,219.87</b>	<b>1,181.84</b>
(Increase)/Decrease in Trade Receivables	(0.20)	0.18
(Increase)/Decrease in Loans	(492.53)	(29.80)
Increase/(Decrease) in Other Non financial Liabilities	(60.62)	2.11
(Increase)/Decrease in Other Financial Assets	1,265.99	(616.72)
Increase/(Decrease) in Other Financial Liabilities	(3,029.43)	1,354.60
(Increase)/Decrease in Other Non-Financial Assets	6.56	10.28
(Increase)/Decrease in Bank Deposits	2,501.77	(2,858.93)
Increase/(Decrease) in Provisions	(9.75)	(12.03)
Increase/(Decrease) in Trade Payable	0.52	(4.65)
Increase/(Decrease) in Other Payable	(220.78)	224.34
<b>Cash generated/(used in) from operations</b>	<b>1,181.40</b>	<b>(748.78)</b>
Taxes	(201.41)	(163.62)
<b>Net cash generated/(used in) from operating activities (A)</b>	<b>979.99</b>	<b>(912.40)</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of PPE & Intangible Assets	(80.32)	(194.16)
Sale of PPE & Intangible Assets	6.61	5.50
Purchase of Investments	(1,245.07)	(1,168.01)
Sale of Investments	1,248.03	1,232.23
<b>Net cash flow generated/(used in) investing activities (B)</b>	<b>(70.75)</b>	<b>(124.44)</b>
<b>Cash Flows From Financing Activities</b>		
Increase/(Decrease) in Share Capital/Share Premium & Warrants(Net)	11.27	157.32
Bank overdraft Taken/(Repaid)	(1,189.01)	1,670.34
Inter corporate deposits Taken	-	5,800.00
Inter corporate deposits Repaid	-	(5,800.00)
Finance Cost	(237.11)	(285.68)
<b>Net cash flow generated/(used in) financing activities (C)</b>	<b>(1,414.85)</b>	<b>1,541.98</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(505.61)</b>	<b>505.13</b>
Cash and Cash Equivalents at beginning of Year	706.24	201.11
Cash and Cash Equivalents at end of Year	200.63	706.24
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(505.61)</b>	<b>505.13</b>

See accompanying notes forming part of the standalone financial statements (1 -44)

As per our report of even date

**For V Sankar Aiyar & Co.**

Chartered Accountants

Firm's Registration No.109208W

By the hand of

**For and on behalf of Board of Directors**

**Asha Patel**

Partner

Membership No.: 166048

**Gaurav Seth**

Managing Director & CEO

(DIN : 10415364)

**Gourav Munjal**

Whole Time Director & CFO

(DIN : 06360031)

Place : Mumbai

Dated : May 1, 2025

**Namita Godbole**

Company Secretary

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025

## Note 1. Corporate Information:

5paisa Capital Ltd ["5PCL"] is engaged in providing an online technology platform for trading in National Stock Exchange of India Ltd., BSE Ltd & in MCX through web based trading terminal, mobile application and a state of the art Call and Trade Unit. 5PCL is also a SEBI approved Research analyst, a Depository Participant under CDSL and registered member of AMFI. 5PCL provides a wide range of financial services to its customers including depository services, distribution of mutual funds, bonds and debentures, Equity and Mutual fund research etc. through its technology based platforms.

## Note 2. Significant Accounting Policies and Key Accounting Estimates and Judgements

### 2.1 Significant Accounting Policies:

#### a) Basis of Preparation of Standalone financial statements:

The financial statement for the year ended 31 March 2025 has been prepared in accordance with Indian Accounting Standard ('Ind AS'). The Company is covered under the definition of NBFC and the Ind AS is applicable under Phase II as defined in notification dated 30<sup>th</sup> March 2016 issued by Ministry of Corporate Affairs (MCA), since the company is a listed company.

These Standalone financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting standards prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and the other accounting principles generally accepted in India and in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, and relevant amendment rules issued thereafter and under the historical cost convention on accrual basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value (refer accounting policy regarding financial instruments)
Net defined benefit assets / liability	Fair value of plan assets less present value of defined benefit obligations
Share based payment	Fair value (refer accounting policy regarding financial instruments)

These Financial Statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). These Financial Statements of the Company are presented in Indian Rupees ("INR"), which is also the Company's functional currency and all values are rounded to nearest Millions upto two decimal places, except otherwise indicated. The Standalone financial statements for the year ended March 31, 2025 are being authorized for issue in accordance with a resolution of the directors on May 1, 2025.

#### b) Property, plant and equipment:

##### Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of PPE are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Company identifies and determines cost of each part of an item of PPE separately, if the part has a cost which is significant to the total cost of that item of PPE and has useful life that is materially different from that of the remaining item.

The cost of an item of PPE comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenses related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefit associates with these will flow into the Company and the cost of the item can be measured reliably.

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

Items of Property, plant and equipment that have been retired from active use and are held for disposal are stated at the lower of their net book value or net realisable value and are shown separately in the financial statements.

Gains or losses arising from disposal or retirement of tangible Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised net, within "Other Income" or "Other Expenses", as the case maybe, in the Statement of Profit and Loss in the year of disposal or retirement.

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property as its carrying amount on the date of reclassification.

## Depreciation:

Depreciation on each item of property, plant and equipment is provided using the Straight-Line Method based on the useful lives of the assets as estimated by the management and is charged to the Statement of Profit and Loss. The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. Significant components of assets identified separately pursuant to the requirements under Schedule II of the Companies Act, 2013 are depreciated separately over their useful life.

Freehold land is not depreciated. Leasehold land and Leasehold improvements are amortized over the period of lease.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Depreciation is charged using the straight line method based on the useful life of fixed assets as estimated by the management as specified below. Depreciation is charged from the month in which new assets are put to use. No depreciation is charged for the month in which assets are sold. In the case of

transfer of used fixed assets from group companies, depreciation is charged over the remaining useful life of the assets. Individual assets / group of similar assets costing up to ₹ 5,000 have been depreciated in full in the year of purchase. Lease hold land is depreciated on a straight line basis over the lease hold period.

Class of assets	Useful life in years
Buildings *	20
Computers *	3
Electrical equipment *	5
Office equipment *	5
Furniture and fixtures *	5
Vehicles *	5

\* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

## Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

## Capital work in progress and Capital advances:

Cost of assets not yet ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non Financial Assets.

## c) Intangible assets:

### Measurement at recognition:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred. Following initial recognition, intangible assets with finite useful life

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

are carried at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets with indefinite useful lives, that are acquired separately, are carried at cost/fair value at the date of acquisition less accumulated impairment loss, if any.

Expenditure on software development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

#### Amortization:

Intangible Assets with finite lives are amortized on a Straight Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss.

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

#### Estimated useful economic life of the assets is as under:

Class of assets	Useful life in years
Software	3

#### Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

#### d) Impairment of Non-Financial Assets

Assets that have an indefinite useful life are not subject to amortization and are tested for impairment annually or whenever there is an indication that the asset may be impaired. Assets that are subject to depreciation and amortization are reviewed for impairment whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained

decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. Impairment losses, if any, are recognized in the Statement of Profit and Loss and included in depreciation and amortization expenses. After impairment (if any), depreciation/amortisation is provided on the revised carrying amount of the assets over its remaining life.

Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

#### e) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

#### Financial assets

##### Initial recognition and measurement:

Trade Receivables, Loans and Deposits are initially recognized when they are originated. The Company recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument.

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

Trade receivables that do not contain a significant financing component are measured at transaction price.

## Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- i) The Company business model for managing the financial asset and
- ii) The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- i) Financial assets measured at amortized cost
- ii) Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii) Financial assets measured at fair value through profit or loss (FVTPL)

## i. Financial assets measured at amortized cost:

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The Company business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- b) 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.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated. Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed together to achieve a particular business objective. The Company business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

This category generally applies to cash and bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

**ii. Financial assets measured at FVTOCI:**

A financial asset is measured at FVTOCI if both of the following conditions are met:

- a) The business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such financial assets are measured initially as well as at each reporting date at fair value. Fair value changes are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income and impairment losses and its reversals in the Statement of Profit and Loss.

On Derecognition of such financial assets, cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss.

As at the balance sheet date, there are no financial assets which are measured at FVOCI.

**iii. Investments in equity instruments at FVTOCI:**

On initial recognition, the Company can make an irrevocable election (on an instrument-by-

instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. Dividend from these investments are recognised in the Statement of Profit and Loss when the Company right to receive dividends is established. As at the reporting dates, there are no equity instruments measured at FVOCI.

**iv. Investments in equity instruments of subsidiaries & associates**

Investments in equity instruments of subsidiaries are carried at cost less any Provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable

**v. Financial assets measured at FVTPL:**

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Company excluding investments in subsidiaries. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss. Further, the Company, through an irrevocable election at initial recognition, has measured certain investments in equity instruments at FVTPL. The Company has made such election on an instrument by instrument basis. These equity instruments are neither held for trading nor are contingent consideration recognized under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognized in Statement of Profit and Loss. The Company recognizes dividend income from such instruments in the Statement of Profit and Loss.

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

## Reclassifications:

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that results in reclassifying the Company's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made. Changes in contractual cash flows are considered under the accounting policy on modification and derecognition of financial assets described below.

## Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a similar financial assets) is derecognized (i.e. removed from the Balance Sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains, substantially all risk and rewards of ownership, and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability.

The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

## Impairment of financial assets:

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of loss allowance on the following:

- i. Trade receivables and lease receivables
- ii. Financial assets measured at amortized cost (other than trade receivables and lease receivables)
- iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables and lease receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance.

In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls) discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL area portion of the

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

## Financial Liabilities and equity:

### Initial recognition and measurement:

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

### Subsequent measurement:

All financial liabilities are initially recognised at fair value net of transaction cost that are attributable to the separate liabilities. All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

### Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

### Derecognition:

A financial liability is derecognized 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 between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

## f) Fair Value:

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – inputs for assets or liabilities that are not based on observable market data.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

## g) Foreign Currency Translation:

These financial statements are presented in Indian Rupees, which is the Company's functional currency.

### i) Functional and presentation currencies:

Items included in the Standalone Financial Statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in INR which is the functional and presentation currency for Company.

### ii) Transactions & Balances:

Foreign currency transactions are translated into the functional currency at the exchange rates on the date of transaction. Foreign exchange gains and losses resulting from settlement of such transactions and from translation of monetary assets and liabilities at the year-end exchange rates are generally recognized in the Statement Profit and Loss. They are deferred in equity if they relate to qualifying cash flow hedges.

All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis.

Non-monetary foreign currency items are carried at cost and accordingly the investments in shares of foreign subsidiaries are expressed in Indian currency at the rate of exchange prevailing at the time when the original investments are made or fair values determined.

### iii) Foreign operations:

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate as on that balance sheet date
- income and expenses are translated at average exchange rates, and
- all resulting exchange differences are recognised in other comprehensive income.

On disposal of a foreign operation, the associated exchange differences are reclassified to Statement of Profit and Loss as part of the gain or loss on disposal.

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

## h) **Income Taxes:**

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

### **Current tax:**

Provision for current tax is made as per the provisions of the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### **Deferred tax:**

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes as at the reporting date. Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

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

The deferred tax assets (net) and deferred tax liabilities (net) are determined separately for the Parent and each subsidiary company, as per their applicable laws and then aggregated.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

### **Presentation of current and deferred tax:**

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

## l) **Provisions and Contingencies:**

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. The amount recognised as a provision is the best estimate of the

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

consideration require to settle the present obligation at the end of reporting period, taking into account the risk & uncertainties surrounding the obligation.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The Company in the normal course of its business, comes across client claims/ regulatory penalties/ inquiries, etc. and the same are duly clarified/ addressed from time to time. The penalties/ actions if any are being considered for disclosure as contingent liability only after finality of the representation of appeals before the lower authorities.

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

Contingent assets are disclosed only where an inflow of economic benefits is probable.

## j) Statement of Cash Flows :

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- changes during the period in operating receivables and payables transactions of a noncash nature;
- non-cash items such as depreciation, provisions, deferred taxes and unrealised foreign currency gains and losses.
- all other items for which the cash effects are investing or financing cash flows.

## k) Cash and Cash Equivalents :

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in

hand, bank balances. Bank borrowings are used for business purposes, and hence bank overdrafts are not considered to be a part of cash and cash equivalents in Cash flow statement.

## l) Revenue Recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract

The Company recognizes 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 contract price to the performance obligations in the contract: For 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 assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

concluded that it is acting as a principal in all of its revenue arrangements.

Income from services rendered as a broker is recognised upon rendering of the services on a trade date basis, in accordance with the terms of contract. Fees for subscription based services are received periodically but are recognised as earned on a pro-rata basis over the term of the contract. Commissions from distribution of financial products are recognised upon allotment of the securities to the applicant. Commission and fees recognized as aforesaid are exclusive of goods and service tax, securities transaction tax, stamp duties and other levies by SEBI and stock exchanges.

Advances received from customers in respect of contracts are treated as liabilities and adjusted against progress billing as per terms of the contract. Progress payments received are adjusted against amount receivable from customers in respect of the contract work performed. Amounts retained by the customers until the satisfactory completion of the contracts are recognised as receivables.

## m) Other Income

Interest is earned on delayed payments from customers and amounts funded to them as well as term deposits with banks. Interest income is recognised on a time proportion basis taking into account the amount outstanding from customers or on the financial instrument and the rate applicable. Dividend income is recognised when the right to receive the dividend is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability

Gains / losses on dealing in securities are recognized on a trade date basis.

## n) Employee Benefits

### Share-based payment arrangements:

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share-based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the statement of profit and loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Securities premium includes the difference between the face value of the equity shares and the consideration received in respect of shares issued pursuant to Stock Option Scheme. Expenses relating to share issue has been reduced from share premium.

### Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service 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. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

for services rendered as a liability (accrued expense) after deducting any amount already paid.

## Post-Employment Benefits:

### I. Defined contribution plans:

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into state managed retirement benefit schemes and will have no legal or constructive obligation to pay further contributions, if any, if the state managed funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. The Company contributions to defined contribution plans are recognised in the Statement of Profit and Loss in the financial year to which they relate. The Company and its Indian subsidiaries operate defined contribution plans pertaining to Employee State Insurance Scheme and Government administered Pension Fund Scheme for all applicable employees and the Company operates a Superannuation scheme for eligible employees.

Recognition and measurement of defined contribution plans: The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceed the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

### II. Defined benefit plans:

Gratuity scheme: The Company, operates a gratuity scheme for employees. The contribution is paid to a separate fund in ICICI Prudential named 5 Paisa Capital Limited Gratuity Fund, towards meeting the Gratuity obligations.

## Recognition and measurement of defined benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost if any and net interest on the defined benefit liability (asset) are recognized in the Statement of Profit and Loss. Re-measurements of the net defined benefit liability (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

## Other Long Term Employee Benefits:

Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date.

## Other Employee Benefits

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be availed in twelve months immediately following the year in which the employee has rendered service are reported as expenses during the year in which the employees perform the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefits.

## o) Lease accounting :

### The Company as a Lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

inception of a 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 use of the 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 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.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

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

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. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## The Company as a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

The Company does not have any lease arrangement where it is a lessor as on the balance sheet date.

## p) Borrowing Cost:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

## q) Earning Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

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 period are adjusted for the effects of all dilutive potential equity shares.

## r) Segment Reporting :

The Company's business is to provide broking services, to its clients, in the capital markets in India. All other activities of the Company are ancillary to the main business. As such, there are no reportable segments that need to be reported separately as defined in Ind AS 108, Operating Segments.

## 2.2 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Estimates and underlying assumptions are reviewed on ongoing basis. 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.

The Company makes certain judgments and estimates for valuation and impairment of financial instruments, fair valuation of employee stock options, 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.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

### a. Income taxes

The Company tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes,

including amount expected to be paid/recovered for uncertain tax positions. Further Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases.

### b. Determination of the estimated useful lives of tangible assets

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

### c. Defined Benefit Obligation

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 corresponding 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. Further details are disclosed in Note 25.

### d. Fair value measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

### e. Impairment of financial assets

The provision for expected credit loss involves estimating the probability of default and loss given default based on the Company own experience & forward looking estimation.

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

**f. Provision for litigations**

In estimating the final outcome of litigation, the Company applies judgment in considering factors including experience with similar matters, past history, precedents, relevant and other evidence and facts specified to the matter. Application of such judgment determines whether the Company requires an accrual or disclosure in the financial statements.

**g. Fair valuation of employee share options**

The fair valuation of the employee share options is based on the Black-Scholes model used for valuation of options. Key assumptions made with respect to expected volatility includes share price, expected

dividends and discount rate, under this option pricing model. Further details are disclosed in notes.

**h. Determining whether an arrangement containing a lease**

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.

## Note 3 : Cash and cash equivalents

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Cash &amp; cash equivalents:</b>		
- Cash in hand	-	-
- Cheques in hand	-	-
<b>Balances with bank:</b>		
- in current accounts	8.35	15.08
- in client accounts	192.28	691.16
<b>Total cash &amp; cash equivalents</b>	<b>200.63</b>	<b>706.24</b>

## Note 4 : Bank balance other than above

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Fixed Deposits (Non - Lien marked)	-	-
Fixed Deposits (Lien marked)*	13,158.87	15,660.64
<b>Total</b>	<b>13,158.87</b>	<b>15,660.64</b>

\*Company has pledged fixed deposits with the banks for bank guarantee/overdraft facilities and with the stock exchange for margin purpose and with other authorities.

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

## Note 5 : Receivables

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>(i) Trade receivables</b>		
- Receivables considered Good - unsecured	0.49	0.29
- Receivables which have significant increase in credit risk	-	-
- Receivables - credit impaired	-	-
<b>Total (i) Gross</b>	<b>0.49</b>	<b>0.29</b>
Less : Impairment loss allowance	-	-
<b>Total (i) Net</b>	<b>0.49</b>	<b>0.29</b>

- a) No trade or other receivables are due from directors or from other officers of the Company either severally or jointly with any other person nor any trade or other receivables are due from firms or private companies respectively in which any directors is a partner, director or a member as at 31<sup>st</sup> March 2025 & 31<sup>st</sup> March 2024.
- b) No trade receivables and other receivables are interest bearing.

### Trade Receivables Ageing Schedule as on 31 March 2025

(₹ in Millions)

Particulars	Less than 6 Months	6 Months to 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Undisputed Trade Receivables - Considered Good	0.49	-	-	-	-	0.49
Receivables which have significant increase in credit risk	-	-	-	-	-	-
Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>0.49</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.49</b>

### Trade Receivables Ageing Schedule as on 31 March 2024

(₹ in Millions)

Particulars	Less than 6 Months	6 Months to 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Undisputed Trade Receivables - Considered Good	0.29	-	-	-	-	0.29
Receivables which have significant increase in credit risk	-	-	-	-	-	-
Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>0.29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.29</b>

## Note 6 : Loans

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Loans repayable on demand	-	-
Margin trading facility balances*	2,248.87	1,756.34
<b>Total</b>	<b>2,248.87</b>	<b>1,756.34</b>

\* Loans to customers are secured by pledge of Shares/Bonds/Mutual Funds and other allowable securities as per exchange rules.

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

## Note 7 : Investments

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>A) At cost</b>		
Investment in equity shares of subsidiaries*		
- 5paisa P2P Limited	72.50	72.50
- 5paisa Insurance Brokers Limited	0.50	0.50
- 5paisa Trading Limited	0.50	0.50
- 5paisa International Securities (IFSC) Limited	5.00	5.00
<b>Total</b>	<b>78.50</b>	<b>78.50</b>
Less : Provision for Impairment	(35.06)	(35.06)
<b>Net Investment (A)</b>	<b>43.44</b>	<b>43.44</b>
- Investment outside India	-	-
- Investment in India	43.44	43.44
<b>Total</b>	<b>43.44</b>	<b>43.44</b>

\* The Company has opted to measure investment in subsidiaries at deemed cost less any Provision for impairment as per Ind AS 27.

## Note 8 : Other financial Assets

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Deposit/Margin with exchanges	85.75	91.53
Clients and Exchanges receivables (net of provision) #	120.30	1,363.18
Deposit with authorises (Refer note 30)	13.00	-
Security deposit with landlords and others*	20.15	20.15
Interest accrued on deposits and investments	404.10	434.43
<b>Total</b>	<b>643.30</b>	<b>1,909.29</b>

\* Include deposit with related party of ₹ 9.80 million (P.Y. ₹ 9.80 million) Refer note 34.

# Includes receivable from director and key managerial personnel ₹ 0.00 million. (March 31, 2024 ₹ 0.00 million)

## Note 9 :- Deferred tax assets (net)

(₹ in Millions)

Particulars	As at March 31, 2025			
	Opening balance as at April 1, 2024	Recognised in profit or loss (net)	Recognised in/ reclassified from OCI	Closing balance as at March 31, 2025
<b>Deferred tax assets:</b>				
Depreciation on property, plant and equipment	2.10	5.13	-	7.23
Provisions for expected credit loss	58.88	19.22	-	78.10
Disallowance u/s 40(a)(i)	-	20.49	-	20.49
Compensated absences and retirement benefits	11.77	(6.53)	(0.61)	4.63
Amortisation of Income	14.01	(11.89)	-	2.12
<b>Total deferred tax assets (a)</b>	<b>86.76</b>	<b>26.42</b>	<b>(0.61)</b>	<b>112.57</b>
<b>Deferred tax liabilities:</b>				
Unrealised profit on investments	(0.82)	(0.01)	-	(0.83)
On Lease Rentals as per tax	0.76	1.60	-	2.36
<b>Total deferred tax liabilities (b)</b>	<b>(0.06)</b>	<b>1.59</b>	<b>-</b>	<b>1.53</b>
<b>Deferred tax assets (a) + (b)</b>	<b>86.70</b>	<b>28.01</b>	<b>(0.61)</b>	<b>114.10</b>

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

(₹ in Millions)

Particulars	As at March 31, 2024			
	Opening balance as at April 1, 2023	Recognised in profit or loss (net)	Recognised in/ reclassified from OCI	Closing balance as at March 31, 2024
<b>Deferred tax assets:</b>				
Depreciation on property, plant and equipment	(2.22)	4.32	-	2.10
Provisions for expected credit loss	47.79	11.09	-	58.88
Compensated absences and retirement benefits	5.84	4.90	1.03	11.77
Amortisation of Income	8.73	5.28	-	14.01
<b>Total deferred tax assets (a)</b>	<b>60.14</b>	<b>25.59</b>	<b>1.03</b>	<b>86.76</b>
<b>Deferred tax liabilities:</b>				
Unrealised profit on investments	(0.82)	-	-	(0.82)
On Lease Rentals as per tax	(0.79)	1.55	-	0.76
<b>Total deferred tax liabilities (b)</b>	<b>(1.61)</b>	<b>1.55</b>	<b>-</b>	<b>(0.06)</b>
<b>Deferred tax assets (a) + (b)</b>	<b>58.53</b>	<b>27.14</b>	<b>1.03</b>	<b>86.70</b>

## Note 10(a) : Property, Plant and Equipment

### Tangible Assets:

(₹ in Millions)

Particulars	Computer	Electrical Equipment	Furniture & Fixture	Office Equipment	Total
<b>As at March 31, 2023</b>	<b>161.61</b>	<b>2.03</b>	<b>9.94</b>	<b>7.33</b>	<b>180.91</b>
Additions	28.94	-	1.36	2.11	32.41
Disposals/Adjustments	3.02	0.92	0.72	0.84	5.50
<b>As at March 31, 2024</b>	<b>187.53</b>	<b>1.11</b>	<b>10.58</b>	<b>8.60</b>	<b>207.82</b>
Additions	29.22	-	5.08	2.34	36.64
Disposals/Adjustments	2.24	0.24	0.10	0.43	3.01
<b>As at March 31, 2025</b>	<b>214.51</b>	<b>0.87</b>	<b>15.56</b>	<b>10.51</b>	<b>241.45</b>

### Accumulated Depreciation:

(₹ in Millions)

Particulars	Computer	Electrical Equipment	Furniture & Fixture	Office Equipment	Total
<b>As at March 31, 2023</b>	<b>79.18</b>	<b>1.84</b>	<b>4.11</b>	<b>3.64</b>	<b>88.77</b>
Depreciation charge for the year	49.60	0.07	1.81	1.31	52.79
Deductions/Adjustments	2.62	0.81	0.72	0.84	4.99
<b>As at March 31, 2024</b>	<b>126.16</b>	<b>1.10</b>	<b>5.20</b>	<b>4.11</b>	<b>136.57</b>
Depreciation charge for the year	50.86	0.01	3.49	1.84	56.20
Deductions/Adjustments	1.05	0.24	0.10	0.43	1.82
<b>As at March 31, 2025</b>	<b>175.97</b>	<b>0.87</b>	<b>8.59</b>	<b>5.52</b>	<b>190.95</b>

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

## Net Book Value:

(₹ in Millions)

Particulars	Computer	Electrical Equipment	Furniture & Fixture	Office Equipment	Total
As at March 31, 2024	61.37	0.01	5.38	4.49	71.25
<b>As at March 31, 2025</b>	<b>38.54</b>	<b>-</b>	<b>6.97</b>	<b>4.99</b>	<b>50.50</b>

## Note 10(b) : Other intangible assets (other than internally generated):

(₹ in Millions)

Particulars	Software	Total
<b>Cost:</b>		
<b>As at March 31, 2023</b>	<b>73.09</b>	<b>73.09</b>
Additions	4.67	4.67
Deductions/Adjustments	-	-
<b>As at March 31, 2024</b>	<b>77.76</b>	<b>77.76</b>
Additions	43.68	43.68
Deductions/Adjustments	0.28	0.28
<b>As at March 31, 2025</b>	<b>121.16</b>	<b>121.16</b>
<b>Accumulated Depreciation:</b>		
<b>As at March 31, 2023</b>	<b>32.15</b>	<b>32.15</b>
Depreciation charge for the year	19.25	19.25
Deductions/Adjustments	-	-
<b>As at March 31, 2024</b>	<b>51.40</b>	<b>51.40</b>
Depreciation charge for the year	32.69	32.69
Deductions/Adjustments	0.03	0.03
<b>As at March 31, 2025</b>	<b>84.06</b>	<b>84.06</b>

## Net Book Value:

(₹ in Millions)

Particulars	Software	Total
As at March 31, 2024	26.36	26.36

## NOTE 10(c) : Intangible Assets Under Development

Intangible assets under development ageing schedule as at March 31, 2024

(₹ in Millions)

Particulars	Amount for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Projects in progress	4.10	-	-	4.10
Projects temporarily suspended	-	-	-	-
<b>Total</b>	<b>4.10</b>	<b>-</b>	<b>-</b>	<b>4.10</b>

Intangible assets under development ageing schedule as at March 31, 2025

(₹ in Millions)

Particulars	Amount for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Projects in progress	-	0.76	-	0.76
Projects temporarily suspended	-	-	-	-
<b>Total</b>	<b>-</b>	<b>0.76</b>	<b>-</b>	<b>0.76</b>

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

## Note 11 :- Right of use Assets

A) Following are the changes in the carrying value of right of use assets for the year ended March 31, 2025:

(₹ in Millions)		
Particulars	Premises	Total
<b>Balance as at April 01, 2023</b>	<b>21.31</b>	<b>21.31</b>
Additions to right of use assets	148.27	148.27
Deletions to right of use assets	-	-
Depreciation	22.68	22.68
<b>Closing Balance as at March 31, 2024</b>	<b>146.90</b>	<b>146.90</b>
<b>Balance as at April 01, 2024</b>	<b>146.90</b>	<b>146.90</b>
Additions to right of use assets	-	-
Deletions to right of use assets	1.76	1.76
Depreciation	33.35	33.35
<b>Closing Balance as at March 31, 2025</b>	<b>111.79</b>	<b>111.79</b>

Note: The aggregate depreciation expense on Right of use assets is included under depreciation and amortization expense in the statement of Profit and Loss.

