PCASL/30/2022-23
Date: 06.09.2022

To,
The National Stock Exchange of India Ltd
Exchange Plaza,
Bandra – Kurla Complex,
Bandra (E),
Mumbai – 400 051
NSE EQUITY SYMBOL: PRUDENT

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001
SCRIPT CODE: 543527

ISIN: INE00F201020

Dear Sir/Madam,

Sub.: Annual Report for the Financial Year 2021-22.

Pursuant to provisions of Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 and in continuation to our letter of no. PCASL/26/2022-23 dated 25th August, 2022, regarding intimation of the 19th Annual General Meeting (AGM) of the Company, please find enclosed herewith the Annual Report of the Company for the Financial year 2021-22.

The Annual Report for the Financial Year 2021-22 is also available at the website of the Company i.e. www.prudentcorporate.com.

This is for your information and record.

Thanking you,

Yours Faithfully,

For, Prudent Corporate Advisory Services Limited

Ghetia Dhavalkumar Pareshbhai

Digitally signed by Ghetia Dhavalkumar Pareshbhai
DN: C=IN, O=Personal, T=0475, OID.2.5.4.65 =7a1a28de95344d0782ac8de09de8b5ec, Phone= e88678d294e49fc0fb7bbed4775ad6ba60ed0322bd318f075ae7cf83eb559d36, PostalCode= 362215, S=Gujarat, SERIALNUMBER= f6822c8cd227c1e610c90c3125b11d740cf2d8430566b7038bb367af54f6b3dd, CN=Ghetia Dhavalkumar Pareshbhai
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Foxit PDF Editor Version: 12.0.0

PRUDENT CORPORATE ADVISORY SERVICES LTD ✦ AHMEDABAD

Dhaval Ghetia
Company Secretary
Tele No: 079-40209600
Email: cs@prudentcorporate.com
Encl.: As above

Prudent

— Money through wisdom —

Enabling Investing. Empowering India.

Annual Report 2021-22

PRUDENT CORPORATE ADVISORY SERVICES LIMITED

Contents

please scan **QR Code to** download **Annual Report 2022** online.

Corporate Information

Board of Directors

Mr. Sanjay Shah
Chairman and Managing Director

Mr. Shirish Patel
Whole-time Director and Chief Executive Officer

Mr. Chirag Shah
Whole-time Director

Mr. Dhiraj Poddar
Non-Executive Nominee Director

Mr. Deepak Sood
Independent Director

Ms. Shilpi Thapar
Independent Director

Mr. Karan Datta
Independent Director

Mr. Aniket Talati
Independent Director

Chief Financial Officer

Mr. Chirag Kothari

Company Secretary

Mr. Dhaval Ghetia

Statutory Auditor

Deloitte Haskins & Sells

Secretarial Auditor

M.C. Gupta & Co.

Bankers

Axis Bank Limited
HDFC Bank Limited

Registered Office

Prudent House,
3 Devang Park Society,
Panjrapole Cross Road,
Ambawadi, Ahmedabad 380015

Corporate Office

3rd Floor, HUB Town Solaris,
Telli Gally Junction,
N.S. Marg, Andheri East,
Mumbai 400069

Company Website:

www.prudentcorporate.com

Enabling Investing. Empowering India.

In the era of information overflow, guidance and handholding in taking investment decisions are more important than ever. Through quality advisory and advanced technology platforms for ease of transacting, there is a massive opportunity for channelising the savings of an emerging India into the capital markets. Financial product distributors will play a pivotal role in facilitating the intelligent allocation of financial resources within India's economy.

As one of India's fastest-growing financial services groups, Prudent Corporate Advisory Services is in pole position to leverage this massive opportunity. As India approaches $5 trillion in GDP and takes the average income per capita closer to developed nations, Prudent is ideally positioned to participate in this growth. To reap the most out of this, we are leveraging robust technology platforms to service our partners and offer our investors an outstanding experience.

With the help of our vast reach across India through MFDs and our own physical branches across 20 states, we intend to play a meaningful role in catalysing greater financial inclusion, by helping all sections of society to conveniently channelise a portion of their savings through retail financial products. By doing this, we are here to create value for our partners, investors, the Indian economy, and ultimately for our shareowners.

About Us

Founded in 2003 and headquartered in Ahmedabad, Prudent Corporate Advisory Services is one of India's fastest-growing financial services groups. Today, with a team strength of **1,095** highly skilled professionals and **24,852** well-trained and qualified channel partners, we have emerged as the second largest non-banking mutual fund distributor in India in terms of commission received.

14,02,094
Number of clients as on 31 March 2022

₹49,473 crore
Closing AUM

92.57%
Equity AUM to Total AUM

2.32%
Market Share in Equity AUM (Ex-ETF)

**Data as on 31 March 2022*

With our unique business-to-business-to-consumer (B2B2C) model, and through our technology-enabled investment and financial services platform, we provide end-to-end solutions critical for financial products distribution.

We work through **113** locations across **20** states and have a robust digital presence. We have evolved into a leading and respected distributor of mutual funds, insurance products, stockbroking, national pension schemes, unlisted securities, bonds, fixed deposits, portfolio management schemes, alternative investment funds, smallcase and liquiloans.

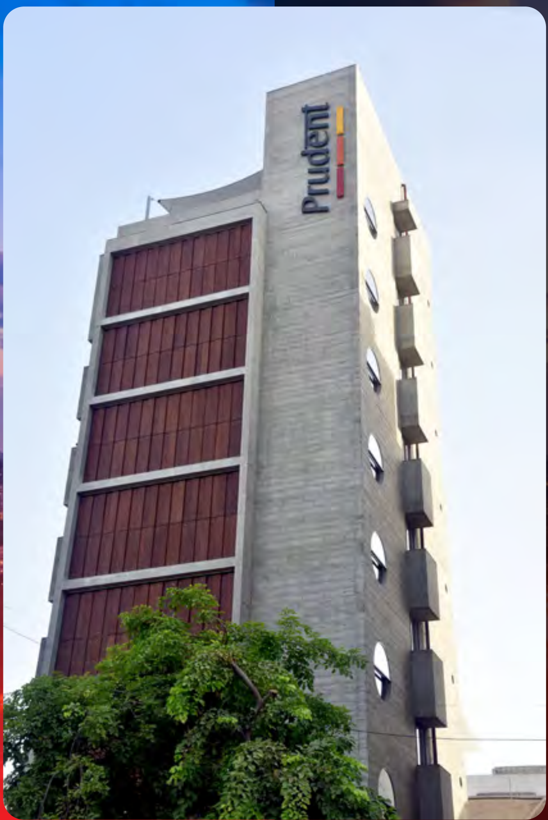
Vision

To be the most preferred player in Financial Services catering to the masses with the help of technology.

Mission

To build a strong organization based on our core values of

- Client First
- Focused Approach
- Fairness
- Dignity & Respect for each stakeholder
- Teamwork
- Integrity & Honesty



We intend to play a meaningful role in catalysing greater financial inclusion, by helping all sections of society to conveniently channelise a portion of their savings through retail financial products. By doing this, we are here to create value for our investors, the Indian economy, and ultimately for our shareowners.

Our Journey So Far

→ First ₹100 bn AUM in 16 years

→ Next ₹400 bn AUM in less than 6 years

- **2000** – Started offering Financial services as "Prudent Fund Manager"
- **2003** – Incorporation and obtained ARN

2000-2006

The Early Years

AUM - ₹100 bn

- **2006** – Launched partner network
- **2010** – Launched Property Advisory
- **2016** – Obtained SEBI RIA and launched Fundzbazar

2007-2016

Partnership and Penetration

Prudent

Expansion into other financial products

2017-2019

- **2017** – Launched NPS on Fundzbazar
- **2018** – Launched Policyworld
- **2018** – Launched Fundzbot

AUM - ₹200 bn

Ecosystem Growth

2020-2021

- **2019** – Launched Prudent Private Wealth
- **2019** – Launched Fixed Income Investments on FundzBazar
- **2020** – Launched Creditbasket and WiseBasket
- **2021** – Launched Stock Broking on FundzBazar
- **2021** – Acquired MF Assets of Karvy Stock Broking Limited

AUM - ₹300 bn

2022

- Launched Smallcase & Liquiloans
- Listed on BSE & NSE

AUM - ₹500 bn

Pionerering Through Technology

PrudentConnect (MFD connect)

PrudentConnect is a virtual office for all MFDs registered with a company which provides end-to-end support for MFDs for various processes from client acquisition to clients servicing, managing revenue tracking, assistance for scaling-up business, and managing complete back-end processes.

FY08

FUNDZBAZAR (Financial Products)

It is aimed at providing a simple, user-friendly and flexible solution to plan, choose, transact and keep a track of investments in mutual funds, national pension schemes ("NPS"), fixed deposits, loan-against-securities ("LAS"), bonds, gold accumulation plan ("GAP"),small case, liquilaons as well as stockbroking solutions

FY17

PolicyWorld (Insurance)

This is an online insurance platform, which offers completely paperless transactions for variety of insurance solutions based on the client's requirement and risk assessment by enabling the comparison and execution of insurance policies through web as well as a mobile app.

FY18

Fundzbot

Chatbot engine for Fundzbazar. It resolves, and educates clients about the new products, queries etc. It provides information for Purchase, SIP, Switch/ Redemption, Unique Offering, Inquiry, FAQs, Broking, Talk to Customer Care etc.

FY19

Wise Basket (model Stock portfolio)

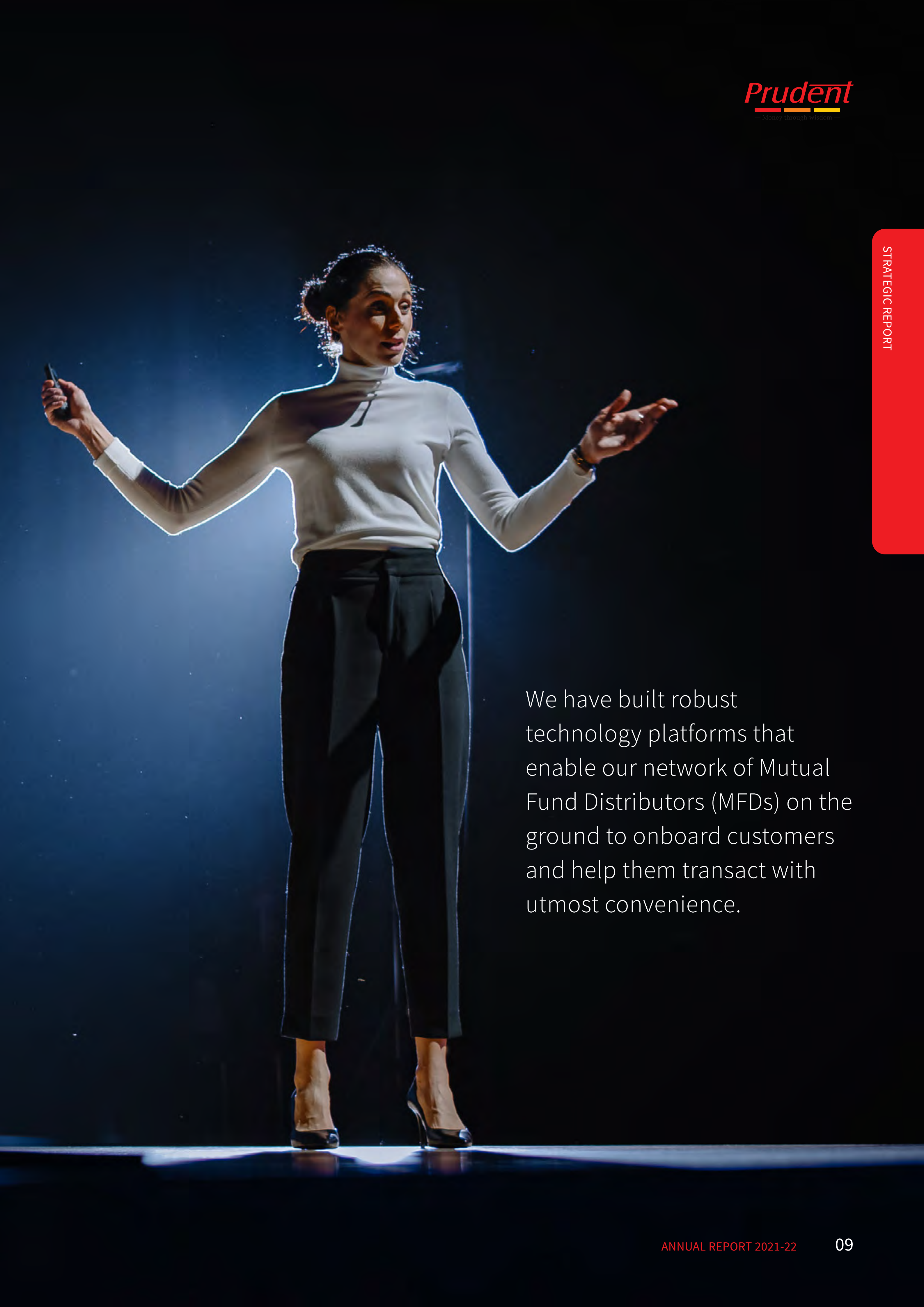
It provides an online facility to invest in multiple model stock portfolios which are aligned with economic trends and offer growth opportunities. Clients can enter and exit the basket at will without any lock-in.

FY20

Credit Basket (loans)

This platform offers various products like personal loans, home loans, LAP, business loan and credit cards. It provides an option to choose from wide range of retail loans & credit cards with end-to-end application processing. It also provides various tools like EMI & loan eligibility calculators.

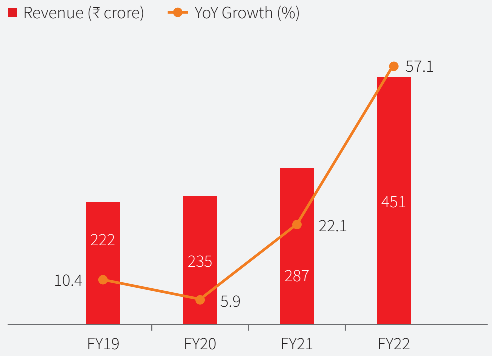
FY21



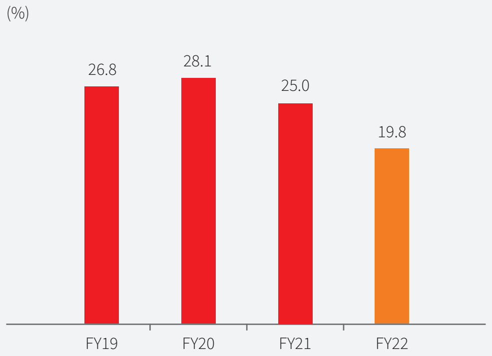
We have built robust technology platforms that enable our network of Mutual Fund Distributors (MFDs) on the ground to onboard customers and help them transact with utmost convenience.

Consolidated Financial Highlights for FY2022

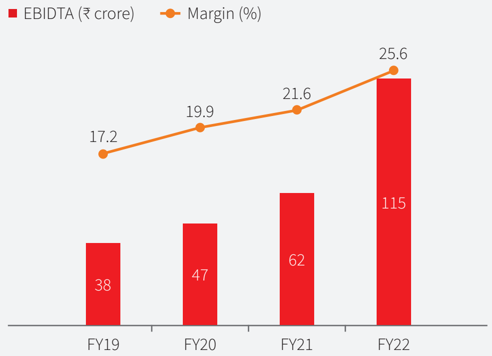
Revenue & YoY Growth



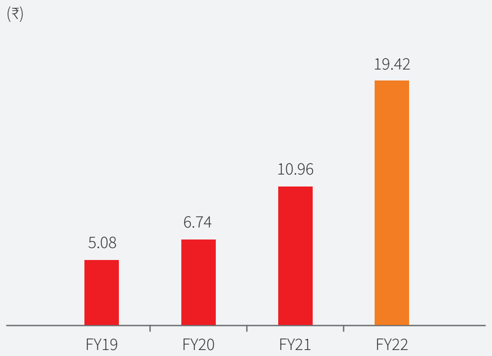
Cost To Income Ratio*



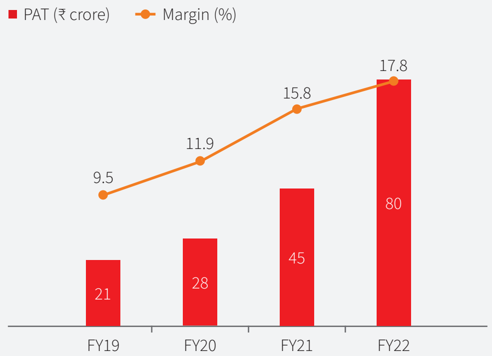
EBITDA & Margin



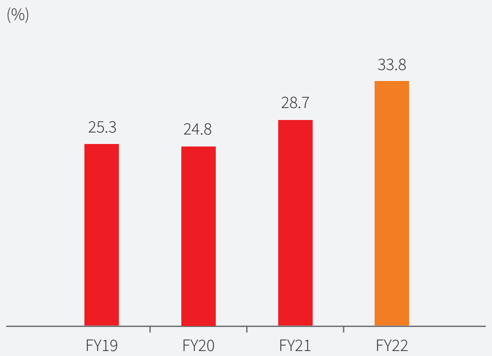
Basic Earnings Per Share



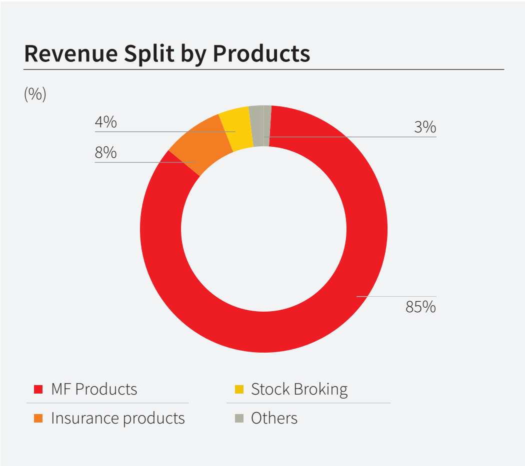
PAT & Margin



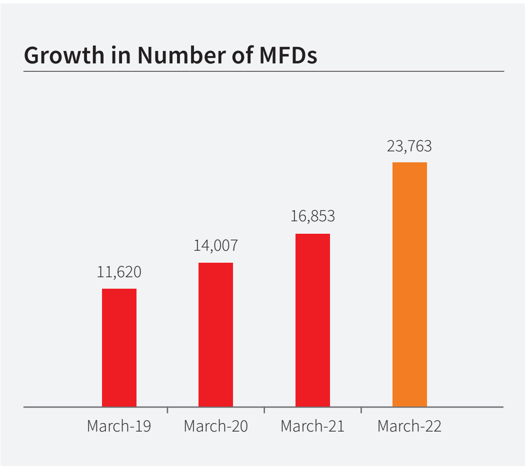
Return on Equity



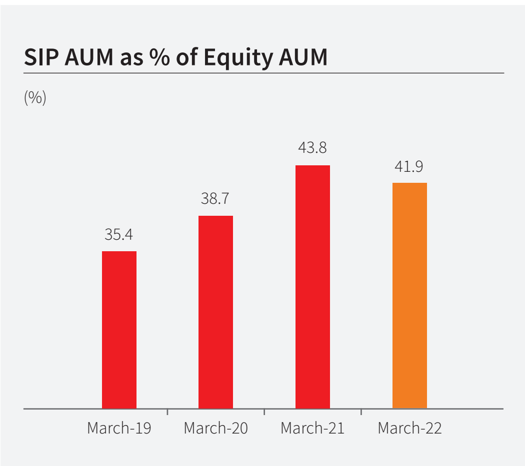
**Cost to Income Ratio=Cost(ex commission & fee) / Revenue from operations*



De-risking revenue concentration from one product offering to multiple product offerings. Cross-offerings are helping to maximize the operating margins.

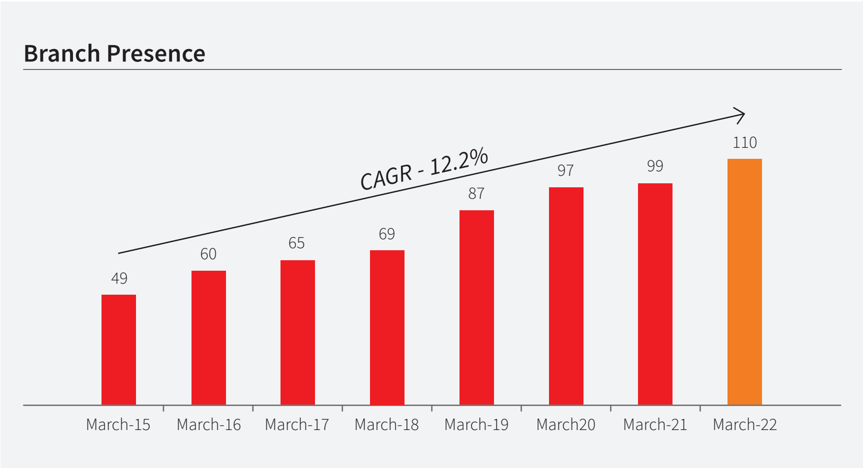


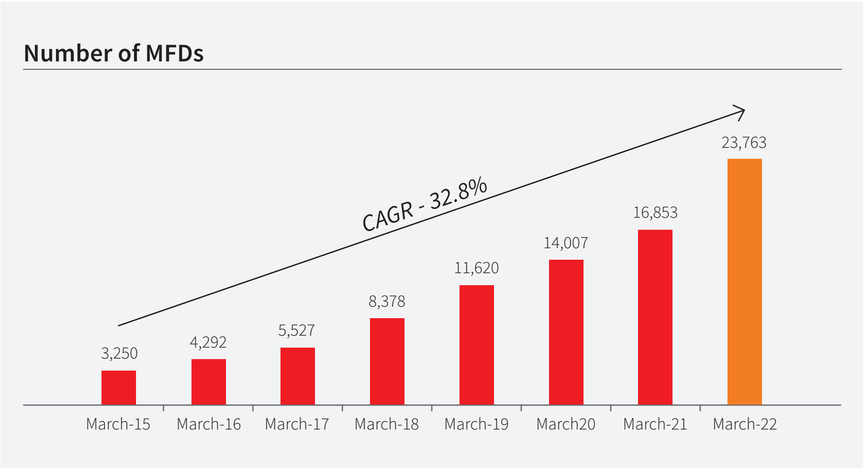
The focus is on aggressively adding more and more MFDs which are the backbone of our business. Currently, there is a significant under-penetration of MFDs in the country. As more MFDs join the industry, we expect incremental benefits to accrue to Prudent.