B) The following is the movement in lease liabilities during the year ended March 31, 2025

(₹ in Millions)		
Particulars	Premises	Total
<b>Balance as at April 01, 2023</b>	<b>24.46</b>	<b>24.46</b>
Additions	148.27	148.27
Deletion	-	-
Finance cost accrued during the year	5.02	5.02
Payment of lease liabilities	(27.82)	(27.82)
<b>Balance as at March 31, 2024</b>	<b>149.93</b>	<b>149.93</b>
<b>Balance as at April 01, 2024</b>	<b>149.93</b>	<b>149.93</b>
Additions	-	-
Deletion	1.76	1.76
Finance cost accrued during the year	13.60	13.60
Payment of lease liabilities	(40.58)	(40.58)
<b>Balance as at March 31, 2025</b>	<b>121.19</b>	<b>121.19</b>

C) Following is the break up value of the Current and Non - Current Lease Liabilities for the year ended March 31, 2025:

(₹ in Millions)		
Particulars	Premises	Total
Current lease liabilities	29.60	29.60
Non-current lease liabilities	120.33	120.33
<b>Balance as at March 31, 2024</b>	<b>149.93</b>	<b>149.93</b>

(₹ in Millions)		
Particulars	Premises	Total
Current lease liabilities	27.01	27.01
Non-current lease liabilities	94.18	94.18
<b>Balance as at March 31, 2025</b>	<b>121.19</b>	<b>121.19</b>

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

D) Table showing details regarding the contractual maturities of lease liabilities as at March 31, 2025 on an undiscounted basis:

(₹ in Millions)		
Particulars	Premises	Total
<b>As at March 31, 2024</b>		
Less than one year	29.60	29.60
One to two years	26.14	26.14
Two to five years	94.19	94.19
<b>Total</b>	<b>149.93</b>	<b>149.93</b>
<b>As at March 31, 2025</b>		
Less than one year	27.01	27.01
One to two years	30.13	30.13
Two to five years	64.05	64.05
<b>Total</b>	<b>121.19</b>	<b>121.19</b>

E) Amounts recognised in profit or loss for the year.

(₹ in Millions)	
Particulars	Amount
<b>For the year ended March 31, 2024</b>	
Interest on lease liabilities	5.02
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	-
<b>Total</b>	<b>5.02</b>
<b>For the year ended March 31, 2025</b>	
Interest on lease liabilities	13.60
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	-
<b>Total</b>	<b>13.60</b>

F) Amounts recognised in Cashflow statement

(₹ in Millions)	
Particulars	Amount
<b>For the year ended March 31, 2024</b>	
Total cash outflow for leases	(27.82)
<b>For the year ended March 31, 2025</b>	
Total cash outflow for leases	(40.58)

## Note 12 : Other Non-Financial Assets

(₹ in Millions)		
Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	47.52	48.83
Other advances	2.51	7.76
<b>Total</b>	<b>50.03</b>	<b>56.59</b>

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

## Note 13 : Payables

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>(I) Trade Payable</b>		
(i) Total outstanding dues of micro enterprises and small enterprises	-	0.31
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	7.46	6.63
<b>Total (a)</b>	<b>7.46</b>	<b>6.94</b>
<b>(II) Other Payable</b>		
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(a) Other trade payables	-	0.61
(b) Accrued salaries & benefits	7.52	6.27
(c) Provision for expenses	563.39	784.81
<b>Total (b)</b>	<b>570.91</b>	<b>791.69</b>
<b>Total (a+b)</b>	<b>578.37</b>	<b>798.63</b>

The following disclosure is made as per the requirement under the Micro, Small and Medium Enterprises Development Act, 2016 (MSMED) on the basis of confirmations sought from suppliers on registration with the specified authority under MSMED:

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Principal amount remaining unpaid to any supplier at the year end	-	0.31
(b) Interest due thereon remaining unpaid to any supplier at the year end	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
(e) Amount of interest accrued and remaining unpaid at the year end	-	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the act	-	-

## Trade payable Ageing schedule as at 31 March 2025

(₹ in Millions)

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 - undisputed	-	-	-	-	-	-
(ii) Others - undisputed	570.91	7.46	-	-	-	578.37
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>570.91</b>	<b>7.46</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>578.37</b>

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

## Trade payable Ageing schedule as at 31 March 2024

(₹ in Millions)

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 - undisputed	-	0.31	-	-	-	0.31
(ii) Others - undisputed	791.69	6.63	-	-	-	798.32
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>791.69</b>	<b>6.94</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>798.63</b>

## Note 14 : Borrowings (other than Debt Securities)

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>At amortised cost</b>		
(a) Loans repayable on demand (from banks) : Secured		
- Working capital demand loan	1,294.53	1,500.00
- Bank Overdraft	879.63	1,863.17
(b) Other loans : Unsecured		
- Loan from related parties (Refer note 34)	-	-
<b>Total ( c ) = (a)+ (b)</b>	<b>2,174.16</b>	<b>3,363.17</b>
Borrowings in India	2,174.16	3,363.17
Borrowings outside India	-	-
<b>Total</b>	<b>2,174.16</b>	<b>3,363.17</b>

### (a) Terms of loans:

- (i) Working Capital Demand Loan (WCDL) and bank overdraft are secured by way of fist pari-passu charge on all receivables and current assets to the tune of 1.75 times of the outstanding facility amount. Bank overdraft secured against Bank deposit Please refer to note 31 for details of asset pledged.
- (ii) Loan from related parties are unsecured.

### (b) Tenor of repayment :

- (i) For WCDL it varies from 7 days to 365 days of each tranche, principal amount of each tranche is to be paid as bullet payment on maturity date.
- (ii) For bank overdraft the same is repayable on demand
- (iii) For loan from related parties the same is repayable on demand.

### (c) Interest Rate :

- (i) For WCDL the rate of interest is fixed (Lending banks MCLR rate + Spread varies (0.75% to 1.50%), Interest is payable monthly basis on the last date of each month.
- (ii) For Bank Overdraft Interest rate is FD rate + Spread varies (0.50% to 1.00%), Interest is payable monthly basis on the last date of each month.
- (iii) For related parties interest rate is in the range of 11.25% to 11.50% p.a. as approved by the board.

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

## Note 15 : Other Financial Liabilities

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Clients and Exchanges payables #	7,562.29	10,529.34
Payable to related parties (Refer note 34)	10.59	10.95
Lease liability	121.19	149.93
Provision for gratuity (funded)	16.76	13.44
Other payable	3.41	36.12
Interest Accrued but not due	2.34	6.23
<b>Total</b>	<b>7,716.58</b>	<b>10,746.01</b>

# Include payable to directors & key managerial personnel of ₹ 0.28 million (P.Y. ₹ 0.24 million)

## Note 16 : Provisions

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for leave encashment	17.67	19.23
<b>Total</b>	<b>17.67</b>	<b>19.23</b>

## Note 17 : Other Non-Financial Liabilities

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory dues	18.93	32.32
Income received in advance	8.40	55.63
<b>Total</b>	<b>27.33</b>	<b>87.95</b>

## Note 18 : Equity Share Capital

### a. The Authorised, Issued, Subscribed and Paid up Share Capital:

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Authorized Share Capital</b>		
At the beginning of the year	800.00	800.00
Add: Increase in authorised share capital	-	-
<b>Closing at the end of year</b>	<b>800.00</b>	<b>800.00</b>
Issued, Subscribed and Paid-up Share Capital		
<b>3,12,36,338 (Previous Year 3,11,90,973 ) Equity Shares of ₹ 10/- each fully paid-up</b>	<b>312.36</b>	<b>311.91</b>

### b. Reconciliation of the shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	(₹ in Millions)	No. of Shares	(₹ in Millions)
<b>Equity Shares</b>				
At the beginning of the year	3,11,90,973	311.91	3,06,35,568	306.36
Add: Shares issued during the year*	45,365	0.45	5,55,405	5.55
<b>Closing at the end of year</b>	<b>3,12,36,338</b>	<b>312.36</b>	<b>3,11,90,973</b>	<b>311.91</b>

\* During the year 45,365 equity shares has been issued to the employees of the Company under employee stock option scheme. (In Previous year 5,55,405 equity shares has been issued to the employees of the Company under employee stock option scheme).

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

**c. Terms/rights attached to equity shares**

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share.

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

**d. Details of shareholders holding more than 5% shares in the Company:**

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	% of holding in the class	No. of Shares	% of holding in the class
<b>Equity share of ₹ 10 each fully paid up</b>				
FIH Mauritius Investments Ltd.	76,70,130	24.56%	76,70,130	24.59%
Nirmal Bhanwarlal Jain	62,05,088	19.86%	62,05,088	19.89%
HWIC Asia Fund Class A Shares	25,70,186	8.23%	25,70,186	8.24%
WF Asian Reconnaissance Fund Limited	29,05,906	9.30%	29,05,906	9.32%
Madhu N Jain	18,45,016	5.91%	18,45,016	5.92%

**e. Details of shares held by promoters at as on 31 March 2025**

Promoter name	Number of shares	% of total shares	% Change during the year
Mr. Nirmal Jain	62,05,088	19.86%	-0.03%
Mr. Venkataraman Rajamani	12,69,594	4.06%	-0.01%
Mrs. Madhu N Jain	18,45,016	5.91%	-0.01%
Aditi Avinash Athavankar (in her capacity as a trustee of Kalki Family Private Trust)	7,20,000	2.31%	0.00%
Ardent Impex Pvt Ltd	1,08,000	0.35%	0.00%
Orpheus Trading Pvt. Ltd.	52,000	0.17%	0.00%
Mrs. Aditi Athavankar	16,000	0.05%	0.00%
Nirmal Madhu Family Pvt Trust	15,000	0.05%	0.00%

**f. Details of shares held by promoters at as on 31 March 2024**

Promoter name	Number of shares	% of total shares	% Change during the year
Mr. Nirmal Jain	62,05,088	19.89%	-1.78%
Mr. Venkataraman Rajamani	12,64,594	4.07%	-1.39%
Mrs. Madhu N Jain	18,45,016	5.92%	-1.78%
Aditi Avinash Athavankar (in her capacity as a trustee of Kalki Family Private Trust)	7,20,000	2.31%	-1.78%
Ardent Impex Pvt Ltd	1,08,000	0.35%	-1.78%
Orpheus Trading Pvt. Ltd.	52,000	0.17%	-1.78%
Mrs. Aditi Athavankar	16,000	0.05%	-1.78%
Nirmal Madhu Family Pvt Trust	15,000	0.05%	0.05%

**g.** During the period of five years immediately preceding the balance sheet date, the Company has not issued any shares without payment being received in cash or by any way of bonus shares or shares bought back.

**h.** Shares reserved for issue under options and contracts / commitments for sale of shares / disinvestments, including the terms and amount, refer note 35 other equity for details of shares reserved for issue under Employee Stock Option Plan of the Company.

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

## Note 19 : Other Equity

(₹ in Millions)

Particulars	Reserves and Surplus					Other items of Other Comprehensive Income	Total
	General Reserve	Securities Premium Reserve	Capital Reserve	Retained Earnings	Employee Stock option Reserve		
<b>Balance as at March 31, 2023</b>	<b>7.97</b>	<b>4,123.37</b>	<b>47.71</b>	<b>114.69</b>	<b>71.68</b>	<b>(4.08)</b>	<b>4,361.34</b>
Total comprehensive income for the year	-	-	-	-	-	(3.05)	(3.05)
Transfer from/to reserve	-	-	-	-	-	-	-
Additions during the year * (Net of share issue expenses)	-	151.77	-	518.53	67.57	-	737.87
<b>Balance as at March 31, 2024</b>	<b>7.97</b>	<b>4,275.14</b>	<b>47.71</b>	<b>633.22</b>	<b>139.25</b>	<b>(7.13)</b>	<b>5,096.16</b>
Total comprehensive income for the year	-	-	-	-	-	1.83	1.83
Transfer from/to reserve	-	-	-	-	-	-	-
Additions during the year * (Net of share issue expenses)	-	10.82	-	681.18	(57.88)	-	634.12
<b>Balance as at March 31, 2025</b>	<b>7.97</b>	<b>4,285.96</b>	<b>47.71</b>	<b>1,314.40</b>	<b>81.37</b>	<b>(5.30)</b>	<b>5,732.11</b>

\* Securities Premium reserve of ₹ 10.82 million (P.Y. ₹ 151.77 million) is created during the year due to issue of shares under equity stock option scheme.

### Footnotes: Nature and purpose reserves

- i) Capital reserves : Capital reserve is created as per scheme of arrangement where undertaking including all assets and liabilities of undertaking were transferred to and vested by IIFL Finance Limited (previously known as IIFL Holding Limited).
- ii) Securities premium : Securities premium represents the surplus of proceeds received over the face value of shares, at the time of issue of shares.
- iii) Retained earnings : The balance in retained earnings primarily represents the surplus/deficit after payment of dividend (including tax on dividend) and transfer to reserves.
- iv) General Reserve : General reserve is created on account on employee stock option lapsed/exercised, in accordance with the Companies Act, 2013.
- v) Employee stock option reserve : Employee stock option reserve accounts represents reserve created on fair value of options against the options to be granted by the Company and outstanding as at balance sheet date.

## Note 20 : Interest Income

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on deposits with banks *	1,037.65	994.08
Interest on loan (Margin Funding Facilities)	266.48	357.90
<b>Total</b>	<b>1,304.13</b>	<b>1,351.98</b>

\*Includes interest received on fixed deposit with bank which are pledged with exchanges for margin purpose requirement.

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

## Note 21 : Fees and Commission Income

Particulars	(₹ in Millions)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Brokerage & related income	2,132.02	2,387.56
Commission and other fees	159.55	205.77
<b>Total</b>	<b>2,291.57</b>	<b>2,593.33</b>

## Note 22 : Other Income

Particulars	(₹ in Millions)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Income on - others	0.90	-
Gain on derecognition of property, plant and equipment	0.07	0.27
Other Income	0.02	-
<b>Total</b>	<b>0.99</b>	<b>0.27</b>

## Note 23 : Finance cost measured at amortised cost

Particulars	(₹ in Millions)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on borrowings	182.11	242.23
Other borrowing cost	55.90	43.45
<b>Total</b>	<b>238.01</b>	<b>285.68</b>

## Note 24 : Impairment of financial assets

Particulars	(₹ in Millions)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Impairment of financial Assets	-	35.06
<b>Total</b>	<b>-</b>	<b>35.06</b>

## Note 25 : Employee benefit expenses

Particulars	(₹ in Millions)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries/wages and bonus	757.34	742.11
Contribution to provident and other funds	26.40	21.96
Share based payments *	(57.88)	112.22
Staff welfare expenses	4.42	6.22
Gratuity (Asper report)	5.76	4.42
Leave encashment (Asper report)	4.26	8.13
<b>Total</b>	<b>740.30</b>	<b>895.06</b>

\* Share based payments has reversal impact with respect to unvested RSU/ESOP cost of Rs. 8.66 Cr, which has been considered as per IND AS 102 (Share base payment). Expenses on employee stock option scheme included in Employee benefit expenses, is net of expenses reversed on account of lapsed options during the period.

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

As per Indian Accounting Standard 19 "Employee benefits", the disclosures as defined are given below:

## A) Defined Benefit Plans:

### (i) Reconciliation of opening and closing balances of Defined Benefit Obligation

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Defined benefit obligation as at beginning of year</b>	<b>31.05</b>	<b>24.10</b>
Interest cost	2.24	1.78
Current service cost	4.79	4.05
Service Cost	-	-
Liability transferred In/ acquisitions	-	-
(Liability transferred out/ divestments)	-	(0.05)
(Benefit paid directly by the Employer)	-	-
(Benefit paid from the fund)	(7.75)	(3.38)
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	-	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	1.24	0.89
Actuarial (gains)/losses on obligations - due to experience	(3.90)	3.66
<b>Defined benefit obligation at the end of the year</b>	<b>27.67</b>	<b>31.05</b>

### (ii) Reconciliation of opening and closing balances of fair value of Plan Assets

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Change in the fair value of plan assets		
<b>Fair value of plan assets at the beginning of the year</b>	<b>17.61</b>	<b>19.10</b>
Interest income	1.27	1.41
Contributions by the employer	-	-
Expected return on plan assets (excluding interest)	-	-
Assets transferred in/acquisitions	-	-
(Benefit paid from the fund)	(7.75)	(3.38)
Return on plan Assets, excluding interest income	(0.22)	0.48
<b>Fair value of plan assets at the end of the year</b>	<b>10.91</b>	<b>17.61</b>

### (iii) Amount Recognized in the Balance Sheet

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(Present Value of Benefit Obligation at the end of the year)	(27.67)	(31.05)
Fair value of Plan Assets at the end of the year	10.91	17.61
Funded Status - Surplus / (Deficit)	(16.76)	(13.44)
<b>Net (liability)/Asset recognized in the balance sheet (surplus/ (deficit))</b>	<b>(16.76)</b>	<b>(13.44)</b>

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

(iv) Expenses recognised during the year

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>In Income statement</b>		
Current service cost	4.79	4.05
Net interest cost	0.97	0.37
Past service cost	-	-
Expense recognised in the Statement of Profit and Loss under "Employee benefits expenses"	5.76	4.42
In other comprehensive income		
Actuarial (gains)/Losses on obligation for the period	(2.66)	4.55
Return on plan assets, excluding interest income	0.22	(0.48)
Change in asset ceiling	-	-
<b>Net (income)/expense for the year recognized in OCI</b>	<b>(2.44)</b>	<b>4.07</b>

(v) Balance sheet reconciliation

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Opening net liability</b>		
Expenses Recognized in Statement of Profit or Loss	5.76	4.42
Expenses Recognized in OCI	(2.44)	4.07
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	(0.05)
(Benefit Paid Directly by the Employer)	-	-
(Employer's Contribution)	-	-
<b>Net liability/(asset) recognized in the balance sheet</b>	<b>16.76</b>	<b>13.44</b>

(vi) Investment Details

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Category of assets</b>		
Insurance fund	10.91	17.61
<b>Total</b>	<b>10.91</b>	<b>17.61</b>

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

## (vii) Actuarial assumptions

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Expected return on plan assets	6.96%	7.21%
Rate of discounting	6.96%	7.21%
Rate of salary increase	10.00%	10.00%
Rate of employee turnover	For service 4 years and below 42.00% p.a. For service 5 years and above 1.00% p.a.	For service 4 years and below 42.00% p.a. For service 5 years and above 1.00% p.a.
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Mortality rate after employment	N.A.	N.A.

(a) The estimate of future salary increase, considered in the actuarial valuation, takes into account inflation, seniority, promotion, increments and other relevant factors.

(b) The Expected Rate of Return on Plan Assets is determined considering several applicable factors, mainly the composition of Plan Assets held assessed risks, historical results of return on Plan Assets and the Company's policy for Plan Assets management.

## (viii) Sensivity analysis :

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting year, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	(₹ in Millions)	
<b>Projected Benefit Obligation on Current Assumptions</b>	<b>27.68</b>	<b>31.05</b>
Delta Effect of +1% Change in Rate of Discounting	(4.85)	(4.77)
Delta Effect of -1% Change in Rate of Discounting	5.14	5.14
<b>Change in Salary Escalation Rate</b>		
Delta Effect of +1% Change in Rate of Salary Increase	3.71	3.93
Delta Effect of -1% Change in Rate of Salary Increase	(3.47)	(3.45)
<b>Change in Employee Turnover Rate</b>		
Delta Effect of +1% Change in Rate of Employee Turnover	(0.86)	(0.80)
Delta Effect of -1% Change in Rate of Employee Turnover	1.01	0.94

These plans typically expose the Company to following risks:

**Investment risk :-** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

**Interest risk :-** A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

**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 flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

**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.

**Concentration Risk:** Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

## (ix) Maturity Analysis of the Benefit Payments: From the Fund

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Projected benefits payable in future years from the date of reporting :</b>		
1 <sup>st</sup> Following Year	1.10	4.64
2 <sup>nd</sup> Following Year	0.26	0.25
3 <sup>rd</sup> Following Year	0.29	0.29
4 <sup>th</sup> Following Year	0.32	0.32
5 <sup>th</sup> Following Year	0.35	0.36
Sum of Years 6 To 10	2.58	3.55
Sum of Years 11 and above	111.54	116.54

## B) Defined Contributions Plans

The Company have recognised the following amounts as an expense in the Statement of Profit and Loss:

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Contribution to provident fund	17.84	15.50
Contribution to ESIC	0.07	0.34
Contribution to labour welfare fund	0.06	0.03
Contribution to EPS	6.13	5.23
Contribution to NPS	2.30	0.85
<b>Total</b>	<b>26.40</b>	<b>21.96</b>

## Note 26 : Depreciation, amortization and impairment

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation on property, plant and equipment and Right of use *	89.55	75.46
Amortization of intangible assets	32.69	19.25
<b>Total</b>	<b>122.24</b>	<b>94.71</b>

\* Depreciation includes depreciation on right of use assets (Refer note 11)

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

## Note 27 : Other Expenses

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Advertisement & Marketing Expenses (Including branding)	355.08	533.90
Books & Periodicals Charges	-	0.40
Exchange and Statutory Charges	99.24	126.24
Bank Charges	1.80	3.20
Communication Expense	33.94	37.96
Electricity Charges	17.02	16.87
Professional Charges	343.63	635.04
Office Expenses	60.81	95.07
Meeting and Seminar expenses	3.82	4.78
Directors Remuneration/Sitting Fees	5.89	4.09
Postage and Courier	0.48	0.33
Printing and Stationery	0.71	0.91
Bad-Debts written off	50.79	2.07
Expected Credit Loss	76.35	9.00
Insurance	0.41	0.33
Rates & Taxes	0.57	7.59
Repairs & Maintenance		
- Computer	0.01	0.01
- Others	0.91	1.33
Remuneration To Auditors :		
- As Auditors - Statutory Audit	1.75	1.70
- Certification Work and Other Matters	0.25	-
Software Charges	495.68	437.56
Travelling and Conveyance	25.52	21.40
Corporate Social Responsibility Expense (Refer note 37)	9.82	6.72
Miscellaneous Expenses	0.25	1.90
<b>Total</b>	<b>1,584.73</b>	<b>1,948.40</b>

## Note 28 : Income Tax

Amount Recognised in profit or (loss)

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Current tax expenses</b>		
Current Year	258.25	195.28
Changes in estimates related to prior years	-	-
<b>Deferred tax expenses</b>		
Origination and reversal of temporary differences	(28.02)	(27.14)
<b>Total</b>	<b>230.23</b>	<b>168.14</b>

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

## Reconciliation of effective tax rates :

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before tax	911.41	686.67
Tax using domestic tax rates	25.17%	25.17%
Tax amount	229.38	172.82
<b>Tax effect of :</b>		
Non-deductible expenses	2.47	1.78
Tax-exempt income	(1.62)	(1.16)
Recognition of previously unrecognised deductible temporary differences	-	(5.30)
<b>Total Income Tax Expense</b>	<b>230.23</b>	<b>168.14</b>

## Note 29 : Earning Per Share (EPS)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Face value of equity shares in ₹ fully paid up	10	10
<b>BASIC</b>		
Profit after tax as per statement of profit and loss (A)	681.18	518.53
Weighted average number of equity shares outstanding (B)	3,12,16,822	3,08,51,127
<b>Basic Earning per Share (₹) A/B</b>	<b>21.82</b>	<b>16.81</b>
<b>DILUTED</b>		
Weighted average number of equity shares for computation of basic EPS	3,12,16,822	3,08,51,127
Add: Potential equity shares on account conversion of Employees Stock Options	90,833	18,11,026
Weighted average number of equity shares for computation of diluted EPS (C)	3,13,07,655	3,26,62,153
<b>Diluted Earning per Share (₹) A/C</b>	<b>21.76</b>	<b>15.88</b>

## Note 30 :- Capital, Other Commitments and Contingent Liabilities at Balance Sheet date:

### Capital and other commitment

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(i) Capital Commitment	-	43.38
(ii) Other Commitment	-	-

### Capital and other commitment

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(i) Bank Guarantees	5,000.00	4,600.00
(ii) In respect of Income Tax Matters *	218.50	-
(iii) In respect of Legal Case/Penalties	2.68	3.66
<b>Total</b>	<b>5,221.18</b>	<b>4,603.66</b>

\* The Income Tax Department has completed a regular assessment under Section 143(3) of the Income Tax Act, 1961, for Assessment Year 2023-24, and has issued an assessment order resulting in a tax demand of ₹218.50 Mn. The demand primarily arises from disallowances of certain expenditures and deductions claimed by the holding Company. The Holding Company has filed an appeal before the Commissioner of Income Tax (Appeals) [CIT(A)] against the said order. Based on legal advice and internal evaluation, the holding Company believes that it has strong factual and legal grounds to support its position and, accordingly, does not expect any outflow of economic resources in this regard.

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

MCX vide its final order dated July 01, 2024 has imposed penalty of ₹ 25.98 Mn in respect of non-reporting of certain technical glitches / delayed submission of RCAs thereafter, observed during the course of joint inspection for the period between 01-04-2022 to 31-12-2023. MCX has also passed an order restricting on-boarding of new clients for a period of 14 days from the date of receipt of the order. The company has filed an appeal against the said order before the Securities Appellate Tribunal (SAT). SAT vide its order dated July 05, 2024 has stayed the effect and operation of the said order subject to deposit of 50% of the penalty amount with MCX which the company has since deposited. On a prudent basis, the company has made provision in the books for the said penalty amount.

## Note 31 :- Assets pledged as security

The carrying amounts of assets pledged as security for borrowings are:

Particulars	(₹ in Millions)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Financial assets		
First charge		
Fixed Deposits - lien marked	13,158.87	15,660.64
Other financial assets	2,575.54	2,670.18
<b>Total assets pledged as security</b>	<b>15,734.41</b>	<b>18,330.82</b>

## Note 32 :- Financial Risk Management

### 32 A.1. Credit Risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investments, derivative financial instruments, other balances with banks, loans and other receivables and other financial asset.

### Credit quality analysis

The following tables sets out information about the credit quality of financial assets measured at amortised cost, FVOCI debt investments. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts.

Particulars	(₹ in Millions)			
	As at March 31, 2025			
	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
Trade receivables	0.49	-	-	0.49
Less : Impairment loss allowance	-	-	-	-
<b>Carrying amount</b>	<b>0.49</b>	<b>-</b>	<b>-</b>	<b>0.49</b>
Investments	-	78.50	-	78.50
Less : Impairment loss allowance	-	(35.06)	-	(35.06)
<b>Carrying amount</b>	<b>-</b>	<b>43.44</b>	<b>-</b>	<b>43.44</b>
Other Financial Assets	2,887.96	7.02	272.43	3,167.41
Less : Impairment loss allowance	-	(2.81)	(272.43)	(275.24)
<b>Carrying amount</b>	<b>2,887.96</b>	<b>4.21</b>	<b>-</b>	<b>2,892.17</b>

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

(₹ in Millions)

Particulars	As at March 31, 2024			Total
	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	
Trade receivables	0.29	-	-	0.29
Less : Impairment loss allowance	-	-	-	-
<b>Carrying amount</b>	<b>0.29</b>	<b>-</b>	<b>-</b>	<b>0.29</b>
Investments	-	78.50	-	78.50
Less : Impairment loss allowance	-	(35.06)	-	(35.06)
<b>Carrying amount</b>	<b>-</b>	<b>43.44</b>	<b>-</b>	<b>43.44</b>
Other Financial Assets	3,640.21	36.31	187.99	3,864.51
Less : Impairment loss allowance	-	(10.89)	(187.99)	(198.88)
<b>Carrying amount</b>	<b>3,640.21</b>	<b>25.42</b>	<b>-</b>	<b>3,665.63</b>

## Movement of ECL (Trade receivable and other financial assets)

(₹ in Millions)

Particulars	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
<b>March 31, 2023</b>	<b>19.18</b>	<b>170.70</b>	<b>189.88</b>
Increase/(Decrease) net	(8.29)	17.29	9.00
<b>March 31, 2024</b>	<b>10.89</b>	<b>187.99</b>	<b>198.88</b>
Increase/(Decrease) net	(8.08)	84.44	76.36
<b>March 31, 2025</b>	<b>2.81</b>	<b>272.43</b>	<b>275.24</b>

### 32 A.2. Collateral held

The Company holds collateral of securities and other credit enhancements against its credit exposures.

### 32 A.3. Measurement of Expected Credit Loss

The Company has applied the impairment requirements of Ind AS 109 and has used reasonable and supportable information on best efforts basis & that is available without undue cost or effort to determine the credit risk at the reporting date.

### 32 B. Liquidity risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on time. Prudent liquidity risk management implies maintaining sufficient stock of cash and marketable securities and maintaining availability of standby funding through an adequate line up of committed credit facilities. It uses a range of products mix to ensure efficient funding from across well-diversified markets and investor pools. Treasury monitors rolling forecasts of the company's cash flow position and ensures that the company is able to meet its financial obligation at all times including contingencies.

The table below analyse the company financial liability into relevant maturity companying based on their contractual maturity. The amount disclosed in the table are the contractual undiscounted cash flows. Balance due within 1 year equals their carrying balances as the impact of discounting is not significant.

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

(₹ in Millions)

Particulars	Carrying amount up to 1 year		Carrying amount from 1 year to 5 year	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Trade payables & other payable	578.37	798.63	-	-
Working capital demand Loan	1,294.53	1,500.00	-	-
Bank overdraft	879.63	1,863.17	-	-
Other financial liabilities	7,622.40	10,625.68	94.18	120.33
<b>Total</b>	<b>10,374.93</b>	<b>14,787.48</b>	<b>94.18</b>	<b>120.33</b>

## 32 C. Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in futures cash flows that may result from a change in the price of a financial instrument.

### 32 C.1. 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. Interest rate change does not affect significantly short term borrowing and current investment therefore the Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt and Non current investment.

Company business is volatile and hence borrowings are done bases on requirement, generally borrowings are done for short term and are on market based interest rate.

The following table shows sensitivity analysis for impact on interest cost.

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Bank overdraft	879.63	1,863.17
Working capital demand loan	1,294.53	1,500.00
Applicable rate & 12 months weighted average rate	9.14%	9.27%
Annualised interest cost	182.11	242.23

Sensitivity analysis for impact on interest cost

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Increase in 1% change in ROI	19.93	25.85
Decrease in 1% change in ROI	(19.93)	(25.85)

### 32 C.2. Fair value sensitivity analysis for fixed-rate instruments

The Company does not have any fixed-rate instruments presented in financial liabilities.

### 32 C.3. Exposure to currency risks

The Company does not have any exposure to foreign exchange risk arising form foreign currency transaction.

### 32 C.4. Exposure to derivative risks

The Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

## 32 C.5. Exposure to Price Risk

The Company does not have any investments classified at fair value through profit or loss as at the reporting date. Accordingly, the Company is not exposed to price risk arising from changes in the fair value of financial instruments.

## 32 D. Capital Management

The company's objective when managing capital are to

- Safeguard their ability to continue as going concern, so that they can continue to provide returns for the share holders and benefits for other stake holders, and
- Maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using debt equity ratio.

The company's strategy is to maintain gearing ratio as per industry norms. The gearing ratio is as follows

Particulars	(₹ in Millions)	
	As at March 31, 2025	As at March 31, 2024
Total debt	2,174.16	3,363.17
Cash & cash equivalent (excluding client bank balance)	(8.35)	(15.08)
<b>Net debt</b>	<b>2,165.81</b>	<b>3,348.09</b>
Total equity	6,044.47	5,408.07
<b>Net debt to equity</b>	<b>0.36</b>	<b>0.62</b>

## 32 E. Fair values of financial instruments

The company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The company uses widely recognised valuation models to determine the fair value of common and simple financial instruments, such as interest rate and currency swaps, that use only observable market data and require little management judgement and estimation. Observable prices or model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple OTC derivatives such as interest rate swaps. The availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values.

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position. The fair values include any deferred differences between the transaction price and the fair value on initial recognition when the fair value is based on a valuation technique that uses unobservable inputs.

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

## 32 E.1. : Fair Value of Financial Instruments - Financial Instrument by Category

(₹ in Millions)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Fair Value through Profit or loss	Amortised Cost	Carrying Value	Fair Value through Profit or loss	Amortised Cost	Carrying Value
<b>Financial Asset</b>						
(a) Cash and cash equivalents	-	200.63	200.63	-	706.24	706.24
(b) Bank balance other than (a) above	-	13,158.87	13,158.87	-	15,660.64	15,660.64
(c) Receivables						
(i) Trade receivables	-	0.49	0.49	-	0.29	0.29
(d) Loans	-	2,248.87	2,248.87	-	1,756.34	1,756.34
(e) Investments						
(i) Investment in equity shares of subsidiaries	-	43.44	43.44	-	43.44	43.44
(f) Other financial assets		643.30	643.30	-	1,909.29	1,909.29
<b>Total</b>	<b>-</b>	<b>16,295.60</b>	<b>16,295.60</b>	<b>-</b>	<b>20,076.24</b>	<b>20,076.24</b>
<b>Financial Liabilities</b>						
(a) Trade payables	-	7.46	7.46	-	6.94	6.94
(b) Other payables	-	570.91	570.91	-	791.69	791.69
(c) Borrowings (Other than debt securities)	-	2,174.16	2,174.16	-	3,363.17	3,363.17
(d) Other financial liabilities	-	7,716.58	7,716.58	-	10,746.01	10,746.01
<b>Total</b>	<b>-</b>	<b>10,469.11</b>	<b>10,469.11</b>	<b>-</b>	<b>14,907.81</b>	<b>14,907.81</b>

## 32 E.2. Financial instruments not measured at fair value

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

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's Financial Statement. These fair value is calculated for disclosures purpose only.

### Short Term financial assets and liabilities

For Financial assets and liabilities that have a short term nature, the carrying amount, which is net of impairment, are a reasonable approximation of their fair value. Such instruments include cash and bank balances, trade receivables, other receivables, balances other than cash and cash equivalents and trade payables.

(₹ in Millions)

Particulars	As at March 31, 2025		
	Carrying Value	Fair Value	Fair Value Hierarchy
<b>Assets</b>			
Investment in Equity Share of Subsidiaries (net)	43.44	43.44	-
Cash and cash equivalents	200.63	200.63	-
Bank balance	13,158.87	13,158.87	-
Trade and other receivable	0.49	0.49	-
Loans	2,248.87	2,248.87	-
Security deposit	20.15	20.15	Level 3
Other financial asset	623.15	623.15	-
<b>Total Assets</b>	<b>16,295.60</b>	<b>16,295.60</b>	<b>-</b>

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

(₹ in Millions)

Particulars	As at March 31, 2025		
	Carrying Value	Fair Value	Fair Value Hierarchy
<b>Liabilities</b>			
Borrowings	2,174.16	2,174.16	-
Trade and other payables	578.37	578.37	-
Other financial liabilities	7,716.58	7,716.58	-
<b>Total Liabilities</b>	<b>10,469.11</b>	<b>10,469.11</b>	-

(₹ in Millions)

Particulars	As at March 31, 2024		
	Carrying Value	Fair Value	Fair Value Hierarchy
<b>Assets</b>			
Investment in Equity Share of Subsidiaries (net)	43.44	43.44	-
Cash and cash equivalents	706.24	706.24	-
Bank balance	15,660.64	15,660.64	-
Trade and other receivable	0.29	0.29	-
Loans	1,756.34	1,756.34	-
Security deposit	20.15	20.15	Level 3
Other financial asset	1,889.14	1,889.14	-
<b>Total Assets</b>	<b>20,076.24</b>	<b>20,076.24</b>	-
<b>Liabilities</b>			
Borrowings	3,363.17	3,363.17	-
Trade and other payables	798.63	798.63	-
Other financial liabilities	10,746.01	10,746.01	-
<b>Total Liabilities</b>	<b>14,907.81</b>	<b>14,907.81</b>	-

### 32 E.3. Movements In Level 1 Financial Instruments Measured At Fair Value :

(₹ in Millions)

Particulars	Exchange Traded Fund
<b>Balances as at March 31, 2023</b>	<b>64.08</b>
Purchase	1,232.23
Sale/Redemption of financial instrument	(1,296.45)
Total gain/(losses) recognised in profit and loss	0.13
<b>Balances as at March 31, 2024</b>	<b>-</b>
Purchase	1,245.07
Sale/Redemption of financial instrument	1,248.03
Total gain/(losses) recognised in profit and loss	2.96
<b>Balances as at March 31, 2025</b>	<b>-</b>

### 32 E.4. Measurement of fair value

The fair Values of Investments in Exchange Traded Funds is based on last traded price as at the Balance Sheet date.

The table which shows the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used is as follows:

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

Type	Valuation technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value Change in discount rate by 500 basis points would increase/ (decrease) as below
<b>Financial Assets:</b>				
Investment in Exchange Traded Funds	Exchange Traded Fund fair value is using input based on information / other data that are available.	Not Applicable	Not Applicable	Not Applicable

## Note 33 :- Segment Reporting

In the opinion of the management, there is only one reportable business segment as envisaged by Ind AS 108 on 'Operating Segment' issued by Institute of Chartered accountant of India. Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the Company. Secondary segmentation based on geography has not been presented as the Company operates primarily in India and the Company perceives that there is no significant difference in its risk and returns in operating from different geographic areas within India.

## Note 34 :- Related Party Transaction

As Per IND AS 24, the disclosures of transaction with the related parties are given below :

### (A) List of related parties where control exists

Relationship	Name of the related party
Directors & its Relatives	Mr. Gaurav Seth - Managing Director (w.e.f. January 17, 2025) & CEO (w.e.f. January 14, 2025)
	Mr. Narayan Gangadhar - Managing Director & CEO (up to Aug 28, 2024)
	Mr. Gourav Munjal - Whole Time Director & CFO
	Mr. Ameya Agnihotri - Whole Time Director & CTO (w.e.f. Jul 13, 2024)
	Dr. Archana Hingorani - Independent Director (w.e.f. Jun 07, 2017)
	Mrs Nirali Sanghi - Independent Director (w.e.f. Jan 11, 2018)
	Mr Milin Mehta - Independent Director (w.e.f. Apr 01, 2020)
	Mr Ravindra Garikipati - Independent Director (w.e.f. Sep 03, 2020)
Key Management Personnel	Mrs Namita Godbole- Company Secretary
Subsidiaries	5Paisa P2P Limited
	5paisa Corporate Services Limited (Formerly known as 5Paisa Insurance Brokers Limited)*
	5paisa International Securities (IFSC) Limited (Incorporated on 15/06/2022)
	5Paisa Trading Limited
Other Related Parties	IIFL Finance Limited
	IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)**
	IIFL Commodities Limited
	IIFL Management Services Limited
	Livlong Insurance Brokers Limited (Formerly, IIFL Insurance Brokers Limited)
	Livlong Protection & Wellness Services Limited (Formerly known as IIFL Corporate Services Limited)
	IIFL Securities Services IFSC Limited
IIFL Sales Limited***	

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

Relationship	Name of the related party
	IIFL Capital Asset Management Limited (Formerly known as IIFL Securities Alternate Asset Management Limited)****
	IIFL Facilities Services Limited
	IIFL Capital Inc
	IIFL Open Fintech Private Limited
	IIFL Home Finance Limited
	IIFL Samasta Finance Limited
	IIFL Wealth (UK) Limited
	Meenakshi Towers LLP
	India Infoline Foundation
	MAVM Angels Network Private Limited
	Shreyans Foundations LLP
	MNJ Consultants Private Limited
	India Infoline Employee Trust
	Nirmal Madhu Family Private Trust
	Sunder Bhanwar Ventures Private Limited
	Mr. Venkataraman Rajamani
	Mrs. Aditi Athavankar (wife of Venkataraman Rajamani)
	Mr. Nirmal Jain
	Mrs. Madhu Jain (wife of Nirmal Jain)
	Mrs. Aditi Athavankar (in capacity of Kalki Family Private Trust)
	Orpheus Trading Pvt. Limited
	Ardent Impex Pvt Limited

\* Name of 5paisa Insurance Brokers Limited changed to 5paisa Corporate Services Limited w.e.f. November 16,2022

\*\* Name of IIFL Securities Limited changed to IIFL Capital Services Limited w.e.f. November 05,2024

\*\*\* IIFL Sales Limited is Step-down Subsidiary of IIFL Finance Limited

\*\*\*\* Name of IIFL Securities Alternate Asset Management Limited to IIFL Capital Asset Management Limited w.e.f. February 03, 2025

## (B) Significant transactions with related parties during the year

Nature of transaction	₹ in Millions	
	2024-25	2023-24
<b>Referral Income/Service Income/Brokerage Income/Depository Participate Income. etc. :-</b>		
<b>a) Directors , Key Managerial Persons &amp; their relatives</b>		
Mr Gaurav Seth (w.e.f. Jan 14, 2025)	0.00	-
Mr Narayan Gangadhar (upto Aug 28, 2024)	0.00	0.00
Mr Gourav Munjal	0.03	0.01
Mrs Namita Godbole	0.00	0.00
Mr Ameya Agnihotri (w.e.f. Jul 13, 2024)	0.00	-
Mr Prakarsh Gagdani (upto Dec 31, 2023)	-	0.01
Prakarsh Sharad Gagdani - HUF (upto Dec 31, 2023)	-	0.00
Mrs Kalpana Gagdani (upto Dec 31, 2023)	-	0.01
Mrs Punam Gagdani (upto Dec 31, 2023)	-	0.00
Mr Sharad Muralidhar Gagdani (upto Dec 31, 2023)	-	0.00
<b>Advisory Fees</b>		
<b>a) Other Related Parties</b>		
IIFL Finance Limited	-	8.24

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

(₹ in Millions)

Nature of transaction	2024-25	2023-24
<b>Security Deposit :-</b>		
<b>a) Other Related Parties</b>		
IIFL Facilities Services Limited	9.75	9.75
IIFL Management Services Limited	0.05	0.05
<b>Security Deposit Repaid:-</b>		
<b>a) Other Related Parties</b>		
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	-	3.53
<b>Remuneration :-</b>		
Mr Gaurav Seth (w.e.f. Jan 14, 2025)	4.32	-
Mr Narayan Gangadhar (upto Aug 28, 2024)	11.90	25.17
Mr Gourav Munjal	6.97	7.05
Mrs Namita Godbole	7.66	6.55
Mr Ameya Agnihotri (w.e.f. Jul 13, 2024)	17.13	-
Mr Prakarsh Gagdani (upto Dec 31, 2023)	-	19.65
<b>Sitting Fees:-</b>		
Dr. Archana Hingorani	1.52	0.95
Mrs Nirali Sanghi	1.36	0.93
Mr Milin Mehta	1.50	0.97
Mr Ravindra Garikipati	1.52	0.90
<b>Rent Expense :-</b>		
<b>a) Other Related Parties</b>		
IIFL Facilities Services Limited	22.11	20.76
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	-	0.88
IIFL Management Services Limited	0.18	0.18
<b>Interest Expenses Inter Corporate Deposit:-</b>		
<b>a) Other Related Parties</b>		
IIFL Finance Limited	-	9.44
IIFL Home Finance Limited	-	67.46
<b>Inter Corporate Deposit Taken :-</b>		
<b>a) Other Related Parties</b>		
IIFL Finance Limited	-	1,500.00
IIFL Home Finance Limited	-	4,300.00
<b>Inter Corporate Deposit Repaid :-</b>		
<b>a) Other Related Parties</b>		
IIFL Finance Limited	-	1,500.00
IIFL Home Finance Limited	-	4,300.00
<b>Allocation / Reimbursement of expenses Paid :-</b>		
<b>a) Other Related Parties</b>		
IIFL Finance Limited	16.34	20.50
IIFL Facilities Services Limited	15.12	17.25
IIFL Home Finance Limited	0.00	0.00
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	21.77	41.73
IIFL Management Services Limited	0.00	-

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

(₹ in Millions)

Nature of transaction	2024-25	2023-24
<b>Allocation / Reimbursement of expenses Received :-</b>		
<b>a) Other Related Parties</b>		
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	15.76	27.38
IIFL Finance Limited	4.53	3.70
IIFL Home Finance Limited	0.09	0.05
<b>Others Paid :-</b>		
<b>a) Other Related Parties</b>		
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	0.49	0.22
IIFL Finance Limited	0.26	0.09
IIFL Home Finance Limited	0.11	0.10
Livlong Insurance Brokers Limited	0.01	0.00
Livlong Protection & Wellness Services Limited	-	0.00
<b>Others Received :-</b>		
<b>a) Other Related Parties</b>		
Livlong Insurance Brokers Limited	-	0.02
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	0.25	0.24
5paisa International Securities (IFSC) Limited	0.06	-
IIFL Home Finance Limited	-	0.11
IIFL Finance Limited	0.94	0.12
IIFL Facilities Services Limited	0.00	0.00
Livlong Protection & Wellness Services Limited	-	0.02

## (C) Closing Balance

(₹ in Millions)

Nature of transaction	2024-25	2023-24
<b>Sundry Payable :-</b>		
<b>a) Other Related Parties</b>		
IIFL Facilities Services Limited	4.42	2.42
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	2.92	5.26
IIFL Finance Limited	3.25	3.26
IIFL Home Finance Limited	0.00	-
<b>b) Directors &amp; Relatives</b>		
Mr Gourav Munjal	0.21	0.24
Mr Ameya Agnihotri	0.03	-
Mr Gaurav Seth	0.04	-
<b>Security Deposit</b>		
<b>a) Other Related Parties</b>		
IIFL Facilities Services Limited	9.75	9.75
IIFL Management Services Limited	0.05	0.05
<b>Sundry Receivable :-</b>		
<b>a) Other Related Parties</b>		
IIFL Home Finance Limited	-	0.00
Livlong Insurance Brokers Limited	-	0.00
<b>b) Director &amp; Relatives</b>		
Mr Narayan Gangadhar	-	0.00
Mrs Namita Godbole	0.00	0.00

@Amount is less than ₹ 0.01 million, hence shown ₹ 0.00 million

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

**Note: 35.** The Company has implemented Employee Stock Option Scheme 2017 (ESOP Scheme) and has outstanding options granted under the said scheme. The options vest in a graded manner and are required to be exercised within specified period as per the terms of the grant approved by the Nomination and Remuneration Committee of the Company and conditions of the ESOP Scheme.

**a1) The details of various Employee Stock Option Schemes are as under:**

Particulars	ESOP 2017
Method of Accounting	Fair Value of options
Vesting Plan	Options granted would vest over a period of five years subject to minimum period of one year from the date of grant of options.
Exercise Period	Seven Years from the grant date

**b) Movement of options during the year ended March 31, 2025**

Particulars	Option Outstanding (in numbers)	Range of exercise Price (in ₹) §	Weight average exercise price (in ₹)	Weight average remaining contractual life (in Years)
<b>Exercisable as on March 31, 2023</b>	<b>8,97,350</b>	<b>157.53 to 530.40</b>	-	-
Granted during the year *	5,25,250	286.65 to 362.05	-	-
Forfeited during the year	-	-	-	-
Expired/Lapsed during the year	2,78,500	-	-	-
Exercised during the year #	5,55,405	157.53 to 371.30	202.88	-
<b>Outstanding as on March 31, 2024</b>	<b>5,88,695</b>	<b>157.53 to 530.40</b>	-	<b>5.48</b>
<b>Exercisable as on March 31, 2024</b>	<b>5,88,695</b>	<b>157.53 to 530.40</b>	-	-
Granted during the year *	2,00,000	416.40	-	-
Forfeited during the year	-	-	-	-
Expired/Lapsed during the year	31,430	157.53 to 398.65	-	-
Exercised during the year #	32,865	157.53 to 398.65	338.94	-
<b>Outstanding as on March 31, 2025</b>	<b>7,24,400</b>	<b>282 to 530.40</b>	-	<b>5.20</b>
<b>Exercisable as on March 31, 2025</b>	<b>7,24,400</b>	<b>282 to 530.40</b>	-	-

§ Exercise price has been calculated after giving effect of additional options granted to employee consequent to rights issue as approved by the board

**a2) The details of various Employee Stock Option Schemes are as under:**

Particulars	ESOP 2023
Method of Accounting	Fair Value of options
Vesting Plan	Options granted would vest over a period of five years subject to minimum period of one year from the date of grant of options.
Exercise Period	Three Years from the vesting date

**b) Movement of options during the year ended March 31, 2025**

Particulars	Option Outstanding (in numbers)	Range of exercise Price (in ₹) §	Weight average exercise price (in ₹)	Weight average remaining contractual life (in Years)
<b>Granted during the year *</b>	<b>16,40,000</b>	<b>10</b>	-	-
Forfeited during the year	-	-	-	-
Expired/Lapsed during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding as on March 31, 2024	16,40,000	10	-	4.83
<b>Exercisable as on March 31, 2024</b>	<b>16,40,000</b>	<b>10</b>	-	-
<b>Granted during the year *</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

Particulars	Option Outstanding (in numbers)	Range of exercise Price (in ₹) <sup>§</sup>	Weight average exercise price (in ₹)	Weight average remaining contractual life (in Years)
Forfeited during the year	-	-	-	-
Expired/Lapsed during the year	15,90,000	-	-	-
Exercised during the year <sup>#</sup>	12,500	-	10.00	-
Outstanding as on March 31, 2025	37,500	10	-	3.00
<b>Outstanding as on March 31, 2025</b>	<b>37,500</b>	<b>10</b>	<b>-</b>	<b>3.00</b>
<b>Exercisable as on March 31, 2025</b>	<b>37,500</b>	<b>10</b>	<b>-</b>	<b>-</b>

<sup>§</sup> Exercise price has been calculated after giving effect of additional options granted to employee consequent to rights issue as approved by the board.