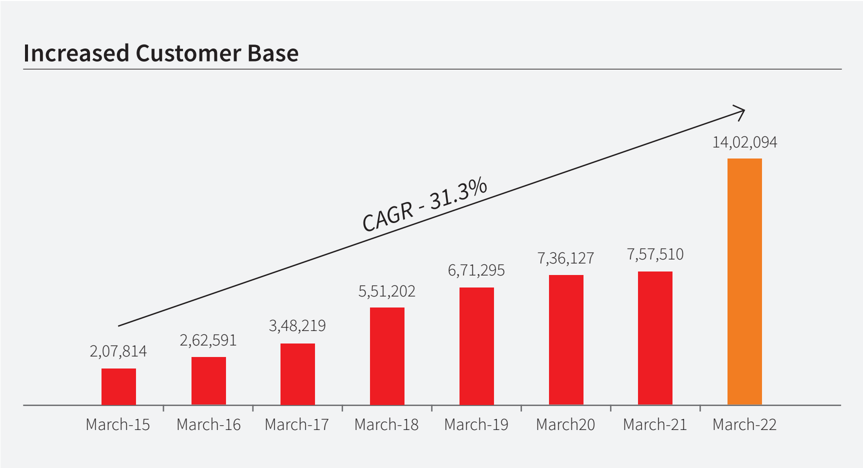


Going forward, we believe that growing our SIP Led Equity AUM will be a pivoting factor for future visibility and cyclical stability.

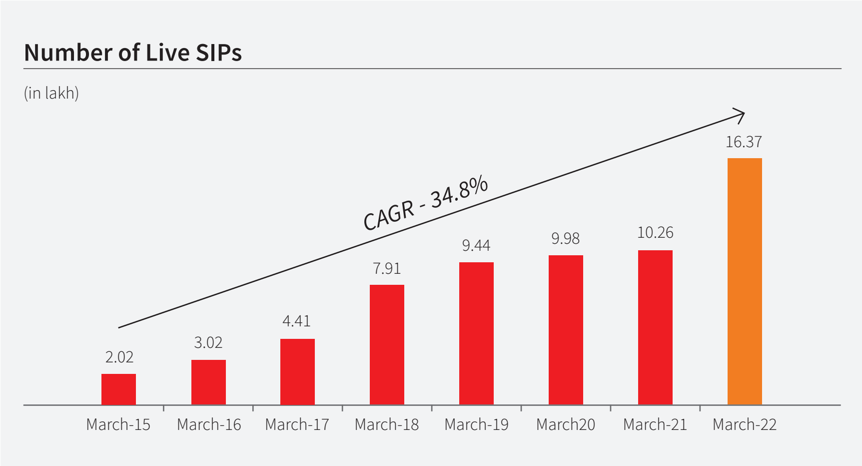
Factors contributing to AUM Growth over the years

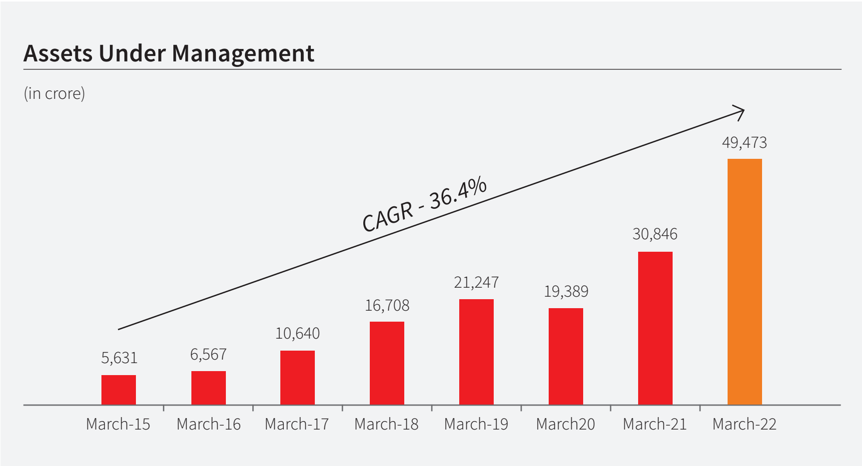


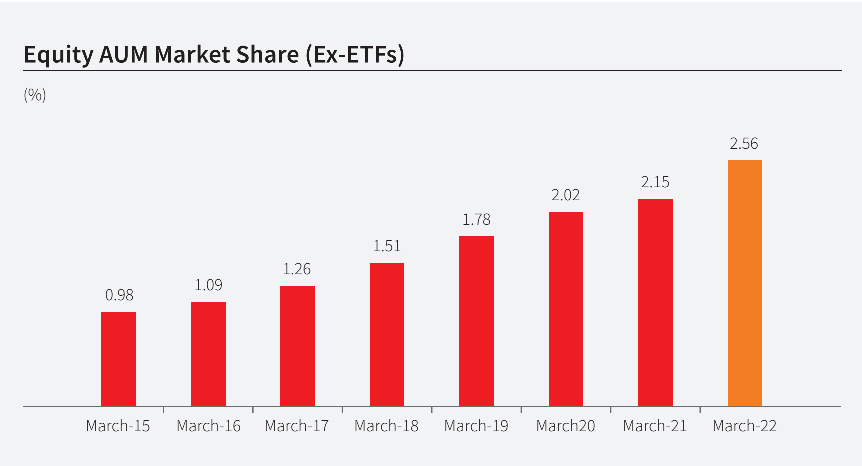




Number of Live SIPs
(in lakhs)







STRATEGIC REPORT

Message from CMD

Our positioning is only going to strengthen with more and more MFDs preferring to join our tech-based platforms.

Sanjay Shah
Chairman & Managing Director

Dear Shareholders,

It gives me an immense pleasure to place before you the highlights of your Company's performance during the fiscal year 2021-22. Details of the achievements and initiatives taken by your Company are provided in the enclosed Annual Report for the year 2021-22.

Prudent has achieved many milestones since it was founded in 2000: by end of FY2022, we have served more than 14.02 lakh customers and extending our market leadership despite aggressive competition. In fact, I am pleased to inform you that we have recently taken on the mantle of being India's second largest non-banking national distributor of financial products, when measured on the basis of commissions. We are uniquely positioned in the retail wealth management space & our positioning is only going to strengthen incrementally, with more and more MFDs preferring to join tech-based platforms.

Subsequent to FY2022, your company launched its IPO and got listed on bourses on May 20, 2022. Today, with implied market cap of ₹24.411bn and shares outstanding at 41.41m, we are proud to be part of the Indian capital markets for sharing our success for value creation with like-minded investors.

Enabling Investing. Empowering India.

Today, the average working person requires guidance and handholding in taking investment decisions. Through quality advisory and advanced technology platforms for ease of transacting, there is a massive window of opportunity for channelising the savings of an emerging India to the capital markets. Financial product distributors will play a pivotal role in facilitating the intelligent allocation of financial resources within India's economy. As one of India's fastest-growing financial services groups, Prudent Corporate Advisory Services is in pole position to leverage this massive opportunity. As India approaches $5 trillion in GDP and takes the average income per capita closer to developed nations, your Company is ideally positioned to participate in this growth.

To reap the most out of this, we are leveraging robust technology platforms to service our partners and offer our investors an outstanding experience. With the help of our vast reach across India through MFDs and our own physical branches across 20 states, we intend to play a meaningful role in catalysing greater financial inclusion, by helping all sections of society to conveniently channelise a portion of their savings through retail financial products. By doing this, we are here to create value for our partners, investors, the Indian economy, and ultimately for our shareowners. We welcome all our existing and new investors through the IPO process, to join our hands in an exciting journey of value creation ahead of us.

FY2022 by Numbers

Looking at our performance for FY2022, as of March 31, 2022, the Company's AUM from the mutual fund distribution business grew by 60.4% YoY to₹ 49,473 crores . Our AUM growth was led by robust organic net sales & and the inorganic acquisition of Mutual Fund assets of Karvy Stock Broking Limited in November 2021. Commensurately, our Revenues from operations grew by 57% YoY led by strong mutual fund AUM growth. Operating profit grew by 86.2% YoY and operating margins expanded by 400 basis points to 25.6% led by operating leverage. Profit after tax grew by 77.4%, a shade lower than operating profit growth due to higher depreciation expenses on account of amortisation of payment made towards acquisition of Karvy assets. Depreciation expenses were higher by 65.4% YoY.

Commitment to ESG

As leading financial products distributor in India, we have an opportunity and responsibility to play a part in the financial inclusion of our communities. At Prudent, we believe that we can be instrumental in creating an invested India, and in democratising capital market access in the hands of every Indian. As the second largest non-banking national distributor in the country, we are also carefully cultivating the inclusion of first-time investors through better financial literacy.

We believe that when we take care of our own people, they will, in turn, take care of our customers, which will ultimately lead to impressive results for our Company, shareholders, and other stakeholders. Promoting diversity, equity, and inclusion is not only one of the pillars of our ESG strategy, but also an integral part of our Company's values and culture. We have also steadfastly believed that as a company, we have an obligation to contribute to the welfare of the communities in which we live and the society in general. Our CSR initiatives are described within this report in some detail, and I welcome you all to know more.

“With the help of our vast reach across India through MFDs and our own physical branches across 20 states, we intend to play a meaningful role in catalysing greater financial inclusion.

As we look ahead, our commitment to making a meaningful impact in people's lives will continue to guide all aspects of our business, including our ESG strategy. I am confident that we are well-positioned to help build the sustainable, inclusive, and profitable future we want to see for our Company, colleagues, customers, and communities.

Gratitude

The milestones mentioned in this message are just the beginning, with many more in our sights ahead to accomplish. We believe that we bring a meaningful value proposition that best helps investors across India in participating in Indian capital markets and in seeking their long-term financial goals.

I want to take this opportunity to express my gratitude to our investors for becoming part of our family of stakeholders. We will continue marching forward towards the realisation of our goals, thanks to the tenacity and conviction of our people.

As a new cycle dawns upon our industry in a post Covid era, Prudent is gearing up with invigorated momentum to scale new heights. I extend my sincerest appreciation to our people, business partners and shareholders for their unwavering support.

Warm Regards,

Sanjay Shah
Chairman & Managing Director

Message from CEO

Through FY2022, we followed our highly customer-centric approach of offering products and services, while keeping the convenience of our customers at the fore.

Shirish Patel
Whole-time Director and Chief Executive Officer

Dear Shareowners:

As the second largest pure-play national distributor in the country, Prudent plays a visible and pertinent role in facilitating the digital revolution with the help of large number mutual fund distributors in guiding financial product investments of millions of Indians. We are continuously investing in technologies to improve MFD and customer service levels and enhance operational efficiencies. With our presence across all digital channels, our products and services seamlessly intertwine with our customers' lifestyles. Going forward, Prudent is planning to stay on the cutting edge of innovation in serving our partners and end-customers.

Spurred by multiple growth levers

Going forward, we believe that growing our SIP Led Equity AUM will be a pivoting factor for future visibility and counter cyclical stability. Our unique positioning in retail wealth management is creating strong visibility on the net sales front. The monthly SIP inflow for the month of March 2022 alone was ₹418 crore. Annualising this number, our Company expects flows from SIPs to the tune of ~ ₹5,000 crore for FY2023, which is equivalent to ~ 10.1% of opening FY2022 AUM. Hence, with more than 17 lacs live SIPs, this backbone is a strong organic growth lever for Prudent going forward.

Another lever driving our growth is our insurance distribution business. Our multi-product distribution platform has helped us to capitalize on our vast MFD network. We are currently leveraging our MFD network to cross-sell insurance. So far, the Company has converted 6,803 existing MFDs and their family members to 'Point of Sales person' (POSP), who can also sell insurance products. In FY2022, the Company distributed 1,05,300 policies, across life and non-life insurance segments, with an aggregate premium of ₹254 crores. Our insurance business is playing an important part in de-risking our portfolio concentration and also helping us maximise our operating margins.

"

Our insurance business is playing an important part in de-risking our portfolio concentration and also helping us maximise our operating margins.

Our third important growth is from penetrating uncharted and underpenetrated markets. Taking our big play on Tier I & II cities, we are taking our strong distribution relationships and reach into B30 cities as a strategic opportunity. Since FY2018, we have opened branches in 41 locations and of these 24 are in B-30 markets.

Our fourth lever is our long-standing relationships with our Mutual Fund Distributors (MFDs) under our B2B2C model, with more than 63.8% of its AUM as of March 31, 2022, being contributed by MFDs that have been associated with the Company for more than five years. Our technology platform has also played a key role in the Company gaining wider acceptability amongst MFDs in the industry.

Finally, our inorganic gameplay is another key growth strategy for the Company. After our acquisition of Karvy's mutual fund assets amounting to ₹8,092 crore, in the month of July 2022, we signed a term sheet to acquire the mutual fund AUM of iFast Financial India Pvt Ltd. The ongoing industry consolidation will continue to offer the Company good acquisition opportunities going ahead.

As we move ahead, Prudent remains committed to strengthening India's financial ecosystem and its desire to become a driver for a more inclusive economy. Our laser-like focus on achieving value while balancing risk is complemented by a governance structure that aligns with long-term market opportunities and company goals.

I take this opportunity to extend my heartfelt gratitude to our employees, partners and shareholders for their staunch support in both certain and uncertain times.

Best Regards

Shirish Patel
Whole-time Director and Chief Executive Officer

Strong distribution relationships and reach

Big play on Tier I & II cities

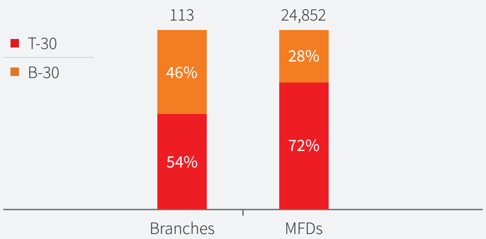
Extending our reach

The Company enjoys long-standing relationships with its Mutual Fund Distributors (MFDs), with more than **63.8%** of its AUM as of March 31, 2022, being contributed by MFDs that have been associated with the Company for more than five years. Going forward, the Company is well positioned to grow its AUM given its B2B2C model and its long-standing relationships with MFDs and AMCs.

Prudent's technology platform has played a key role in the Company gaining wider acceptability amongst MFDs in the industry. As of March 31, 2022, there were **1,16,254** AMFI Registration Number ("ARN") holders registered with AMFI, while Prudent has empanelled a network of **23,763** MFDs representing approximately **20.4%** of the overall MFDs in the country. It provides a value proposition to the AMCs to source business from retail investors in a cost-efficient manner as it is spread across 113 branches having a significant presence in B-30 markets.

As of 30 June, company operates in **113** branches located in **20** states in India. Of these branches, **52** are in 'beyond the top 30 cities ("B-30") markets, and 61 are located in the 'top 30 cities' ("T-30") markets. Since FY2018, the Company has opened branches in **41** locations and of these **24** are in B-30 markets.

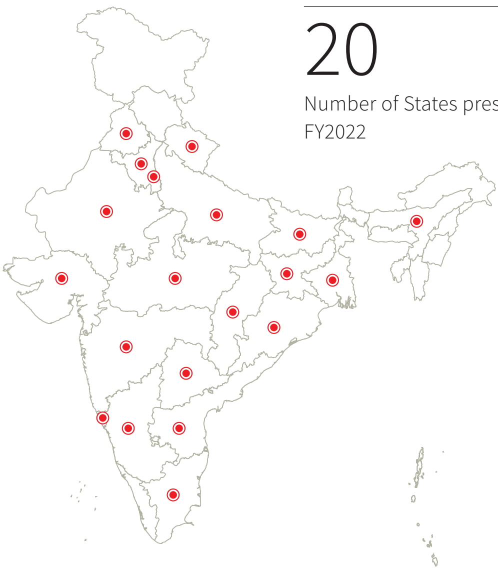
T-30/B-30 Branches & MFDs



As of 30 June 2022

We are harvesting growth from uncharted and underpenetrated markets and look at our penetration into B30 cities as a strategic opportunity.

Key Highlights



20
Number of States present during FY2022

16,496
Pin codes covered as of 31 March 2022

113
Number of Company-owned and operated branches as of 30 June 2022

23,763
Number of MFDs associated as of 31 March 2022

Our investors are present across India except Andaman & Nicobar

Growing our SIP led equity AUM

A pivoting factor for future visibility

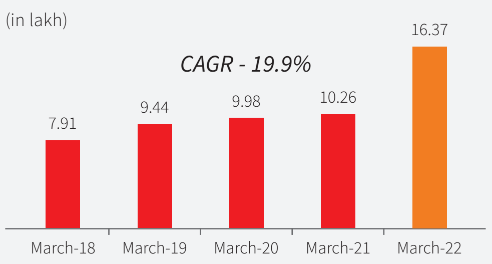
Visibility and predictability

Unique positioning in retail wealth management has helped Prudent to build granular flows. A granular book is creating strong visibility on the net sales front. The monthly SIP inflow for the month of March 2022 was **₹418** crore. Annualising this number, flows from SIPs could be to the tune of **₹5,000** crore for FY2023, which is equivalent to **10.1%** of opening FY22 AUM. Hence, SIPs are a strong organic growth lever for Prudent going forward.

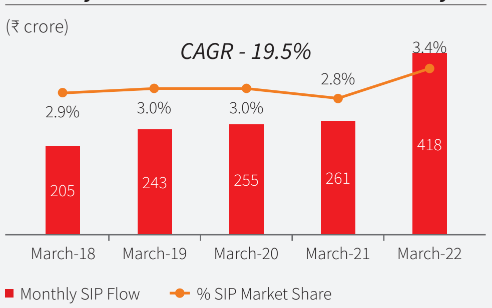
SIPs have helped increase retail investor participation in the mutual fund space. SIPs help eliminate the behavioural weakness during uncertain periods and aid investors in systematically saving and investing across cycles.

Prudent's retail focus has helped the Company grow the number of systematic investment plans ("SIPs") handled by it from **7.91** lakh as of April 1, 2018, to **16.37** lakh as of March 31, 2022. Equity AUM from SIPs increased from **₹11,861.4** crore in FY21 to **₹19,203.2** crore in FY22 (representing 41.92% of the Company's total equity AUM) as of March 31, 2022. Its monthly SIP flows as of March 31, 2022, were **₹418.2** crore, providing visibility to net sales which is a key growth driver for the Company.

Live SIP's



Monthly SIP Flow & SIP Share in Industry



Key Highlights

16,37,000

Number of Live SIPs as of March 2022

₹ 418 cr. p.m

Value of Live SIPs as on 31 March 2022

19.5%

CAGR (five years) for Monthly SIP Flow

Since individual investors tend to stay invested for longer periods and prefer equity-oriented schemes, Prudent enjoys a steady inflow of investible funds through its growing base of SIP accounts.

Growing our life & general insurance business

Creating an important new pillar of growth

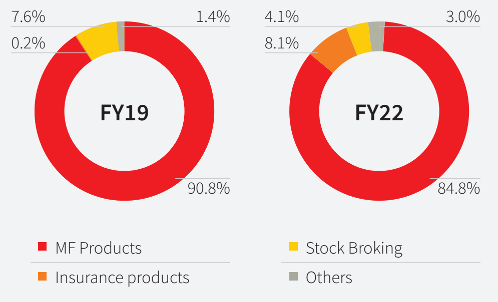
De-risking through diversification

Prudent distributes life and general insurance products in India through its wholly owned subsidiary, Gennext Insurance Brokers Pvt. Ltd. It distributes insurance products offered by various life and general insurance companies in India. Within life insurance, Gennext focuses on retail products which include term insurance & traditional products which include par, non-par & annuity plans. Health insurance is the primary focus of general insurance.

In FY2022, the Company distributed **1,05,300** policies, across life and non-life insurance segments, with an aggregate premium of **₹254.2** crore, and total brokerage received amounting to **₹36** crore. The total number of policies distributed through the Company increased from 86,988 in FY2021 to **1,05,300** in FY2022, up by **21.05%** YoY. Further renewal of policies constituted **71.80%** of the total number of policies sold by the Company in FY2022 and allowed it to earn a premium of **₹142.5** crore.

The Company distributed insurance products through a mix of online and offline channels, with each contributing **30.61%** and **69.39%**, respectively to new policies issued in FY2022. Gennext recorded one of the highest EBITDA and PAT margins in its history in FY22 with a focus now on point of sales channels to scale this business.

Marking a diversified play

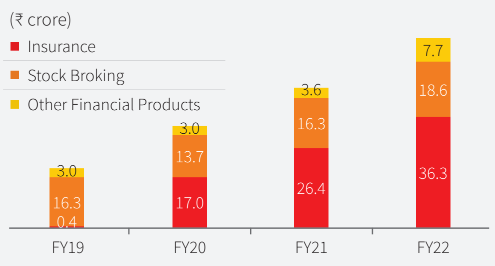


Today, the share of insurance products at the Company has grown from **0.2%** in FY2019 to **8%** in FY2022. This shift has had the effect of de-risking the Company's revenue concentration from one product offering to multiple product offerings, creating multiple pillars of top line and operating profitability growth.

Our Insurance business is de-risking our portfolio concentration, an important new pillar of growth going forward, and helping us maximise our operating margins.

The Company's large MFD base and a multi-product basket platform help to cross-sell insurance. The company has empaneled 6,803 existing MFDs & their family members to POSP who can also sell insurance products. Therefore, the large MFD base presents significant opportunities to increase the POSP base and to cross-sell insurance products to their existing retail investors base.

Diversified Product Portfolio



Key Highlights

₹ 254 crore
Value of Premium in FY2022

1,05,300
Number of Policies sold in FY2022

₹ 24,144
Average premium per policy for FY2022

37
Number of insurance companies associated with Gennext

Positive Impact on Society

Pursuing achievable goals for the world at large

Giving of one's time, skills and expertise is the true spirit of our CSR Programme. The success of our CSR initiatives depends largely upon the active "volunteering" of Prudentites who believe they can and should make a difference to the lives of fellow human beings, especially those who are not as privileged as many of us. The involvement of Company employees in community projects is immensely important and helps to bring employees, the Company, and the community closer together.

CSR Mission

To enhance the lives of underprivileged section of society by imparting them with quality education, affordable healthcare and woman empowerment.

CSR Vision

Prudent's CSR Vision is to enable sustainable development and inclusive growth across communities through innovative socio-economic interventions, in fulfilment of its role as a socially responsible corporate citizen.

CSR Objectives

Prudent's CSR Initiative focusses on the five key aspects of the community's development as shown below. To achieve long-term sustainable impact on the community, Prudent's CSR objectives are:

CSR Objectives	Activities
Health	World Breastfeeding Week Cataract Surgery Project Blood Donation Camp Sanitary Napkin Distribution support Prosthetics, Orthotics and Footwear support Thalassemia Blood Transfusion Centre Vatrak Eye Hospital Project
Women Empowerment	LakshMe Project
Education	Let's Go Shopping Children's Day Celebration Youth Run & Vrakshvan Fun Education tour with children at Science City Ekal One Teacher School BSK and Kalrav education centre
Poverty Reduction	Self-employment facilities for needy and disabled persons
Animal Preservation	Uttarayan Save the Birds Campaign

Positive Impact on Society

Pursuing achievable goals for the world at large

Health

World Breastfeeding Week observed from 1-7 August 2021

An awareness programme was conducted on World Breast Feeding Week with 55 women, who were pregnant, lactating mothers and of reproductive age on 3rd August 2021 at Juna Vadaj- Ahmedabad. The objective of the programme was to create awareness among the Ante Natal and Post Natal Care mothers to highlight the huge benefits that breastfeeding can bring to the health and welfare of babies and the benefits to maternal health.