<sup>#</sup> During the year 32,865 ESOP and 12,500 RSU has been exercised by the employee. (P.Y 5,55,405 ESOP, Nil RSU )

(c) **\*The Company has granted 2,00,000 ESOP (P.Y. 5,25,250 ESOP, 16,40,000 RSU respectively) options during the year.**

#### Fair Value Methodology

The fair value of the Options granted has been estimated using the Black-Scholes option pricing Model. Each tranche of vesting have been considered as a separate grant for the purpose of valuation.

**Stock Price:** The fair value of the underlying stock based on the latest available closing Market Price on NSE has been considered for valuing the grant.

**Volatility:** Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during the period. The measure of volatility is used in the Black Scholes option-pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time.

The period to be considered for volatility has to be adequate to represent a consistent trend in the price movements. It is also important that movement due to abnormal events get evened out. There is no research that demonstrates conclusively how long the historical period used to estimate expected long-term future volatility should be. However, informal tests and preliminary research tends to confirm that estimates of expected future long term volatility should be based on historical volatility for a period that approximates the expected life of the options being valued."

**Risk-free rate of return:** The risk-free rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities.

**Exercise Price:** The Exercise Price as communicated to us by the management of the Company have been considered in the valuation.

**Time to Maturity:** Time to Maturity / Expected Life of Options is the period for which the Company expects the Options to be live. The minimum life of a stock option is the minimum period before which the Options cannot be exercised and the maximum life is the period after which the Options cannot be exercised.

**Expected dividend yield:** The management's representation of the Expected dividend yield of 0% has been accepted for the purpose of this valuation.

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

**Note 36:- The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.**

(₹ in Millions)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>ASSETS</b>						
(1) Financial Assets						
(a) Cash and cash equivalents	200.63	-	200.63	706.24	-	706.24
(b) Bank Balance other than (a) above	12,687.87	471.00	13,158.87	15,657.39	3.25	15,660.64
(c) Receivables						
(i) Trade receivables	0.49	-	0.49	0.29	-	0.29
(d) Loans	2,248.87	-	2,248.87	1,756.34	-	1,756.34
(e) Investments	-	43.44	43.44	-	43.44	43.44
(f) Other financial assets	537.40	105.90	643.30	1,797.61	111.68	1,909.29
<b>Sub-total</b>	<b>15,675.26</b>	<b>620.34</b>	<b>16,295.60</b>	<b>19,917.87</b>	<b>158.37</b>	<b>20,076.24</b>
(2) Non-Financial Assets						
(a) Current tax assets (net)	-	-	-	10.93	-	10.93
(b) Deferred tax assets (net)	-	114.10	114.10	-	86.70	86.70
(c) Property, Plant and Equipment	-	50.50	50.50	-	71.25	71.25
(d) Right to use assets	-	111.79	111.79	-	146.90	146.90
(e) Other intangible assets	-	37.10	37.10	-	26.36	26.36
(f) Capital work-in-progress	0.76	-	0.76	4.10	-	4.10
(g) Other non-financial assets	50.03	-	50.03	56.59	-	56.59
<b>Sub-total</b>	<b>50.79</b>	<b>313.49</b>	<b>364.28</b>	<b>71.62</b>	<b>331.21</b>	<b>402.83</b>
<b>Total Assets</b>	<b>15,726.05</b>	<b>933.83</b>	<b>16,659.88</b>	<b>19,989.49</b>	<b>489.58</b>	<b>20,479.07</b>
<b>LIABILITIES</b>						
(1) Financial Liabilities						
(a) Payables						
(i) Trade payables						
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	0.31	-	0.31
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	7.46	-	7.46	6.63	-	6.63
(ii) Other payables	-	-	-	-	-	-
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	570.91	-	570.91	791.69	-	791.69
(b) Borrowings (Other than debt securities)	2,174.16	-	2,174.16	3,363.17	-	3,363.17
(c) Other financial liabilities	7,622.40	94.18	7,716.58	10,625.68	120.33	10,746.01
<b>Sub-total</b>	<b>10,374.93</b>	<b>94.18</b>	<b>10,469.11</b>	<b>14,787.48</b>	<b>120.33</b>	<b>14,907.81</b>
(2) Non-Financial Liabilities						
(a) Current tax Liabilities (net)	101.30	-	101.30	56.01	-	56.01
(b) Provisions	17.67	-	17.67	19.23	-	19.23
(c) Other non-financial liabilities	27.33	-	27.33	87.95	-	87.95
<b>Sub-total</b>	<b>146.30</b>	<b>-</b>	<b>146.30</b>	<b>163.19</b>	<b>-</b>	<b>163.19</b>
<b>Total Liabilities</b>	<b>10,521.23</b>	<b>94.18</b>	<b>10,615.41</b>	<b>14,950.67</b>	<b>120.33</b>	<b>15,071.00</b>
<b>Net</b>	<b>5,204.82</b>	<b>839.65</b>	<b>6,044.47</b>	<b>5,038.82</b>	<b>369.25</b>	<b>5,408.07</b>

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

## NOTE 37 :- CORPORATE SOCIAL RESPONSIBILITY

During the period ended March 31, 2025 the Company has spent ₹ 9.82 million (P.Y. ₹ 6.72 million) out of the total amount of ₹ 9.82 million (P.Y. ₹ 6.72 million) required to be spent as per section 135 of the Companies Act 2013 in respect of Corporate Social Responsibility [CSR]. The aforementioned amount has been contributed to India Infoline Foundation.

Particulars	(₹ in Millions)	
	As at March 31, 2025	As at March 31, 2024
Amount required to be spent by the company during the year	9.82	6.72
Amount of expenditure incurred	9.82	6.72
Shortfall at the end of the year		-
Total of previous years shortfall	N.A.	N.A.
Reason for shortfall	N.A.	N.A.
Nature of CSR activities	Promoting education	Promoting education
Details of related party transactions	Contributed to India Infoline Foundation	Contributed to India Infoline Foundation

## Note 38 :-

1. The wholly owned subsidiary of the Company namely 5paisa P2P Limited ("the Company") was incorporated on December 17, 2017 with the objective to provide an online marketplace to the participants involved in peer to peer lending and also to act as a distributor of financial products. The company has received approval from RBI to commence its business as NBFC P2P and the company has started its P2P business operations.
2. The Wholly owned subsidiary of the Company namely 5paisa Insurance Brokers Limited was incorporated on Oct 27, 2018.
3. The wholly owned subsidiary of the Company namely 5paisa Trading Limited had incorporated on February 27, 2020.
4. The wholly owned subsidiary of the Company namely 5Paisa International Securities (Ifsc) Limited had incorporated on Jun 15, 2022.

## Note 39 :-

The Company operates from and uses the premises, infrastructure and other facilities and services as provided to it by group companies which are termed as 'Shared Services'. Hitherto, such shared services consisting of administrative and other revenue expenses paid for by the company were identified and recovered from them based on reasonable management estimates, which are constantly refined in the light of additional knowledge gained relevant to such estimation. These expenses are recovered on an actual basis and the estimates are used only where actual were difficult to determine.

## Note 40 :- Code on Social Security

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and postemployment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. The Central Government on 30<sup>th</sup> March 2021 has deferred the implementation of the said Code and the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will account for the related impact in the period the Code becomes effective.

## NOTE 41 :- RATIOS

Additional regulatory information required under (WB)(xvi) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Company as it is in broking business and not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

## NOTE 42 :- ADDITIONAL REGULATORY INFORMATION AS PER DIVISION III SCHEDULE III OF COMPANIES ACT, 2013

- a) No funds have been advanced or loaned or invested by the company to or in any other persons or entities, 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) No funds have been received by the company from any persons or entities, 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
- c) The Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.
- d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- e) No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).
- f) The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender.
- g) During the year, the company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- h) There are no transactions which have not been recorded in the books of accounts and which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- i) The quarterly returns / statements of current assets filed by the Company, with banks from whom borrowings have been availed on the basis of security of current assets, are in agreement with the books of account.
- j) There are no charges or satisfaction yet to be registered with the registrar of companies beyond the statutory period.
- k) The company does not have layers beyond the number prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- l) The company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

# Notes forming part of Standalone Financial Statements

For the year ended March 31, 2025 (Contd.)

## Note 43 :- Income Tax Survey, Search and Seizure

During January 2025, the Income Tax Department conducted a search operation at the premises of 5paisa Capital Ltd. The company extended full cooperation to the Income Tax officials and provided all requisite information, documents, and clarifications as sought during the proceedings. As of the date of this report, the company has not received any formal communication from the department regarding the outcome of the search. Accordingly, the impact, if any, on the company's financial results cannot be determined at this stage.

## Note 44 :- Comparatives

Previous year figures are re-grouped, re-classified and re-arranged, wherever considered necessary to confirm to current year's presentation.

As per our report of even date

**For V Sankar Aiyar & Co.**

Chartered Accountants

Firm's Registration No.109208W

By the hand of

**Asha Patel**

Partner

Membership No.: 166048

Place : Mumbai

Dated : May 1, 2025

**For and on behalf of Board of Directors**

**Gaurav Seth**

Managing Director & CEO

(DIN : 10415364)

**Gourav Munjal**

Whole Time Director & CFO

(DIN : 06360031)

**Namita Godbole**

Company Secretary

# Independent Auditor's Report

To the Board of Directors of 5paisa Capital Limited Report on the Audit of Consolidated Financial Statements Opinion

We have audited the accompanying Consolidated Financial Statements of 5paisa Capital Limited (hereinafter referred to as the 'Holding Company') and its subsidiary companies (Holding Company and its subsidiary companies together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31<sup>st</sup> March 2025, the consolidated Statement of Profit and Loss, consolidated Statement of Changes in Equity and the consolidated Cash Flows statement for the year then ended and notes to the financial statements, including and a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act and the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, of consolidated profit, of consolidated comprehensive income, of consolidated changes in equity and its consolidated cash flows for the year then ended.

## Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies

Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

## Emphasis of Matters

We draw attention to Note 43 to the accompanying financial statements, describing the search conducted by Income-Tax authorities ('the department') at the premises of the group. The group has not received any communication from the department regarding the outcome of the search. Hence, the consequent impact on the financial statements, if any, is not ascertainable.

Our opinion is not modified in respect of this matter.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters:

Key Audit Matter	Response to Key Audit Matter
<p><b>Information technology (IT) systems used in financial reporting process.</b></p> <p>The Parent company's operational and financial processes are dependent on IT systems due to large volume of transactions that are processed daily.</p> <p>We therefore identified IT systems and controls over financial reporting as a key audit matter for the Parent Company.</p>	<p>We obtained an understanding of the Parent Company's IT control environment relevant to the audit.</p> <p>We tested the design, implementation and operating effectiveness of the Parent Company's General IT controls over the key IT systems which are critical to financial reporting.</p> <p>We also tested key automated and manual controls and logic for system generated reports relevant to the audit that would materially impact the financial statements.</p> <p>In addition to above, we have also relied on the work of the internal auditors and system auditors.</p>

## Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the standalone and consolidated financial statements and our auditor's reports thereon. The Director's report and Management Discussion and Analysis report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Director's report and Management Discussion and Analysis report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial

statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

We did not audit the financial statements of one subsidiary company whose financial statements reflect total assets of ₹ 52.04 millions as at March 31, 2025, total revenues of ₹ 1.38 millions, Total profit after tax of ₹ 1.41 millions, Total Comprehensive Income of ₹ 1.41 millions and net cash outflow amounting to ₹ 0.15 millions for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary company and our report in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary company is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of subsidiary, as noted in the 'other matter' paragraph, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and report of other auditor.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated statement of changes in equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group companies incorporated in India is disqualified as on 31<sup>st</sup> March, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration paid by the Holding Company to its directors is in accordance with the provisions of section 197 of the Act. In our opinion and based on the consideration of reports of other statutory auditors of the subsidiary, no managerial

remuneration for the year ended March 31, 2025 has been paid or provided by the subsidiary incorporated in India;

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group has no pending litigations which may impact the consolidated financial position of the Group – Refer Note 29 of the financial statements;
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses - Refer Note 41 (c) of the financial statements;
  - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India - Refer Note 41 (d) of the financial statements;
  - iv. (a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries 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 Holding Company or any of such subsidiaries ("Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;- Refer Note 41(a) of the financial statements.
  - (b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated

in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries 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;- Refer Note 41(b) of the financial statements; and

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. The group has neither declared nor paid any dividend during the year.
  - vi. Based on our examination, which included test checks, the Company and its subsidiaries incorporated in India, except for the instances mentioned below, have used accounting software for maintaining their respective books of account for the financial year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Further audit trail has been preserved by the company as per the statutory requirements for record retention and during the course of our audit we did not come across any instance of audit trail feature being tampered with

2. With respect to the matters specified in paragraphs 3 (xxi) and 4 of the Companies ( Auditor’s Report) Order, 2020 (“CARO”) issued by Central Government in terms of Section 143(11) of the Act, to be included in the Auditors report, according to the information and explanation given to us, and based on the CARO reports issued by us for the Holding Company and its three subsidiaries and by the statutory auditors of a subsidiary company, which are companies incorporated in India, included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **V. Sankar Aiyar & Co.,**  
Chartered Accountants  
(FRN 109208W)

**Asha Patel**  
Partner  
(M.No.166048)  
UDIn no.: 25166048BMKNN54016

Place: Mumbai  
Date: May 01, 2025

## **Annexure** to Auditor's Report

### **Annexure referred to in our report of even date to the members of 5paisa Capital Limited on the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2025**

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

We have audited the internal financial controls over financial reporting of 5paisa Capital Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies (hereinafter collectively referred to as "the Group") as of March 31<sup>st</sup>, 2025 which are Companies incorporated in India, in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and its subsidiary companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary companies which are companies incorporated in India, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial

controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 internal financial controls system over financial reporting of the Parent and its subsidiary companies which are companies incorporated in India.

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor referred to in the Other matter paragraph below, the Holding Company and subsidiary companies incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### Other Matter

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial

controls over financial reporting in so far as it relates to a subsidiary company incorporated in India, is based solely on the corresponding report of the auditors of said subsidiary company.

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

For **V. Sankar Aiyar & Co.,**  
Chartered Accountants  
(FRN 109208W)

**Asha Patel**  
Partner  
(M.No.166048)  
UDIn no.: 25166048BMKNN54016

Place: Mumbai  
Date: May 01, 2025

# Consolidated Balance Sheet

As at March 31, 2025

(₹ in Millions)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
<b>I ASSETS</b>			
<b>(1) Financial Assets</b>			
(a) Cash and cash equivalents	3	203.24	709.05
(b) Bank balance other than (a) above	4	13,162.83	15,664.50
(c) Receivables			
(i) Trade receivables	5	0.49	0.29
(d) Loans	6	2,248.87	1,756.34
(e) Investments	7	21.03	19.70
(f) Other financial assets	8	656.30	1,922.39
<b>Sub total</b>		<b>16,292.76</b>	<b>20,072.27</b>
<b>(2) Non-Financial Assets</b>			
(a) Current tax assets		0.02	10.93
(b) Deferred tax assets (net)	9	117.94	90.15
(c) Property, Plant and Equipment	10 (a)	50.50	71.25
(d) Other intangible assets	10 (b)	37.10	26.36
(e) Intangible assets under development	10 (c)	0.76	4.10
(f) Right of use assets	11	111.79	146.90
(g) Other non-financial assets	12	55.41	56.57
<b>Sub total</b>		<b>373.52</b>	<b>406.26</b>
<b>Total</b>		<b>16,666.28</b>	<b>20,478.53</b>
<b>II LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(1) Financial Liabilities</b>			
(a) Payables			
(i) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	13	-	0.31
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	13	7.54	6.75
(ii) Other payables			
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	13	572.33	793.20
(b) Borrowings (Other than debt securities)	14	2,174.16	3,363.17
(c) Other financial liabilities	15	7,729.50	10,758.48
<b>Sub total</b>		<b>10,483.53</b>	<b>14,921.91</b>
<b>(2) Non-Financial Liabilities</b>			
(a) Current tax Liabilities		101.30	55.88
(b) Provisions	16	17.67	19.23
(c) Other non-financial liabilities	17	27.36	82.65
<b>Sub total</b>		<b>146.33</b>	<b>157.76</b>
<b>(3) EQUITY</b>			
(a) Equity share capital	18	312.36	311.91
(b) Other equity	19	5,724.06	5,086.95
<b>Sub total</b>		<b>6,036.42</b>	<b>5,398.86</b>
<b>Total</b>		<b>16,666.28</b>	<b>20,478.53</b>

See accompanying notes forming part of Consolidated Financial Statements 1-43

As per our report of even date

**For V Sankar Aiyar & Co.**

Chartered Accountants

Firm's Registration No.109208W

By the hand of

**Asha Patel**

Partner

Membership No.: 166048

Place : Mumbai

Dated : May 1, 2025

**For and on behalf of Board of Directors**
**Gaurav Seth**

Managing Director &amp; CEO

(DIN : 10415364)

**Gourav Munjal**

Whole Time Director &amp; CFO

(DIN : 06360031)

**Namita Godbole**

Company Secretary

# Consolidated Statement of Profit and Loss

For the year ended March 31, 2025

(₹ in Millions)

Particulars	Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Revenue from operations</b>			
(a) Interest income	20	1,304.13	1,352.05
(b) Fees and commission income	21	2,291.57	2,593.66
<b>(I) Total revenue from operations</b>		<b>3,595.70</b>	<b>3,945.71</b>
(a) Other income	22	2.76	1.65
<b>(II) Total income</b>		<b>3,598.46</b>	<b>3,947.36</b>
<b>(III) Expenses</b>			
(a) Finance cost	23	238.01	285.68
(b) Employee benefits expense	24	740.30	895.06
(c) Depreciation, amortization and impairment	25	122.24	95.33
(d) Other expenses	26	1,585.72	1,950.03
<b>(III) Total expenses</b>		<b>2,686.27</b>	<b>3,226.10</b>
<b>(IV) Profit/(Loss) before exceptional items and tax (II-III)</b>		<b>912.19</b>	<b>721.26</b>
<b>(V) Exceptional items</b>		-	-
<b>(VI) Profit/(Loss) before tax</b>		<b>912.19</b>	<b>721.26</b>
<b>(VII) Tax expense:</b>	<b>27</b>		
(1) Current tax		258.25	195.28
(2) Deferred tax		(28.40)	(18.43)
<b>(VIII) Profit/(Loss) for the year (VI-VII)</b>		<b>682.34</b>	<b>544.41</b>
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss		2.44	(4.08)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.61)	1.03
<b>(IX) Other Comprehensive Income</b>		<b>1.83</b>	<b>(3.05)</b>
<b>(X) Total Comprehensive Income for the year (VIII) + (IX)</b>		<b>684.17</b>	<b>541.36</b>
Earnings per equity share of face value of ₹ 10 each			
Basic in (₹)	28	21.86	17.65
Diluted in (₹)		21.79	16.67

See accompanying notes forming part of Consolidated Financial Statements 1-43

As per our report of even date

**For V Sankar Aiyar & Co.**

Chartered Accountants

Firm's Registration No.109208W

By the hand of

**Asha Patel**

Partner

Membership No.: 166048

Place : Mumbai

Dated : May 1, 2025

**For and on behalf of Board of Directors**

**Gaurav Seth**

Managing Director & CEO

(DIN : 10415364)

**Gourav Munjal**

Whole Time Director & CFO

(DIN : 06360031)

**Namita Godbole**

Company Secretary

# Consolidated Statement of Changes in Equity

For the year ended March 31, 2025

## A. Equity Share Capital

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	(₹ in Millions)	No. of Shares	(₹ in Millions)
<b>Equity Shares</b>				
At the beginning of the year	3,11,90,973	311.91	3,06,35,568	306.36
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated Balance at the beginning of the previous reporting period	3,11,90,973	311.91	3,06,35,568	306.36
Changes in equity share capital during the year *	45,365	0.45	5,55,405	5.55
<b>Closing at the end of year</b>	<b>3,12,36,338</b>	<b>312.36</b>	<b>3,11,90,973</b>	<b>311.91</b>

\* During the year 45,365 equity shares has been issued to the employees of the Company under employee stock option scheme. (In Previous year 5,55,405 equity shares has been issued to the employees of the Company under employee stock option scheme)..

## B. Other Equity

Particulars	Reserves and Surplus							Total
	Share Warrants	General Reserve	Securities Premium Reserve	Capital Reserve	Retained Earnings	Employee Stock option Reserve	Other items of Other Comprehensive Income	
<b>Balance as at March 31, 2023</b>	-	7.97	4,123.37	47.71	79.77	71.68	(4.25)	<b>4,326.25</b>
Changes in accounting policy or prior year errors	-	-	-	-	-	-	-	-
<b>Restated balance at the beginning April 1, 2023</b>	-	7.97	4,123.37	47.71	79.77	71.68	(4.25)	<b>4,326.25</b>
Profit for the year	-	-	-	-	544.41	-	-	544.41
Other comprehensive Income for the year	-	-	-	-	-	-	(3.05)	(3.05)
Premium of equity shares issued (net of share issue expenses)*	-	-	151.77	-	-	-	-	151.77
Additions during the year	-	-	-	-	-	67.57	-	67.57
Changes in accounting policy or prior year errors April 1,2022	-	-	-	-	-	-	-	-
<b>Balance as at Mar 31, 2024</b>	-	7.97	4,275.14	47.71	624.18	139.25	(7.30)	<b>5,086.95</b>
Changes in accounting policy or prior year errors	-	-	-	-	-	-	-	-
<b>Restated balance at the beginning April 1, 2024</b>	-	7.97	4,275.14	47.71	624.18	139.25	(7.30)	<b>5,086.95</b>
Profit for the year	-	-	-	-	682.34	-	-	682.34
Other comprehensive Income for the year	-	-	-	-	-	-	1.83	1.83
Premium of equity shares issued (net of share issue expenses) *	-	-	10.82	-	-	-	-	10.82
Additions during the year	-	-	-	-	-	(57.88)	-	(57.88)
<b>Balance as at March 31, 2025</b>	-	7.97	4,285.96	47.71	1,306.52	81.37	(5.47)	<b>5,724.06</b>

\* Securities Premium reserve of ₹ 10.82 million (P.Y. ₹ 151.77 million) is created during the year due to issue of shares under equity stock option scheme.

See accompanying notes forming part of Consolidated Financial Statements 1- 43

As per our report of even date

**For V Sankar Aiyar & Co.**

Chartered Accountants

Firm's Registration No.109208W

By the hand of

**Asha Patel**

Partner

Membership No.: 166048

Place : Mumbai

Dated : May 1, 2025

**For and on behalf of Board of Directors**

**Gaurav Seth**

Managing Director & CEO

(DIN : 10415364)

**Gourav Munjal**

Whole Time Director & CFO

(DIN : 06360031)

**Namita Godbole**

Company Secretary

# Consolidated Cash Flow Statement

For the year ended March 31, 2025

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Cash Flows From Operating Activities</b>		
Net Profit before tax	912.19	721.26
<b>Adjustments for:</b>		
Depreciation, amortisation and impairment	122.24	95.33
Employee benefit expenses - share based	(57.88)	67.57
Employee benefit expenses - others	10.02	12.55
Finance Cost	238.01	285.68
Capital Gain on Investments	(0.03)	(0.13)
(Gain)/Loss on financial assets measured at fair value	(4.70)	(1.36)
Interest Income	(0.90)	(0.02)
(Gain)/Loss on sale of PPE & Intangible Assets	(0.07)	(0.27)
<b>Operating profit before working capital changes</b>	<b>1,218.88</b>	<b>1,180.61</b>
(Increase)/Decrease in Trade Receivables	(0.20)	0.49
(Increase)/Decrease in Loans	(492.53)	(29.80)
Increase/(Decrease) in Other Non financial Liabilities	(55.29)	2.11
(Increase)/Decrease in Other Financial Assets	1,266.09	(619.71)
Increase/(Decrease) in Other Financial Liabilities	(3,028.98)	1,356.61
(Increase)/Decrease in Other Non-Financial Assets	1.16	10.36
(Increase)/Decrease in Bank Deposits	2,501.67	(2,861.91)
Increase/(Decrease) in Provisions	(9.75)	(12.03)
Increase/(Decrease) in Trade Payable	0.48	(4.66)
Increase/(Decrease) in Other Payable	(220.87)	224.93
<b>Cash generated/(used in) from operations</b>	<b>1,180.66</b>	<b>(753.00)</b>
Taxes paid	(201.31)	(163.85)
<b>Net cash generated/(used in) from operating activities (A)</b>	<b>979.35</b>	<b>(916.85)</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of PPE & Intangible Assets	(80.32)	(194.16)
Sale of PPE & Intangible Assets	6.61	5.50
Purchase of Investments	(1,245.07)	(1,168.95)
Sale of Investments	1,248.47	1,232.23
<b>Net cash flow generated/(used in) investing activities (B)</b>	<b>(70.31)</b>	<b>(125.38)</b>
<b>Cash Flows From Financing Activities</b>		
Increase/(Decrease) in Share Capital/Share Premium & Warrants(Net)	11.27	157.32
Bank overdraft Taken/(Repaid)	(1,189.01)	1,670.34
Inter corporate deposits Taken	-	5,800.00
Inter corporate deposits Repaid	-	(5,800.00)
Finance Cost	(237.11)	(285.68)
<b>Net cash flow generated/(used in) financing activities (C)</b>	<b>(1,414.85)</b>	<b>1,541.98</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(505.81)</b>	<b>499.75</b>
Cash and Cash Equivalents at beginning of Year	709.05	209.30
Cash and Cash Equivalents at end of Year	203.24	709.05
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(505.81)</b>	<b>499.75</b>

See accompanying notes forming part of the Consolidated financial statements (1 -43)

As per our report of even date

For and on behalf of Board of Directors

**For V Sankar Aiyar & Co.**

Chartered Accountants

Firm's Registration No.109208W

By the hand of

**Asha Patel**

Partner

Membership No.: 166048

**Gaurav Seth**

Managing Director & CEO

(DIN : 10415364)

**Gourav Munjal**

Whole Time Director & CFO

(DIN : 06360031)

Place : Mumbai

Dated : May 1, 2025

**Namita Godbole**

Company Secretary

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025

## Note 1. Corporate Information:

The financial statements comprise financial statements of "5Paisa Capital Limited" ("the holding company") and its subsidiary companies for the year ended 31<sup>st</sup> March, 2025.

5paisa Capital Ltd ["5PCL"] is engaged in providing an online technology platform for trading in National Stock Exchange of India Ltd ,BSE Ltd & in MCX through web based trading terminal, mobile application and a state of the art Call and Trade Unit. 5PCL is also a SEBI approved Research analyst, a Depository Participant under CDSL and registered member of AMFI. 5PCL provides a wide range of financial services to its customers including depository services, distribution of mutual funds, bonds and debentures, Equity and Mutual fund research, Investment advisory services through its technology based platforms.

One of the wholly owned subsidiary company 5paisa P2P ("5paisa P2P") Limited was incorporated on December 17, 2017 with the objective to provide an online marketplace to the participants involved in peer to peer lending and also to act as a distributor of financial products. The group companies has received approval from RBI to commence its business as NBFC P2P.

The wholly owned subsidiary company 5Paisa Corporate Services Limited (Formerly Known as 5Paisa Insurance Brokers Limited) was incorporated on October 27, 2018 with the objective to undertake the activities of Insurance Brokers as permissible under IRDA (Insurance Brokers) Regulations 2002 and other related activities. The group companies has applied with IRDA for undertaking the activities of Insurance Brokers & awaiting for approval.

The wholly owned subsidiary of the company namely 5paisa Trading Limited had incorporated on February 27 , 2020.

The wholly owned subsidiary of the Company namely 5Paisa International Securities (IFSC) Limited had incorporated on Jun 15 , 2022. We are in the process of seeking necessary licenses/registrations to initiate operations in this company.

## Note 2. Significant Accounting Policies and Key Accounting Estimates and Judgements

### 2.1 Material Accounting Policies:

#### a) Basis of Preparation of Consolidated financial statements:

The consolidated financial statement for the year ended 31 March 2025 has been prepared in accordance with Indian Accounting Standard ('Ind AS'). The Holding Company is covered under the definition of NBFC and the Ind AS is applicable under

Phase II as defined in notification dated 30<sup>th</sup> March 2016 issued by Ministry of Corporate Affairs (MCA), since the holding company is a listed company.

These Consolidated financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting standards prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and the other accounting principles generally accepted in India and in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, and relevant amendment rules issued thereafter and under the historical cost convention on accrual basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value (refer accounting policy regarding financial instruments)
Net defined benefit assets / liability	Fair value of plan assets less present value of defined benefit obligations
Share based payment	Fair value (refer accounting policy regarding financial instruments)

These Consolidated Financial Statements of the group are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). These Consolidated Financial Statements of the group companies are presented in Indian Rupees ("INR"), which is also the group companies's functional currency and all values are rounded to nearest Millions upto two decimal places, except otherwise indicated.

The Consolidated financial statements for the year ended March 31, 2025 are being authorized for issue in accordance with a resolution of the directors on May 01, 2025.

#### aa) Basis of consolidation of accounts of subsidiary companies:

The group companies consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the group companies and subsidiaries as disclosed in Note 36 . Control exists when the parent has power over the entity, is exposed, or has rights, to variable

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain / loss from such transactions are eliminated upon consolidation. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies. Non-controlling interests, which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the group companies, are excluded.

## b) Property, plant and equipment:

### Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of PPE are carried at its cost less accumulated depreciation and accumulated impairment losses.

The group identifies and determines cost of each part of an item of PPE separately, if the part has a cost which is significant to the total cost of that item of PPE and has useful life that is materially different from that of the remaining item.

The cost of an item of PPE comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenses related to plans, designs and drawings of buildings or plant and machinery is

capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefit associates with these will flow into the group companies and the cost of the item can be measured reliably.

Items of Property, plant and equipment that have been retired from active use and are held for disposal are stated at the lower of their net book value or net realisable value and are shown separately in the financial statements.

Gains or losses arising from disposal or retirement of tangible Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised net, within "Other Income" or "Other Expenses", as the case maybe, in the Statement of Profit and Loss in the year of disposal or retirement.

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property as its carrying amount on the date of reclassification.

### Depreciation:

Depreciation on each item of property, plant and equipment is provided using the Straight-Line Method based on the useful lives of the assets as estimated by the management and is charged to the Statement of Profit and Loss. The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. Significant components of assets identified separately pursuant to the requirements under Schedule II of the Companies Act, 2013 are depreciated separately over their useful life.

Freehold land is not depreciated. Leasehold land and Leasehold improvements are amortized over the period of lease.

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Depreciation is charged using the straight line method based on the useful life of fixed assets as estimated by the management as specified below. Depreciation is charged from the month in which new assets are put to use. No depreciation is charged for the month in which assets are sold. In the case of transfer of used fixed assets from group companies, depreciation is charged over the remaining useful life of the assets. Individual assets / group of similar assets costing up to ₹ 5,000 have been depreciated in full in the year of purchase. Lease hold land is depreciated on a straight line basis over the lease hold period.

Class of assets	Useful life in years
Buildings *	20
Computers *	3
Electrical equipment *	5
Office equipment *	5
Furniture and fixtures *	5
Vehicles *	5

\* For these class of assets, based on internal assessment and independent technical evaluation carried out by external valuers the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

#### Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

#### Capital work in progress and Capital advances:

Cost of assets not yet ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of

fixed assets outstanding at each Balance Sheet date are disclosed as Other Financial Assets.

#### c) Intangible assets:

##### Measurement at recognition:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred. Following initial recognition, intangible assets with finite useful life are carried at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets with indefinite useful lives, that are acquired separately, are carried at cost/fair value at the date of acquisition less accumulated impairment loss, if any.

Expenditure on software development eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

##### Amortization:

Intangible Assets with finite lives are amortized on a Straight Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss.

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

##### Estimated useful economic life of the assets is as under:

Class of assets	Useful life in years
Software	3

#### Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

recognized in the Statement of Profit and Loss when the asset is derecognized.

## d) Impairment of Non-Financial Assets

Assets that have an indefinite useful life are not subject to amortization and are tested for impairment annually or whenever there is an indication that the asset may be impaired. Assets that are subject to depreciation and amortization are reviewed for impairment whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. Impairment losses, if any, are recognized in the Statement of Profit and Loss and included in depreciation and amortization expenses. After impairment (if any), depreciation/amortisation is provided on the revised carrying amount of the assets over its remaining life.

Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

## e) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts

were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

## Financial assets

### Initial recognition and measurement:

Trade Receivables, Loans and Deposits are initially recognized when they are originated. The group companies recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument.

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

Trade receivables that do not contain a significant financing component are measured at transaction price.

### Subsequent measurement:

For subsequent measurement, the group companies classifies a financial asset in accordance with the below criteria:

- i) The group companies business model for managing the financial asset and
- ii) The contractual cash flow characteristics of the financial asset.

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

Based on the above criteria, the group companies classifies its financial assets into the following categories:

- i) Financial assets measured at amortized cost
- ii) Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii) Financial assets measured at fair value through profit or loss (FVTPL)
- i. **Financial assets measured at amortized cost:**  
A financial asset is measured at the amortized cost if both the following conditions are met:
  - a) The group companies business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
  - b) 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.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated. Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The group companies determines the business models at a level that reflects how financial assets are managed together to achieve a particular business objective. The group

companies business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

This category generally applies to cash and bank balances, trade receivables, loans and other financial assets of the group companies. Such financial assets are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

## ii. **Financial assets measured at FVTOCI:**

A financial asset is measured at FVTOCI if both of the following conditions are met:

- a) The business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such financial assets are measured initially as well as at each reporting date at fair value. Fair value changes are recognized in the Other Comprehensive Income (OCI). However, the group companies recognizes interest income

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

and impairment losses and its reversals in the Statement of Profit and Loss.

On Derecognition of such financial assets, cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss.

As at the balance sheet date, there are no financial assets which are measured at FVOCI.

**iii. Investments in equity instruments at FVTOCI:**

On initial recognition, the group companies can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. Dividend from these investments are recognised in the Statement of Profit and Loss when the group companies right to receive dividends is established. As at the reporting dates, there are no equity instruments measured at FVOCI.

**iv. Financial assets measured at FVTPL:**

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the group companies excluding investments in subsidiaries. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss. Further, the group companies, through an irrevocable election at initial recognition, has measured certain investments in equity instruments at FVTPL. The group companies has made such election on an instrument by instrument basis. These equity instruments are neither held for trading nor are contingent consideration recognized under a business combination. Pursuant to such irrevocable

election, subsequent changes in the fair value of such equity instruments are recognized in Statement of Profit and Loss. The group companies recognizes dividend income from such instruments in the Statement of Profit and Loss.

**Reclassifications:**

If the business model under which the group companies holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that results in reclassifying the group companies's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the group companies holds financial assets and therefore no reclassifications were made. Changes in contractual cash flows are considered under the accounting policy on modification and derecognition of financial assets described below.

**Derecognition:**

A financial asset (or, where applicable, a part of a financial asset or part of a similar financial assets) is derecognized (i.e. removed from the Balance Sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The group companies transfer its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The group companies retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The group companies neither transfers nor retains, substantially all risk and rewards of ownership, and does not retain control over the financial asset.

In cases where group companies has neither transferred nor retained substantially all of the

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

risks and rewards of the financial asset, but retains control of the financial asset, the group companies continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the group companies also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the group companies has retained.

On derecognition of a financial asset the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

#### Impairment of financial assets:

The group companies applies Expected Credit Loss (ECL) model for measurement and recognition of loss allowance on the following:

- i. Trade receivables and lease receivables
- ii. Financial assets measured at amortized cost (other than trade receivables and lease receivables)
- iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables and lease receivables, the group companies follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance.

In case of other assets (listed as ii and iii above), the group companies determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the group companies reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group companies

in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls) discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL area portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the group companies uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

#### Financial Liabilities and equity:

##### Initial recognition and measurement:

The group companies recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

#### Subsequent measurement:

All financial liabilities are initially recognised at fair value net of transaction cost that are attributable to the separate liabilities. All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the group companies as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

#### Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group companies are recognised at the proceeds received, net of direct issue costs.

#### Derecognition:

A financial liability is derecognized 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 between the carrying amount of the financial liability, derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

#### f) Fair Value:

The group companies measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The group companies uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

**Level 1** – quoted (unadjusted) market prices in active markets for identical assets or liabilities

**Level 2** – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly .

**Level 3** – inputs for assets or liabilities that are not based on observable market data.

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the group companies determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

**g) Foreign Currency Translation:**

These financial statements are presented in Indian Rupees, which is the group companies's functional currency.

**i. Functional and presentation currencies:**

Items included in the Standalone Financial Statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in INR which is the functional and presentation currency for group companies.

**ii. Transactions & Balances:**

Foreign currency transactions are translated into the functional currency at the exchange rates on the date of transaction. Foreign exchange gains and losses resulting from settlement of such transactions and from translation of monetary assets and liabilities at the year-end exchange rates are generally recognized in the Statement Profit and Loss. They are deferred in equity if they relate to qualifying cash flow hedges. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis. Non-monetary foreign currency items are carried at cost and accordingly the investments in shares of foreign subsidiaries are expressed in Indian currency at the rate of exchange prevailing at the time when the original investments are made or fair values determined.

**iii) Foreign operations:**

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate as on that balance sheet date

- income and expenses are translated at average exchange rates, and
- all resulting exchange differences are recognised in other comprehensive income.

On disposal of a foreign operation, the associated exchange differences are reclassified to Statement of Profit and Loss as part of the gain or loss on disposal.

**h) Income Taxes:**

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

**Current tax:**

Provision for current tax is made as per the provisions of the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). With effect from April 1, 2019, where there is uncertainty over income tax treatments, the group companies determines the probability of the income tax authorities accepting each such tax treatment or group of tax treatments in computing the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

**Deferred tax:**

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes as at the reporting date. Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit,

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

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

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

#### Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The group companies offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the group companies has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate

to income taxes levied by the same tax authority on the group companies.

#### i) Provisions and Contingencies:

The group companies recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. The amount recognised as a provision is the best estimate of the consideration require to settle the present obligation at the end of reporting period, taking into account the risk & uncertainties surrounding the obligation.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The group companies in the normal course of its business, comes across client claims/ regulatory penalties/ inquiries, etc. and the same are duly clarified/ addressed from time to time. The penalties/ actions if any are being considered for disclosure as contingent liability only after finality of the representation of appeals before the lower authorities.

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

Contingent assets are disclosed only where an inflow of economic benefits is probable.

#### j) Statement of Cash Flows :

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

- changes during the period in operating receivables and payables transactions of a noncash nature;
- non-cash items such as depreciation, provisions, deferred taxes and unrealised foreign currency gains and losses.
- all other items for which the cash effects are investing or financing cash flows.

## k) Cash and Cash Equivalents :

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances. Bank borrowings are used for business purposes, and hence bank overdrafts are not considered to be a part of cash and cash equivalents in Cash flow statement.

## l) Revenue Recognition

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 group companies recognizes 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 group companies 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 contract price to the performance obligations in the contract: For contract that has more than one performance obligation, the group companies allocates the transaction price to each performance obligation in an amount that depicts

the amount of consideration to which the group companies expects to be entitled in exchange for satisfying each performance obligation.

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

The group companies assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The group companies has concluded that it is acting as a principal in all of its revenue arrangements.

Income from services rendered as a broker is recognised upon rendering of the services on a trade date basis, in accordance with the terms of contract. Fees for subscription based services are received periodically but are recognised as earned on a pro-rata basis over the term of the contract. Commissions from distribution of financial products are recognised upon allotment of the securities to the applicant. Commission and fees recognized as aforesaid are exclusive of goods and service tax, securities transaction tax, stamp duties and other levies by SEBI and stock exchanges.

Advances received from customers in respect of contracts are treated as liabilities and adjusted against progress billing as per terms of the contract. Progress payments received are adjusted against amount receivable from customers in respect of the contract work performed. Amounts retained by the customers until the satisfactory completion of the contracts are recognised as receivables.

## m) Other Income

Interest is earned on delayed payments from customers and amounts funded to them as well as term deposits with banks. Interest income is recognised on a time proportion basis taking into account the amount outstanding from customers or on the financial instrument and the rate applicable. Dividend income is recognised when the right to receive the dividend is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability

Gains / losses on dealing in securities are recognized on a trade date basis.

## n) Employee Benefits

### Share-based payment arrangements:

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity settled share-based payments is expensed on a straight line basis over the vesting period, based on the group companies's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the group companies revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the statement of profit and loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Securities premium includes the difference between the face value of the equity shares and the consideration received in respect of shares issued pursuant to Stock Option Scheme. Expenses relating to share issue has been reduced from share premium.

### Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short

term employee benefits and they are recognized in the period in which the employee renders the related service if the group companies 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. The group companies recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

### Post-Employment Benefits:

#### I. Defined contribution plans:

Defined contribution plans are post-employment benefit plans under which the group companies pays fixed contributions into state managed retirement benefit schemes and will have no legal or constructive obligation to pay further contributions, if any, if the state managed funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. The group companies contributions to defined contribution plans are recognised in the Statement of Profit and Loss in the financial year to which they relate. The group companies and its Indian subsidiaries operate defined contribution plans pertaining to Employee State Insurance Scheme and Government administered Pension Fund Scheme for all applicable employees and the group companies operates a Superannuation scheme for eligible employees.

Recognition and measurement of defined contribution plans: The group companies recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the group companies during the reporting period. If the contributions payable for services received from employees before the reporting date exceed the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

## II. Defined benefit plans:

Gratuity scheme: The Holding company, operates a gratuity scheme for employees.

The contribution is paid to a separate fund in ICICI Prudential named 5 Paisa Capital Limited Gratuity Fund, towards meeting the Gratuity obligations.

### Recognition and measurement of defined benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost if any and net interest on the defined benefit liability (asset) are recognized in the Statement of Profit and Loss. Re-measurements of the net defined benefit liability (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

### Other Long Term Employee Benefits:

Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave. The group companies determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date.

### Other Employee Benefits

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be availed in twelve months immediately following the year in which the employee has rendered service are reported as expenses during the year in

which the employees perform the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefits.

## o) Lease accounting :

### The group companies as a Lessee

The group companies's lease asset classes primarily consist of leases for premises and vehicles. The group companies assesses whether a contract contains a lease, at inception of a 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 group companies assesses whether: (i) the contract involves the use of an identified asset (ii) the group companies has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the group companies has the right to direct the use of the asset.

At the date of commencement of the lease, the group companies 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 group companies recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

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. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the group companies changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## The group companies as a Lessor

Leases for which the group companies is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the group companies is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

The group companies does not have any lease arrangement where it is a lessor as on the balance sheet date.

## p) Borrowing Cost:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs, if any, directly

attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

## q) Earning Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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 period are adjusted for the effects of all dilutive potential equity shares.

## r) Segment Reporting :

The group companies's business is to provide broking services, to its clients, in the capital markets in India. All other activities of the group companies are not material as on balance sheet date. As such, there are no reportable segments that need to be reported separately as defined in Ind AS 108, Operating Segments.

## 2.2 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Estimates and underlying assumptions are reviewed on ongoing basis. 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.

The group companies makes certain judgments and estimates for valuation and impairment of financial instruments, fair valuation of employee stock options, useful life of property, plant and equipment, deferred tax assets and retirement benefit obligations. Management

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

believes that the estimates used in the preparation of the financial statements are prudent and reasonable.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

**a. Income taxes**

The group companies tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Further Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases.

**b. Determination of the estimated useful lives of tangible assets**

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of group companies's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

**c. Defined Benefit Obligation**

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 corresponding 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. Further details are disclosed in Note 24.

**d. Fair value measurement of Financial Instruments**

When the fair values of financials assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

**e. Impairment of financial assets**

The provision for expected credit loss involves estimating the probability of default and loss given default based on the group companies own experience & forward looking estimation.

**f. Provision for litigations**

In estimating the final outcome of litigation, the group companies applies judgment in considering factors including experience with similar matters, past history, precedents, relevant and other evidence and facts specified to the matter. Application of such judgment determines whether the group companies requires an accrual or disclosure in the financial statements.

**g. Fair valuation of employee share options**

The fair valuation of the employee share options is based on the Black-Scholes model used for valuation of options. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under this option pricing model. Further details are disclosed in notes.

**h. Determining whether an arrangement containing a lease**

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 fulfillment 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.

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

## Note 3 : Cash and cash equivalents

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Cash &amp; cash equivalents:</b>		
- Cash in hand	-	-
- Cheques in hand	-	-
<b>Balances with bank:</b>		
- in current accounts	9.12	16.02
- in client accounts	194.12	693.03
<b>Total cash &amp; cash equivalents</b>	<b>203.24</b>	<b>709.05</b>

## Note 4 : Bank balance other than above

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Fixed Deposits (Non - Lien marked)	3.96	3.86
Fixed Deposits (Lien marked)*	13,158.87	15,660.64
<b>Total</b>	<b>13,162.83</b>	<b>15,664.50</b>

\*Company has pledged fixed deposits with the banks for bank guarantee/overdraft facilities and with the stock exchange for margin purpose and with other authorities.

## Note 5 : Receivables

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>(i) Trade receivables</b>		
- Receivables considered Good - unsecured	0.49	0.29
- Receivables which have significant increase in credit risk	-	-
- Receivables - credit impaired	-	-
<b>Total (i) Gross</b>	<b>0.49</b>	<b>0.29</b>
Less : Impairment loss allowance	-	-
<b>Total (i) Net</b>	<b>0.49</b>	<b>0.29</b>

- a) No trade or other receivables are due from directors or from other officers of the Company either severally or jointly with any other person nor any trade or other receivables are due from firms or private companies respectively in which any directors is a partner, director or a member as at 31<sup>st</sup> March 2025 & 31<sup>st</sup> March 2024.
- b) No trade receivables and other receivables are interest bearing.

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

## Trade Receivables Ageing Schedule as on 31 March 2025

(₹ in Millions)

Particulars	Less than 6 Months	6 Months to 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Undisputed Trade Receivables -Considered Good	0.49	-	-	-	-	0.49
Receivables which have significant increase in credit risk	-	-	-	-	-	-
Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>0.49</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.49</b>

## Trade Receivables Ageing Schedule as on 31 March 2024

(₹ in Millions)

Particulars	Less than 6 Months	6 Months to 1 year	1-2 Years	2-3 Years	More than 3 years	Total
Undisputed Trade Receivables - Considered Good	0.29	-	-	-	-	0.29
Receivables which have significant increase in credit risk	-	-	-	-	-	-
Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>0.29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.29</b>

## Note 6 : Loans

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Loans repayable on demand	-	-
Margin trading facility balances*	2,248.87	1,756.34
<b>Total</b>	<b>2,248.87</b>	<b>1,756.34</b>

\* Loans to customers are secured by pledge of Shares/Bonds/Mutual Funds and other allowable securities as per exchange rules.

## Note 7 : Investments

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>A) Investment in Mutual Fund shares</b>		
SBI Savings fund (25,386.654 Units NAV @ 43.6036) (PY - 25,386.654 Units NAV @ 40.4415)	1.11	1.03
ICICI Prudential liquid fund( 51,901.224 Units NAV @383.8953) (PY - 52,243.59 Units NAV @357.4063)	19.92	18.67
<b>Total</b>	<b>21.03</b>	<b>19.70</b>
- Investment outside India	-	-
- Investment in India	21.03	19.70
<b>Total</b>	<b>21.03</b>	<b>19.70</b>

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

## Note 8 : Other financial Assets

(₹ in Millions)

Particulars	As at	As at
	March 31, 2025	March 31, 2024
Deposit/Margin with exchanges	85.75	91.53
Clients and Exchanges receivables (net of provision) #	133.21	1,376.20
Deposit with authorises (Refer note 29)	13.00	-
Security deposit with landlords and others*	20.16	20.16
Interest accrued on deposits and investments	404.18	434.50
<b>Total</b>	<b>656.30</b>	<b>1,922.39</b>

\* Include deposit with related party of ₹ 9.80 million (P.Y. ₹ 9.80 million) Refer note 33.