Cataract Surgery Project

100 cataract patients benefited through the cataract surgery project in September 2021, where patients were intensively checked up for other complications like retinal problems, glaucoma, blood pressure, diabetes, heart abnormalities for surgery and other all pre-surgical process and availed the best quality Cataract treatment free of cost by a team of specialized doctors.

Blood Donation Camp

A blood donation drive was organized on 1st Oct 2021 National Voluntary blood donation day. At this event, 45+ units of blood were donated by employees and their families for the free treatment of poor and needy children affected by Thalassemia disease. The aim is to promote awareness about the importance of voluntary blood donation because it can save many lives.

Sanitary Napkin Support

Provided sanitary napkin support to 500 specially abled and underprivileged girls/women for one year as a part of the Menstrual hygiene initiative. The project intends to build an enterprise model on a pilot basis in the working areas where groups of women are fostered to run the business of making sanitary napkins by themselves with handholding support and overall supervision by Blind People's Association.

We are undertaking this initiative of providing biodegradable sanitary napkins to poor and specially abled girls/women based in rural and tribal areas to promote good health and menstrual hygiene management. Also, we are supporting a low-cost Sanitary Napkin enterprise managed by rural women with disabilities and non-disabilities to create an income generation option by procuring the pads for distribution.

Thalassemia Blood Transfusion Centre PACT Project (Prevention Awareness Care of Thalassemia)

The Prudent group launched a Blood Transfusion Centre for Thalassemia patients on 8th May-World Thalassemia Day with implementing partner Live Life Research Foundation at Ahmedabad. The objectives of the centre are to provide free medical treatment including blood transfusion, medicine and counselling for needy thalassemia patients.

Prosthetics and Orthotics are provided to leprosy afflicted and mentally retarded persons and a solar rooftop system

Covered 199 patients by giving them ease of mobility through prosthetics and Orthotics equipment and a Solar Rooftop system of 25 kW has been established on building for Mentally ill persons to promote green energy.

Vatrak Eye Hospital Project

The Prudent group supported for infrastructure development of the post-operative counselling room in Vatrak Eye Hospital. This eye hospital will serve lakhs of poor and needy people from Sabarkantha, Aravalli and nearby districts and neighbouring states to get eye care without any cost.

Women Empowerment (LakshMe)

She.ksha Newsletter

We started a monthly newsletter to build a community with our subscribers, spread awareness and improve financial literacy. She.ksha Newsletter is a well-thought-out plan, with interesting articles, videos, did you know, quizzes, facts and figures and a lot more. You can subscribe to our monthly newsletter by visiting our website www.lakshme.com.

Workshop on Financial Literacy for Women

As a part of our mission, we at LakshMe had taken a session on the importance of financial literacy for women on International Literacy Day, 8'th September 2021. Where Ms. Maitry Shah, founder LakshMe explained why women find it difficult to talk about money, and why is financial literacy important for women and society.

Workshop on why women should invest

If a girl is smart enough to manage money, then she can have all the skills to be a good investor. An interactive session on why women need to invest money. Facts showing current investment habits of women, why women don't want to discuss money matters? Importance of investing money for her, Characteristics of women proving them better investors and how to start or take the first step.

Ms. Maitry Shah, *founder LakshMe*

Education

Let's go shopping, an event to help underprivileged kids learn the importance of money management

Prudent Group celebrated "Joy of giving week" through an activity where employees of Prudent donated goods like clothes, toys, games, board games, sports items, school bags, stationary, etc. to those in need, and then we organized an event on 9th October 2021 called "Let's Go Shopping" for 55 underprivileged kids to shop items through play money. Through this event, an opportunity was created for kids to learn the importance of money management, understanding how negotiation works, and expense management. Kids were able to with the help of play money, buy things useful for themselves and their family members.

Children's Day Celebration

Prudent Group Celebrated Children's Day with underprivileged kids with lots of fun games. We have also distributed "It's Your Right Kit" stationery and food items to promote education and food security among them.

Positive Impact on Society

Pursuing achievable goals for the world at large

***Education** contd....*

Youth Run & Vrikshvan

Prudent group organize environment awareness activity Youth Run and Vrikshvan, the Plantation Drive, were two Events which abide under the Initiative of our CSR intervention. YOUTH RUN '21, organized on December 5th, 2021, by Prudent and Synapse DA-IICT, Gandhinagar. Youth run was a 5 km virtual run where youths participated in environmental awareness and VRIKSHVAN Plantation Drive, was carried out by the participants and volunteers along with the plantation of 300 saplings at a different location in Gujarat.

Fun Educational tour with Children at Science City

The Prudent group supported a Fun Educational Tour with underprivileged children at Science City organized by Aasmaan Foundation. On the 24th of December, 135 students went on a one-day field trip to learn about science exhibitions, the solar system, the cosmos, space technology, the history of space, robotic land, and an ecological park, among other topics. The goal of this tour was to educate youngsters and raise awareness about the importance of environmental responsibility through the application of science and technology.

Ekal One Teacher School

We have supported 11 non-formal education centres based in tribal and rural areas where students get non-formal education in 5 different areas, Non-formal Education, Culture, Nutritional Food, Health, and Social Awareness.

BSK (Bal Sanskar Kendra) and Kalrav education centre

Poverty impacted education for kids across the slum communities. Children needed support to continue with their education. The Prudent group supports one of the largest slums in Gujarat, 'Rama pir ka tekra,' by creating education programs 'Kalrav' and 'Bal Sanskar Kendra' for school-aged children to provide them with uninterrupted access to education. This effort aims to improve the lives of children whose families rely on rag-picking as their primary source of money. As a result, these children are more likely to engage in these activities to support their families.

The Prudent group is pleased to go the extra mile to ensure that slum-dwelling children have access to education.

Poverty Reduction

Distribution of Assistive Devices and Self Employment kits to persons with Disabilities and Solar Rooftop System project

Prudent Group Provided self-employment options which are Agriculture, Dairy, Cutlery kits, petty shop booths and Assistive Devices wheelchairs and tricycles to 110 disabled person and their families in association with the Blind People's Association. Wheelchairs, tricycles, booths, and self-employment kits are among the gadgets that will assist people with disabilities in becoming self-employed, earning a living, and living a dignified life.

Animal & Birds Preservation

Uttarayan Save The Bird Campaign

Prudent Group supported Jivdaya Charitable Trust's "Uttarayan Save The Birds Campaign." A huge bird-saving camp was held from the 13^{th} to the 16^{th} of January 2022 to save injured birds during the Uttarayan festival, and over 4000 birds were treated in just one month.

This programme began in December 2021 intending to treat and rehabilitate birds while also returning to nature to maintain ecological balance. The therapy was ongoing since some of the injured birds require long-term intensive care until they fully recover, which can take days or months.

Prudent's CSR Vision is to enable sustainable and inclusive growth across communities through innovative socio-economic interventions.

To enhance the lives of underprivileged section of society by imparting them with quality education, affordable healthcare and woman empowerment.

Board of Directors

Mr. Sanjay Shah

Chairman and Managing Director

Chartered Accountant with more than two decades of experience in wealth management. Holds a degree of BBA from Sardar Patel University & is a fellow member of the Institute of Chartered Accountants of India.

Mr. Shirish Patel

Whole-time Director and Chief Executive Officer

MBA in Finance & diploma in Computer Applications, with 23 years of experience in wealth management. Previously worked with ICICI Bank, Citi Bank. Joined the firm in 2005 & has been an instrumental in branch expansion from 5 to 113 branches till date.

Mr. Chirag Shah

Whole-time Director

Fellow member of Institute of Chartered Accountants of India with 18 years of experience in insurance & compliance sector. Previously been associated with NSDL, joined Prudent in 2004 & currently serving on board of Gennext. Is responsible for HR, Admin & Compliance functions of the Prudent group.

Mr. Dhiraj Poddar

Non-Executive Nominee Director

Serving as Country Head – India & MD of TA Associates with 17+ years of experience in PE. Has helped in investments across financial service, technology, healthcare & been associated with ICICI Securities, Progeon Ltd & Standard Chartered Bank.

Mr. Deepak Sood

Independent Director

Fellow of Insurance Institute of Indian, with over 30+ years of experience. Over the years has served as head of Business Development at Bajaj Allianz GI, MD & CEO of Future Generali & CEO of Avantha Ergo Life.

Ms. Shilpi Thapar

Independent Director

Holds a bachelor's in law & commerce, registered with Insolvency & Bankruptcy Board of India as an insolvency professional. With 18 years of industrial experience she is a qualified Company Secretary & fellow member of Institute of Company Secretaries of India.

Mr. Karan Datta

Independent Director

With 10 years of experience in asset management has been associated with Goldman Sachs Securities, Goldman Sachs Asset Management & Axis Asset Management.

Mr. Aniket Talati

Independent Director

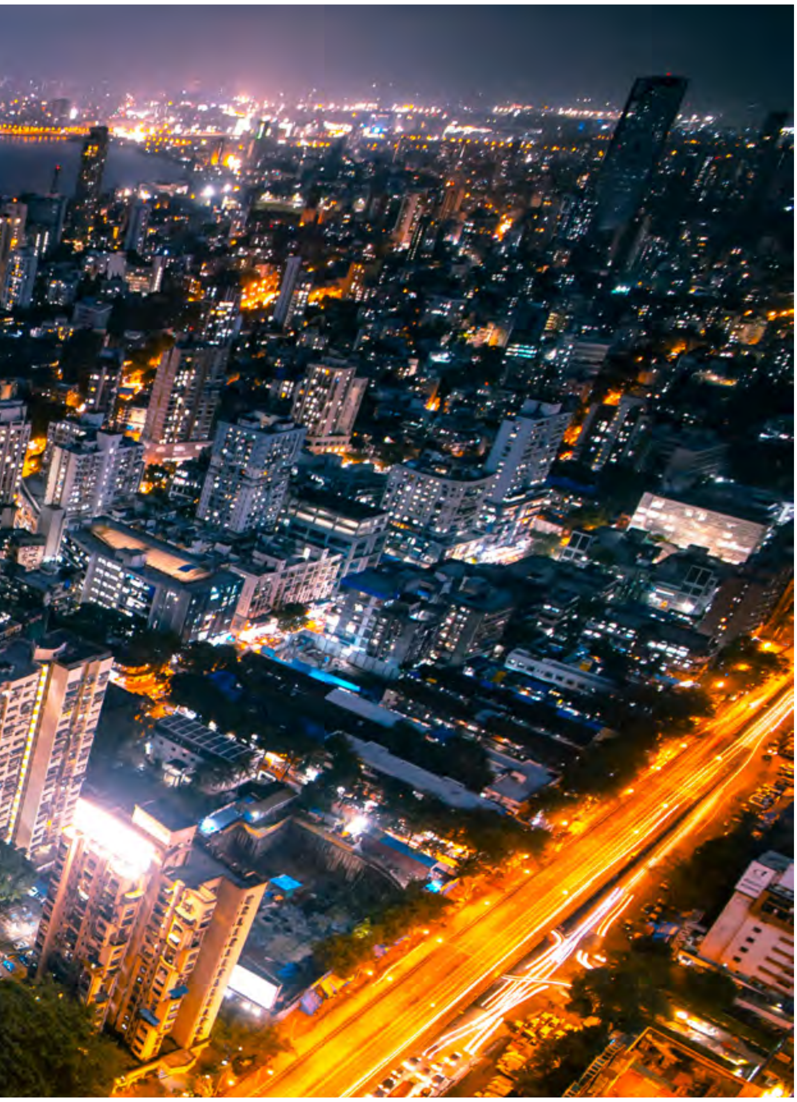
Qualified CA & fellow member of Institute of Chartered Accountants of India, was elected to the 24th Council of the Institute of Chartered Accountants of India in 2018. He is currently serving as a vice president of ICAI.

Management Discussion & Analysis

Amid the worldwide pandemic, India has discovered its inherent strength to weather the storm and focus on developing its domestic ecosystem to support the Indian and international markets.

INDIA ECONOMIC OVERVIEW

India demonstrated that COVID-19 pandemic-affected economy did not perform as poorly as predicted after contracting in FY2020-21 . According to RBI & Government estimates, the real GDP of India is estimated to have grown 8.7% in FY21-22 after contracting 6.6% in the previous fiscal. Nominal GDP saw a growth of 19.5% in FY21-22 after contracting 1.4% in FY21. Amid the worldwide pandemic, India has discovered its inherent strength to weather the storm and focus on developing its domestic ecosystem to support the Indian and international markets.



GDP

8.7%

The real GDP of India in FY21-22 as per RBI

As per the RBI, real GDP growth is expected at 7.2% in FY2023. Upside opportunities to growth could emanate from more potent and sustained expansion in domestic demand, including for contact-intensive services, a boost to private investment activity from the confluence of the Government's thrust on capital expenditure, the prospect of normal monsoon and healthier corporate balance sheets. On the contrary, the heightened geopolitical tensions pose sizeable downside risks to GDP growth. These tensions are resulting in the significant hardening of international crude oil and other commodity prices to multi-year highs. This in turn is leading to a loss of momentum in global trade and demand and in turn creating turmoil in global financial markets. Nevertheless, India is projected to remain the world's fastest-growing major economy, with China's GDP growth estimated to slow to 4.4% in CY2022.

Thanks to record levels of areas sown under the Kharif and Rabi crops, good monsoon, higher procurement of food grains under the central pool and adequate policy support, the agriculture and allied sectors were the least impacted by the pandemic. These sectors grew by 3.9% in FY2021-22, compared to 3.6% in the previous year.

With the manufacturing and construction picking up momentum, post the easing of the lockdowns imposed in the previous year, the industrial sector witnessed a sharp rebound with an estimated growth of 11.8% in FY 2021-22 compared to a contraction of 7% in FY 2020-21. By contrast, the service sector witnessed an estimated growth of 8.2% in FY 2021-22 compared to a de-growth of 8.4% in the previous fiscal.

On the private consumption front, this has significantly recovered by ~97% of the corresponding pre-pandemic output levels. This was aided by higher vaccination coverage coupled with normalisation of the Indian economic activity and policy thrust to quicken the virtuous growth cycle through Capex and infrastructure spending and higher budgetary allocations. This was further supported by gains from the supply-side reforms, easing of regulations, robust export growth and availability of fiscal space to ramp up capital spending.

Management Discussion & Analysis

INDUSTRY OVERVIEW

Overview of the financial distribution Industry in India

Financial product distributors play a critical role in the market ecosystem in India. Today, the average working person, because of inadequate awareness and limited knowledge of various products, requires guidance and handholding in taking decisions. The financial distribution industry in India has increased since the late 1990s with the emergence of private banks, national distributors ("NDs"), technology-enabled brokerage platforms and aggregators who have simplified transactional hassles and introduced new products and services to the mass retail, HNI and UHNI clients.

Mutual funds distributors AAUM has doubled in the past 6 years

Mutual funds distributors average AUM witnessed a healthy growth of ~14.5% CAGR over fiscal 2017 to fiscal 2022 and touched ₹13.59 trillion in fiscal 2022. So far, banks and NDs have dominated the mutual fund distribution industry, together accounting for ₹6.55 trillion of average AUM, as per AMFI's Commission Report of 2020-21. Amidst the top five distributors in FY22, Prudent's commissions grew at the highest pace at a CAGR of 34.8% from FY17-22. With a industry leading growth, Prudent's ranking on commission improved by two notches from FY17 & it is now the second largest non-banking distributor in India. The widespread network, aggressive marketing and adoption of technology-based platforms that have eased the onboarding and investment process have helped NDs garner immense AUM.

Prudent's Market Share Within NDs increased from 4% in FY15 to 12% in FY21.

Consolidation also witnessed among National Distributors

With rationalisation in commission structure and technological disruption, the market share of the top 3 National Distributors ("NDs") (non-bank) increased substantially from fiscal 2015 to fiscal 2021. Within the ND channel, in terms of commissions, the top 3 NDs increased their share from 33.1% in fiscal 2015 to 64.0% in fiscal 2021. On a commission basis, the market share for Prudent Corporate Advisory Services Limited has increased from just ~4% in FY15 to ~12% in FY21.

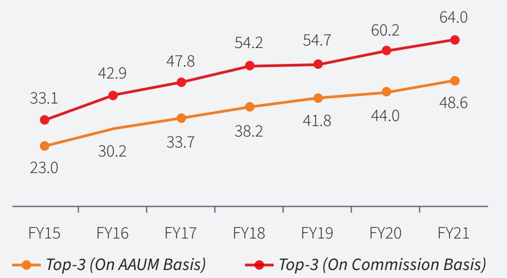
MFDs

23,763 MFDs

The number of MFDs that Prudent Corporate Advisory Services had on-boarded on its platform as of 31st March 2022

Trend in Share of Top 3 NDs within the segment

(in%)



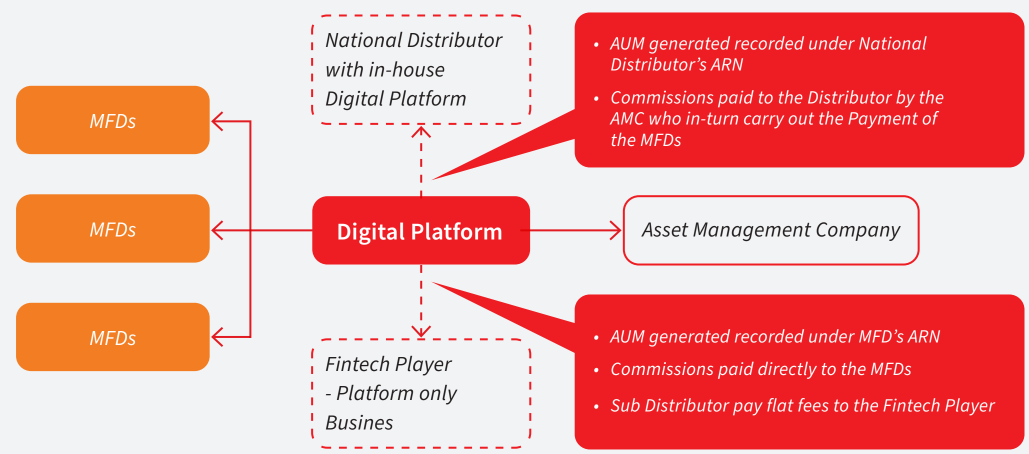
Note: *Top 3 NDs considered above are NJ India Invest, ICICI Securities, Prudent Corporate. CRISIL Research has only considered non-banking National Distributors*

Source: *AMFI, CRISIL Research*

Rising penetration of technology-based platforms in the distribution space

Large NDs have built robust technology platforms that enable their network of Mutual Fund Distributors (MFDs) on the ground to onboard customers and help them transact with utmost convenience. Usage of technology has helped reduce transaction costs. CRISIL Research believes that ability to invest in technology and provide the requisite tools that offer best-in-class convenience to customers as well as MFDs is increasingly becoming a key factor differentiating one distributor from the other.

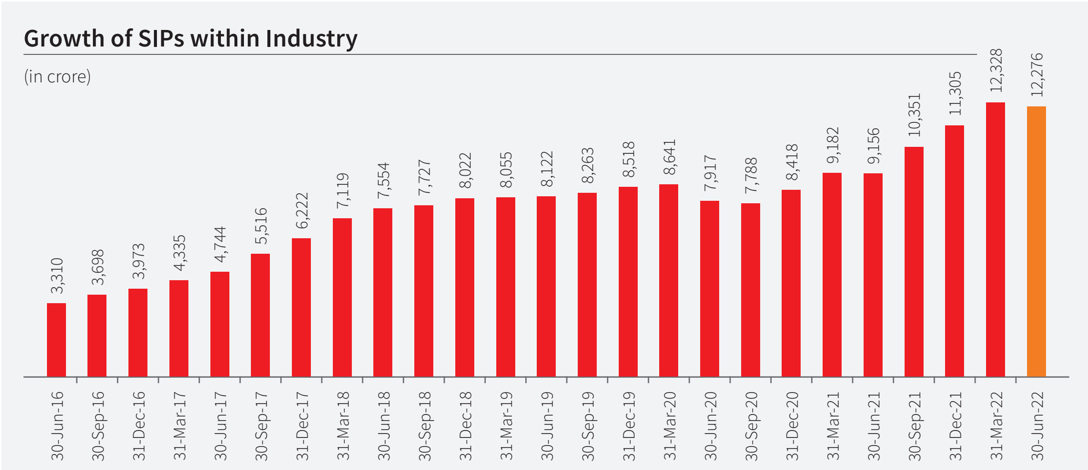
As small MFDs do not have the scale to invest in technology, they are required to collaborate with larger players who can provide the technology platforms. MFDs have collaborated with NDs who have developed in-house online platforms in order to enhance their services to the customers. Major National Distributors have already adopted the B2B2C models in order to scale up their business operations. As of March 31st, 2022, Prudent Corporate Advisory Services had 23,763 MFDs on-boarded on its platform representing 20.4% of the overall MFDs in the country.



Strong SIP Flows Leading to Industry Growth

SIPs have helped increase retail investor participation in the mutual fund space. SIPs help eliminate the behavioural weakness during uncertain periods and aid investors in systematically saving and investing across cycles. Monthly inflows into mutual funds through the SIP route have increased from ₹33 billion in June 2016, to ₹123 billion in June 2022, implying a CAGR of 20.6%.

Management Discussion & Analysis



This surge is the result of the lower minimum investment required to invest in SIPs, thereby increasing the accessibility of mutual fund investments to lower-income households. This is reflected in the increase in the number of SIP accounts to 55.5 million as of June 2022 from 22.9 million as of March 2018 implying a CAGR of 23.1%.

Increasing penetration in semi-urban and urban geographies

As of March 2022, the monthly average AUMs in the beyond top 30 (B30) cities stood at ₹6.42 trillion compared with ₹1.39 trillion in Mar 2014. The B-30 MAAUM posted a CAGR of ~21% between March 2014 to March 2022, mainly driven by increasing penetration of distributors in B-30 regions. CRISIL Research believes that better individual connect of distributors in the region, adoption of technology by the distributors in client acquisition and increasing investor interest with improvement in disposable income of the individuals will drive strong growth in AUM in B-30 geographies.