# Includes receivable from director and key managerial personnel ₹ 0.00 million. (March 31, 2024 ₹ 0.00 million)

## Note 9 :- Deferred tax assets (net)

(₹ in Millions)

Particulars	As at March 31, 2025			
	Opening balance as at April 1, 2024	Recognised in profit or loss (net)	Recognised in/ reclassified from OCI	Closing balance as at March 31, 2025
<b>Deferred tax assets:</b>				
Depreciation on property, plant and equipment	2.08	5.32	-	7.40
Provisions for expected credit loss	50.05	19.22	-	69.27
Disallowance u/s 40(a)(i)	-	20.49	-	20.49
Compensated absences and retirement benefits	12.20	(6.53)	(0.61)	5.06
Tax on business Loss carry-forward	12.34	-	-	12.34
Amortization Income	13.54	(11.89)	-	1.65
<b>Total deferred tax assets (a)</b>	<b>90.21</b>	<b>26.61</b>	<b>(0.61)</b>	<b>116.21</b>
<b>Deferred tax liabilities:</b>				
Unrealised profit on investments	(0.82)	0.19	-	(0.63)
On Lease Rentals as per tax	0.76	1.60	-	2.36
<b>Total deferred tax liabilities (b)</b>	<b>(0.06)</b>	<b>1.79</b>	<b>-</b>	<b>1.73</b>
<b>Deferred tax assets (a) + (b)</b>	<b>90.15</b>	<b>28.40</b>	<b>(0.61)</b>	<b>117.94</b>

(₹ in Millions)

Particulars	As at March 31, 2024			
	Opening balance as at April 1, 2023	Recognised in profit or loss (net)	Recognised in/ reclassified from OCI	Closing balance as at March 31, 2024
<b>Deferred tax assets:</b>				
Depreciation on property, plant and equipment	(2.38)	4.46	-	2.08
Provisions for expected credit loss	47.79	2.26	-	50.05
Compensated absences and retirement benefits	6.27	4.90	1.03	12.20
Tax on business Loss carry-forward	12.34	-	-	12.34
Amortization Income	8.28	5.27	-	13.54
<b>Total deferred tax assets (a)</b>	<b>72.30</b>	<b>16.89</b>	<b>1.03</b>	<b>90.21</b>
<b>Deferred tax liabilities:</b>				
Unrealised profit on investments	(0.82)	-	-	(0.82)
On Lease Rentals as per tax	(0.79)	1.55	-	0.76
<b>Total deferred tax liabilities (b)</b>	<b>(1.61)</b>	<b>1.55</b>	<b>-</b>	<b>(0.06)</b>
<b>Deferred tax assets (a) + (b)</b>	<b>70.69</b>	<b>18.44</b>	<b>1.03</b>	<b>90.15</b>

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

## Note 10(a) : Property, Plant and Equipment Tangible Assets:

(₹ in Millions)

Particulars	Computer	Electrical Equipment	Furniture & Fixture	Office Equipment	Total
<b>As at March 31, 2023</b>	<b>161.61</b>	<b>2.03</b>	<b>9.94</b>	<b>7.33</b>	<b>180.91</b>
Additions	28.94	-	1.36	2.11	32.41
Disposals/Adjustments	3.02	0.92	0.72	0.84	5.50
<b>As at March 31, 2024</b>	<b>187.53</b>	<b>1.11</b>	<b>10.58</b>	<b>8.60</b>	<b>207.82</b>
Additions	29.22		5.08	2.34	36.64
Disposals/Adjustments	2.24	0.24	0.10	0.43	3.01
<b>As at March 31, 2025</b>	<b>214.51</b>	<b>0.87</b>	<b>15.56</b>	<b>10.51</b>	<b>241.45</b>

## Accumulated Depreciation:

(₹ in Millions)

Particulars	Computer	Electrical Equipment	Furniture & Fixture	Office Equipment	Total
<b>As at March 31, 2023</b>	<b>79.18</b>	<b>1.84</b>	<b>4.11</b>	<b>3.64</b>	<b>88.77</b>
Depreciation charge for the year	49.60	0.07	1.81	1.31	52.79
Deductions/Adjustments	2.62	0.81	0.72	0.84	4.99
<b>As at March 31, 2024</b>	<b>126.16</b>	<b>1.10</b>	<b>5.20</b>	<b>4.11</b>	<b>136.57</b>
Depreciation charge for the year	50.86	0.01	3.49	1.84	56.20
Deductions/Adjustments	1.05	0.43	0.10	0.24	1.82
<b>As at March 31, 2025</b>	<b>175.97</b>	<b>0.68</b>	<b>8.59</b>	<b>5.71</b>	<b>190.95</b>

## Net Book Value:

(₹ in Millions)

Particulars	Computer	Electrical Equipment	Furniture & Fixture	Office Equipment	Total
As at March 31, 2024	61.37	0.01	5.38	4.49	71.25
<b>As at March 31, 2025</b>	<b>38.54</b>	<b>0.19</b>	<b>6.97</b>	<b>4.80</b>	<b>50.50</b>

## Note 10(b) : Other intangible assets (other than internally generated):

(₹ in Millions)

Particulars	Software	Total
<b>Cost:</b>		
<b>As at March 31, 2023</b>	<b>95.70</b>	<b>95.70</b>
Additions	4.67	4.67
Deductions/Adjustments	22.61	22.61
<b>As at March 31, 2024</b>	<b>77.76</b>	<b>77.76</b>
Additions	43.68	43.68
Deductions/Adjustments	0.28	0.28
<b>As at March 31, 2025</b>	<b>121.16</b>	<b>121.16</b>

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

(₹ in Millions)

Particulars	Software	Total
<b>Accumulated Depreciation:</b>		
<b>As at March 31, 2023</b>	<b>54.14</b>	<b>54.14</b>
Depreciation charge for the year	19.87	19.87
Deductions/Adjustments	22.61	22.61
<b>As at March 31, 2024</b>	<b>51.40</b>	<b>51.40</b>
Depreciation charge for the year	32.69	32.69
Deductions/Adjustments	0.03	0.03
<b>As at March 31, 2025</b>	<b>84.06</b>	<b>84.06</b>

## Net Book Value:

(₹ in Millions)

Particulars	Software	Total
As at March 31, 2024	26.36	26.36
<b>As at March 31, 2025</b>	<b>37.10</b>	<b>37.10</b>

## NOTE 10(c) : Intangible Assets Under Development

Intangible assets under development ageing schedule as at March 31, 2025

(₹ in Millions)

Particulars	Amount for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Projects in progress	-	0.76	-	0.76
Projects temporarily suspended	-	-	-	-
<b>Total</b>	<b>-</b>	<b>0.76</b>	<b>-</b>	<b>0.76</b>

Intangible assets under development ageing schedule as at March 31, 2024

(₹ in Millions)

Particulars	Amount for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Projects in progress	4.10	-	-	4.10
Projects temporarily suspended	-	-	-	-
<b>Total</b>	<b>4.10</b>	<b>-</b>	<b>-</b>	<b>4.10</b>

## Note 11 :- Right of use Assets

A) Following are the changes in the carrying value of right of use assets for the year ended March 31, 2025:

(₹ in Millions)

Particulars	Premises	Total
<b>Balance as at April 01, 2023</b>	<b>21.31</b>	<b>21.31</b>
Additions to right of use assets	148.27	148.27
Deletions to right of use assets	-	-
Depreciation	22.68	22.68
<b>Closing Balance as at March 31, 2024</b>	<b>146.90</b>	<b>146.90</b>
Additions to right of use assets	-	-
Deletions to right of use assets	1.76	1.76
Depreciation	33.35	33.35
<b>Closing Balance as at March 31, 2025</b>	<b>111.79</b>	<b>111.79</b>

Note: The aggregate depreciation expense on Right of use assets is included under depreciation and amortization expense in the statement of Profit and Loss.

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

**B) The following is the movement in lease liabilities during the year ended March 31, 2025**

(₹ in Millions)

Particulars	Premises	Total
<b>Balance as at April 01, 2023</b>	<b>24.46</b>	<b>24.46</b>
Additions	148.27	148.27
Deletion	-	-
Finance cost accrued during the year	5.02	5.02
Payment of lease liabilities	(27.82)	(27.82)
<b>Balance as at March 31, 2024</b>	<b>149.93</b>	<b>149.93</b>
Additions	-	-
Deletion	1.76	1.76
Finance cost accrued during the year	13.60	13.60
Payment of lease liabilities	(40.58)	(40.58)
<b>Balance as at March 31, 2025</b>	<b>121.19</b>	<b>121.19</b>

**C) Following is the break up value of the Current and Non - Current Lease Liabilities for the year ended March 31, 2025:**

(₹ in Millions)

Particulars	Premises	Total
Current lease liabilities	29.60	29.60
Non-current lease liabilities	120.33	120.33
<b>Balance as at March 31, 2024</b>	<b>149.93</b>	<b>149.93</b>

(₹ in Millions)

Particulars	Premises	Total
Current lease liabilities	27.01	27.01
Non-current lease liabilities	94.18	94.18
<b>Balance as at March 31, 2025</b>	<b>121.19</b>	<b>121.19</b>

**D) Table showing details regarding the contractual maturities of lease liabilities as at March 31, 2025 on an undiscounted basis:**

(₹ in Millions)

Particulars	Premises	Total
<b>As at March 31, 2024</b>		
Less than one year	29.60	29.60
One to two years	26.14	26.14
Two to five years	94.19	94.19
<b>Total</b>	<b>149.93</b>	<b>149.93</b>
<b>As at March 31, 2025</b>		
Less than one year	27.01	27.01
One to two years	30.13	30.13
Two to five years	64.05	64.05
<b>Total</b>	<b>121.19</b>	<b>121.19</b>

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

## E) Amounts recognised in profit or loss for the year.

(₹ in Millions)

Particulars	Amount
<b>For the year ended March 31, 2024</b>	
Interest on lease liabilities	5.02
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	-
<b>Total</b>	<b>5.02</b>
<b>For the year ended March 31, 2025</b>	
Interest on lease liabilities	13.60
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	-
<b>Total</b>	<b>13.60</b>

## F) Amounts recognised in Cashflow statement

(₹ in Millions)

Particulars	Amount
<b>For the year ended March 31, 2024</b>	
Total cash outflow for leases	27.82
<b>For the year ended March 31, 2025</b>	
Total cash outflow for leases	40.58

## Note 12 : Other Non-Financial Assets

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	47.52	48.83
Other advances	7.89	7.74
<b>Total</b>	<b>55.41</b>	<b>56.57</b>

## Note 13 : Payables

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>(I) Trade Payable</b>		
(i) Total outstanding dues of micro enterprises and small enterprises	-	0.31
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	7.54	6.75
<b>Total (a)</b>	<b>7.54</b>	<b>7.06</b>
<b>(II) Other Payable</b>		
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(a) Other trade payables	-	-
(b) Accrued salaries & benefits	7.52	6.27
(c) Provision for expenses	564.81	786.93
<b>Total (b)</b>	<b>572.33</b>	<b>793.20</b>
<b>Total (a+b)</b>	<b>579.87</b>	<b>800.26</b>

The following disclosure is made as per the requirement under the Micro, Small and Medium Enterprises Development Act, 2016 (MSMED) on the basis of confirmations sought from suppliers on registration with the specified authority under MSMED:

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

(₹ in Millions)

Particulars	As at	
	March 31, 2025	March 31, 2024
(a) Principal amount remaining unpaid to any supplier at the year end	-	0.31
(b) Interest due thereon remaining unpaid to any supplier at the year end	-	-
(c) Amount of interest paid and payments made to the supplier beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
(e) Amount of interest accrued and remaining unpaid at the year end	-	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the act	-	-

## Trade payable Ageing schedule as at 31 March 2025

(₹ in Millions)

Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
(i) MSME - undisputed	-	-	-	-	-	-
(ii) Others - undisputed	572.33	7.54	-	-	-	579.87
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>572.33</b>	<b>7.54</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>579.87</b>

## Trade payable Ageing schedule as at 31 March 2024

(₹ in Millions)

Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
(i) MSME - undisputed	-	0.31	-	-	-	0.31
(ii) Others - undisputed	793.20	6.75	-	-	-	799.95
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>793.20</b>	<b>7.06</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>800.26</b>

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

## Note 14 : Borrowings (other than Debt Securities)

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>At amortised cost</b>		
(a) Loans repayable on demand (from banks) : Secured		
- Working capital demand loan	1,294.53	1,500.00
- Bank Overdraft	879.63	1,863.17
(b) Other loans : Unsecured		
- Loan from related parties (Refer note 33)	-	-
<b>Total (c) = (a)+ (b)</b>	<b>2,174.16</b>	<b>3,363.17</b>
Borrowings in India	2,174.16	3,363.17
Borrowings outside India	-	-
<b>Total</b>	<b>2,174.16</b>	<b>3,363.17</b>

### (a) Terms of loans:

- Working Capital Demand Loan (WCDL) and bank overdraft are secured by way of first pari-passu charge on all receivables and current assets to the tune of 1.75 times of the outstanding facility amount. Bank overdraft secured against Bank deposit. Please refer to note 31 for details of asset pledged.
- Loan from related parties are unsecured.

### (b) Tenor of repayment :

- For WCDL it varies from 7 days to 365 days of each tranche, principal amount of each tranche is to be paid as bullet payment on maturity date.
- For bank overdraft the same is repayable on demand
- For loan from related parties the same is repayable on demand.

### (c) Interest Rate :

- For WCDL the rate of interest is fixed (Lending banks MCLR rate + Spread varies (0.75% to 1.50%), Interest is payable monthly basis on the last date of each month.
- For Bank Overdraft Interest rate is FD rate + Spread varies (0.50% to 1.00%), Interest is payable monthly basis on the last date of each month.
- For related parties interest rate is in the range of 11.25% to 11.50% p.a. as approved by the board.

## Note 15 : Other Financial Liabilities

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Clients and Exchanges payables #	7,575.19	10,541.78
Payable to related parties (Refer note 33)	10.59	10.95
Lease liability	121.19	149.93
Provision for gratuity (funded)	16.76	13.44
Other payable	3.43	36.15
Interest Accrued but not due	2.34	6.23
<b>Total</b>	<b>7,729.50</b>	<b>10,758.48</b>

# Include payable to directors & key managerial personnel of ₹ 0.28 million (P.Y. ₹ 0.24 million)

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

## Note 16 : Provisions

(₹ in Millions)

Particulars	As at	
	March 31, 2025	March 31, 2024
Provision for leave encashment	17.67	19.23
<b>Total</b>	<b>17.67</b>	<b>19.23</b>

## Note 17 : Other Non-Financial Liabilities

(₹ in Millions)

Particulars	As at	
	March 31, 2025	March 31, 2024
Statutory dues	18.95	27.02
Income received in advance	8.41	55.63
<b>Total</b>	<b>27.36</b>	<b>82.65</b>

## Note 18 : Equity Share Capital

### a. The Authorised, Issued, Subscribed and Paid up Share Capital:

(₹ in Millions)

Particulars	As at	
	March 31, 2025	March 31, 2024
<b>Authorized Share Capital</b>		
At the beginning of the year	800.00	800.00
Add: Increase in authorised share capital	-	-
<b>Closing at the end of year</b>	<b>800.00</b>	<b>800.00</b>
Issued, Subscribed and Paid-up Share Capital		
<b>3,12,36,338 (Previous Year 3,11,90,973) Equity Shares of ₹ 10/- each fully paid-up</b>	<b>312.36</b>	<b>311.91</b>

### b. Reconciliation of the shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	(₹ in Millions)	No. of Shares	(₹ in Millions)
<b>Equity Shares</b>				
At the beginning of the year	3,11,90,973	311.91	3,06,35,568	306.36
Add: Shares issued during the year*	45,365	0.45	5,55,405	5.55
<b>Closing at the end of year</b>	<b>3,12,36,338</b>	<b>312.36</b>	<b>3,11,90,973</b>	<b>311.91</b>

\* During the year 45,365 equity shares has been issued to the employees of the Company under employee stock option scheme. (In Previous year 5,55,405 equity shares has been issued to the employees of the Company under employee stock option scheme).

### c. Terms/rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share.

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

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

**d. Details of shareholders holding more than 5% shares in the Company:**

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	% of holding in the class	No. of Shares	% of holding in the class
<b>Equity share of ₹ 10 each fully paid up</b>				
FIH Mauritius Investments Ltd.	76,70,130	24.56%	76,70,130	24.59%
Nirmal Bhanwarlal Jain	62,05,088	19.86%	62,05,088	19.89%
HWIC Asia Fund Class A Shares	25,70,186	8.23%	25,70,186	8.24%
WF Asian Reconnaissance Fund Limited	29,05,906	9.30%	29,05,906	9.32%
Madhu N Jain	18,45,016	5.91%	18,45,016	5.92%

**e. Details of shares held by promoters at as on 31 March 2025**

Promoter name	Number of shares	% of total shares	% Change during the year
Mr. Nirmal Jain	62,05,088	19.86%	-0.03%
Mr. Venkataraman Rajamani	12,69,594	4.06%	-0.01%
Mrs. Madhu N Jain	18,45,016	5.91%	-0.01%
Aditi Avinash Athavankar (in her capacity as a trustee of Kalki Family Private Trust)	7,20,000	2.31%	0.00%
Ardent Impex Pvt Ltd	1,08,000	0.35%	0.00%
Orpheus Trading Pvt. Ltd.	52,000	0.17%	0.00%
Mrs. Aditi Athavankar	16,000	0.05%	0.00%
Nirmal Madhu Family Pvt Trust	15,000	0.05%	0.00%

**f. Details of shares held by promoters at as on 31 March 2024**

Promoter name	Number of shares	% of total shares	% Change during the year
Mr. Nirmal Jain	62,05,088	19.89%	-1.78%
Mr. Venkataraman Rajamani	12,64,594	4.07%	-1.39%
Mrs. Madhu N Jain	18,45,016	5.92%	-1.78%
Aditi Avinash Athavankar (in her capacity as a trustee of Kalki Family Private Trust)	7,20,000	2.31%	-1.78%
Ardent Impex Pvt Ltd	1,08,000	0.35%	-1.78%
Orpheus Trading Pvt. Ltd.	52,000	0.17%	-1.78%
Mrs. Aditi Athavankar	16,000	0.05%	-1.78%
Nirmal Madhu Family Pvt Trust	15,000	0.05%	0.05%

**g.** During the period of five years immediately preceding the balance sheet date, the Company has not issued any shares without payment being received in cash or by any way of bonus shares or shares bought back.

**h.** Shares reserved for issue under options and contracts / commitments for sale of shares / disinvestments, including the terms and amount, refer note 35 other equity for details of shares reserved for issue under Employee Stock Option Plan of the Company.

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

## Note 19 : Other Equity

Particulars	Reserves and Surplus						Other items of Other Comprehensive Income	Total
	Share Warrant	General Reserve	Securities Premium Reserve	Capital Reserve	Retained Earnings	Employee Stock option Reserve		
	(₹ in Millions)							
<b>Balance as at March 31, 2023</b>	-	7.97	4,123.37	47.71	79.77	71.68	(4.25)	4,326.25
Total comprehensive income for the year	-	-	-	-	-	-	(3.05)	(3.05)
Transfer from/to reserve	-	-	-	-	-	-	-	-
Additions during the year * (Net of share issue expenses)	-	-	151.77	-	544.41	67.57	-	763.75
<b>Balance as at March 31, 2024</b>	-	7.97	4,275.14	47.71	624.18	139.25	(7.30)	5,086.95
Total comprehensive income for the year	-	-	-	-	-	-	1.83	1.83
Transfer from/to reserve	-	-	-	-	-	-	-	-
Additions during the year * (Net of share issue expenses)	-	-	10.82	-	682.34	(57.88)	-	635.28
<b>Balance as at March 31, 2025</b>	-	7.97	4,285.96	47.71	1,306.52	81.37	(5.47)	5,724.06

\* Securities Premium reserve of ₹ 10.82 million (P.Y. ₹ 151.77 million) is created during the year due to issue of shares under equity stock option scheme.

### Footnotes: Nature and purpose reserves

- Capital reserves : Capital reserve is created as per scheme of arrangement where undertaking including all assets and liabilities of undertaking were transferred to and vested by IIFL Finance Limited (previously known as IIFL Holding Limited).
- Securities premium : Securities premium represents the surplus of proceeds received over the face value of shares, at the time of issue of shares.
- Retained earnings : The balance in retained earnings primarily represents the surplus/deficit after payment of dividend (including tax on dividend) and transfer to reserves.
- General Reserve : General reserve is created on account on employee stock option lapsed/exercised, in accordance with the Companies Act, 2013.
- Employee stock option reserve : Employee stock option reserve accounts represents reserve created on fair value of options against the options to be granted by the Company and outstanding as at balance sheet date.

## Note 20 : Interest Income

Particulars	(₹ in Millions)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on deposits with banks *	1,037.65	994.15
Interest on loan (Margin Funding Facilities)	266.48	357.90
<b>Total</b>	<b>1,304.13</b>	<b>1,352.05</b>

\* Includes interest received on fixed deposit with bank which are pledged with exchanges for margin purpose requirement.

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

## Note 21 : Fees and Commission Income

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Brokerage & related income	2,132.02	2,387.74
Commission & other advisory fees (including cross sell)	159.55	205.92
<b>Total</b>	<b>2,291.57</b>	<b>2,593.66</b>

## Note 22 : Other Income

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Income		
- others	0.90	0.02
Gain on derecognition of property, plant and equipment	0.07	0.27
Gain on financial assets measured at fair value through profit & loss account	1.77	1.36
Other Income	0.02	-
<b>Total</b>	<b>2.76</b>	<b>1.65</b>

## Note 23 : Finance cost measured at amortised cost

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on borrowings	182.11	242.23
Other borrowing cost	55.90	43.45
<b>Total</b>	<b>238.01</b>	<b>285.68</b>

## Note 24 : Employee benefit expenses

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries/wages and bonus	757.34	742.11
Contribution to provident and other funds	26.40	21.96
Share based payments*	(57.88)	112.22
Staff welfare expenses	4.42	6.22
Gratuity (As per actuarial report)	5.76	4.42
Leave encashment (As per actuarial report)	4.26	8.13
<b>Total</b>	<b>740.30</b>	<b>895.06</b>

\* Share based payments has reversal impact with respect to unvested RSU/ESOP cost of Rs. 8.66 Cr, which has been considered as per IND AS 102 (Share base payment). Expenses on employee stock option scheme included in Employee benefit expenses, is net of expenses reversed on account of lapsed options during the period.

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

As per Indian Accounting Standard 19 "Employee benefits", the disclosures as defined are given below:

**A) Defined Benefit Plans:**

**(i) Reconciliation of opening and closing balances of Defined Benefit Obligation**

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Defined benefit obligation as at beginning of year</b>	<b>31.05</b>	<b>24.10</b>
Interest cost	2.24	1.78
Current service cost	4.79	4.05
Service Cost	-	-
Liability transferred In/ acquisitions	-	-
(Liability transferred out/ divestments)	-	(0.05)
(Benefit paid directly by the Employer)	-	-
(Benefit paid from the fund)	(7.75)	(3.38)
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	-	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	1.24	0.89
Actuarial (gains)/losses on obligations - due to experience	(3.90)	3.66
<b>Defined benefit obligation at the end of the year</b>	<b>27.67</b>	<b>31.05</b>

**(ii) Reconciliation of opening and closing balances of fair value of Plan Assets**

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Change in the fair value of plan assets		
<b>Fair value of plan assets at the beginning of the year</b>	<b>17.61</b>	<b>19.10</b>
Interest income	1.27	1.41
Contributions by the employer	-	-
Expected return on plan assets (excluding interest)	-	-
Assets transferred in/acquisitions	-	-
(Benefit paid from the fund)	(7.75)	(3.37)
Return on plan Assets, excluding interest income	(0.22)	0.47
<b>Fair value of plan assets at the end of the year</b>	<b>10.91</b>	<b>17.61</b>

**(iii) Amount Recognized in the Balance Sheet**

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>(Present Value of Benefit Obligation at the end of the year)</b>	<b>(27.67)</b>	<b>(31.05)</b>
Fair value of Plan Assets at the end of the year	10.91	17.61
Funded Status - Surplus / (Deficit)	(16.76)	(13.44)
<b>Net (liability)/Asset recognized in the balance sheet (surplus/ (deficit))</b>	<b>(16.76)</b>	<b>(13.44)</b>

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

## (iv) Expenses recognised during the year

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>In Income statement</b>		
Current service cost	4.79	4.05
Net interest cost	0.97	0.37
Past service cost	-	-
Expense recognised in the Statement of Profit and Loss under "Employee benefits expenses"	5.76	4.42
In other comprehensive income		
Actuarial (gains)/Losses on obligation for the period	(2.66)	4.55
Return on plan assets, excluding interest income	0.22	(0.47)
Change in asset ceiling	-	-
<b>Net (income)/expense for the year recognized in OCI</b>	<b>(2.44)</b>	<b>4.08</b>

## (v) Balance sheet reconciliation

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Opening net liability</b>	<b>13.44</b>	<b>4.99</b>
Expenses Recognized in Statement of Profit or Loss	5.76	4.42
Expenses Recognized in OCI	(2.44)	4.08
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	(0.05)
(Benefit Paid Directly by the Employer)	-	-
(Employer's Contribution)	-	-
<b>Net liability/(asset) recognized in the balance sheet</b>	<b>16.76</b>	<b>13.44</b>

## (vi) Investment Details

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Category of assets</b>		
Insurance fund	10.91	17.61
<b>Total</b>	<b>10.91</b>	<b>17.61</b>

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

## (vii) Actuarial assumptions

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Expected return on plan assets	6.96%	7.21%
Rate of discounting	6.96%	7.21%
Rate of salary increase	10.00%	10.00%
Rate of employee turnover	For service 4 years and below 42.00% p.a. For service 5 years and above 1.00% p.a.	For service 4 years and below 42.00% p.a. For service 5 years and above 1.00% p.a.
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Mortality rate after employment	N.A.	N.A.

- (a) The estimate of future salary increase, considered in the actuarial valuation, takes into account inflation, seniority, promotion, increments and other relevant factors.
- (b) The Expected Rate of Return on Plan Assets is determined considering several applicable factors, mainly the composition of Plan Assets held assessed risks, historical results of return on Plan Assets and the Company's policy for Plan Assets management.