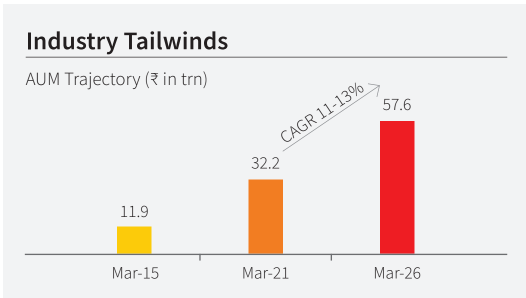
According to AMFI data, in March 2022, 16.5% of the assets of the MF industry came from B30 cities.B-30 AUM grew at a faster pace in March-2021 at 19.3% YoY when compared to T30 AUM which grew at a relatively slower pace of 16.8%. On account of this under-penetration, a higher share of the growth for the industry will come from the beyond 30 cities.

MF industry AUM to sustain a double-digit pace between fiscals 2021 and 2026

The Indian Mutual Fund Industry's Average Assets Under Management (AAUM) stood at ₹37.77 Lakh Crore (₹37.77 Trillion) for the month of July 2022.

The AUM of the Indian MF Industry has grown from ₹7.30 trillion as of July 31, 2012, to ₹37.75 trillion as of July 31, 2022, a more than 5-fold increase in a span of 10 years. As per CRISIL estimates, the industry is expected to grow to ₹57.6 trillion by March-26 implying a CAGR of 12.9% from March-21 levels.

Going forward, continued growth will be driven by the pickup in corporate earnings; growing disposable income and savings; financialization of savings and deeper regional penetration and awareness.



Currently, data by AMFI show that investors are pumping money into equities at record levels, hoping that a consistent economic recovery would translate into outsized gains. . Over the past year, the number of unique investors in the mutual fund industry grew 49% to 33.2 million from 22.3 million in March 2021. Equity as an asset class is gaining prominence as alternative assets such as fixed deposits are yielding low returns. Fixed deposits are yielding 5-6% every year as banks have been slow to raise deposit rates. In comparison, the Nifty has yielded 13.58% every year over a 10-year period and 12.36% over five years.

STRATEGIC REPORT

COMPANY OVERVIEW

Background

Founded in 2003 and headquartered in Ahmedabad, Prudent Corporate Advisory Services is one of India's fastest-growing financial services groups. Today, with a team strength of 1095 highly skilled professionals and 24,852 well-trained and qualified channel partners, we are among the top mutual fund distributors in terms of assets under management and commission received.

With our unique business-to-business-to-consumer (B2B2C) model, and through our technology-enabled investment and financial services platform, we provide end-to-end solutions critical for financial products distribution. Today, the Company has become one of the largest independent retail wealth management services groups in India and is amongst the top mutual fund distributors in terms of average assets under management ("AAUM") and commission received.

We work through 113 locations across 20 states and have a robust digital presence. We have evolved into a leading and respected distributor of mutual funds, insurance products, stockbroking, national pension schemes, unlisted securities, bonds, fixed deposits, portfolio management schemes, alternative investment funds, small cases and liquiloans.

Prudent has become one of the largest independent retail wealth management services groups in India and is amongst the top mutual fund distributors in terms of average assets under management ("AAUM") and commission received.

Management Discussion & Analysis

Our Business Verticals

Verticals	Key Metrics (FY2022)	Platforms
Mutual Funds	AUM: **₹494,730** million No. of investors: **14.02** Lac No. of MFDs: **23,763** AUM per MFD: **₹2.08** million AUM per investor: **₹0.04** million No. of AMCs associated with **45**	**FundzBazar:** Online investment a platform that offers a variety of investment products **PrudentConnect:** Virtual office for MFDs registered with us.
Insurance	Premium: **₹2,542** million No. of policies: **1,05,300** Average premium per policy: **₹0.02** million No. of life insurance companies associated with - 11 No. of general insurance companies associated with – 26	**Policyworld:** An online platform which offers a variety of insurance solutions

The Prudent Advantage

Growth:

Prudent operates in an underpenetrated Indian asset management industry, that has grown at a CAGR of more than 20%. (Source: CRISIL Report)

Scale:

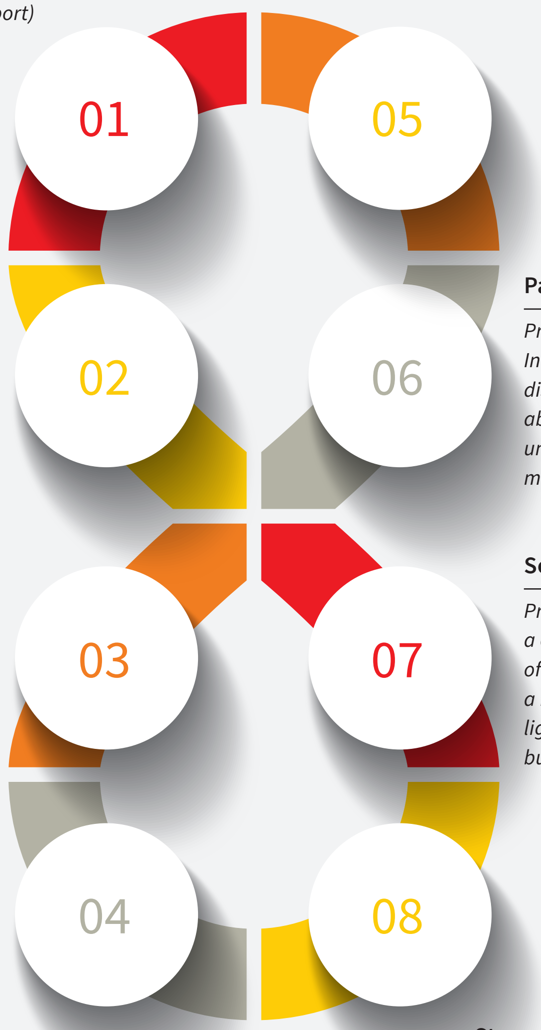
Prudent is one of the largest and fastest growing financial products distribution platforms.

Retail Equity:

Prudent has a granular retail AUM with a mix skewed towards high-yielding equity AUM.

Network:

Prudent's value proposition has led to increased participation and long-standing relationship with MFDs.



Tech-Driven:

Prudent has been at a forefront of innovation and use of technology to improve investor and partner experience.

Pan India Access:

Prudent has a pan-India diversified distribution network with ability to expand into underpenetrated B-30 markets.

Solid Track Record:

Prudent has demonstrated a consistent track record of profitable growth due to a highly scalable, asset-light and cash generative business model.

Strong Backing:

Prudent is run by an experienced management team, with strong backing from retail, institutional and private equity investors.

Management Discussion & Analysis

FINANCIAL & OPERATIONAL PERFORMANCE

Particulars (₹ in crore) (Consolidated)	FY-22	FY-21	YoY (%)
Closing Assets Under Management	49473	30847	60.4%
Total Revenue from Operations	450.8	286.5	57.3%
Operating Profit	115.3	61.9	86.2%
Operating Profit Margin (%)	25.6%	21.6%	
Profit After Tax	80.3	45.3	77.4%
Profit After Tax Margin (%)	17.8%	15.8%	
Earnings Per Share	19.42	10.96	77.2%
Cash Profit After Tax*	93.7	53.4	75.5%
Cash Earning Per Share	22.64	12.92	
Return On Networth	33.8%	28.7%	
Debt/Equity Ratio	0.00	0.02	-100.0%
Current Ratio	1.56	2.31	-32.5%

**Cash Profit After Tax= Profit After Tax + Depreciation*

Business Overview

Assets Under Management

As of March 31, 2022, the Company's AUM from the mutual fund distribution business grew by 60.4% YoY to ₹494,730 million, with 92.60% of total AUM being equity-oriented. AUM growth was led by robust net sales & Karvu acquisition in November 2021. Strong Marked to Market movement also kept the growth robust.

Revenue from Operations

Revenues from operations grew by 57% YoY led by strong mutual fund AUM growth. Revenue from mutual fund products grew by 64.4% YoY.

Operating Profit

The benefits of operating leverage played out with operating profit growing at a pace higher than revenue growth. Operating profit grew by 86.2% YoY and operating margins expanded by 400 basis points to 25.6%

Profit After Tax

Profit after tax growth at 77.4% YoY was a tad slower than operating profit growth. This was due to higher depreciation expense on account of the amortisation of Karvy assets. Depreciation expenses were higher by 65.4% YoY.

AUM

60.4% YoY

Growth of Company's AUM in FY2022

Debt/Equity Ratio:

Decrease in Debt/Equity ratio is due to NIL outstanding of borrowing in Broking business where we require working capital loan for mitigating short term deficit of fund.

Current Ratio:

Reduction in Current ratio compare to previous year is mainly due to utilisation of surplus fund parked into liquid Mutual funds into acquisition of Karvy's Mutual Fund Folios / AUM.

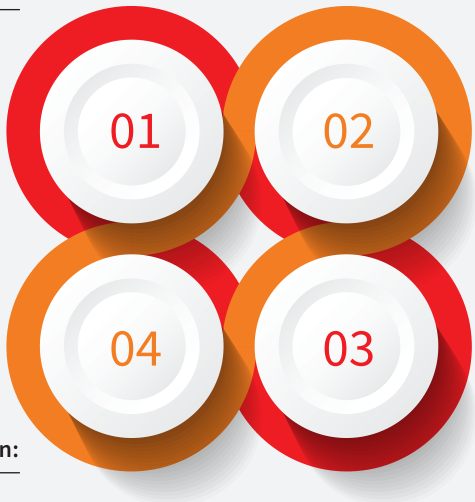
BUSINESS STRATEGY: OUR 4 STEPS TO SUSTAINED GROWTH

Deepen MFD Relations:

Continue to focus on increasing geographic reach and strengthening relationships with MFDs

Leverage Growing Network:

Leverage the existing MFD network to distribute wider range of products and services



Product Diversification:

Continually add new offerings to our existing portfolio

Inorganic Opportunities:

Business generates significant cash every year which will be utilized towards lucrative in-organic opportunities

Management Discussion & Analysis

SIPs are a strong organic growth lever for Prudent going forward. We believe, consolidation in the distribution industry will also offer good acquisition opportunities going ahead.

Growing the base of MFDs

As a business strategy, the Company is focusing on aggressively adding more MFDs which are the backbone of its business. As of 31 March 2022, 20.4% of the overall MFDs in the country were empanelled with the Company. There is an increasing need for an MFD to collaborate with a tech-based platform to service their clients and Prudent is capitalising on this opportunity. Currently, there is a significant under-penetration of MFDs within the country. While there are almost 25 lakh insurance agents in the country, the count of AMFI Registration Number (ARN) holders is just 1.16 lakh. Consequently, as more MFDs join the industry, we expect incremental benefits to accrue to our Company.

Cross Selling other products like Insurance

Prudent's multi-product distribution platform has helped it to capitalize on this vast MFD network. Prudent is currently leveraging its MFD network to cross-sell insurance. So far, the Company has converted 6,803 existing MFDs and their family members to 'Point of Sales Person' (POSP), who can also sell insurance products. Consequently, insurance revenues have grown at a CAGR of 349% from FY2019 to FY2022, aided by a low base. Today, it forms 8.1% of the Company's overall revenues for FY2022.

Encouraging & Educating MFDs to Build Granular Flows

Unique positioning in retail wealth management has helped Prudent to build granular flows. A granular book is creating strong visibility on the net sales front. The monthly SIP inflow for the month of March 2022 was ₹418 crore. Annualizing this number, our flows from SIPs could be to the tune of ₹5,000 crore for FY23, which is equivalent to 10.1% of opening FY2022 AUM. Hence, SIPs are a strong organic growth lever for Prudent going forward.

Inorganic Growth Opportunities

The inorganic acquisition is another key strategy for the Company. Our company generates significant cash flows from operations and in November 2021, Prudent utilised its significant treasury to acquire Karvy's mutual fund assets amounting to ₹8,092 crore. Recently, in the month of July 2022, our Company also signed a term sheet to acquire the mutual fund AUM of iFast Financial India Pvt Ltd. We believe, consolidation will continue to play out in the distribution industry, which will offer the Company good acquisition opportunities going ahead.

Accelerated Growth Going Forward

A good industry tailwind is only adding thrust to the business. It took the Company around 16 years to reach an AUM of ₹10,000 crore. Meanwhile, it took the Company less than six years to scale it up to ₹50,000 crore. The in-organic opportunities, coupled with a strong investor cult towards mutual funds, give Prudent significant growth leeway to reach the ₹1,00,000 crore AUM mark within the next four years.

THREATS, RISKS & CONCERNS

The Company identifies sources of risk, areas of impact, events and their causes with potential consequences. The heads of various departments and other senior management persons in the Company at organisational levels under the guidance of the Board or Risk Management Committee are responsible for the development of risk mitigation plans and their effective implementation. Key risks on which the Company presently focuses can be broadly subdivided into internal and external risks, which include technological risks, financial risks, operational risks, strategic business risks, legal and regulatory compliance risks, cyber security risks, competition risks and risks related to intellectual property rights. For all key risks identified during the Risk Identification process, a qualitative and quantitative assessment is carried out. Risk assessment involves different means by which to grade risks to assess the possibility of their occurrence and the extent of damage their occurrence might cause. Risk mitigation strategy usually involves identifying a range of options for treating risk, assessing those options, and preparing and implementing risk treatment plans. The risk mitigation strategies may include managing the risk through the implementation of new internal controls, accepting certain risks, taking insurance, and finally avoiding certain activities that result in unacceptable risks.

Competition Risk:

Competition from existing and new market participants in our line of business may affect our market share or results of operations. The financial services industry is rapidly evolving and intensely competitive. Further, with the rise in the use of technology, we and MFDs associated with us may face competition from new entrants in the industry who may leverage technology to provide products and services like us. The Company mitigates this risk by continually upgrading its technology in almost every aspect of our business, including sales, risk management, fraud detection, client service and settlement. It keeps developing its platform to keep pace with technological developments to remain competitive. The Company also maintains one of the most efficient and cost-efficient operations, ensuring sustained profitability and growth. It operates with customer centricity at its core and continually improves the experience of its customers in its relationships with it.

Impact of Covid-19 Risk:

The COVID-19 Pandemic has had and continues to have a material impact on businesses around the world and the economic environments in which they operate. Additionally, the impacts of the economic downturn resulting from the COVID-19 pandemic in a post-recovery environment, from a commercial, regulatory and risk perspective, could be significantly different to past crises and persist for a prolonged period. The COVID-19 Pandemic has caused disruption to the Group's customers, suppliers, and staff globally. Most jurisdictions in which the Company operates implemented severe restrictions on the movement of their respective populations, with a resultant significant impact on economic activity in those jurisdictions. While several restrictions have been eased with the roll-out of COVID-19 vaccination programmes, others remain in place, and future developments are highly uncertain. It remains unclear how the COVID-19 Pandemic will evolve through 2022 (including whether there will be further waves of the COVID-19 Pandemic, whether COVID-19 vaccines continue to prove effective, whether further new strains of COVID-19 will emerge and whether, and in what manner, additional restrictions will be imposed and/or existing restrictions extended) and the Company continues to monitor the situation closely.

Regulatory Changes:

The Company remains subject to ongoing significant levels of regulatory change and scrutiny. As a result, regulatory risk will remain a focus for senior management. Furthermore, a more intensive regulatory approach and enhanced supervisory standards are developed and implemented may adversely affect the Company's business, capital, and risk management strategies and/or may result in the Company deciding to modify its legal entity, capital and funding structures and business mix, or to exit certain business activities altogether or not to expand in areas despite otherwise attractive potential. The Company keep strong vigilance on evolving legislation and areas of focus which will require considerable management attention, cost and resource.

Operational Risk:

Operational risk is the risk of loss to the Company from inadequate or failed processes or systems, human factors or external events where the root cause is not due to credit or market risks. The Company functions in a highly competitive market, with market participants that expect consistent and smooth business processes. The loss of or disruption to business processing is a material inherent risk within the Company and across the financial services industry, whether arising through impacts on the Company's technology systems, real estate services, including its retail branch network, or availability of personnel or services supplied by third parties. Failure to build resilience and recovery capabilities into business processes or into the services of technology, real estate or suppliers on which the Company's business processes depend, may result in significant customer detriment, costs to reimburse losses incurred by the Company's customers, and reputational damage.

The in-organic opportunities, coupled with a strong investor cult towards mutual funds, give Prudent significant growth leeway to reach the ₹1,00,000 crore AUM mark within the next four years.

Prudent believes in deep engagement with it its employees, to ensure their holistic wellbeing at the workplace, and their home.

New and emergent technology:

Technology is fundamental to the Company's business and the financial services industry. Technological advancements present opportunities to develop new and innovative ways of doing business across the Company, with novel solutions being developed both in-house and in association with third-party companies. Whilst increased use of electronic payment and trading systems and direct electronic access to trading markets could significantly reduce the Company's cost base, it may, conversely, reduce the commissions, fees and margins made by the Company on these transactions which could have a material adverse effect on the Company's business, results of operations, financial condition and prospects. Introducing new forms of technology, however, has the potential to increase inherent risk. Failure to evaluate, actively manage and closely monitor risk exposure during all phases of business development could introduce new vulnerabilities and security flaws and have a material adverse effect on the Company's business, results of operations, financial condition, and prospects.

Reputation risk:

Reputation risk is the risk that an action, transaction, investment, event, decision or business relationship will reduce trust in the Company's integrity and/or competence. Any material lapse in standards of integrity, compliance, customer service or operating efficiency may represent a potential reputation risk. Stakeholder expectations constantly evolve, and so reputation risk is dynamic and varies between geographical regions, companies and individuals. A risk arising in one business area can have an adverse effect on the Company's overall reputation, and any one transaction, investment or event (in the perception of key stakeholders) can reduce trust in the Company's integrity and competence. When it comes to the management of reputational risk, at Prudent, it starts at the Board of Directors level. Active and diligent Board oversight as it relates to the development of a strategy, the execution of that strategy, and the development and enforcement of the policies associated with it are mandatory.

INTERNAL CONTROL

Prudent has established a comprehensive system for risk management and internal controls for all its businesses to manage the risks it is exposed to. The objective of the Company's risk management framework is to ensure that various risks are identified, measured and mitigated and also that policies, procedures and standards are established to address these risks and to ensure a systematic response in the case of crystallisation of such risks.

The Company has appointed M/s. Deloitte Haskins & Sells, Chartered Accountants as Statutory Auditor of the Company and M/s. Pramodkumar Dad & Associates, Chartered Accountants as Internal Auditor of the Company.

The Company's Board oversees our risk management and has constituted a Risk Management Committee ("RMC"), which frames and reviews risk management processes and controls. In accordance with the SEBI Listing Regulations, the Company has adopted a Risk Management Policy with an aim to create and protect shareholder value by minimising threats or losses and identifying and maximising opportunities. The Risk Management Policy is being applied in order to ensure that effective management of risks is an integral part of every employee's job. The Company identifies sources of risk, areas of impact, events and their causes with potential consequences. The heads of various departments and other senior management persons in the Company at organisational levels under the guidance of the Board or Risk Management Committee are responsible for the development of risk mitigation plans and their effective implementation.

INFORMATION TECHNOLOGY

Information technology keeps evolving and will continue to change the way mutual funds and other financial products are marketed, traded, distributed, and settled. This creates both opportunities and challenges for Prudent's business. The Company's IT capability is critical to the efficient operation and performance of its businesses and one of the key contributors to the Company's success. Prudent has devoted substantial strategic resources to

IT, and the Company continues to innovate and invest in IT. As of March 31, 2022, it had a team of 58 trained IT professionals to help in the development, maintenance, and improvement of the Company's various digital assets. Prudent is committed to the ongoing development, maintenance, and use of IT in various business activities. The Company expects technology developments to greatly improve client service quality through increased connectivity and the provision of customised value-added products and services.

HUMAN RESOURCE

Prudent believes that its culture and human capital are critical factors in the success of its business. As of March 31, 2022, the Company employed 1078 talented men and women. The Company believes in attracting, training and retaining young employees to build a strong base of knowledge and expertise for the future. Prudent has adopted several policies to incentivise its employees, improve retention and enhance their productivity.

Prudent believes in deep engagement with it its employees, to ensure their holistic wellbeing at the workplace, and their home. Some key initiatives taken for employee engagement during FY2022 include:

"National Nutrition Week": celebrated to create awareness about Health and Nutrition. This included:

- Cardio Fun with Dr. Prashant - A Cardio Exercise Session was planned online.
- Eat healthy, be wealthy with Dt. Naivel Mahadevia - Nutritionist presented health tips virtually on "Nutrition, Health and Lifestyle Management for Working People"
- Dance and fitness with Tarleen Kaur - Zumba Session for healthy and fit body was arranged virtually.
- Healthy Potluck Party was arranged for Employees.

Covid Vaccination Drive: Vaccination Drive was arranged in Office with the help of Municipal Corporation.

Covid vaccination reimbursement: We started reimbursing the cost of Vaccination for the employees, their spouse, parents and kids for paid Vaccination for Safety of Employees and their Family.

International Women's Day 2022: Prudent arranged lunch, and a seminar by CA Nisha Patel on Women Empowerment.

New Year's Eve: brain-boosting quiz was arranged for all employees.

Donate the Good: Employees donated their old or new goods, like clothes, toys, soft toys, games, board games, sports items, school bags, stationary, etc. to those in need.

National Voluntary Blood Donation Day: arranged for a blood donation drive were Employees participated and donated blood.

Health Insurance Advance from the Company: In order to motivate employees for taking Health Insurance provided an advance to the employees for purchasing their Health Insurance Policy for themselves and their family.

DISCLAIMER

Statements in the Management Discussion and Analysis that describe the Company's objectives, projections, estimates, and expectations may be considered "forward-looking statements" under the securities laws and regulations. Actual results may differ from those stated or implied. Economic conditions affecting demand-supply and price conditions in domestic and international markets are crucial factors that could affect the Company's operations. Government regulations, tax laws, other statutes, and other incidental factors affect how the Company operates.

Notice

of 19th Annual General Meeting

NOTICE is hereby given that the 19th (Nineteenth) Annual General Meeting of the members of Prudent Corporate Advisory Services Limited (CIN: U91120GJ2003PLC042458) will be held on **Thursday, 29th day of September, 2022 at 12.30 p.m.** through Video Conferencing (VC)/Other Audio Visual Means (OAVM) to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2022 and the Report of the Board of Directors and Auditors thereon and the Audited Consolidated Financial Statement of the Company for the Financial Year ended 31st March, 2022 and Report of Auditors thereon.

   RESOLVED THAT the Audited standalone and consolidated financial statements of the Company comprising of Balance Sheet as at March 31, 2022, Profit and Loss Account, cash flow statement and statement of change in equity for the year ended on that date along with schedules and notes thereon and the Boards' Report and Auditors' Report as at March 31, 2022, as circulated to the members with the Notice of Annual General Meeting and submitted to this meeting be and are hereby received, considered and adopted

2. To declare final dividend of ₹1.00 (Rupee One) per Equity Share of ₹5/- each for the Financial Year ended on 31st March, 2022.

   RESOLVED THAT the final dividend of ₹ 1/- per equity share for 2021-22 be and is hereby declared and approved and the same be paid to those shareholders whose name appears in the register of members as on Friday, September 16, 2022, being the record date for the purpose of final dividend.

3. To appoint a Director in place of Mr. Sanjay Shah (DIN: 00239810), who retires by rotation and, being eligible, offers himself for re-appointment.

   RESOLVED THAT Mr. Sanjay Shah (DIN-00239810), Director of the Company, who retires by rotation at this meeting and being eligible offers himself for re-appointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation.

Special Business:

4. To approve payment of remuneration to Mr. Shirish Patel, Whole-time Director and CEO of the Company:

   To consider and if, thought fit, pass with or without modification the following resolution as a **Special Resolution:**

   RESOLVED THAT pursuant to the provisions of Sections 197, 198 and other applicable provisions read with Schedule V of the Companies Act, 2013 ('Act'), if any and Rules made thereunder and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the enabling provisions of the Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded for payment of remuneration to Mr. Shirish Patel, Whole-time Director and CEO of the Company w.e.f. April 1, 2022 to March 31, 2024, at a remuneration as mentioned in the explanatory statement annexed to this notice and the Board of Directors of the Company or any Committee of the Board authorized to increase, alter, vary and modify the said terms of remuneration payable as per the provisions of the Act which may exceed 5% of the Net Profit of the Company for the Financial Year ending March 31, 2023 & March 31, 2024, as computed in the manner laid down in Section 198 of the Act.

   RESOLVED FURTHER THAT the total managerial remuneration paid and/or payable to the Executive Director(s) of the Company taken together in any financial year exceeded or may exceed the limit of 10% of net profit and overall managerial remuneration paid and/or payable to all Director(s) exceeded or may exceed the limit of 11% of net profit of the Company as prescribed under Section 197 of the Act read with rules made thereunder or other applicable provisions or any statutory modifications thereof.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, things as may be necessary to give effect to this resolution and for matters connected therewith or incidental thereto."

5. To approve payment of remuneration to Mr. Sanjay Shah, Chairman and Managing Director of the Company:

   To consider and if, thought fit, pass with or without modification the following resolution as a Special Resolution:

   RESOLVED THAT pursuant to the provisions of Sections 197, 198 and other applicable provisions read with Schedule V of the Companies Act, 2013 ('Act'), if any and Rules made thereunder and Regulation 17(6)(e) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the enabling provisions of the Articles of Association of the Company, approval of the Members be and is hereby accorded for payment of remuneration to Mr. Sanjay Shah, Chairman and Managing Director of the Company w.e.f. April 1, 2022 to March 31, 2024, at a remuneration as mentioned in the explanatory statement annexed to this notice and the Board of Directors of the Company or any Committee of the Board authorized to increase, alter, vary and modify the said terms of remuneration payable as per the provisions of the Act which may exceed 5% of the Net Profit of the Company for the Financial Year ending March 31, 2023 & March 31, 2024, as computed in the manner laid down in Section 198 of the Act.

RESOLVED FURTHER THAT the total managerial remuneration paid and/or payable to the Executive Director(s) of the Company taken together in any financial year exceeded or may exceed the limit of 10% of net profit and overall managerial remuneration paid and/or payable to all Director(s) exceeded or may exceed the limit of 11% of net profit of the Company as prescribed under Section 197 of the Act read with rules made thereunder or other applicable provisions or any statutory modifications thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, things as may be necessary to give effect to this resolution and for matters connected therewith or incidental thereto."

By Order of the Board of Directors,
For Prudent Corporate Advisory Services Limited

Dhaval Ghetia
Company Secretary
Membership No. ACS 46211

Date: 1st August, 2022
Place: Ahmedabad

Registered Office:
Prudent House, 3 Devang Park Society,
Panjarapole Cross Road, Ambawadi
Ahmedabad, Gujarat - 380015.
Corporate Identification Number: U91120GJ2003PLC042458
Website: www.prudentcorporate.com

Notes:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA"), Government of India, has vide its General Circular dated 5th May, 2020 read with General Circular No. 14/2020 dated 8th April, 2020, Circular No. 17/2020 Dated 13th April, 2020, Circular No. 20/2020 Dated 5th May, 2020 and Circular No. 02/2022 dated 5th May, 2022 as amended (collectively referred to as "MCA General Circulars") permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM'), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), MCA General Circulars and subsequent circulars issued by SEBI, the AGM of the Company is being held through VC/OAVM. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company at Prudent House, 3 Devang Park Society, Panjarapole Cross Road, Ambawadi, Ahmedabad - 380015, which shall be deemed venue of the AGM.

2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a 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, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to the Notice.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for a maximum 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

5. The Explanatory Statement pursuant to Section 102 of the Act relating to the Special Business covered under Item Nos. 4 and 5 to be transacted at the AGM is annexed hereto. In respect of Resolutions proposed at Item Nos. 3, 4 and 5, a statement giving additional information on the Directors seeking re-appointment/approval for remuneration is annexed hereto as required under SEBI Listing Regulations, as amended, read with Secretarial Standard – 2 on General Meetings.

6. As per the provisions of Clause 3.A.II. of the General Circular No. 20/2020 dated May 5, 2020, the matters of Special Business as appearing at Item Nos. 4 to 5 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.

7. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

8. Members are advised to make nomination in respect of their shareholdings in the Company. The Nomination Form can be downloaded from the Company's website www.prudentcorporate.com. Members holding shares in physical form should file their nomination with M/s. Link Intime India Private Limited, Company's Registrar and Share Transfer Agent ("LIIPL/ RTA") whilst those Members holding shares in dematerialised mode should file their nomination with their Depository Participants.

9. The Company has fixed Friday, September 16, 2022 as the 'Record Date' for determining entitlement of members to receive dividend for the FY 2021-22, if approved at the AGM. Those members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Record Date shall be entitled for the dividend which will be paid on or after Tuesday, October 4, 2022, subject to applicable TDS.

10. Members are requested to update their email address and/or bank mandate / NECS / Direct Credit details / Name / Address / Power of Attorney and update their Core Banking Solutions enabled account number:

    a) For shares held in physical form: with the Registrar and Share Transfer Agent of the Company.

    b) For shares held in dematerialised form: with the Depository Participants with whom they maintain their demat accounts.

11. In case, the Company is unable to pay the dividend to any Member by electronic mode, due to non-availability of details of the bank account, the Company shall dispatch dividend warrants to such Members by post.

12. Non-resident Indian Members are requested to immediately inform their Depository Participants (in case of shares held in dematerialised form) or the Registrar and Share Transfer Agent of the Company (in case of shares held in physical form), as the case may be, about:

    a) the change in the residential status on return to India for permanent settlement;

    b) the particulars of the NRE account with a Bank in India, if not furnished earlier.

13. Members may note that in terms of the provisions of the Income-Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, dividends paid or distributed by a Company on or after 1st April, 2020 shall be taxable in the hands of the Members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of dividend. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit the following documents in accordance with the provisions of the IT Act.

(i) **For Resident Members:** TDS shall be made under Section 194 of the IT Act @ 10% on the amount of dividend declared and paid by the Company during the financial year 2022-23 unless exempt under any of the provisions of the IT Act, provided PAN is registered by the Member. However, in case of individuals, TDS would not apply if the aggregate of total dividend distributed to them by the Company during the financial year 2021-22 does not exceed ₹5,000/-.

TDS shall not be deducted in cases where a Member provides Form 15G (applicable to individual) / Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met. For this purpose the shareholder may submit the above documents (PDF / JPG Format) by e-mail to dividend@prudentcorporate.com. The aforesaid declarations and documents need to be submitted by the shareholders by September 16, 2022. Please enter details for all required/mandatory fields and Company may at its sole discretion reject any such form that does not fulfil the requirement of law.

Form 15G and 15H can be downloaded from the following link https://web.linkintime.co.in/client-downloads.html Members are requested to click on General Tab, wherein all the forms are available under the head "Form 15G/15H/10F". Please enter details for all required/mandatory fields. The Company may at its sole discretion reject any such form that does not fulfil the requirement of law.

In order to provide exemption from withholding of tax, the following organisations must provide a self-declaration as listed below:

a) **Insurance Companies:** A declaration that they are beneficial owners of shares held;

b) **Mutual Funds:** A declaration that they are governed by the provisions of Section 10(23D) of the IT Act along with copy of registration documents (self-attested);

c) **Alternative Investment Fund (AIF) established in India:** A declaration that its income is exempt under Section 10 (23FBA) of the IT Act and they are established as Category I or Category II AIF under the SEBI Regulations. Copy of registration documents (self-attested) should be provided.

d) **Other Non-Individual shareholders** who are holding certificate issued by the Income- Tax Department u/s. 197 of the IT Act for lower / nil rate or exempt from TDS under provisions of Section 194 of the IT Act or who are covered u/s 196 of the IT Act, are required to submit an attested copy of the PAN along with the documentary evidence in relation to the exemption/ lower rate.

e) Needless to mention, valid Permanent Account Number ("PAN") will be mandatorily required. Shareholders who do not have PAN, TDS would be deducted at higher rates u/s 206AA of the Act.

Section 206AB of the IT Act - Rate of 10% is subject to provisions of Section 206AB effective 1st July, 2021 which introduced special provision for TDS for non-filers of income-tax return whereby tax has to be deducted at twice the rate specified in the relevant provision of the IT Act if conditions specified in the section is fulfilled.

Government has prescribed the mechanism to determine applicability of Section 206AB using the reporting portal. Company shall determine applicability of Section 206AB and TDS deducted in accordance with said provision shall be final. Company shall not refund or adjust the amount of TDS.

(ii) For Non-Resident Members: Tax is required to be withheld in accordance with the provisions of Section 195 of the IT Act at applicable rates in force. As per the relevant provisions of the IT Act, the tax shall be withheld @ 20% (plus applicable surcharge and cess) on the amount of dividend payable. However, as per Section 90 of the IT Act, a Non-Resident Member has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the Member, if they are more beneficial to the Member. For this purpose, i.e. to avail the tax treaty benefits, the Non-Resident Member will have to provide all the following documents:

a) Self-attested copy of PAN card, if any, allotted by the Indian Income Tax authorities;

b) Self-attested copy of Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of which the Member is resident (valid for financial year 2021-22);

c) Self-declaration in Form 10F in prescribed digital format, if all the details required in this form are not mentioned in the TRC;

d) Self-declaration by the Non-Resident Member of having no permanent establishment in India and meeting treaty eligibility requirement in accordance with the applicable Tax Treaty in the prescribed format;

e) In case of Foreign Institutional Investors and Foreign Portfolio Investors copy of SEBI registration certificate;

f) In case of shareholder being tax resident of Singapore, please furnish the letter issued by the competent authority or any other proof of satisfying requirement of Article 24 – Limitation of Relief should be provided.

g) It is recommended that Members should independently satisfy its eligibility to claim DTAA benefit including Meeting of all conditions laid down by DTAA.

Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, receipt of documents in prescribed format of the documents submitted by Non- Resident Members. In absence of the same, the Company will not be obligated to apply the beneficial DTAA rates at the time of tax deduction on dividend amounts.

The documents referred to in point nos. (c) & (d) above can be downloaded from the following link https://web.linkintime.co.in/client-downloads.html Members are requested to click on General Tab, wherein all the forms are available under the head "Form 15G/15H/10F".

h) Clearing member should ensure that as on record date no shares are lying in their account and shares are transferred to respective shareholder's account so that dividend is credited directly to shareholder's account and not to the clearing member's account. In terms of Rule 37BA of Income Tax Rules 1962, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration with Company in the manner prescribed by the Rules on or before September 16, 2022. The Company will not accept any declarations referred to Rule 37BA of Income Tax Rules, 1962 on or after September 16, 2022.

15. *Kindly note that the aforesaid documents, duly completed and signed are required to be submitted (PDF / JPG Format) by e-mail to dividend@prudentcorporate.com on or before September 16, 2022 in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication on the tax determination / deduction shall be entertained post September 16, 2022.*

16. In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, you would still have the option of claiming refund of the excess tax paid at the time of filing your

income tax return. No claim shall lie against the Company for such taxes deducted.

17. Members may note that, since the tax consequences are dependent on facts and circumstances of each case, the Members are advised to consult their own tax consultants with respect to specific tax implications arising out of receipt of dividend.

18. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form w.e.f. 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or LIIPL, Company's Registrar and Share Transfer Agent for assistance in this regard.

19. The Securities and Exchange Board of India has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company's Registrar and Share Transfer Agent.

20. In compliance with the aforesaid MCA General Circulars and SEBI Circular dated 12th May, 2020, 15th January, 2021 and 13th May, 2022, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members who have not registered their e-mail addresses and are holding shares in physical form are requested to contact the Share Transfer Agents of the Company and register their email-id. Members holding shares in dematerialised form are requested to contact their Depository Participant for updation of their email id. The Company shall send the physical copy of Annual Report 2021-22 to those members who request the same from their registered mail id at cs@prudentcorporate.com mentioning their Folio No./DP ID and Client ID.

21. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.prudentcorporate.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and Notice of AGM shall also be available on the website of NSDL at www.evoting.nsdl.com.

22. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

23. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of Act, and all other documents referred to in the Annual Report, will be available in electronic mode during AGM. Members can inspect the same by sending an email to cs@prudentcorporate.com.

24. Members seeking any information with regard to accounts are requested to write to the Company atleast 10 days before the meeting so as to enable the management to keep the information ready.

25. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 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 National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Monday, September 26, 2022 at 9:00 A.M. and ends on Wednesday, September 28, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Thursday, September 22, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, September 22, 2022.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular 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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to **e-Voting website of NSDL** for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. 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 hold 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 i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. 

Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL 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 abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

   (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

   (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

   a) Click on **"Forgot User Details/Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to agshah12@gmail.com with a copy marked to evoting@nsdl.co.in and cs@prudentcorporate.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login..
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. Thursday, September 22, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Thursday, September 22, 2022 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Sarita Mote, Assistant Manager, NSDL at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@prudentcorporate.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@prudentcorporate.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be 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 in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Members who would like to speak or ask questions during the AGM with regard to the financial statements or any other matter as mentioned in the Notice of the AGM, need to register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID/ Folio number, PAN, telephone/ mobile number to reach the Company's e-mail address at cs@prudentcorporate.com on or before Sunday, September 25, 2022 (5.00 p.m. IST). Only those Members who have registered themselves as a speaker will be allowed to speak/ ask questions during the AGM depending on the availability of time.

26. Details of Scrutinizer and result of e-voting:

(i) The Company has appointed CS Ashish Shah, M/s. A G SHAH & ASSOCIATES, Practicing Company Secretaries, Ahmedabad (Membership No. 29017 and Certificate of practice No. 10642) to act as the Scrutiniser, to scrutinise the entire e-voting in a fair and transparent manner.

(ii) The Scrutiniser shall submit his report to the Chairman of the Meeting or any person authorised by him within two working days of the conclusion of the AGM. The results declared along with the report of Scrutiniser shall be placed on the website of the Company www.prudentcorporate.com and on website of NSDL immediately after declaration of results by the Chairman or person authorised by him in this behalf. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

(iii) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of AGM.

27. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Sarita Mote, Assistant Manager, NSDL at evoting@nsdl.co.in. Members may also write to the Company Secretary at the Company's e-mail address cs@prudentcorporate.com.

ANNEXURE TO THE NOTICE

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

Item No. 4:

Considering the rich experience and contribution made by Mr. Shirish Patel, Whole-time Director and CEO of the Company, the Board of Directors in their meeting held on May 30, 2022, based upon as recommended by the Nomination and Remuneration Committee of the Board of Directors, approved and recommended the payment of remuneration of ₹3,62,64,000 per annum and bonus/performance linked incentive ranging from 50% to 100% of the Annual Salary payable to Mr. Shirish Patel, subject to approval of Members of the Company w.e.f. April 1, 2022, during the tenure of his appointment.

Given his expertise, knowledge and experience, the Board is of the opinion that it would be in the interest of the Company to pay remuneration as mentioned above for availing his services as a Whole-time Director and CEO of the Company.

Further, in case, the total managerial remuneration exceeds in any financial year beyond the prescribed limits of 10% and 11% of the net profits of the Company to the Executive Director(s) and all Director(s) respectively as prescribed under Section 197 of the Act read with Rules made thereunder or other applicable provisions or any statutory modifications thereof, the approval of the shareholders is required by way of special resolution pursuant to the provisions of Section 197 of the Act read with Rules made thereunder.

Details of Mr. Shirish Patel pursuant to the provisions of Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India are provided in the 'Annexure' to the Notice.

Resolution set out in Item No. 6 and its explanatory statement no. 6 of the 18th AGM Notice dated 22nd July, 2021 to the extent modified by this notice and including the above to the extent modified may be treated as a written memorandum setting out the terms of appointment and remuneration of Mr. Shirish Patel pursuant to the provisions of Section 190 of the Act.

Statement of information/details for the members pursuant to Section II of Part II of Schedule V of the Companies Act 2013:

I. General Information

(i) **Nature of industry –** The Company is providing independent retail wealth management services in India and are amongst the top mutual fund distributors in terms of average assets under management ("AAUM") and commission received. We offer a technology enabled, comprehensive investment and financial services platform with end-to-end solutions critical for financial products distribution and presence across both online and offline channels.

(ii) **Date or expected date of commencement of commercial production -** Business Commenced on June 20, 2003.

(iii) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus –** Not Applicable

(iv) **Financial performance (on standalone basis) based on given indicators as per Audited Financial Results for the year ended March 31, 2022:**

(₹ in lakhs except EPS)

Particulars	2021-22	2020-21
Profit/Loss before Tax	7,820.08	4,194.32
Profit/Loss after Tax	5856.00	3123.84
Earnings per share (EPS) (₹)	14.18	7.55
Turnover	39,078.03	24,040.88

(v) **Foreign investments or collaborations, if any:** 24.07% Shares of the Company are held by Foreign Body Corporate as on the date of this notice.

II. Information about the appointee

(i) **Date of Birth:** July 18, 1977

(ii) **Experience and Background details:** Mr. Shirish Patel holds a bachelor's degree and a master's degree in business administration in finance, and a diploma in computer applications from the Gujarat University. He has been associated with the Company since December 1, 2005. As Chief Executive Officer of the Company, he has been instrumental in its business growth and has contributed in increased in branch network from five to 110 as on March 31, 2022. Prior to joining our Company, he has worked with Leading Edge, ICICI Bank Limited, ICICI Capital Services Limited and Citibank, N.A., India and has approximately 22 years of experience in wealth management.

(iii) **Past remuneration**: ₹ 3,26,70,000/- as Annual Remuneration and 100% Performance Based Incentive of Annual Remuneration paid in Financial Year 2021-22.

(iv) **Recognition or awards:** Nil

(v) **Job profile and suitability:** Whole-time Director and Chief Executive Officer

(vi) **Terms and Conditions of Appointment including remuneration proposed:**

Detailed particulars of terms and conditions including remuneration payable to Mr. Shirish Patel are as follows:

1. He shall hold the office of a Whole-time Director and Chief Executive Officer for a tenure of two years and eight months commencing from 01.08.2021 and ending on 31.03.2024, and shall be liable to retire by rotation.

2. **NATURE OF DUTIES:** The appointee shall devote his whole time and attention to the business of the Company and particularly focus on the business expansion. He may also carry out such other duties as may be decided by Mr. Sanjay Shah, Managing Director of the Company from time to time. The Whole-time Director shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.

3. **REMUNERATION:** Mr. Shirish Patel is entitled to remuneration of ₹3,62,64,000 per annum and bonus/ performance linked incentive from 50% to 100% of the Annual Salary payable to Mr. Shirish Patel depending upon the performance of his and of the Company.

4. **BENEFITS, PERQUISITES AND OTHER ALLOWANCES:** Perquisites, Allowances and other benefits as per the HR policy of the Company will be provided and it will be considered in aggregate remuneration except perquisites prescribed under Section IV of Part II of Schedule V of the Companies Act, 2013, if any provided by the Company, which shall not be included in the computation of the ceiling on remuneration as prescribed under Section 197 of the Companies Act, 2013.

5. **OTHER TERMS OF APPOINTMENT:**

   i. The terms and conditions of the said appointment may be altered and varied from time to time by Mr. Sanjay Shah, Managing Director of the Company as it may in its discretion deem fit in such manner as may be agreed between Mr. Sanjay Shah, Managing Director of the Company and the Appointee subject to the compliance of provisions and schedule V of the Companies Act, 2013 and other applicable laws.

   ii. All personnel policies of the Company and the related rules which are applicable to other employees and Directors of the Company will also be applicable to the Appointee unless specifically provided otherwise.

   iii. The terms and conditions of appointment with the Appointee also include clauses pertaining to adherence with the code of conduct applicable to all Board Members and Senior Management Personnel of the Company, no conflict of interest with the company and maintenance of confidentiality.

(vii) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:** As a normal industry trend, the proposed remuneration to Mr. Shirish Patel, who is working as CEO as well as Whole-time Director on the Board of the Company, possessing invaluable and rich knowledge, experience and insights complemented with the vast business experience, is comparable with Executive Directors of other Companies and is in parity with the Industry Standards for such a responsible position.

(viii) **Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:** Mr. Shirish Patel, CEO & Whole-time Director holds 2.63% equity shares in the share capital of the Company as on the date of this notice. Except proposed remuneration and shareholding as stated above, Mr. Shirish Patel does not have any other pecuniary relationship with the Company and its managerial personnel.

III. Other information:

(i) **Reasons for loss or inadequate profits:** The Company could not achieve the targeted profits due to the subdued economy affected by the Corona Pandemic, worldwide. However, the company is poised to do better with the end of the Pandemic in sight and also the confidence of investors in the company and inflow of higher FDI.

(ii) **Steps taken or proposed to be taken for improvement:** Your Company believes that it is well positioned to capture opportunities for growth and profitability, basis its competitive strengths. There are lot of potentials in Indian economy for mutual fund and financial service industry and the Company has geared up to grab the same.

(iii **Expected increase in productivity and profits in measurable terms:** The Company expects next year i.e. FY-23 to be a year of substantial growth given that business revenues are slowly but steadily increasing. Even assuming current trend of revenue to remain for next year, there should be revenue growth from FY-23, resulting in improvement in profitability.

Mr. Shirish Patel is interested in resolution set out at Item No. 4 of the Notice with regard to his remuneration. The relatives of Mr. Shirish Patel may be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company. Mr. Shirish Patel is not related to any Director of the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors of the Company recommends the resolution set out at Item No. 4 for approval of the Members as a Special Resolution.

Item No. 5:

Considering the rich experience and contribution made by Mr. Sanjay Shah, Chairman and Managing Director of the Company, the Board of Directors in its meeting held on May 30, 2022, based upon as recommended by the Nomination and Remuneration Committee of the Board of Directors, approved and recommended the payment of remuneration of ₹2,05,50,000 per annum and bonus/performance linked incentive depending upon his performance and of the Company, subject to approval of Members of the Company w.e.f. April 1, 2022, during the tenure of his appointment.