## (viii) Sensivity analysis :

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting year, while holding all other assumptions constant. The result of Sensivity analysis is given below:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	(₹ in Millions)	
<b>Projected Benefit Obligation on Current Assumptions</b>	<b>27.68</b>	<b>31.05</b>
Delta Effect of +1% Change in Rate of Discounting	(4.85)	(4.77)
Delta Effect of -1% Change in Rate of Discounting	5.14	5.14
<b>Change in Salary Escalation Rate</b>		
Delta Effect of +1% Change in Rate of Salary Increase	3.71	3.93
Delta Effect of -1% Change in Rate of Salary Increase	(3.47)	(3.45)
<b>Change in Employee Turnover Rate</b>		
Delta Effect of +1% Change in Rate of Employee Turnover	(0.86)	(0.80)
Delta Effect of -1% Change in Rate of Employee Turnover	1.01	0.94

These plans typically expose the Company to following risks:

**Investment risk :-** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

**Interest risk :-** A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

**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 flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

**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.

**Concentration Risk:** Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

## (ix) Maturity Analysis of the Benefit Payments: From the Fund

Particulars	(₹ in Millions)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Projected benefits payable in future years from the date of reporting :</b>		
1 <sup>st</sup> Following Year	1.10	4.64
2 <sup>nd</sup> Following Year	0.26	0.25
3 <sup>rd</sup> Following Year	0.29	0.29
4 <sup>th</sup> Following Year	0.32	0.32
5 <sup>th</sup> Following Year	0.35	0.36
Sum of Years 6 To 10	2.58	3.55
Sum of Years 11 and above	111.54	116.54

## B) Defined Contributions Plans

The Company have recognised the following amounts as an expense in the Statement of Profit and Loss:

Particulars	(₹ in Millions)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Contribution to provident fund	17.84	15.50
Contribution to ESIC	0.07	0.34
Contribution to labour welfare fund	0.06	0.03
Contribution to EPS	6.13	5.23
Contribution to NPS	2.30	0.85
<b>Total</b>	<b>26.40</b>	<b>21.96</b>

## Note 25 : Depreciation, amortization and impairment

Particulars	(₹ in Millions)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation on property, plant and equipment and Right of use *	89.55	75.46
Amortization of intangible assets	32.69	19.87
<b>Total</b>	<b>122.24</b>	<b>95.33</b>

\* Depreciation includes depreciation on right of use assets (Refer note 11)

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

## Note 26 : Other Expenses

Particulars	(₹ in Millions)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Advertisement & Marketing Expenses (Including branding)	355.08	533.88
Books & Periodicals Charges	-	0.40
Exchange and Statutory Charges	99.25	126.26
Bank Charges	1.81	3.24
Communication Expense	33.94	37.96
Electricity Charges	17.02	16.87
Professional Charges	343.88	635.70
Office Expenses	60.81	95.08
Meeting, Seminar expenses	3.82	4.78
Directors Remuneration/Sitting Fees	5.89	4.09
Postage and Courier	0.48	0.33
Printing and Stationery	0.71	0.91
Bad-Debts Written off	50.79	2.09
Expected Credit Loss	76.36	9.00
Insurance	0.41	0.33
Rates & Taxes	0.57	7.59
Repairs & Maintenance		
- Computer	0.01	0.01
- Others	0.91	1.33
Remuneration To Auditors :		
- As Auditors - Statutory Audit	1.82	1.78
- Certification Work and Other Matters	0.25	-
Software Charges	495.68	437.57
Travelling and Conveyance	25.52	21.40
Corporate Social Responsibility Expense (Refer note 37)	9.82	6.72
Miscellaneous Expenses	0.89	2.71
<b>Total</b>	<b>1,585.72</b>	<b>1,950.03</b>

## Note 27 : Income Tax

Amount Recognised in profit or (loss)

Particulars	(₹ in Millions)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Current tax expenses</b>		
Current Year	258.25	195.28
Changes in estimates related to prior years	-	-
<b>Deferred tax expenses</b>		
Origination and reversal of temporary differences	(28.40)	(18.43)
<b>Total</b>	<b>229.85</b>	<b>176.85</b>

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

## Reconciliation of effective tax rates :

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before tax	912.19	721.26
Tax using domestic tax rates	25.17%	25.17%
Tax amount	229.58	181.53
<b>Tax effect of :</b>		
Non-deductible expenses	2.47	0.58
Tax-exempt income	(1.62)	(1.12)
Recognition of previously unrecognised deductible temporary differences	(0.58)	(4.14)
<b>Total Income Tax Expense</b>	<b>229.85</b>	<b>176.85</b>

## Note 28 : Earning Per Share (EPS)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Face value of equity shares in ₹ fully paid up	10	10
<b>BASIC</b>		
Profit after tax as per statement of profit and loss (A)	682.34	544.41
Weighted average number of equity shares outstanding (B)	3,12,16,822	3,08,51,127
<b>Basic Earning per Share (₹) A/B</b>	<b>21.86</b>	<b>17.65</b>
<b>DILUTED</b>		
Weighted average number of equity shares for computation of basic EPS	3,12,16,822	3,08,51,127
Add: Potential equity shares on account conversion of Employees Stock Options	90,833	18,11,026
Weighted average number of equity shares for computation of diluted EPS (C)	3,13,07,655	3,26,62,153
<b>Diluted Earning per Share (₹) A/C</b>	<b>21.79</b>	<b>16.67</b>

## Note 29 :- Capital, Other Commitments and Contingent Liabilities at Balance Sheet date:

### Capital and other commitment

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(i) Capital Commitment	-	43.38
(ii) Other Commitment	-	-

### Contingent Liabilities

(₹ in Millions)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(i) Bank Guarantees	5,000.00	4,600.00
(ii) In respect of Income Tax Matters *	218.50	-
(iii) In respect of Legal Case/Penalties	2.68	3.66
<b>Total</b>	<b>5,221.18</b>	<b>4,603.66</b>

\* Income Tax Department has completed the regular assessment under Section 143(3) and passed assessment order pertaining to AY 2023-24, resulting in tax demand including applicable interest amounting to ₹ 21.85 crores on account of disallowances of certain expenditure/deductions claimed. The Holding Company has filed appeal before the CIT(A), against the said order and is of the view that it has adequate factual and legal grounds to substantiate its position in the matter. Accordingly, the group company does not expect any outflow of resources.

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

MCX vide its final order dated July 01, 2024 has imposed penalty of ₹ 25.98 Mn in respect of non-reporting of certain technical glitches / delayed submission of RCAs thereafter, observed during the course of joint inspection for the period between 01-04-2022 to 31-12-2023. MCX has also passed an order restricting on-boarding of new clients for a period of 14 days from the date of receipt of the order. The Holding Company has filed an appeal against the said order before the Securities Appellate Tribunal (SAT). SAT vide its order dated July 05, 2024 has stayed the effect and operation of the said order subject to deposit of 50% of the penalty amount with MCX which the company has since deposited. On a prudent basis, the holding company has made provision in the books for the said penalty amount.

## Note 30 :- Assets pledged as security

The carrying amounts of assets pledged as security for borrowings are:

Particulars	(₹ in Millions)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Financial assets		
First charge		
Fixed Deposits - lien marked	13,158.87	15,660.64
Other financial assets	2,575.95	2,670.18
<b>Total assets pledged as security</b>	<b>15,734.82</b>	<b>18,330.82</b>

## Note 31 :- Financial Risk Management

### 31 A.1. Credit Risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the holding company. Credit risk arises primarily from financial assets such as trade receivables, investments, derivative financial instruments, other balances with banks, loans and other receivables and other financial asset.

### Credit quality analysis

The following tables sets out information about the credit quality of financial assets measured at amortised cost, FVOCI debt investments. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts.

Particulars	(₹ in Millions)			
	As at March 31, 2025			
	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
Trade receivables	0.49	-	-	0.49
Less : Impairment loss allowance	-	-	-	-
<b>Carrying amount</b>	<b>0.49</b>	<b>-</b>	<b>-</b>	<b>0.49</b>
Other Financial Assets	2,921.99	7.02	272.43	3,201.44
Less : Impairment loss allowance	-	(2.81)	(272.43)	(275.24)
<b>Carrying amount</b>	<b>2,922.48</b>	<b>4.21</b>	<b>-</b>	<b>2,926.69</b>

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

(₹ in Millions)

Particulars	As at March 31, 2024			Total
	Financial Assets where loss allowance measured at 12-month ECL	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	
Trade receivables	0.29	-	-	0.29
Less : Impairment loss allowance	-	-	-	-
<b>Carrying amount</b>	<b>0.29</b>	<b>-</b>	<b>-</b>	<b>0.29</b>
Other Financial Assets	3,673.00	36.32	187.99	3,897.31
Less : Impairment loss allowance	-	(10.89)	(187.99)	(198.88)
<b>Carrying amount</b>	<b>3,673.29</b>	<b>25.43</b>	<b>-</b>	<b>3,698.72</b>

## Movement of ECL (Trade receivable and other financial assets)

(₹ in Millions)

Particulars	Financial assets for which credit risk has increased significantly and credit not impaired	Financial assets for which credit risk has increased significantly and credit impaired	Total
<b>March 31,2023</b>	<b>19.18</b>	<b>170.70</b>	<b>189.88</b>
Increase/(Decrease) net	(8.29)	17.29	9.00
<b>March 31,2024</b>	<b>10.89</b>	<b>187.99</b>	<b>198.88</b>
Increase/(Decrease) net	(8.08)	84.44	76.36
<b>March 31,2025</b>	<b>2.81</b>	<b>272.43</b>	<b>275.24</b>

### 31 A.2. Collateral held

The holding company holds collateral of securities in form of share, mutual funds and other credit enhancements against its credit exposures..

### 31 A.3. Measurement of Expected Credit Loss

The holding company has applied the impairment requirements of Ind AS 109 and has used reasonable and supportable information on best efforts basis & that is available without undue cost or effort to determine the credit risk at the reporting date.

### 31 B. Liquidity risk

Liquidity risk arises from the holding company's inability to meet its cash flow commitments on time. Prudent liquidity risk management implies maintaining sufficient stock of cash and marketable securities and maintaining availability of standby funding through an adequate line up of committed credit facilities. It uses a range of products mix to ensure efficient funding from across well-diversified markets and investor pools. Treasury monitors rolling forecasts of the company's cash flow position and ensures that the company is able to meet its financial obligation at all times including contingencies.

The table below analyse the company financial liability into relevant maturity companying based on their contractual maturity. The amount disclosed in the table are the contractual undiscounted cash flows. Balance due within 1 year equals their carrying balances as the impact of discounting is not significant.

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

(₹ in Millions)

Particulars	Carrying amount up to 1 year		Carrying amount from 1 year to 5 year	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Trade payables & other payable	579.87	800.26	-	-
Working capital demand Loan	1,294.53	1,500.00	-	-
Bank overdraft	879.63	1,863.17	-	-
Other financial liabilities	7,635.32	10,638.15	94.18	120.33
<b>Total</b>	<b>10,389.35</b>	<b>14,801.58</b>	<b>94.18</b>	<b>120.33</b>

### 31 C. Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in futures cash flows that may result from a change in the price of a financial instrument.

#### 31 C.1. 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. Interest rate change does not affect significantly short term borrowing and current investment therefore the holding company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt and Non current investment.

Holding company business is volatile and hence borrowings are done bases on requirement, generally borrowings are done for short term and are on market based interest rate

The following table shows sensitivity analysis for impact on interest cost.

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Bank overdraft	879.63	1,863.17
Working capital demand loan	1,294.53	1,500.00
Applicable rate & 12 months weighted average rate	9.14%	9.27%
Annualised interest cost	182.11	242.23

Sensitivity analysis for impact on interest cost

(₹ in Millions)

Particulars	As at March 31, 2025	As at March 31, 2024
Increase in 1% change in ROI	19.93	25.85
Decrease in 1% change in ROI	(19.93)	(25.85)

#### 31 C.2. Fair value sensitivity analysis for fixed-rate instruments

The holding company does not have any fixed-rate instruments presented in financial liabilities.

#### 31 C.3. Exposure to currency risks

(₹ in Millions)

Particulars	As at March 31, 2025		As at March 31, 2024	
	(USD \$)	(₹ in Millions)	(USD \$)	(₹ in Millions)
Foreign Currency Assets	52,041.30	4.45	50,118.90	4.17
Foreign Currency Liabilities	-	-	-	-
<b>Net Gap</b>	<b>52,041.30</b>	<b>4.45</b>	<b>50,118.90</b>	<b>4.17</b>

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

The effect of upward movement of 5% in the exchange rate increase the profit/reserve by ₹ 2.2 Lakhs and downward movement of 5% will reduce profit/reserve by ₹ 2.2 Lakhs for FY 2025-26

## 31 C.4. Exposure to derivative risks

The holding company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.

## 31 C.5. Exposure to Price Risk

The holding company exposure to price risk arising from investment held by the company and is classified in the balance sheet through fair value through profit & loss account. holding company has investment in Exchange Traded Funds under various scheme and its exposure.

Particulars	₹ in Millions	
	Mutual Fund	Total
Market Value as on March 31, 2025	21.03	21.03
Market Value as on March 31, 2024	19.70	19.70

The effect of upward movement of 5% in the price affects the projected net income by ₹ 1.05 million and for downward movement of 5% the projected net loss will ₹ 1.05 million for FY 2025-26.

## 31 D. Capital Management

The holding company's objective when managing capital are to

- Safeguard their ability to continue as going concern, so that they can continue to provide returns for the share holders and benefits for other stake holders, and
- Maintain an optimal capital structure to reduce the cost of capital.

The holding company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using debt equity ratio.

The holding company's strategy is to maintain gearing ratio as per industry norms. The gearing ratio is as follows

Particulars	₹ in Millions	
	As at March 31, 2025	As at March 31, 2024
Total debt	2,174.16	3,363.17
Cash & cash equivalent (excluding client bank balance)	(9.12)	(16.02)
<b>Net debt</b>	<b>2,165.04</b>	<b>3,347.15</b>
Total equity	6,036.42	5,398.86
<b>Net debt to equity</b>	<b>0.36</b>	<b>0.62</b>

## 31 E. Fair values of financial instruments

The holding company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

– Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments..

The holding company uses widely recognised valuation models to determine the fair value of common and simple financial instruments, such as interest rate and currency swaps, that use only observable market data and require little management judgment and estimation. Observable prices or model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple OTC derivatives such as interest rate swaps. The availability of observable market prices and model inputs reduces the need for management judgment and estimation and also reduces the uncertainty associated with determining fair values.

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position. The fair values include any deferred differences between the transaction price and the fair value on initial recognition when the fair value is based on a valuation technique that uses unobservable inputs.

## 31 E.1. : Fair Value of Financial Instruments - Financial Instrument by Category

(₹ in Millions)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Fair Value through Profit or loss	Amortised Cost	Carrying Value	Fair Value through Profit or loss	Amortised Cost	Carrying Value
<b>Financial Asset</b>						
(a) Cash and cash equivalents	-	203.24	203.24	-	709.05	709.05
(b) Bank balance other than (a) above	-	13,162.83	13,162.83	-	15,664.50	15,664.50
(c) Receivables	-	-	-	-	-	-
(i) Trade receivables	-	0.49	0.49	-	0.29	0.29
(d) Loans	-	2,248.87	2,248.87	-	1,756.34	1,756.34
(e) Investments						
(i) Investment in Mutual Fund	21.03	-	21.03	19.70	-	19.70
(f) Other financial assets	-	656.30	656.30	-	1,922.39	1,922.39
<b>Total</b>	<b>21.03</b>	<b>16,271.73</b>	<b>16,292.76</b>	<b>19.70</b>	<b>20,052.57</b>	<b>20,072.27</b>
<b>Financial Liabilities</b>						
(a) Trade payables	-	7.54	7.54	-	7.06	7.06
(b) Other payables	-	572.33	572.33	-	793.20	793.20
(c) Borrowings (Other than debt securities)	-	2,174.16	2,174.16	-	3,363.17	3,363.17
(d) Other financial liabilities	-	7,729.50	7,729.50	-	10,758.48	10,758.48
<b>Total</b>	<b>-</b>	<b>10,483.53</b>	<b>10,483.53</b>	<b>-</b>	<b>14,921.91</b>	<b>14,921.91</b>

## 31 E.2. Financial instruments measured at fair value – Fair value hierarchy

(₹ in Millions)

Financial instruments measured at fair value	Recurring fair value measurements as at March 31, 2025			
	Level 1	Level 2	Level 3	Total
Mutual Fund	21.03	-	-	21.03
<b>Total Assets</b>	<b>21.03</b>	<b>-</b>	<b>-</b>	<b>21.03</b>

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

(₹ in Millions)

Financial instruments measured at fair value	Recurring fair value measurements as at March 31, 2024			
	Level 1	Level 2	Level 3	Total
Mutual Fund	19.70			19.70
<b>Total Assets</b>	<b>19.70</b>	-	-	<b>19.70</b>

### 31 E.3. Financial instruments not measured at fair value

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

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the holding company's Financial Statement. These fair value is calculated for disclosures purpose only.

#### Short Term financial assets and liabilities

For Financial assets and liabilities that have a short term nature, the carrying amount, which is net of impairment, are a reasonable approximation of their fair value. Such instruments include cash and bank balances, trade receivables, other receivables, balances other than cash and cash equivalents and trade payables.

(₹ in Millions)

Particulars	As at March 31, 2025		
	Carrying Value	Fair Value	Fair Value Hierarchy
<b>Assets</b>			
Cash and cash equivalents	203.24	203.24	-
Bank balance	13,162.83	13,162.83	-
Trade and other receivable	0.49	0.49	-
Loans	2,248.87	2,248.87	-
Security deposit	20.16	20.16	Level 3
Other financial asset	636.14	636.14	-
<b>Total Assets</b>	<b>16,271.73</b>	<b>16,271.73</b>	-
<b>Liabilities</b>			
Borrowings	2,174.16	2,174.16	-
Trade and other payables	579.87	579.87	-
Other financial liabilities	7,729.50	7,729.50	-
<b>Total Liabilities</b>	<b>10,483.53</b>	<b>10,483.53</b>	-

(₹ in Millions)

Particulars	As at March 31, 2024		
	Carrying Value	Fair Value	Fair Value Hierarchy
<b>Assets</b>			
Cash and cash equivalents	709.05	709.05	-
Bank balance	15,664.50	15,664.50	-
Trade and other receivable	0.29	0.29	-
Loans	1,756.34	1,756.34	-
Security deposit	20.16	20.16	Level 3
Other financial asset	1,902.23	1,902.23	-
<b>Total Assets</b>	<b>20,052.57</b>	<b>20,052.57</b>	-
<b>Liabilities</b>			
Borrowings	3,363.17	3,363.17	-
Trade and other payables	800.26	800.26	-
Other financial liabilities	10,758.48	10,758.48	-
<b>Total Liabilities</b>	<b>14,921.91</b>	<b>14,921.91</b>	-

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

## 31 E.4. Movements In Level 1 Financial Instruments Measured At Fair Value :

(₹ in Millions)

Particulars	Mutual Fund	Exchange Traded Fund	Total
<b>Balances as at March 31, 2023</b>	<b>17.41</b>	<b>64.08</b>	<b>81.49</b>
Purchase	1.55	1,232.23	1,233.78
Sale/Redemption of financial instrument	(0.62)	(1,296.44)	(1,297.06)
Total gain/(losses) recognised in profit and loss	1.36	0.13	1.49
<b>Balances as at March 31, 2024</b>	<b>19.70</b>	<b>-</b>	<b>19.70</b>
Purchase	-	1,245.07	1,245.07
Sale/Redemption of financial instrument	(0.13)	(1,248.03)	(1,248.16)
Total gain/(losses) recognised in profit and loss	1.46	2.96	4.42
<b>Balances as at March 31, 2025</b>	<b>21.03</b>	<b>-</b>	<b>21.03</b>

## 31 E.5. Measurement of fair value

The fair Values of Investments in Exchange Traded Funds is based on last traded price as at the Balance Sheet date.

The table which shows the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used is as follows:

Type	Valuation technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value Change in discount rate by 500 basis points would increase/ (decrease) as below
<b>Financial Assets:</b>				
Investment in Exchange Traded Funds	Exchange Traded Fund fair value is using input based on information / other data that are available.	Not Applicable	Not Applicable	Not Applicable
Investment in Mutual Funds	Mutual Funds are measured based on the published net asset value (NAV) by AMFI and are classified as level 1.	Not Applicable	Not Applicable	Not Applicable

## Note 32 :- Segment Reporting

In the opinion of the management, there is only one reportable business segment as envisaged by Ind AS 108 on 'Operating Segment' issued by Institute of Chartered accountant of India. Accordingly, no separate disclosure for segment reporting is required to be made in the financial statements of the group company. Secondary segmentation based on geography has not been presented as the holding company operates primarily in India and the holding company perceives that there is no significant difference in its risk and returns in operating from different geographic areas within India.

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

## Note 33 :- Related Party Transaction

As Per IND AS 24, the disclosures of transaction with the related parties are given below :

### (A) List of related parties where control exists

Relationship	Name of the related party
Directors & its Relatives	Mr. Gaurav Seth - Managing Director (w.e.f. January 17, 2025) & CEO (w.e.f. January 14, 2025)
	Mr. Narayan Gangadhar - Managing Director & CEO (up to Aug 28, 2024)
	Mr. Gourav Munjal - Whole Time Director & CFO
	Mr. Ameya Agnihotri - Whole Time Director & CTO (w.e.f. Jul 13, 2024)
	Dr. Archana Hingorani - Independent Director (w.e.f. Jun 07, 2017)
	Mrs Nirali Sanghi - Independent Director (w.e.f. Jan 11, 2018)
	Mr Milin Mehta - Independent Director (w.e.f. Apr 01, 2020)
	Mr Ravindra Garikipati - Independent Director (w.e.f. Sep 03, 2020)
Key Management Personnel	Mrs Namita Godbole- Company Secretary
Subsidiaries	5Paisa P2P Limited
	5paisa Corporate Services Limited (Formerly known as 5Paisa Insurance Brokers Limited)*
	5paisa International Securities (IFSC) Limited (Incorporated on 15/06/2022)
	5Paisa Trading Limited
Other Related Parties	IIFL Finance Limited
	IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)**
	IIFL Commodities Limited
	IIFL Management Services Limited
	Livlong Insurance Brokers Limited (Formerly, IIFL Insurance Brokers Limited)
	Livlong Protection & Wellness Services Limited (Formerly known as IIFL Corporate Services Limited)
	IIFL Securities Services IFSC Limited
	IIFL Sales Limited***
	IIFL Capital Asset Management Limited (Formerly known as IIFL Securities Alternate Asset Management Limited)****
	IIFL Facilities Services Limited
	IIFL Capital Inc
	IIFL Open Fintech Private Limited
	IIFL Home Finance Limited
	IIFL Samasta Finance Limited
	IIFL Wealth (UK) Limited
	Meenakshi Towers LLP
	India Infoline Foundation
	MAVM Angels Network Private Limited
	Shreyans Foundations LLP
	MNJ Consultants Private Limited
	India Infoline Employee Trust
	Nirmal Madhu Family Private Trust
	Sunder Bhanwar Ventures Private Limited
	Mr. Venkataraman Rajamani
	Mrs. Aditi Athavankar (wife of Venkataraman Rajamani)
	Mr. Nirmal Jain
	Mrs. Madhu Jain (wife of Nirmal Jain)
	Mrs. Aditi Athavankar (in capacity of Kalki Family Private Trust)
	Orpheus Trading Pvt. Limited
	Ardent Impex Pvt Limited

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

\* Name of 5paisa Insurance Brokers Limited changed to 5paisa Corporate Services Limited w.e.f. November 16,2022

\*\* Name of IIFL Securities Limited changed to IIFL Capital Services Limited w.e.f. November 05,2024

\*\*\* IIFL Sales Limited is Step-down Subsidiary of IIFL Finance Limited

\*\*\*\* Name of IIFL Securities Alternate Asset Management Limited to IIFL Capital Asset Management Limited w.e.f. February 03, 2025

## (B) Significant transactions with related parties during the year

Nature of transaction	(₹ in Millions)	
	2024-25	2023-24
<b>Referral Income/Service Income/Brokerage Income/Depository Participate Income. etc. :-</b>		
<b>a) Directors , Key Managerial Persons &amp; their relatives</b>		
Mr Gaurav Seth (w.e.f. Jan 14, 2025)	0.00	-
Mr Narayan Gangadhar (upto Aug 28, 2024)	0.00	0.00
Mr Gourav Munjal	0.03	0.01
Mrs Namita Godbole	0.00	0.00
Mr Ameya Agnihotri (w.e.f. Jul 13, 2024)	0.00	-
Mr Prakarsh Gagdani (upto Dec 31, 2023)	-	0.01
Prakarsh Sharad Gagdani - HUF (upto Dec 31, 2023)	-	0.00
Mrs Kalpana Gagdani (upto Dec 31, 2023)	-	0.01
Mrs Punam Gagdani (upto Dec 31, 2023)	-	0.00
Mr Sharad Muralidhar Gagdani (upto Dec 31, 2023)	-	0.00
<b>Advisory Fees</b>		
<b>a) Other Related Parties</b>		
IIFL Finance Limited	-	8.24
<b>Security Deposit :-</b>		
<b>a) Other Related Parties</b>		
IIFL Facilities Services Limited	9.75	9.75
IIFL Management Services Limited	0.05	0.05
<b>Security Deposit Repaid:-</b>		
<b>a) Other Related Parties</b>		
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	-	3.53
<b>Remuneration :-</b>		
Mr Gaurav Seth (w.e.f. Jan 14, 2025)	4.32	-
Mr Narayan Gangadhar (upto Aug 28, 2024)	11.90	25.17
Mr Gourav Munjal	6.97	7.05
Mrs Namita Godbole	7.66	6.55
Mr Ameya Agnihotri (w.e.f. Jul 13, 2024)	17.13	-
Mr Prakarsh Gagdani (upto Dec 31, 2023)	-	19.65
<b>Sitting Fees:-</b>		
Dr. Archana Hingorani	1.52	0.95
Mrs Nirali Sanghi	1.36	0.93
Mr Milin Mehta	1.50	0.97
Mr Ravindra Garikipati	1.52	0.90
<b>Rent Expense :-</b>		
<b>a) Other Related Parties</b>		
IIFL Facilities Services Limited	22.11	20.76
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	-	0.88
IIFL Management Services Limited	0.18	0.18

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

(₹ in Millions)

Nature of transaction	2024-25	2023-24
<b>Interest Expenses Inter Corporate Deposit:-</b>		
<b>a) Other Related Parties</b>		
IIFL Finance Limited	-	9.44
IIFL Home Finance Limited	-	67.46
<b>Inter Corporate Deposit Taken :-</b>		
<b>a) Other Related Parties</b>		
IIFL Finance Limited	-	1,500.00
IIFL Home Finance Limited	-	4,300.00
<b>Inter Corporate Deposit Repaid :-</b>		
<b>a) Other Related Parties</b>		
IIFL Finance Limited	-	1,500.00
IIFL Home Finance Limited	-	4,300.00
<b>Allocation / Reimbursement of expenses Paid :-</b>		
<b>a) Other Related Parties</b>		
IIFL Finance Limited	16.34	20.50
IIFL Facilities Services Limited	15.12	17.25
IIFL Home Finance Limited	0.00	0.00
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	21.77	41.73
IIFL Management Services Limited	0.00	-
<b>Allocation / Reimbursement of expenses Received :-</b>		
<b>a) Other Related Parties</b>		
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	15.76	27.38
IIFL Finance Limited	4.53	3.70
IIFL Home Finance Limited	0.09	0.05
<b>Others Paid :-</b>		
<b>a) Other Related Parties</b>		
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	0.49	0.22
IIFL Finance Limited	0.26	0.09
IIFL Home Finance Limited	0.11	0.10
Livlong Insurance Brokers Limited	0.01	0.00
Livlong Protection & Wellness Services Limited	-	0.00
<b>Others Received :-</b>		
<b>b) Other Related Parties</b>		
Livlong Insurance Brokers Limited	-	0.02
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	0.25	0.24
IIFL Home Finance Limited	-	0.11
IIFL Finance Limited	0.94	0.12
IIFL Facilities Services Limited	0.00	0.00
Livlong Protection & Wellness Services Limited	-	0.02

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

## (C) Closing Balance

Nature of transaction	(₹ in Millions)	
	2024-25	2023-24
<b>Sundry Payable :-</b>		
<b>a) Other Related Parties</b>		
IIFL Facilities Services Limited	4.42	2.42
IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	2.92	5.26
IIFL Finance Limited	3.25	3.26
IIFL Home Finance Limited	0.00	-
<b>b) Directors &amp; Relatives</b>		
Mr Gourav Munjal	0.21	0.24
Mr Ameya Agnihotri	0.03	-
Mr Gaurav Seth	0.04	-
<b>Security Deposit</b>		
<b>a) Other Related Parties</b>		
IIFL Facilities Services Limited	9.75	9.75
IIFL Management Services Limited	0.05	0.05
<b>Sundry Receivable :-</b>		
<b>a) Other Related Parties</b>		
IIFL Home Finance Limited	-	0.00
Livlong Insurance Brokers Limited	-	0.00
<b>b) Director &amp; Relatives</b>		
Mr Narayan Gangadhar	-	0.00
Mrs Namita Godbole	0.00	0.00

© Amount is less than ₹ 0.01 million, hence shown ₹ 0.00 million

**Note: 34.** The holding company has implemented Employee Stock Option Scheme 2017 (ESOP Scheme) and has outstanding options granted under the said scheme. The options vest in a graded manner and are required to be exercised within specified period as per the terms of the grant approved by the Nomination and Remuneration Committee of the Company and conditions of the ESOP Scheme.