Given his expertise, knowledge and experience, the Board is of the opinion that it would be in the interest of the Company to pay remuneration as mentioned above for availing his services as a Managing Director of the Company.

Further, in case, the total managerial remuneration exceeds in any financial year beyond the prescribed limits of 10% and 11% of the net profits of the Company to the Executive Director(s) and all Director(s) respectively as prescribed under Section 197 of the Act read with Rules made thereunder or other applicable provisions or any statutory modifications thereof, the approval of the shareholders is required by way of special resolution pursuant to the provisions of Section 197 of the Act read with Rules made thereunder.

Details of Mr. Sanjay Shah pursuant to the provisions of Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India are provided in the 'Annexure' to the Notice.

Resolution set out in item no. 6 and its explanatory statement no. 6 of the 18th AGM Notice dated 22nd July, 2021 to the extent modified by this notice and resolution set out in item no. 5 and its explanatory statement no. 5 of this Notice may be treated as a written memorandum setting out the terms of appointment and remuneration of Mr. Sanjay Shah pursuant to the provisions of Section 190 of the Act.

Statement of information/details for the members pursuant to Section II of Part II of Schedule V of the Companies Act 2013:

I. General Information

(i) **Nature of industry –** The Company is providing independent retail wealth management services in India and are amongst the top mutual fund distributors in terms of average assets under management ("AAUM") and commission received. We offer a technology enabled, comprehensive investment and financial services platform with end-to-end solutions critical for financial products distribution and presence across both online and offline channels.

(ii) **Date or expected date of commencement of commercial production -** Business Commenced on June 20, 2003.

(iii) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus –** Not Applicable

(iv) **Financial performance (on standalone basis) based on given indicators as per Audited Financial Results for the year ended March 31, 2022:**

(₹ in lakhs except EPS)

Particulars	2021-22	2020-21
Profit/Loss before Tax	7,820.08	4,194.32
Profit/Loss after Tax	5856.00	3123.84
Earnings per share (EPS) (₹)	14.18	7.55
Turnover	39,078.03	24,040.88

(v) **Foreign investments or collaborations, if any:** 24.07% Shares of the Company are held by Foreign Body Corporate as on the date of this notice.

II. Information about the appointee

(i) **Date of Birth:** June 23, 1967

(ii) **Experience and Background details**: Mr. Sanjay Shah holds a bachelor's degree in business administration from Sardar Patel University and is a qualified chartered accountant. He has been admitted as a fellow member of the Institute of Chartered Accountants of India. He has been associated with our Company since its incorporation and has approximately two decades of experience in wealth management.

(iii) **Past remuneration:** ₹ 1,93,50,000/- as Annual Remuneration paid in Financial Year 2021-22.

(iv) **Recognition or awards:** Nil

(v) **Job profile and suitability:** Chairman and Managing Director

(vi) **Terms and Conditions of Appointment including remuneration proposed:**

Detailed particulars of terms and conditions including remuneration payable to Mr. Sanjay Shah are as follows:

1. He shall hold the office of a Managing Director for a tenure of three years commencing from 01.04.2021 and ending on 31.03.2024, and shall be liable to retire by rotation.

2. **NATURE OF DUTIES**: The appointee shall devote his whole time and attention to the business of the Company and particularly focus on the business expansion. He may also carry out such other duties as may be decided by the Board of Director of the Company from time to time. The Managing Director shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.

3. **REMUNERATION:** Mr. Sanjay Shah is entitled to remuneration of ₹2,05,50,000 per annum and bonus/ performance linked incentive depending upon his performance and of the Company.

4. **BENEFITS, PERQUISITES AND OTHER ALLOWANCES:** Perquisites, Allowances and other benefits as per the HR policy of the Company will be provided and it will be considered in aggregate remuneration except perquisites prescribed under Section IV of Part II of Schedule V of the Companies Act, 2013, if any provided by the Company, which shall not be included in the computation of the ceiling on remuneration as prescribed under Section 197 of the Companies Act, 2013.

5. **OTHER TERMS OF APPOINTMENT**:

   (i) The terms and conditions of the said appointment may be altered and varied from time to time by the Board of Directors of the Company as it may in its discretion deem fit in such manner as may be agreed between Mr. Sanjay Shah, Managing Director of the Company and the Board of the Company subject to the compliance of provisions and schedule V of the Companies Act, 2013 and other applicable laws.

   (ii) All personnel policies of the Company and the related rules which are applicable to other employees and Directors of the Company will also be applicable to the Appointee unless specifically provided otherwise.

   (iii) The terms and conditions of appointment with the Appointee also include clauses pertaining to adherence with the code of conduct applicable to all Board Members and Senior Management Personnel of the Company, no conflict of interest with the company and maintenance of confidentiality.

(vii) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:** The remuneration as proposed of Mr. Sanjay Shah is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company and its group and diverse nature of its businesses. Moreover, in his position as Chairman and Managing Director of the Company, Mr. Sanjay Shah devotes his substantial time in overseeing the operations of the Group Companies.

(viii) **Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:** Mr. Sanjay Shah, Chairman and Managing Director holds 43.36% equity shares in the share capital of the Company as on the date of this notice. Except proposed remuneration as stated above, Mr. Sanjay Shah does not have any other pecuniary relationship with the Company and its managerial personnel.

III. Other information:

(i) **Reasons for loss or inadequate profits:** The Company could not achieve the targeted profits due to the subdued economy affected by the Corona Pandemic, worldwide. However, the company is poised to do better with the end of the Pandemic in sight and also the confidence of investors in the company and inflow of higher FDI.

(ii) **Steps taken or proposed to be taken for improvement:** Your Company believes that it is well positioned to capture opportunities for growth and profitability, basis its competitive strengths. There are lot of potentials in Indian economy for mutual fund and financial service industry and the Company has geared up to grab the same.

(iii) **Expected increase in productivity and profits in measurable terms:** The Company expects next year i.e. FY-23 to be a year of substantial growth given that business revenues are slowly but steadily increasing. Even assuming current trend of revenue to remain for next year, there should be revenue growth from FY-23, resulting in improvement in profitability.

Notice
of 19th Annual General Meeting

Mr. Sanjay Shah is interested in resolution set out at Item No. 5 of the Notice with regard to his remuneration. The relatives of Mr. Sanjay Shah may be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company. Mr. Sanjay Shah is not related to any Director of the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors of the Company recommends the resolution set out at Item No. 5 for approval of the Members as a Special Resolution.

By Order of the Board of Directors,

For Prudent Corporate Advisory Services Limited

Dhaval Ghetia
Company Secretary
Membership No. ACS 46211

Date: 1st August, 2022
Place: Ahmedabad

Registered Office:
Prudent House, 3 Devang Park Society,
Panjarapole Cross Road, Ambawadi
Ahmedabad, Gujarat - 380015
Corporate Identification Number: U91120GJ2003PLC042458
Website: www.prudentcorporate.com

Annexure to Item No. 3 to 5 of the Notice

Details of Directors seeking Re-appointment/fixation of remuneration of Directors including Managing Director or Executive Director or Whole-time Director at the Annual General Meeting.

[In pursuance of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Secretarial Standard-2 on General Meetings]:

Name of the Director	Mr. Shirish Patel	Mr. Sanjay Shah
Director Identification Number	00239732	00239810
Date of Birth	18/07/1977	23/06/1967
Date of joining the Board	31/07/2018	04/06/2003
Qualification	bachelor's degree and a master's degree in business administration for finance, and a diploma in computer applications from the Gujarat University	BBA & Chartered Accountant
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and the remuneration last drawn by such Director, if applicable	As per Item No. 4 of Explanatory Statement	As per Item No. 5 of Explanatory Statement
Nature of expertise in specific functional areas	As per Item No. 4 of Explanatory Statement	As per Item No. 5 of Explanatory Statement
No. of Shares held in the Company as on 31st March, 2022	1304000 Equity Shares	17952250 Equity Shares
Directorship (Other than Prudent Corporate Advisory Services Limited)	Prutech Financial Services Private Limited	Prudent Broking Services Private Limited & Prutech Financial Services Private Limited
Committee Memberships/ Chairmanship held in other Companies (Other than Prudent Corporate Advisory Services Limited)	Nil	Nil
Disclosure of relationships between Directors inter-se	No relationship	No relationship
Number of Meetings of the Board attended during the year	6 out of 6	6 out of 6

To
The Members,

Your Directors are pleased to present the 19th Annual Report of Prudent Corporate Advisory Services Limited ("the Company") together with the audited financial statements for the year ended 31st March, 2022.

FINANCIAL SUMMARY AND HIGHLIGHTS

The financial performance for the year ended 31st March, 2022 is summarized below:

Particulars	Standalone (₹ in lakhs)		Consolidated (₹ in lakhs)	
	Current Year 2021-22	Previous Year 2020-21	Current Year 2021-22	Previous Year 2020-21
Revenue from Operations	39,078.03	24,040.88	45,075.27	28,650.63
Other Income	661.30	790.20	781.20	838.92
Profit before Depreciation, Finance Cost and Tax Expense	9,194.12	4,947.63	12,308.55	7,029.87
Less: Depreciation and Amortization Expenses	1,177.46	673.62	1,338.82	811.91
Profit before Finance Cost and Tax Expense	8,016.66	4,274.01	10,969.73	6,217.96
Less: Finance Costs	196.58	79.69	258.95	165.57
Profit tefore Tax Expense	**7,820.08**	**4,194.32**	**10,710.78**	**6,052.39**
Less: Tax Expense (Current & Deferred)	1,953.63	1,073.65	2,676.98	1,522.68
Profit after Tax	**5,866.45**	**3,120.67**	**8,033.80**	**4,529.71**
Add: Other Comprehensive Income/loss for the year	(10.45)	3.17	(5.91)	8.86
Total Comprehensive Income	**5,856.00**	**3,123.84**	**8,027.89**	**4,538.57**

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of your Company for the FY 2021-22 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 ['SEBI (LODR) Regulations'] and the same shall also be made available to the Members in their forthcoming Annual General Meeting ('AGM').

STATE OF THE COMPANY'S AFFAIRS

Your company is an independent retail wealth management services group in India and are amongst the top mutual fund distributors in terms of average assets under management ("AAUM") and commission received.

Your company provide wealth management services to 14.02 lakhs unique retail investors through 23,763 MFDs on our business-to-business-to-consumer ("B2B2C") platform and are spread across branches in 111 locations in 20 states in India, as on March 31, 2022. Your company offers a technology enabled, comprehensive investment and financial services platform with end-to-end solutions critical for financial products distribution and presence across both online and offline channels and digital wealth management ("DWM") solutions through platforms, namely, FundzBazar, PrudentConnect, Policyworld, WiseBasket and CreditBasket.

Our offerings for MFDs include various technology platforms for them as well as for their retail investors, with continuous support through our 58 member in-house technology and 63 member back-office service team.

Your company, pursuant to the board resolution dated September 23, 2021, has participated in the bidding process for the acquisition/ transfer of Karvy Stock Broking Limited ("KSBL") mutual fund folios/ AUM and acquired the same for an amount of ₹ 15,100 Lakhs. The KSBL MF Folios have been transferred to your company's ARN with effect from November 28, 2021. Post acquisition of KSBL MF AUM, we acquired 8.59 Lakhs folios comprising of 4.81 Lakhs unique investors having an AUM of 809227 Lakhs with Live SIPs value of 3387 Lakhs per month.

Your company anticipate that the acquisition of the KSBL MF Customer/Folios will help us in increasing business operations and increasing our capability to cross sale our product basket. In addition, KSBL MFDs who has joined our platform will give us an ability to cross sell our offerings

As on March 31, 2022, our assets under management from the mutual fund distribution business ("AUM") stood at 49,473 crore with 92.6% of our total AUM being equity oriented. Our AUM has increased from 30,847 crore as on March 31, 2021 to ₹ 49,473 crore as on March 31, 2022, representing an increase of 60.38% with our equity oriented AUM increasing from 27,049 to 45,799 crore during the same period, representing an increase of 69.32%.

Our equity AUM of 45,799 crore as on March 31, 2022, represented 2.32% of total equity AUM of mutual fund industry.

Our retail focus has helped grow the number of systematic investment plans ("SIPs") handled by us from 10.26 lakhs as of March 31, 2021 to 16.37 lakhs as of March 31, 2022. Correspondingly, equity AUM from SIPs increased from 11,861 crore (representing 43.75% of our total equity AUM) as of March 31, 2021 to 19,203 crore (representing 41.93% of our total equity AUM) as of March 31, 2022. Our monthly SIP flows as of March 31, 2022 were 418 crore providing visibility of monthly inflows for our MFDs as well as the Company.

Our overall revenue from operations increased to ₹ 39078.03 lakhs for Fiscal 2022 from ₹ 24040.88 lakhs for Fiscal 2021, representing an increase of 62.54%. Our net profit for the year increased by ₹ 2745.78 lakhs or 87.99% to ₹ 5866.45 lakhs for Fiscal 2022 from ₹ 3120.67 lakhs for Fiscal 2021.

The detailed results of operations of the Company are given in the Management Discussion & Analysis forming part of this Annual Report.

MATERIAL EVENTS AFTER THE END OF FINANCIAL YEAR:

INITIAL PUBLIC OFFER

The Company has made its public offer of Equity Shares during the quarter ended June 30, 2022 in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, wherein 68,08,820 Equity Shares were issued through an offer for sale. The IPO comprised of an offer for the sale of ₹ 4282.84 million by the selling shareholders.

The public issue was opened on May 10, 2022 and closed on May 12, 2022 at an offer price of ₹ 630/- per Equity Share (including a share premium of ₹ 625/- per Equity Share. A discount of ₹59/- per Equity Share was given to the eligible employees bidding in the Employee Reservation Portion). The allotment was made on May 18, 2022 at an offer price of ₹ 630/- per Equity Share to the respective applicants under various categories except Eligible Employees category, to whom the allotment was made at ₹ 571/- per Equity Share. The Equity Shares of the Company were listed on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") (collectively referred to as "Stock Exchanges") on May 20, 2022.

We are gratified and humbled by the faith shown in the Company by the market participants. We are also grateful to our customers for their trust shown in our capabilities to consistently deliver high-quality services.

Except above, there are no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year 2021-22 and the date of this Report.

TRANSFER TO RESERVES

During the year under review, the Company has not transferred any amount to General Reserve.

DEPOSITS

During the year under review, Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. Further, Company does not have any deposit which is in violation of Chapter V of the Act.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year under review, there was no change in the nature of business of the Company.

DIVIDEND DISTRIBUTION POLICY

The Board of Directors of the Company in their meeting held on May 12, 2021 approved and adopted a Policy on Distribution of Dividend to comply with Regulation 43A of SEBI (LODR) Regulations and the same is uploaded on website of the Company at **https://www.prudentcorporate.com/investorrelation**.

DIVIDEND

The Board of Directors of your company, in its meeting held on May 30, 2022 has recommended a final dividend of ₹ 1 (One Rupee) (@ 20%) per equity share of the face value of ₹ 5/- each fully paid up for the financial year ended 31st March, 2022, subject to the approval of the Members at the ensuing 19th Annual General Meeting. The Final dividend is payable to those Shareholders whose names appear in the Register of Members as on the Book Closure / Record Date.

CAPITAL STRUCTURE

During the year under review, the Authorized Share Capital of the Company was increased from ₹ 15,00,00,000/- (Rupees Fifteen Crore only) divided into 1,40,00,000 (One Crore Forty Lakhs) Equity Shares of face value of ₹ 10/- (Rupee Ten) each and 10,00,000 (Ten Lakhs) Preference Shares of face value of ₹ 10/- (Rupees Ten) each to ₹ 25,00,00,000/- (Rupees Twenty

Five Crore Only) divided into 4,80,00,000 (Four Crore Eighty Lakhs) Equity Shares of face value of ₹ 5/- (Rupees Five only) each and 20,00,000 (Twenty Lakhs) Preference Shares of face value of ₹ 5/- (Rupees Five only) each duly approved by the Shareholders at their Annual General Meeting held on July 23, 2021.

Further, during the year under review, the Issued, Subscribed and Paid-up Equity Share Capital was increased from ₹ 1,03,51,670/- (Rupees One Crore Three lakhs Fifty One Thousand Six Hundred Seventy only) divided into 10,33,600 (Ten Lakhs Thirty Three Thousand Six Hundred) Equity Shares of face value of ₹ 10/- (Rupee Ten) each and 1,567 (One Thousand Five Hundred Sixty Seven) Non-Cumulative Compulsorily Convertible Preference Shares (NCCCPS) of ₹ 10 each to ₹ 20,70,33,400 /- (Rupees Twenty Crore Seventy Lakhs Thirty Three Thousand Four Hundred only) divided into 4,14,06,680 (Four Crore Fourteen Lakhs Six Thousand Six Hundred Eighty) Equity Shares of face value of ₹ 5/- (Rupee Five) each pursuant to allotment of Equity Shares under Bonus Issue, Sub-Division and Conversion of NCCCPS into Equity Shares, as detailed hereunder:

Sr. No.	Date of Allotment/Effective Date	Number of Shares	Face Value (₹)	Details of Allotment
1	03/08/2021	19638400 Equity Share	10	Fully Paid-up Bonus Equity Shares to the existing members in proportion of 19 (Nineteen) equity shares for 1 (One) equity share held and bonus shares would rank pari-passu with existing equity shares.
2	03/08/2021	29,773 NCCCPS	10	Fully Paid-up Bonus Preference Shares to the existing members in proportion of 19 (Nineteen) preference shares for 1 (One) preference share held and bonus shares would rank pari-passu with existing preference shares.
3	03/08/2021	Pursuant to our Shareholders' resolution dated July 23, 2021, each equity share of our Company of face value of ₹ 10 each fully paid-up was sub-divided into two Equity Shares of our Company of face value of ₹5 each. Therefore, 20,672,000 equity shares of our Company of face value of ₹ 10 each were sub-divided into 41,344,000 Equity Shares of our Company of face value of ₹ 5 each and each preference share of our Company of face value of ₹ 10 each fully paid-up was sub-divided into two Preference Shares of our Company of face value of ₹5 each. Therefore, 31,340 preference shares of our Company of face value of ₹ 10 each were sub-divided into 62,680 Preference Shares of our Company of face value of ₹5 each.		
4	30/11/2021	31340 Equity Shares	5	31340 NCCCPS shares have been converted into 31340 fully paid-up Equity Shares pursuant to resolutions passed by our Board and Shareholders' dated November 30, 2021.

Except above, the Company has not made any issue or allotment of shares during the year under review.

RELATED PARTY TRANSACTIONS

Transactions/contracts/arrangements, falling within the purview of provisions of Section 188(1) of the Companies Act, 2013, entered by the Company with related parties as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review, were in the ordinary course of business and have been transacted at arm's length basis.

During the year, there was no material transaction with any related parties as per the Related Party Transactions Policy of the Company and/or any other related party transaction entered into by the Company that require disclosure in Form AOC-2, hence, disclosure in Form AOC-2 is not applicable to the Company.

The disclosures pertaining to related party transactions as per the applicable Accounting Standards form part of the notes to the financial statements provided in this Annual Report.

As required under Regulation 23 of the Listing Regulations, the Company has formulated a Related Party Transactions Policy which is available on the website of the Company at **https://www.prudentcorporate.com/investorrelation**.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The details of Loans, guarantee and Investments covered under the provisions of Section 186 of the Act are given in the Notes to the Standalone Financial Statements forming part of Annual Report.

SUBSIDIARIES

Your Company has following wholly owned subsidiaries as on March 31, 2022:

1. Gennext Insurance Brokers Private Limited;
2. Prudent Broking Services Private Limited;
3. Prutech Financial Services Private Limited;

As on March 31, 2022, your Company does not have any Associate/Joint Venture as defined under the provisions of the Act.

To comply with the provisions of Section 129 of the Act, a separate statement containing salient features of Financial Statements of Subsidiaries of your Company (including their performance and financial position) in prescribed Form AOC-1 forms part this Annual Report and therefore not repeated here to avoid duplication. Further, contribution of subsidiary(ies) to the overall performance of your Company is outlined in Note No. 41 of the Consolidated Financial Statements.

Financial Statements of the aforesaid subsidiary companies are kept open for inspection by the Members at the Registered Office of your Company on all days except Saturday, Sunday and Public Holidays up to the date of AGM i.e. September 29, 2022 between 11:00 A.M. to 5:00 P.M. as required under Section 136 of the Act. Any Member desirous of obtaining a copy of the said Financial Statements may write to the Company at its Registered Office or Corporate Office. The Financial Statements including the Consolidated Financial Statements and all other documents required to be attached with this Report have been uploaded on website of the Company at **https://www.prudentcorporate.com/investorrelation**.

To comply with the provisions of Regulation 16(c) of SEBI (LODR) Regulations, the Board of Directors of the Company have approved and adopted a Policy for determining Material Subsidiary. Further, Gennext Insurance Brokers Private Limited became material subsidiary of the Company as per Audited Financials for year ended March 31, 2022. Policy on Material Subsidiary is uploaded on website of the Company at **https://www.prudentcorporate.com/investorrelation**.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors:

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Sanjay Shah (DIN: 00239810), Managing Director is liable to retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment.

During the year under review, after getting prior approval of requisite authorities, the Board of Directors of the Company at its meeting held on October 23, 2020 had approved the appointment of Mr. Deepak Sood (DIN 01642332) and Mr. Karan K. Datta (DIN 08413809) as Additional Director(s) (in the category of "Non-Executive Independent Director") for a term of 3 (three) consecutive years w.e.f. October 23, 2020 and their appointment was duly approved by the Shareholders of the Company at the Annual General Meeting held on July 23, 2021.

Further, during the year under review, after getting prior approval of requisite authorities, the Board of Directors, on the recommendation of Nomination and Remuneration Committee, vide circular resolution dated June 7, 2021 had approved the appointment of CS Shilpi Thapar (DIN 00511871) and CA Aniket Talati (DIN 02724484) as Additional Director(s) (in the category of "Non-Executive Independent Director") for a term of 2 (two) consecutive years w.e.f. June 7, 2021 and their appointment was duly approved by the Shareholders of the Company at the Annual General Meeting held on July 23, 2021.

Further, during the year under review, the Board of Directors, on the recommendation of Nomination and Remuneration Committee, at its meeting held on July 22, 2021 the designation of Mr. Chirag Shah (DIN: 01480310) was changed from Director to Whole-time Director with an appointment for a term of 5 (Five) consecutive years w.e.f. July 22, 2021 and Mr. Shirish Patel (DIN: 00239732) was appointed for a term of 2 (Two) years and 8 (Eight) months w.e.f. August 1, 2021, respectively and their appointment was duly approved by the Shareholders of the Company at the 18th Annual General Meeting held on July 23, 2021.

The above-mentioned Directors have affirmed that they are not debarred from holding the office of Director(s) by virtue of any SEBI order or any other such Authority.

During the year under review, consequent to withdrawal of nomination of Mr. Aditya Sharma (DIN 8166016) by Wagner

Limited (investor of the Company), Mr. Aditya Sharma resigned as Nominee Director of the Company w.e.f. May 1, 2021.

Further, during the year under review, Mr. Sanjay Shah, Managing Director was appointed as Chairman of the Company in the Board Meeting held on July 22, 2021.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under subsection (6) of Section 149 of the Act including compliance of relevant provisions of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and SEBI (LODR) Regulations. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity.

None of the Directors of the Company is disqualified in terms of the provisions of Section 164 of the Act. The Directors of the Company have made necessary disclosures under Section 184 and other relevant provisions of the Act.

Brief resume and other details of the Director(s) being appointed/re-appointed at the ensuing AGM as stipulated under Secretarial Standard-2 issued by the Institute of Company Secretaries of India and Regulation 36 of the SEBI (LODR) Regulations, is separately disclosed in the Notice of ensuing AGM.

All the Independent Directors of the Company have enrolled their names in the online database of Independent Directors by Indian Institute of Corporate Affairs in terms of the recently introduced regulatory requirements. Also, the online proficiency self-assessment test as mandated will be undertaken by those Independent Directors of the Company who are not exempted within the prescribed timelines.

Key Managerial Personnel

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, at its meeting held on July 22, 2021 appointed Mr. Shirish Patel as Whole-time Director w.e.f. August 1, 2021, Mr. Chirag Shah as Whole-time Director w.e.f. July 22, 2021, Mr. Chirag Kothari as Chief Financial Officer w.e.f. July 22, 2021 and Mr. Dhaval Ghetia, as Company Secretary and Compliance Officer w.e.f. July 22, 2021 (Key Managerial Personnel) of the Company in accordance with the provisions of Section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Further, Mr. Sanjay Shah, Managing Director and Mr. Shirish Patel, Chief Executive Officer continued to be the Key Managerial Personnel of your Company in accordance with the provisions of Section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

BOARD EVALUATION

To comply with the provisions of Section 134(3)(p) of the Act and Rules made thereunder and Regulation 17(10) of SEBI (LODR) Regulations, the Board has carried out the annual performance evaluation of the Directors individually including the Independent Directors (wherein the concerned Director being evaluated did not participate), Board as a whole and following Committees of the Board of Directors:

i) Audit Committee;
ii) Nomination and Remuneration Committee;
iii) Stakeholders Relationship Committee; and
iv) Corporate Social Responsibility Committee.

The manner in which the annual performance evaluation has been carried out is explained in the Corporate Governance Report which forms part of this Annual Report. Board is responsible to monitor and review the evaluation framework.

Further, to comply with Regulation 25(4) of SEBI (LODR) Regulations, Independent Directors also evaluated the performance of Non-Independent Directors, Chairman and Board as a whole at a separate meeting of Independent Directors.

BOARD AND COMMITTEE MEETINGS

The number of meetings of the Board and various Committees of the Board including composition are set out in the Corporate Governance Report which forms part of this annual report. The intervening gap between the meetings was within the period prescribed under the provisions of Section 173 of the Act and SEBI (LODR) Regulations.

REMUNERATION POLICY

To comply with the provisions of Section 178 of the Act and Rules made thereunder and Regulation 19 of SEBI (LODR) Regulations, the Company's Remuneration Policy for Directors, Key Managerial Personnel (KMP), Senior Management and other Employees of the Company is uploaded on website of the Company at **https://www.prudentcorporate.com/investorrelation**. The Policy includes, inter-alia, the criteria for appointment and remuneration of Directors, KMPs, Senior Management and other employees of the Company.

REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

The information required to be disclosed in the Board's Report pursuant to Section 197 of the Act read with Rule 5 of the

Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached to this report as Annexure – 1.

Mr. Chirag Shah, Whole-time Director of the Company has not received remuneration from the Company during the financial year 2021-22, however, he has received remuneration of ₹1,20,00,000 from Gennext Insurance Brokers Private Limited, Wholly Owned Subsidiary (WOS) of the Company during the financial year 2021-22.

STATUTORY AUDITORS

Your Company at its 16th (Sixteenth) Annual General Meeting held on September 30, 2019 had appointed M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No. 117365W) as Statutory Auditors of the Company for a period of 5 consecutive years i.e., from the Sixteenth Annual General Meeting till Twenty First Annual General Meeting at a remuneration as may be fixed by the Board of Directors in consultation with the Auditors thereof. The Statutory Auditors have confirmed that they satisfy the independence criteria as required under the Act.

The Statutory Auditors' Report for the Financial Year 2021- 22 does not contain any qualification, reservation or adverse remark and forms part of the Annual Report. The Statutory Auditors have not reported any frauds under Section 143(12) of the Act.

COST AUDIT

In terms of Section 148 of the Act and the Companies (Cost Records and Audit) Rules, 2014, Cost Audit is not applicable on the Company for the Financial Year 2021-22.

SECRETARIAL AUDITORS

The provisions of Section 204 of the Companies Act, 2013 are not applicable and the Secretarial Audit is not required to be conducted for the Financial Year 2021-22.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has constituted an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, no complaint was received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to the provisions of Section 177 of the Act and Regulation 22 of SEBI (LODR) Regulations, the Company has adopted a Vigil Mechanism / Whistle Blower Policy to provide a platform to the Directors and Employees of the Company to raise concerns regarding any irregularity, misconduct or unethical matters / dealings within the Company. The same is detailed in the Corporate Governance Report which forms part of this annual report.

RISK MANAGEMENT

Pursuant to the provisions of Regulation 21(5) of SEBI (LODR) Regulations, the top 1,000 listed entities, determined on the basis of market capitalization, as at the end of the immediate previous financial year shall constitute a Risk Management Committee. The Risk Management Committee of the Board of Directors inter-alia monitors and reviews the risk management plan and such other functions as assigned from time to time.

Your Company has a robust Risk Management Policy which identifies and evaluates business risks and opportunities. The Company recognize that these risks need to be managed and mitigated to protect the interest of the stakeholders and to achieve business objectives. The risk management framework is aimed at effectively mitigating the Company's various business and operational risks, through strategic actions.

There are no risks, which in the opinion of the Board threaten the existence of the Company.

INTERNAL FINANCIAL CONTROLS

The 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.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has a Corporate Social Responsibility (CSR) Policy which is uploaded on website of the Company at **https://www.prudentcorporate.com/investorrelation**.

Annual Report on CSR activities for the Financial Year 2021- 22 as required under Sections 134 and 135 of the Act read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Rule 9 of the Companies (Accounts) Rules, 2014 is attached to this board's report as Annexure - 2.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the requirements of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, Board of Directors of the Company, hereby state and confirm that:

(a) in the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards have been followed and there are no material departures from the same;

(b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2022 and of the profit and loss of the Company for the financial year ended 31st March, 2022;

(c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) they have prepared annual accounts on a going concern basis;

(e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and

(f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

OTHER INFORMATION

Management Discussion & Analysis Report

Management Discussion & Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of SEBI (LODR) Regulations, forms part of the Annual Report.

Business Responsibility Report

Business Responsibility Report for the year under review, as stipulated under Regulation 34(2)(f) of SEBI (LODR) Regulations, is not applicable to the Company.

Corporate Governance Report

The Company's shares are listed with BSE Limited and National Stock Exchange of India Limited with effect from May 20, 2022. The Report on Corporate Governance forming part of this annual report is prepared and presented on a voluntary basis in keeping with the Management's commitment and belief in maintaining the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by the Securities and Exchange Board of India. The certificate from M/s. M. C. Gupta & Co., Company Secretaries confirming compliance with the conditions of corporate governance is also attached to the Corporate Governance Report.

Listing

The Equity Shares of the Company are listed on the National Stock Exchange of India Limited and BSE Limited. Both these stock exchanges have nation-wide trading terminals. Annual listing fee for the Financial Year 2022-23 has been paid to the National Stock Exchange of India Limited and BSE Limited.

ANNUAL RETURN

Pursuant to Sections 92(3) and 134(3)(a) of the Act, the Annual Return of the Company is available on website of the Company at **https://www.prudentcorporate.com/investorrelation**.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) read with Rule 8 of the Companies (Accounts) Rules, 2014 are given below:

A. Conservation of Energy

i) Steps taken for conservation of energy: The Company evaluates the possibilities and various alternatives to reduce energy consumption and use of low energy consuming LED lightings is being encouraged. The Company recognizes the importance of energy conservation in decreasing the adverse effects of global warming and climate change. The Company carries on its activities in an environmental friendly and energy efficient manner.

ii) Steps taken by the Company for utilizing alternate sources of energy: Nil

iii) Capital investment on energy conservation equipment: Nil

B. Technology absorption

The Company believes in leveraging technology to transform every dimension of its business. Investments in technology infrastructure is an important element of Company's commitment to delivering seamless customer experience. Further, steps taken towards Energy Conservation are the result of technology absorption. However, there is no other specific information to be furnished in this regard.

C. Foreign exchange earnings and Outgo

During the year the company had no foreign exchange earnings. While Company has made expenditure of ₹ 8.44 Lakhs in foreign currency.

CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis Report describing the Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable laws and regulations. Actual results may differ from those expressed in the statements.

GENERAL

Your Directors confirm that no disclosure or reporting is required in respect of the following items as there was no transaction on these items during the year under review:

1. Issue of equity shares with differential voting rights as to dividend, voting or otherwise.
2. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
3. Issue of Sweat Equity Shares.
4. No application made or any proceeding pending under Insolvency and Bankruptcy Code, 2016 as at the end of the Financial Year 2021-22.
5. During the year, the Company is not required to avail credit rating(s) of Securities.

The Company is in regular compliance of the applicable provisions of Secretarial Standards issued by the Institute of Company Secretaries of India.

No material changes and commitments have occurred after the closure of the Financial Year 2021-22 till the date of this Board's Report, which would affect the financial position of your Company.

LOANS TAKEN FROM DIRECTORS OF THE COMPANY

During the year under review, the Company has taken unsecured loans from Directors of the Company. Details of Unsecured Loans taken from Directors of the Company are given in the Notes to the Financial Statements forming part of Annual Report.

Director, who has given unsecured loans to the Company, has furnished to the company at the time of giving the loan, a declaration in writing to the effect that the amount is not being given out of funds acquired by him by borrowing or accepting loans or deposits from others.

IMPLEMENTATION OF CORPORATE ACTION

During the year under review, the Company has not failed to implement any Corporate Actions within the specified time limit.

ACKNOWLEDGEMENT

Your Company's organizational culture upholds professionalism, integrity and continuous improvement across all functions, as well as efficient utilization of the Company's resources for sustainable and profitable growth.

Your directors acknowledge the support and co-operation received from the employees, partners and all those who have helped in the day-to-day management.

For and on behalf of the Board of Directors of
Prudent Corporate Advisory Services Limited

Sanjay Shah
Chairman
DIN: 00239810

Date: August 25, 2022
Place: Ahmedabad

Information required under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. Ratio of remuneration of each Director to the median remuneration of all the employees of the Company for the Financial Year 2021-22 and percentage increase in the remuneration of each Director, Chief Executive Officer, Chief Financial Officer & Company Secretary in the financial year 2020-21 are as follows:

Name of Director(s)/ KMP(s) and Designation	Total Annual Remuneration (₹)	% increase in Remuneration in FY 2022 as compared to FY 2021	Ratio of remuneration of director to the Median remuneration
Mr. Sanjay Shah Managing Director	1,93,50,000	115	69.05
Mr. Shirish Patel Whole-time Director & CEO	6,53,40,000	22	233.16
Mr. Chirag Shah Whole-time Director*	-	-	-
Mr. Aniket Talati Non-executive Independent Director	-	-	-
Mr. Deepak Sood Non-executive Independent Director	15,00,000	-	5.35
Mr. Karan Datta Non-executive Independent Director	15,00,000	-	5.35
Ms. Shilpi Thapar Non-executive Independent Director	5,00,000	-	-*
Mr. Chirag Kothari CFO	34,03,495	49.34	12.15
Mr. Dhaval Ghetia Company Secretary	4,15,800	-	-*

*Commission/remuneration of Ms. Shilpi Thapar and Mr. Dhaval Ghetia are not comparable with median remuneration because their commission/remuneration reflect for part of the financial year.

Notes:

(1) Mr. Shirish Patel's designation was changed from Director to Whole-time Director of the Company w.e.f. 01.08.2021. However, his remuneration is taken for 12 months.

(2) Mr. Chirag Kothari's designation was changed from Head of Accounts & Finance to CFO of the Company w.e.f. 22.07.2021. However, his remuneration is taken for 12 months.

(3) Mr. Dhaval Ghetia was appointed as Company Secretary w.e.f. 22/07/2021 & Ms. Shilpi Thapar was appoint as Non-Executive Independent Director w.e.f. 07/06/2021. Hence, % increase in remuneration is not available.

(4) The median remuneration has been calculated on the basis of fulltime employees on the payroll of the Company

(5) Independent Directors receiving sitting fees for attending the board meeting. The sitting fees paid to Independent Directors is not covered in the above table.

(6) Median remuneration of the Company for all its employees is ₹ 2,80,235.5/- per annum for the financial year 2021-22.

(7) The aforesaid details are calculated on the basis of remuneration for the financial year 2021-22.

(8) Amount paid to Non-Executive Independent Directors during the Financial Year 2021-22 mentioned in above table reflect the Commission paid to them.

(9) The remuneration to Directors is within the overall limits approved by the shareholders.

C. Percentage increase in the median remuneration of all employees in the Financial Year 2021-22: **4.59%**

D. Number of permanent employees on the rolls of the Company as on 31st March, 2022: **822 employees**

Annexure [1] to Board's Report

E. Comparison of average percentage increase in salary of employees other than the Managerial personnel and the percentage increase in the managerial remuneration:

Remuneration to Managerial Personnel (MD & WTD) is increased 35.59% in FY 2021-22 compared to FY 2020-21. While Average salary of all employees other than Managerial Personnel is increase by 22.18% in FY 2021-22 compared to FY 2020-21.

F. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

G. The information required under Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Annual Report. Having regard to the provisions of Section 134 and Section 136 of the Companies Act, 2013, the Reports and Accounts are being sent to the Members excluding such information. However, the said information is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of ensuing AGM. Any shareholder interested in obtaining a copy of such statement may write to the Company Secretary at the Registered Office of the Company.

For and on behalf of the Board of Directors of
Prudent Corporate Advisory Services Limited

Sanjay Shah
Chairman
DIN: 00239810

Date: August 25, 2022
Place: Ahmedabad

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to clause (o) of sub section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. Brief outline on CSR Policy of the Company

a) The CSR Policy outlines the Company's Philosophy and responsibility as a Corporate Citizen of India and lays down the guidelines and mechanism for undertaking socially useful projects, programs and activities for welfare & sustainable development of the community in and around its area of operations and other parts of the country

To pursue these objectives, the company will continue to:

i) Work actively by undertaking, CSR programs, projects and activities which may relate to one or more activities listed in Schedule VII of the Act.

ii) Collaborate with like-minded bodies like voluntary organizations, charitable trusts, governments and academic institutes in pursuit of our goals.

iii) Interact regularly with stakeholders, review and publicly report our CSR initiatives.

b) For effective implementation of the CSR programs, projects and activities undertaken or to be undertaken by the company, suitable monitoring system has been put in place. In case a project or program is implemented through implementing agency, the progress is monitored by calling for periodical progress reports with supporting documents pertaining to the expenses incurred under different heads.

2. The Composition of the CSR Committee:

The Board has reconstituted the CSR Committee in Board Meeting held on 22nd July, 2021.

Name of the Member	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the financial year 2021-22	Number of meetings of CSR Committee attended during the financial year 2021-22
Mr. Karan Datta	Chairman (Independent Director)	2	1
Ms. Shilpi Thapar	Member (Independent Director)	2	1*
Mr. Sanjay Shah	Member (Managing Director)	2	2
Mr. Chirag Shah	Member (Whole-time Director)	2	2

* Appointed as CSR Committee member w.e.f. 22/07/2021.

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

   CSR Committee – **https://www.prudentcorporate.com/investorrelation**

   CSR Policy – **https://www.prudentcorporate.com/investorrelation**

   CSR Projects - **https://www.prudentcorporate.com/investorrelation**

4. Provide the details 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 (attach the report). - **Not applicable for financial year 2021-22.**

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 -

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
1	2021-22	4,86,475	2,98,882

6. Average net profit of the Company as per Section 135(5) – **₹ 36.53 crores**

7 (a) Two percent of average net profit of the company as per section 135(5) - **₹ 73,05,962**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. **Nil**

Annexure [2] to Board's Report

(c) Amount required to be set off for the financial year, if any — **₹ 2,98,882**

(d) Total CSR obligation for the financial year (7a+7b-7c) — **₹ 70,07,080**

8. (a) CSR 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 section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	**Date of Transfer**	**Name of the Fund**	**Amount**	**Date of Transfer**
70,07,080	Nil	NA	NA	Nil	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
Sl. No	**Name of the Project**	**Item from the list of activities in schedule VII to the Act.**	**Local area (Yes/ No)**	**Location Of the project**		**Project duration.**	**Amount allocated for the project (in ₹).**	**Amount spent in the current financial Year (in ₹).**	**Amount trans-ferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)**	**Mode of impleme-ntation - Direct (Yes/No)**	**Mode of implementation - Through implementing Agency**	
				State	**District**						**Name**	**CSR Regn No.**
1	Distribution of Sanitary Napkins to 5000 Disabled and Non Disabled needy women/Girls for 6 months.	Item No. (i) promoting health care including preventive health care	Yes	Gujarat	Deesa, Palanpur, Surendra-Nagar and Bhuj	1 Year	8,10,000	8,10,000	0	No	Kokilaben Charitable Trust	CSR00001948
2	TB (Tuberculosis) Project to provide regular counselling and nutritional support to 50 TB patients.		Yes	Gujarat	Ahmedabad	1 Year	4,90,000	4,90,000	0	No	Kokilaben Charitable Trust	CSR00001948
3	Prosthetics, Orthotics and Footwear requirement for Leprosy affected patients		Yes	Gujarat	Himatnagar	2 years	11,00,000	11,00,000	0	No	Sahyog Kushtha Yagna Trust	CSR00003689
4	Thalassemia Blood Transfusion Centre		Yes	Gujarat	Ahmedabad	1 Year	11,29,400	11,29,400	0	No	Live Life Research Foundation	CSR00013595
5	Developing Kid's Library for 30 Ekal schools	Item No. (ii) promoting education	Yes	Gujarat	Aravalli & Mahisagar	1 years	2,00,000	2,00,000	0	No	Kokilaben Charitable Trust	CSR00001948
6	Ekal School-Supported 11 non formal education centers based in tribal and rural areas		Yes	Gujarat	Ahmedabad	1 years	2,50,000	2,50,000	0	No	Friends of Tribals Society	CSR00001898
	Total						39,79,400	39,79,400	0			

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8	
Sl. No	**Name of the Project/ Activities**	**Item from the list of activities in schedule VII to the Act.**	**Local area (Yes/ No)**	**Location of the project**		**Amount spent for the project (in ₹)**	**Mode of imple-mentation - Direct (Yes/No)**	**Mode of implementation - Through implementing Agency**	
				State	**District**			**Name**	**CSR Regn No.**
1	Medical help to Covid Victim Families	Item No. (i) - promoting health care including preventive health care and Eradicating hunger, poverty and malnutrition	Yes	Gujarat	Ahmedabad	2,00,000	No	Dreams Foundation	CSR00007125
2	Self-employment facilities to needy and disabled persons- Providing self-employment options to 110 disabled person and their families.		Yes	Gujarat	Ahmedabad	9,67,000	No	Blind People Association	CSR00000936
3	Supported 2 education centres in slum area.		Yes	Gujarat	Ahmedabad	2,40,000	No	Jeevantirth	CSR00001798
4	Education of Children	Item No. (ii) – promoting education	Yes	Gujarat	Ahmedabad	1,29,000	Yes	NA	NA
5	LAKSHME a CSR Initiative by Prudent Corporate Advisory Services Limited for to empower women through financial Literacy	Item No. (iii) - empowering women and measures for reducing inequalities faced by socially and economically backward groups	Yes	Gujarat	Ahmedabad	9,10,630	Yes	NA	NA
6	Old age Homes		Yes	Gujarat	Ahmedabad	22,000	Yes	NA	NA
7	Plant and Tree Maintenance	Item No. (iv) - ensuring environmental sustainability and animal welfare	Yes	Gujarat	Ahmedabad	1,09,050	Yes	NA	NA
8	Construction of Shed for Cows at Nathdwara		Yes	Rajasthan	Nathdwara	4,50,000	Yes	NA	NA
	Total					30,27,680			

(d) Amount spent in Administrative Overheads: **NIL**

(e) Amount spent on Impact Assessment, if applicable: **NIL**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **₹ 70,07,080**

Annexure [2] to Board's Report

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	73,05,962
(ii)	Total amount spent for the Financial Year	70,07,080
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), If any			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer.	
1.	Nil						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
Nil								

10 In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **Nil**

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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

Date: August 25, 2022	**(Sanjay Shah)**	**(Karan Datta)**
Place: Ahmedabad	Managing Director	Chairman of CSR Committee

As the Company's equity shares were listed on BSE Limited and National Stock Exchange of India Limited with effect from May 20, 2022, this Report on Corporate Governance is prepared and presented on a voluntary basis as the company believes in good Corporate Governance practices.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

"Corporate Governance" in its literal sense means management of the organization as a whole. Corporate Governance is about to keep great association with stakeholders, creation and support of trust with people associated with group be it shareholders, regulators, representatives, employees, suppliers, clients, financiers and the general public at large. We are firm in belief that corporate governance means commitment for the achievement of value based growth and meeting the commitment within the predefined time frame without compromising with ethical standard and set of paradigms. The Company is focused on straight forwardness in every one of its dealings and spots emphasis on respectability and administrative consistence. Your company has been improving in Corporate Governance since the foundation of the company. Satisfactory and convenient information is basic to responsibility.

The Board of Directors ('the Board') is responsible for and committed to sound principles of Corporate Governance in the Company. There is a separation of the role of Chairman of the Board and the Chief Executive Officer a practice that has been in place in the Company. With the focus on the core corporate governance principles of accountability, transparency and integrity and adoption of suitable global, local and industry best practices, your Company is moving ahead in its pursuit of excellence in corporate governance.

Your company's philosophy on Corporate Governance is embedded in its rich legacy of ethical governance practices, most of which were implemented before they were mandatorily prescribed. The Company operates within accepted standards of propriety, fair play, justice and aims at creating a culture of openness in relationships between itself and its stakeholders. Your Company ensures transparency in all its dealings and in the functioning of the management and the Board. It has set up a system which enables all its employees to voice their concerns openly and without any fear or inhibition. In quest for this goal, the policies of the Company are intended to reinforce the capacity of the Board of Directors to oversee the administration and to upgrade long haul shareholder esteem.