### a1) The details of various Employee Stock Option Schemes are as under:

Particulars	ESOP 2017
Method of Accounting	Fair Value of options
Vesting Plan	Options granted would vest over a period of five years subject to minimum period of one year from the date of grant of options.
Exercise Period	Seven Years from the grant date

### b) Movement of options during the year ended March 31, 2024

Particulars	Option Outstanding (in numbers)	Range of exercise Price (in ₹) <sup>§</sup>	Weight average exercise price (in ₹)	Weight average remaining contractual life (in Years)
<b>Exercisable as on March 31, 2023</b>	<b>8,97,350</b>	<b>157.53 to 530.40</b>	-	-
Granted during the year *	5,25,250	286.65 to 362.05	-	-
Forfeited during the year	-	-	-	-
Expired/Lapsed during the year	2,78,500	-	-	-
Exercised during the year #	5,55,405	157.53 to 371.30	202.88	-
<b>Outstanding as on March 31, 2024</b>	<b>5,88,695</b>	<b>157.53 to 530.40</b>	-	<b>5.48</b>

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

<b>Exercisable as on March 31, 2024</b>	<b>5,88,695</b>	<b>157.53 to 530.40</b>	-	-
Granted during the year *	2,00,000	416.40	-	-
Forfeited during the year	-	-	-	-
Expired/Lapsed during the year	31,430	157.53 to 398.65	-	-
Exercised during the year #	32,865	157.53 to 398.65	338.94	-
<b>Outstanding as on March 31, 2025</b>	<b>7,24,400</b>	<b>282 to 530.40</b>	-	<b>5.20</b>
<b>Exercisable as on March 31, 2025</b>	<b>7,24,400</b>	<b>282 to 530.40</b>	-	-

§ Exercise price has been calculated after giving effect of additional options granted to employee consequent to rights issue as approved by the board.

**a2) The details of various Employee Stock Option Schemes are as under:**

Particulars	ESOP 2023
Method of Accounting	Fair Value of options
Vesting Plan	Options granted would vest over a period of five years subject to minimum period of one year from the date of grant of options.
Exercise Period	Three Years from the vesting date

**b) Movement of options during the year ended March 31, 2025**

Particulars	Option Outstanding (in numbers)	Range of exercise Price (in ₹) §	Weight average exercise price (in ₹)	Weight average remaining contractual life (in Years)
<b>Granted during the year *</b>	<b>16,40,000</b>	<b>10</b>		
Forfeited during the year	-	-		
Expired/Lapsed during the year	-	-		
Exercised during the year	-	-		
Outstanding as on March 31, 2024	16,40,000	10	-	4.83
<b>Exercisable as on March 31, 2024</b>	<b>16,40,000</b>	<b>10</b>		
<b>Granted during the year *</b>	<b>-</b>	<b>-</b>		
Forfeited during the year	-	-		
Expired/Lapsed during the year	15,90,000	-		
Exercised during the year #	12,500	-	10.00	
<b>Outstanding as on March 31, 2025</b>	<b>37,500</b>	<b>10</b>	-	<b>3.00</b>
<b>Exercisable as on March 31, 2025</b>	<b>37,500</b>	<b>10</b>		

§ Exercise price has been calculated after giving effect of additional options granted to employee consequent to rights issue as approved by the board.

# During the year 32,865 ESOP and 12,500 RSU has been exercised by the employee. (P.Y 5,55,405 ESOP, Nil RSU)

**(c) \*The Company has granted 2,00,000 ESOP (P.Y. 5,25,250 ESOP, 16,40,000 RSU respectively) options during the year.**

**Fair Value Methodology**

The fair value of the Options granted has been estimated using the Black-Scholes option pricing Model. Each tranche of vesting have been considered as a separate grant for the purpose of valuation.

**Stock Price:** The fair value of the underlying stock based on the latest available closing Market Price on NSE has been considered for valuing the grant.

**Volatility:** Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during the period. The measure of volatility is used in the Black Scholes option-pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time.

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

The period to be considered for volatility has to be adequate to represent a consistent trend in the price movements. It is also important that movement due to abnormal events get evened out. There is no research that demonstrates conclusively how long the historical period used to estimate expected long-term future volatility should be. However, informal tests and preliminary research tends to confirm that estimates of expected future long term volatility should be based on historical volatility for a period that approximates the expected life of the options being valued.

**Risk-free rate of return:** The risk-free rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities.

**Exercise Price:** The Exercise Price as communicated to us by the management of the Company have been considered in the valuation.

**Time to Maturity:** Time to Maturity / Expected Life of Options is the period for which the holding company expects the Options to be live. The minimum life of a stock option is the minimum period before which the Options cannot be exercised and the maximum life is the period after which the Options cannot be exercised.

**Expected dividend yield:** The management's representation of the Expected dividend yield of 0% has been accepted for the purpose of this valuation.

**Note 35:- The table below shows as analysis of assets and liabilities analyzed according to when they are expected to be recoved or settled.**

(₹ in Millions)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>ASSETS</b>						
<b>(1) Financial Assets</b>						
(a) Cash and cash equivalents	203.24	-	203.24	709.05	-	709.05
(b) Bank Balance other than (a) above	12,691.83	471.00	13,162.83	15,661.25	3.25	15,664.50
(c) Receivables	-	-	-	-	-	-
(I) Trade receivables	0.49	-	0.49	0.29	-	0.29
(d) Loans	2,248.87	-	2,248.87	1,756.34	-	1,756.34
(e) Investments	-	21.03	21.03	19.70	-	19.70
(f) Other financial assets	510.99	145.31	656.30	1,810.70	111.69	1,922.39
<b>Sub-total</b>	<b>15,655.42</b>	<b>637.34</b>	<b>16,292.76</b>	<b>19,957.33</b>	<b>114.94</b>	<b>20,072.27</b>
<b>(2) Non-Financial Assets</b>						
(a) Current tax assets (net)	0.02	-	0.02	10.93	-	10.93
(b) Deferred tax assets (net)	-	117.94	117.94	-	90.15	90.15
(c) Property, Plant and Equipment	-	50.50	50.50	-	71.25	71.25
(d) Right to use assets	-	111.79	111.79	-	146.90	146.90
(e) Other intangible assets	0.76	-	0.76	4.10	-	4.10
(f) Capital work-in-progress	-	37.10	37.10	-	26.36	26.36
(g) Other non-financial assets	55.41	-	55.41	56.57	-	56.57
<b>Sub-total</b>	<b>56.19</b>	<b>317.33</b>	<b>373.52</b>	<b>71.60</b>	<b>334.66</b>	<b>406.26</b>
<b>Total Assets</b>	<b>15,711.61</b>	<b>954.67</b>	<b>16,666.28</b>	<b>20,028.93</b>	<b>449.60</b>	<b>20,478.53</b>
<b>LIABILITIES</b>						
<b>(1) Financial Liabilities</b>						
(a) Payables						
(I) Trade payables						

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

(₹ in Millions)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	0.31	-	0.31
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	7.54	-	7.54	6.75	-	6.75
(II) Other payables						
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	572.33	-	572.33	793.20	-	793.20
(b) Borrowings (Other than debt securities)	2,174.16	-	2,174.16	3,363.17	-	3,363.17
(c) Other financial liabilities	7,635.32	94.18	7,729.50	10,638.15	120.33	10,758.48
<b>Sub-total</b>	<b>10,389.35</b>	<b>94.18</b>	<b>10,483.53</b>	<b>14,801.58</b>	<b>120.33</b>	<b>14,921.91</b>
(2) Non-Financial Liabilities						
(a) Current tax Liabilities (net)	101.30	-	101.30	55.88	-	55.88
(b) Provisions	17.67	-	17.67	19.23	-	19.23
(c) Other non-financial liabilities	27.36	-	27.36	82.65	-	82.65
<b>Sub-total</b>	<b>146.33</b>	<b>-</b>	<b>146.33</b>	<b>157.76</b>	<b>-</b>	<b>157.76</b>
<b>Total Liabilities</b>	<b>10,535.68</b>	<b>94.18</b>	<b>10,629.86</b>	<b>14,959.34</b>	<b>120.33</b>	<b>15,079.67</b>
<b>Net</b>	<b>5,175.93</b>	<b>860.49</b>	<b>6,036.42</b>	<b>5,069.59</b>	<b>329.27</b>	<b>5,398.86</b>

## NOTE 36: SUMMARY OF CONSOLIDATION

### a) Enterprises consolidated as subsidiary in accordance with Indian Accounting Standard 110 - Consolidated Financial Statements.

Sr. No.	Name of subsidiaries	Country of Incorporation	Proportion of ownership interest	
			March 31, 2025	March 31, 2024
1	5paisa P2P Limited	India	100.00%	100.00%
2	5Paisa Corporate Services Limited (Formerly Known as 5Paisa Insurance Brokers Limited)	India	100.00%	100.00%
3	5paisa Trading Limited	India	100.00%	100.00%
4	5Paisa International Securities (IFSC) Limited	India	100.00%	100.00%

#### Note:

- 5Paisa Corporate Services Limited (Formerly Known as 5Paisa Insurance Brokers Limited) has become a subsidiary of 5paisa Capital Limited in the year FY 18-19.
- 5paisa Trading Limited has become a subsidiary of 5paisa Capital Limited in the year 19-20.
- 5Paisa International Securities (IFSC) Limited has become a subsidiary of 5paisa Capital Limited in the year 22-23.

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

**b) Additional information, as required under schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiaries.**

As at March 31, 2025

Name of subsidiaries	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated Net Assets	₹ in Millions	As % of consolidated Profit or Loss	₹ in Millions	As % of consolidated Other Comprehensive Income	₹ in Millions	As % of consolidated Total Comprehensive Income	₹ in Millions
<b>Holding company</b>								
5Paisa Capital Limited	100.13%	6,044.47	99.83%	681.18	100.00%	1.83	99.82%	683.01
<b>Subsidiaries</b>								
<b>Indian</b>								
1 5paisa P2P Limited	0.64%	38.85	-0.21%	(1.41)	0.00%	-	-0.21%	(1.41)
2 5Paisa Corporate Services Limited (Formerly Known as 5Paisa Insurance Brokers Limited)	0.00%	0.28	0.01%	0.04	0.00%	-	0.01%	0.04
3 5paisa Trading Limited	0.02%	0.96	-0.01%	(0.07)	0.00%	-	-0.01%	(0.07)
4 5Paisa International Securities (IFSC) Limited	0.07%	4.13	0.04%	0.28	0.00%	-	0.04%	0.28
Elimination	-0.87%	(52.27)	0.34%	2.32	0.00%	-	0.34%	2.32
<b>Total</b>	<b>100.00%</b>	<b>6,036.42</b>	<b>100.00%</b>	<b>682.34</b>	<b>100.00%</b>	<b>1.83</b>	<b>100.00%</b>	<b>684.17</b>

@ Amount is less than ₹ 0.01 million hence shown as ₹ 0.00 million

## NOTE 37 : CORPORATE SOCIAL RESPONSIBILITY

During the period ended March 31, 2025 the Company has spent ₹ 9.82 million (P.Y. ₹ 6.72 million) out of the total amount of ₹ 9.82 million (P.Y. ₹ 6.72 million) required to be spent as per section 135 of the Companies Act 2013 in respect of Corporate Social Responsibility [CSR]. The aforementioned amount has been contributed to India Infoline Foundation.

No subsidiary is required to spend on CSR activities as per Section 135 of companies Act , 2013

Particulars	(₹ in Millions)	
	As at March 31, 2025	As at March 31, 2024
Amount required to be spent by the company during the year	9.82	6.72
Amount of expenditure incurred	9.82	6.72
Shortfall at the end of the year	-	-
Total of previous years shortfall	N.A.	N.A.
Reason for shortfall	N.A.	N.A.
Nature of CSR activities	1. Promoting education	1. Promoting education
Details of related party transactions	Contributed to India Infoline Foundation	Contributed to India Infoline Foundation

## NOTE 38 :

The group operates from and uses the premises, infrastructure and other facilities and services as provided to it by group companies which are termed as 'Shared Services'. Hitherto, such shared services consisting of administrative and other revenue expenses paid for by the company were identified and recovered from them based on reasonable management estimates, which are constantly refined in the light of additional knowledge gained relevant to such estimation. These expenses are recovered on an actual basis and the estimates are used only where actual were difficult to determine.

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

## NOTE 39 : CODE ON SOCIAL SECURITY

The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and postemployment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. The Central Government on 30<sup>th</sup> March 2021 has deferred the implementation of the said Code and the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will account for the related impact in the period the Code becomes effective.

## NOTE 40 : RATIOS

Additional regulatory information required under (WB)(xvi) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Company as it is in broking business and not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.

## NOTE 41 : ADDITIONAL REGULATORY INFORMATION AS PER DIVISION III SCHEDULE III OF COMPANIES ACT, 2013

- a) No funds have been advanced or loaned or invested by the group companies to or in any other persons or entities, 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) No funds have been received by the group companies from any persons or entities, 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.
- c) The group company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.
- d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the group companies.
- e) No proceedings have been initiated or pending against the group companies for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).
- f) The group companies has not been declared as wilful defaulter by any bank or financial Institution or other lender.
- g) During the year, the group companies has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- h) There are no transactions which have not been recorded in the books of accounts and which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- i) The quarterly returns / statements of current assets filed by the group companies, with banks from whom borrowings have been availed on the basis of security of current assets, are in agreement with the books of account.
- j) There are no charges or satisfaction yet to be registered with the registrar of companies beyond the statutory period.
- k) The group companies does not have layers beyond the number prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

# Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2025 (Contd.)

## NOTE 42 : INCOME TAX SURVEY, SEARCH AND SEIZURE:

During January 2025, the Income Tax Department conducted a search operation at the premises of 5paisa Capital Ltd. The group (5Paisa Capital Ltd. And its subsidiaries) extended full cooperation to the Income Tax officials and provided all requisite information, documents, and clarifications as sought during the proceedings. As of the date of this report, the group (5Paisa Capital Ltd. And its subsidiaries) has not received any formal communication from the department regarding the outcome of the search. Accordingly, the impact, if any, on the company's financial results cannot be determined at this stage.

## NOTE 43 : COMPARATIVES

Previous year figures are re-grouped, re-classified and re-arranged, wherever considered necessary to confirm to current year's presentation.

As per our report of even date

**For V Sankar Aiyar & Co.**

Chartered Accountants

Firm's Registration No.109208W

By the hand of

**For and on behalf of Board of Directors**

**Asha Patel**

Partner

Membership No.: 166048

**Gaurav Seth**

Managing Director & CEO

(DIN : 10415364)

**Gourav Munjal**

Whole Time Director & CFO

(DIN : 06360031)

Place : Mumbai

Dated : May 1, 2025

**Namita Godbole**

Company Secretary

# Corporate Information

## BOARD OF DIRECTORS

**Dr. Archana Hingorani**  
Chairperson & Independent Director

**Ms. Nirali Sanghi**  
Independent Director

**Mr. Milin Mehta**  
Independent Director

**Mr. Ravindra Garikipati**  
Independent Director

**Dr. Sarat Kumar Malik<sup>#</sup>**  
Independent Director

<sup>#</sup> Appointed as an Additional Non-Executive Independent Director w.e.f. July 08, 2025.

**Mr. Narayan Gangadhar<sup>^</sup>**  
Managing Director ("MD") &  
Chief Executive Officer ("CEO")  
<sup>^</sup>Resigned as a Managing Director & Chief Executive Officer (CEO) vide resignation letter dated May 30, 2024 w.e.f. the close of business hours of August 28, 2024.

**Mr. Gaurav Seth<sup>§</sup>**  
Managing Director ("MD") &  
Chief Executive Officer ("CEO")  
<sup>§</sup> Appointed as a CEO w.e.f. January 14, 2025 and as a Managing Director w.e.f. January 17, 2025.

**Mr. Gourav Munjal**  
Whole Time Director ("WTD") &  
Chief Financial Officer ("CFO")

**Mr. Ameya Agnihotri<sup>@</sup>**  
Whole Time Director ("WTD") &  
Chief Technology Officer ("CTO")  
<sup>@</sup> Appointed as Whole Time Director w.e.f. July 13, 2024.

## COMMITTEES OF THE BOARD OF DIRECTORS AS ON MARCH 31, 2025

### AUDIT COMMITTEE

**Mr. Milin Mehta**  
Chairman, Independent Director

**Dr. Archana Hingorani**  
Member, Independent Director

**Ms. Nirali Sanghi**  
Member, Independent Director

**Mr. Ravindra Garikipati**  
Member, Independent Director

## NOMINATION AND REMUNERATION COMMITTEE

**Ms. Nirali Sanghi**  
Chairperson, Independent Director

**Dr. Archana Hingorani**  
Member, Independent Director

**Mr. Ravindra Garikipati**  
Member, Independent Director

## STAKEHOLDERS' RELATIONSHIP COMMITTEE

**Ms. Nirali Sanghi**  
Chairperson, Independent Director

**Dr. Archana Hingorani**  
Member, Independent Director

**Mr. Gaurav Seth**  
Member, Managing Director & CEO

**Mr. Ameya Agnihotri**  
Member, Whole Time Director & CTO

## RISK MANAGEMENT COMMITTEE

**Dr. Archana Hingorani**  
Chairperson, Independent Director

**Mr. Milin Mehta**  
Member, Independent Director

**Mr. Gaurav Seth**  
Member, Managing Director & CEO

**Mr. Gourav Munjal**  
Member, Whole-time Director & CFO

**Mr. Ameya Agnihotri**  
Member, Whole Time Director & CTO

**Mr. Yogesh Maroli**  
Member, Chief Information Security Officer (CISO)

**Mr. Lalit Babu Lathe**  
Member, Chief Risk Officer (CRO)

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

**Dr. Archana Hingorani**  
Chairperson, Independent Director

**Ms. Nirali Sanghi**  
Member, Independent Director

**Mr. Gaurav Seth**  
Member, Managing Director & CEO

**Mr. Gourav Munjal**  
Member, Whole Time Director & CFO

**Mr. Ameya Agnihotri**  
Member, Whole Time Director & CTO

## FINANCE COMMITTEE

**Mr. Gourav Munjal**  
Chairman, Whole Time Director & CFO

**Mr. Gaurav Seth**  
Member, Managing Director & CEO

**Mr. Ameya Agnihotri**  
Member, Whole Time Director & CTO

## INDEPENDENT DIRECTORS COMMITTEE

**Mr. Ravindra Garikipati**  
Chairman, Independent Director

**Ms. Nirali Sanghi**  
Member, Independent Director

**Dr. Archana Hingorani**  
Member, Independent Director

**Mr. Milin Mehta**  
Member, Independent Director

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

**Ms. Nirali Sanghi**  
Chairperson, Independent Director

**Mr. Gaurav Seth**  
Member, Managing Director & CEO

**Mr. Gourav Munjal**  
Member, Whole Time Director & CFO

**Mr. Ameya Agnihotri**  
Member, Whole Time Director & CTO

**Mrs. Namita Godbole**  
Member, Company Secretary &  
Chief Compliance Officer \*

\* Stepped down as a Member of the Committee w.e.f. July 11, 2025

## INFORMATION TECHNOLOGY (IT) COMMITTEE

**Mr. Ravindra Garikipati**  
Chairman, Independent Director

**Mr. Milin Mehta**  
Member, Independent Director

**Mr. Gaurav Seth**  
Member, Managing Director & CEO

**Mr. Ameya Agnihotri**  
Member, Whole Time Director & CTO

**Mr. Yogesh Maroli**  
Member, Chief Information Security Officer (CISO)

## **CYBER SECURITY COMMITTEE**

**Mr. Ravindra Garikipati**  
Chairman, Independent Director

**Mr. Milin Mehta**  
Member, Independent Director

**Mr. Gaurav Seth**  
Member, Managing Director & CEO

**Mr. Ameya Agnihotri**  
Member, Whole Time Director & CTO

**Mr. Yogesh Maroli**  
Member, Chief Information Security Officer (CISO)

## **CHIEF EXECUTIVE OFFICER**

**Mr. Gaurav Seth**

## **CHIEF FINANCIAL OFFICER**

**Mr. Gourav Munjal**

## **COMPANY SECRETARY & CHIEF COMPLIANCE OFFICER**

**Mrs. Namita Amod Godbole\***

*\* Resigned as Company Secretary and Chief Compliance Officer w.e.f. the close of business hours of July 11, 2025*

## **CHIEF INFORMATION SECURITY OFFICER (CISO)**

**Mr. Yogesh Maroli**

## **CORE MANAGEMENT**

**Mr. Mahesh Gujran<sup>^</sup>**  
Chief Surveillance Officer (CSO)  
*<sup>^</sup> Appointed as CSO w.e.f. January 17, 2025*

**Mr. Lalit Babu Lathe<sup>@</sup>**  
Head – Operations and Chief Risk Officer (CRO)  
*<sup>@</sup> Appointed as CRO w.e.f. December 03, 2024*

**Mr. Yashpal Chopra\***  
Head – Operations and Chief Risk Officer (CRO)  
*\* Resigned as CRO w.e.f. December 02, 2024*

**Ms. Rajeshree Jadhav**  
Head – Digital Sales

**Mr. Sudhir Jha**  
Head – Business Revenue

**Mr. Dushyant Patel**  
Vice President – Technology

**Mr. Vikrant Birajdar <sup>§</sup>**  
Head – Human Resources  
*<sup>§</sup> Resigned w.e.f. July 31, 2024*

**Mr. Mehul Jain**  
Head – Product

**Mr. Manish Karia<sup>@</sup>**  
Head – Performance Marketing and SEO Management  
*<sup>@</sup> Resigned w.e.f. May 22, 2025*

## **SUBSIDIARIES**

**5paisa International Securities (IFSC) Limited**

**5paisa Corporate Services Limited**

**5paisa P2P Limited**

**5paisa Trading Limited**

## **STATUTORY AUDITORS**

**M/s. V. Sankar Aiyar & Co.**  
Chartered Accountants

## **INTERNAL AUDITORS**

**M/s. A N S A & Associates LLP**  
Chartered Accountants

## **SECRETARIAL AUDITORS**

**M/s. Nilesh Shah & Associates**  
Practicing Company Secretaries

## **REGISTRAR AND SHARE TRANSFER AGENT**

**M/s. MUFG Intime India Private Limited**  
*(formerly known as Link Intime India Private Limited)*

C-101, 1<sup>st</sup> Floor, 247 Park,  
Lal Bahadur Shastri Marg,  
Vikhroli (West), Mumbai – 400083.

Telephone no. 8108114949

Toll-free number: 1800 21 09911

Fax : 022 - 4918 6060

Investor Grievance

Email: [rnt.helpdesk@in.mpms.mufg.com](mailto:rnt.helpdesk@in.mpms.mufg.com)

Website: <https://in.mpms.mufg.com/>

## **REGISTERED & CORPORATE OFFICE**

### **5paisa Capital Limited**

IIFL House, Sun Infotech Park, Road No. 16V,

Plot no. B-23, MIDC,

Thane Industrial Estate,

Wagle Estate, Thane – 400604.

CIN: L67190MH2007PLC289249

Telephone No.: 022 4103 5000

Email: [csteam@5paisa.com](mailto:csteam@5paisa.com)

## **WEBSITE**

[www.5paisa.com](http://www.5paisa.com)

## **LIST OF BANKERS**

AU Small Finance Bank Limited

Axis Bank Limited

Canara Bank Limited

DCB Bank Limited

HDFC Bank Limited

ICICI Bank Limited

IDFC First Bank Limited

Kotak Mahindra Bank Limited

SBM Bank Limited

Union Bank of India

YES Bank Limited

Federal Bank Limited

Bandhan Bank Limited

Indian Bank Limited

State Bank of India

IndusInd Bank Limited

Bank Of India

IDBI Bank Limited

South Indian Bank Limited

Ujjivan Small Finance Bank Limited

**5paisa Capital Limited**

CIN: L67190MH2007PLC289249

**Corporate Office / Registered Office:**

IIFL House, Sun Infotech Park, Road No. 16, Plot No. B-23, MIDC,  
Thane Industrial Estate, Wagle Estate, Thane – 400 604

E-mail: [ir@5paisa.com](mailto:ir@5paisa.com) | [csteam@5paisa.com](mailto:csteam@5paisa.com)

Website: [www.5paisa.com](http://www.5paisa.com)