2. BOARD OF DIRECTORS

The Board of your company has an optimum combination of Executive, Independent Non-executive and Woman Directors in conformity with Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (herein after known as "Listing Regulations") as well as the Companies Act, 2013 read with rules framed thereunder, to maintain the independence of board and separate its functions of management and governance in transparent manner.

None of the Directors on the Board is a member of more than ten Committees or Chairman of more than five Committees (committees being Audit Committee and Stakeholders Relationship Committee as per Regulation 26(1) of the Listing Regulations) across all the Public Companies in which he/she is a Director. The necessary disclosures regarding their Committee positions have been made by all the Directors.

(a) Composition and Category of Directors:

The composition of the Board of Directors of the Company as on 31st March, 2022 is as follows:

Sr. No.	Name of the Director	Category
1.	Mr. Sanjay Shah	Executive Director/ Promoter (Chairman and Managing Director)
2.	Mr. Shirish Patel	Executive Director (Whole-time Director & CEO)
3.	Mr. Chirag Shah	Executive Director (Whole-time Director)
4.	Mr. Dhiraj Poddar	Nominee Director of Wagner Limited, Investor/Shareholder
5.	Mr. Deepak Sood	Independent Non-Executive Director
6.	Ms. Shilpi Thapar	Independent Non-Executive Director /Woman Director
7.	Mr. Karan Datta	Independent Non-Executive Director
8.	Mr. Aniket Talati	Independent Non-Executive Director

As per the declarations received from the directors, none of the directors is disqualified under Section 164 of the Companies Act, 2013.

(b) Details of attendance of each Director at Board Meetings and at the last year's Annual General Meeting is as follows:

The attendance by the board of directors at the board meetings and at the last Annual General Meeting is as follows:

Sr. No.	Name of the Director	No. of Board meetings attended		Attendance at last AGM
		Held	Attended	
1	Mr. Sanjay Shah	6	6	Yes
2	Mr. Shirish Patel	6	6	Yes
3	Mr. Chirag Shah	6	6	Yes
4	Mr. Dhiraj Poddar	6	5	No
5	Mr. Deepak Sood	6	6	Yes
6	Ms. Shilpi Thapar*	6	5	No
7	Mr. Karan Datta	6	6	Yes
8	Mr. Aniket Talati*	6	5	No

*Appointed as Additional Independent Directors (Non-Executive Director) w.e.f. June 7, 2021.

(c) The number of other boards or committee in which director is a chairman or member including names of the listed companies where the directors are holding directorship with category of directorship as on 31.03.2022 is as follow:

Sr. No.	Name of the Director	Category of Directorship in other Listed Companies	Directorship in Listed Company other than this Company		Number of Committee position held in other Public Companies		Name of listed company other than this Company
			As Chairman	As Board Member	As Chairman	As Committee Member	
1	Mr. Sanjay Shah	NA	NIL	NIL	---	---	NA
2	Mr. Shirish Patel	NA	NIL	NIL	---	---	NA
3	Mr. Chirag Shah	NA	NIL	NIL	--	---	NA
4	Mr. Dhiraj Poddar	NA	Nil	NIL	1	3	NA
5	Mr. Deepak Sood	NA	NIL	NIL	--	--	NA
6	Ms. Shilpi Thapar	NA	NIL	NIL	-	-	NA
7	Mr. Karan Datta	NA	NIL	NIL	--	--	NA
8	Mr. Aniket Talati	NA	NIL	NIL	-	-	NA

Other Directorships do not include all other Companies i.e. Directorships of private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 ("the Act"). For the purpose of determination of limit of the Board Committees, Chairmanship and Membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of the Listing Regulations.

(d) Number of board meetings and dates on which held

The Board met 6 (Six) times during the Financial Year 2021-22 and the time gap between two meetings was not more than 120 days. The Board Meetings were held on, (i) May 12, 2021 (ii) July 22, 2021 (iii) August 11, 2021 (iv) September 23, 2021 (v) November 30, 2021 and (vi) February 15, 2022

(e) Disclosure of Relationship between Directors Inter-se:

None of the Directors of the Company are related to each other and there are no inter-se relationships between the Directors.

(f) Number of shares and convertible instruments held by non-executive Directors

None of the Non-Executive Directors of the Company is holding shares or convertible instruments in the Company.

(g) Familiarization Programme and Web link where details of familiarization programmes imparted to independent directors is disclosed:

In Compliance with Regulations 25(7) of the Listing Regulations, your Company has put the structure of familiarization Programme for all its Independent Directors, to inform about a brief background of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model, operations of the Company, etc. Periodic presentations are made to the Board on business and performance of the Company.

The details of such familiarization programmes for Independent Directors of the Company are posted on the website of the Company and it can be access by this link https://www.prudentcorporate.com/investorrelation

(h) Chart/Matrix relating to skills /expertise / competence of the Board of Directors

Prudent's Board is a skill-based board comprising of Directors who collectively have the skills, knowledge and experience to effectively govern and direct the organization.

The Board of Directors have identified the below mentioned core skills / expertise / competencies in the context of the business and the sector in which the Company is operating, for the Company to function effectively:

- Knowledge and/or expertise in one or more of areas like industry in which company operates, accounts, finance, taxation, marketing, business and management.
- These criteria are designed to ensure the Board consists of individuals with a balance of skills to oversee the organisation, achieve the strategic goals and direct the organisation's future.

- The above core skills / expertise / competencies identified by the Company are also actually available with the Board as under:

Sr. No	Name of the Director	Qualification	Skills actually available with the Director
1.	Mr. Sanjay Shah	Chartered Accountant & Bachelor's degree in business administration from Sardar Patel University	– Strategic Planning – Risk Management Expertise – Financial Expertise – Marketing Expertise – Operational Expertise – Industry Expertise – Mergers and Acquisitions
2.	Mr. Shirish Patel	Bachelor's degree and a master's degree in business administration for finance, and a diploma in computer applications from the Gujarat University	– Strategic Planning – Risk Management Expertise – Financial Expertise – Marketing Expertise – Operational Expertise – Industry Expertise
3.	Mr. Chirag Shah	Chartered Accountant & Bachelor's degree in economics from South Gujarat University	– Strategic Planning – Risk Management Expertise – Financial Expertise – Marketing Expertise – Operational Expertise – Industry Expertise
4.	Mr. Dhiraj Poddar	Chartered Accountant & Post-Graduate Diploma in management from IIM-A	– Strategic Planning – Risk Management Expertise – Financial Expertise – Marketing Expertise – Operational Expertise – Industry Expertise – Mergers and Acquisitions

Sr. No	Name of the Director	Qualification	Skills actually available with the Director
5.	Mr. Deepak Sood	Bachelor's degree in science from University of Delhi, Bachelor's degree in law from University of Mumbai and Master's degree in science from University of Delhi	– Strategic Planning – Risk Management Expertise – Industry Expertise – Legal Expertise
6.	Ms. Shilpi Thapar	Company Secretary & Bachelor's degree in law and a Bachelor's degree in commerce from the Gujarat University, Insolvency Professional	– Strategic Planning – Risk Management Expertise – Legal Expertise – Financial Expertise – Regulatory Expertise
7.	Mr. Karan Datta	Bachelor's degree in commerce from the University of Delhi	– Strategic Planning – Risk Management Expertise – Industry Expertise
8.	Mr. Aniket Talati	Chartered Accountant & Bachelor's degree in commerce from the University of Mumbai and Master's degree in commerce for finance and taxation from Indira Gandhi National Open University	– Strategic Planning – Risk Management Expertise – Taxation Expertise – Financial Expertise

(i) Confirmation of independence

The Board confirms that all the Independent Directors fulfill the conditions specified in listing regulations and that they are Independent of the management.

(j) Reason for resignation of Independent Director:

During the year under review, there is no any independent director of the Company resigned from the post of independent director.

(k) Code of Conduct:

Your Company has framed Code of Conduct for board of directors, KMP and other members of Senior Management and Code of Conduct for Independent Directors which suitably incorporates guidance and help in recognizing and dealing with ethical issues, provide mechanisms to report unethical conduct, and to help promote a culture of honesty

Your Company has also framed Code of Conduct for Independent Directors which suitably incorporates the duties of independent directors as laid down in the Companies Act, 2013 ("Act") as well as listing regulations.

In respect of Financial Year 2021-22, all Board members and Senior Management Personnel of the Company have affirmed compliance with the code as applicable to them and a declaration to this effect signed by the CEO is mentioned at the end of Corporate Governance Report.

(l) Information supplied to the Board of Directors:

The dates of Board and Committee Meetings were communicated to the Directors and Committee members respectively well in advance in compliance with various provision of the law. Members were given agenda in details along with necessary documents and information in advance of each meeting of the Board and Committee(s) by e-mail /physical as well as in meeting itself also except price sensitive information which was available in meeting only.

The Board periodically reviews compliance reports with respect to laws and regulations applicable to the Company. The Company provides inter alia the following information to the Board, which is given either as part of the agenda or by way of presentations during the meetings:

- Annual operating plans and budgets, capital budgets and other updates.
- Quarterly, half-yearly and annual financial results of the Company and its operating divisions or business segments.
- Detailed presentations on business strategy and future outlook of the Company.
- Oversight of the performance of the business.

The Board members may bring up any matter for consideration of the Board, in consultation with the Chairman. The Meetings of the Board and Committees are generally held at registered office of the company or through video conferencing.

(m) Independent Directors:

Your company is in compliance with the provisions of section 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 read with rules framed thereunder and the Listing Regulations. Mr.

Aniket Talati, Mr. Deepak Sood, Mr. Karan Datta and Ms. Shilpi Thapar are Independent Directors of the Company and they are not liable to retire by rotation.

Independent Directors at the first meeting of the Board held in this financial year gave a declaration that he/she meets the criteria of Independence as required under Section 149 (7) of the Companies Act, 2013 read with the Listing Regulations.

Further, the Independent Directors have confirmed that they do not hold Chairmanship or membership in excess of the ceilings mentioned in Regulation 26 (1) of the Listing Regulations in Audit Committee and Stakeholders' Relationship Committee of other Companies.

None of the Independent Directors of your Company serve as Independent Directors in more than 7 listed entities and in case they are whole-time directors or managing director in any listed entity, then he/she does not serve as an Independent Director in more than 3 listed entities as per Regulation 17A of the Listing Regulations.

(n) Formal letter of appointment to the Independent Directors:

The Company has issued formal letter of appointment to all the Independent Directors on their appointment explaining inter-alia, their roles, responsibilities, code of conduct, functions and duties as directors of the Company. The terms and conditions of appointment of independent directors have been hosted on the website of the Company and can be accessed at **https://www.prudentcorporate.com/investorrelation**

(O) Separate Meeting of Independent Directors:

Pursuant to provision of Schedule IV of the Companies Act, 2013 read with Regulation 25 (3) of the Listing Regulations, a separate meeting of Independent Directors was held on 15.03.2022 inter alia, for the following purposes:

a. review of the performance of non-independent directors and the board as a whole;

b. review of the performance of the chairperson Mr. Sanjay Shah by taking into account the views of all the executive directors and non-executive directors;

c. review and assess of the quality, quantity and timeliness of flow of information between the company management and the board of director that is necessary for the board to effectively and reasonably perform their duties;

All the Independent Directors were present in the meeting held on 15.03.2022.

(p) Non-executive Directors compensation and disclosures:

Your Company has not paid any fees / compensation to independent directors except commission and sitting fees within limit as specified under the Companies Act, 2013 read with Rules framed there under for board meeting attended by them. There was no pecuniary relationship or transactions of Non-executive directors vis-à-vis the Company.

BOARD COMMITTEES

In Compliance with the various provision of the Companies Act, 2013 read with Rules framed thereunder, the Listing Regulations and other applicable law, your Company has constituted, (1) Audit Committee (2) Nomination and Remuneration Committee (3) Stakeholders Relationship Committee (4) Corporate Social Responsibility Committee and other required Committees.

The minutes of Committee meetings are tabled at the next Board meetings for their review, consideration, noting and doing needful. The minutes of the proceedings of the Committee Meetings are captured in the same manner as the Board Meetings and in accordance with the provisions of the Companies Act, 2013 read with rules framed thereunder and as per Secretarial Standard - 1.

3. AUDIT COMMITTEE

(a) Brief description of terms of references:

Your company has constituted a qualified and independent Audit Committee in line with provisions of Section 177 of the Companies Act, 2013 read with rules framed thereunder and Regulation 18 of the Listing Regulations. As on 31st March, 2022, Audit Committee comprises four members out of which three are Non-Executive Independent Director and one is Non-executive (Nominee) Director. Mr. Dhaval Ghetia, Company Secretary acts as a secretary to the Audit Committee.

Role and Term of reference:

The Role and terms of reference of the Audit Committee are in compliance with the provision of Section 177 of the Companies Act, 2013 read with the Rules framed there under and Listing Regulations.

The brief description of role and terms of reference of Audit Committee is as under:

1. oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;

2. recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. formulation of a policy on related party transactions, which shall include materiality of related party transactions and making of omnibus approval of related party transactions;
5. reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
6. examining and 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 director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
    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; and
    g) Modified opinion(s) in the draft audit report.
7 reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
8. 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
9. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
10. approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed

    Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.
11. scrutiny of inter-corporate loans and investments;
12. valuation of undertakings or assets of the Company, wherever it is necessary;
13. evaluation of internal financial controls and risk management systems;
14. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
15. 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;
16. discussion with internal auditors of any significant findings and follow up there on;
17. 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;
18. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
20. looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
21. reviewing the functioning of the whistle blower mechanism;

22. monitoring the end use of funds raised through public offers and related matters;
23. overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
24. approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
25. reviewing the utilization of loans and/or advances from / investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing; and
26. carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.
27. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
28. Such roles as may be prescribed under the Companies Act, SEBI Listing Regulations and other applicable provisions.
29. Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
    (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
    (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
30. the Audit Committee shall mandatorily review the following information:
    (i) Management discussion and analysis of financial condition and results of operations;
    (ii) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
    (iii) Management letters / letters of internal control weaknesses issued by the statutory auditors;
    (iv) Internal audit reports relating to internal control weaknesses;
    (v) The appointment, removal and terms of remuneration of the chief internal auditor;
    (vi) Statement of deviations in terms of the SEBI Listing Regulations:
        a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations; and
        b) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations.
        c) review the financial statements, in particular, the investments made by any unlisted subsidiary.

(b) The details about the composition of the Committee, Name of chairperson & Members and attendance at the meetings are as under:

The Audit Committee met 5 (five) times during the Financial Year 2021-2022 and the time gap between two meetings is not more than 120 days. The Meetings were held on (i) 12.05.2021 (ii) 22.07.2021 (iii) 22.09.2021 (iv) 30.11.2021 and (v) 15.02.2022.

Name of the Director	Designation	Nature of Directorship	Audit Committee Meeting details	
			Helds	Attended
Mr. Karan K. Datta	Chairperson	Non-Executive/ Independent Director	5	5
Mr. Deepak Sood	Member	Non-Executive/ Independent Director	5	5
Mr. Aniket Talati**	Member	Non-Executive/ Independent Director	5	2
Mr. Dhiraj Poddar **	Member	Non-executive (Nominee) Director	5	3
Mr. Aditya Sharma**	Member	Non-executive (Nominee) Director	5	0

(**) Mr. Aditya Sharma had resigned from the Directorship and also resigned/ vacated from the audit committee membership w.e.f May 1, 2021. Further, Mr. Dhiraj Poddar and Mr. Aniket Talati were appointed as a member of the audit committee in the board meeting held on May 12, 2021 & July 22, 2021, respectively.

All the members of the committee are well-versed in matters relating to finance, accounts and general management practices. Mr. Karan Datta, Chairman of the Audit Committee is holds a bachelor's degree in commerce from the University of Delhi and he was present at the Annual General Meeting of the Company held on July 23, 2021. The CEO, CFO, and the Statutory Auditors regularly attend the meeting of the Audit Committee as permanent invitees. Other invitees are invited on need basis to brief the Audit Committee on important matters.

4. NOMINATION AND REMUNERATION COMMITTEE:

(a) Brief description of terms of reference:

Your company has framed qualified Nomination and Remuneration Committee as per the requirements of Section 178 of the Companies Act, 2013 read with Rules framed thereunder and Regulation 19 of the Listing Regulations.

The Nomination and Remuneration Committee, as on 31st March, 2022, comprises 3 (Three) directors out of which 2 (Two) are Non-Executive-Independent Director and one is Non-Executive (Nominee) Director of the Company.

Terms of reference

The terms of reference of the Nomination and Remuneration Committee inter alia, includes the following:

(1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the "Board" or "Board of Directors") a policy relating to the remuneration of the directors, key managerial personnel and other employees ("Remuneration Policy") which shall be placed on the website of the company and disclosed in the boards' report.

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

(i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) 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 the Company and its goals.

(2) Formulation of criteria for evaluation of independent directors and the Board;

(3) Devising a policy on Board diversity;

(4) Identifying persons who are qualified to become directors and key managerial personnel who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director);

(5) Analysing, monitoring and reviewing various human resource and compensation matters;

(6) Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(7) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

(8) Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;

(9) Reviewing and approving the Company's compensation strategy from time to time in the context of the current Indian market in accordance with applicable laws;

(10) Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.

(b) The details about the composition of the Committee, Name of chairperson & Members and attendance at the meetings are as under:

The Nomination and Remuneration Committee met 2 (two) time during the Financial Year 2021-22. The Meetings were held on 12.05.2021 and 29.06.2021.

Mr. Deepak Sood, Chairman of the Nomination and Remuneration Committee was present at the Annual General Meeting of the Company held on July 23, 2021.

The details of the composition of the Committee, Name of chairperson & Members and attendance at the meetings during the financial year 2021-22 are as under:

Name of the Director	Designation	Nature of Directorship	Meeting details	
			Held	Attended
Mr. Deepak Sood	Chairman	Non-Executive/ Independent Director	2	2
Mr. Karan Datta	Member	Non-Executive/ Independent Director	2	2
Mr. Dhiraj Poddar	Member	Non-Executive (Nominee) Director	2	2

(c) Performance Evaluation Criteria for Independent Directors:

The Nomination and Remuneration policy of the Company lays down the criteria of appointment and remuneration of Directors/Key Managerial Personnel including criteria for determining qualification, positive attributes, independence of Directors, criteria for performance evaluation of Executive and Non-Executive Directors (including Independent Directors) and other matters as prescribed under the provisions of the Act and the SEBI (LODR) Regulations. An indicative list of factors that may be evaluated including but not limited to participation and contribution by a Director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgement.

(d) Nomination and Remuneration Policy of the Company

The Nomination and Remuneration Policy formulated and recommended by the Nomination and Remuneration Committee is duly approved by the Board of Directors of the Company. The Nomination and Remuneration committee has formulated the criteria for appointment and remuneration including determination of qualifications, positive attributes, independence of Directors and other matters as provided under sub-section (3) of Section 178 of the Companies Act, 2013 read with Part D of Listing Regulations. The remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration Policy of your Company.

The Nomination and Remuneration policy is applicable to all the directors, Key managerial Personnel and Senior Management Personnel of the company.

The Policy provides guidance on:

(1) Selection and Nomination of Directors to the Board of the Company;

(2) Appointment of the KMP and Senior Management Personnel of the Company; and

(3) Remuneration of Directors, Key Managerial Personnel and senior management personnel.

(4) Term of executive Directors, KMP and Senior Management Personnel

The said policy is available on the website of the Company under the web link **https://www.prudentcorporate.com/investorrelation** .

5. REMUNERATION TO DIRECTORS

(a) Pecuniary relationship or transactions with Non-executive director's vis-à-vis the Company:

There was no any pecuniary relationship or transactions with Non-executive director's vis-à-vis the Company.

(b) Criteria for Making payment to non-executive directors:

1. The Non-Executive and Independent Director may receive fees for attending meeting of Board or Committee thereof. Provided that the amount of such fees will not exceed the ceiling / limit under the Act.

2. A Non-Executive Director may be paid commission on an annual basis/monthly basis, of such sum as may be approved by the Board on the recommendation of the Nomination and Remuneration Committee.

3. The Committee may recommend to the Board, the payment of commission, to reinforce the principles of collective responsibility of the Board.

4. In determining the quantum of commission payable to the Directors, the Committee shall make its recommendation after taking into consideration the overall performance of the Company and the onerous responsibilities required to be shouldered by the Director.

5. The total commission payable to the Directors shall not exceed prescribed limits as specified under Companies Act, 2013.

6. The commission shall be payable on pro-rata basis to those Directors who occupy office for part of the year.

(c) Disclosure with respect to remuneration:

The detail of remuneration and sitting fees paid to the directors during the financial year 2021-22 is as under:

(₹ in lakhs)

Name	Salary, Perquisites, Allowances and Incentive	Comm-ission	Sitting Fess	Total
Mr. Sanjay Shah	193.50	-	-	193.50
Mr. Shirish Patel	653.40	-	-	653.40
Mr. Chirag Shah	-	-	-	-
Mr. Dhiraj Poddar	-	-	-	-
Mr. Deepak Sood	-	15.00	4.50	19.5
Ms. Shilpi Thapar	-	5.00	3.75	8.75
Mr. Karan Datta	-	15.00	4.50	19.5
Mr. Aniket Talati	-	-	3.75	3.75

Your Company is not paying anything to non-executive director except commission and sitting fees for board meeting attended by them.

The remuneration by way of commission to the Non-Executive Directors is decided by the Board of Directors and distributed to them based on their participation and contribution at the Board and Committee meetings. Recently, the Ministry of Corporate Affairs has notified the amendments to Sections 149(9) and 197(3) of the Act by the Companies (Amendment) Act, 2020 to enable companies faced with no profits / inadequate profits to pay certain fixed remuneration to their Non-Executive Directors and Independent Directors, in accordance with the provisions of Schedule V of the Act.

In view of the valuable services being rendered by the said Directors to the Company, the shareholders at the 18th AGM of the Company, held on July 23, 2021, had approved payment of commission to the Non-Executive Directors of the Company for a period of 5 years, commencing from April 1, 2021, distributed between such Directors in such a manner as the Board of Directors, may from time to time determine within the overall maximum limit of 1% (one percent) of the net profits of the Company for that financial year computed in accordance with the provisions of Section 198 of the Act, for FY 2021-22, FY 2022-23, FY 2023-24, FY 2024-25 and FY 2025-26 and shall be in addition to the sitting fees payable to the Directors for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board. In the event of loss or inadequacy of profits in any financial year during the term mentioned above, the Non-executive Directors including Independent Directors shall be paid remuneration by way of Commission as set out above, as may be decided by the Board of Directors of the Company, notwithstanding that it may exceed one percent of the net profits of the Company and subject to such restrictions, if any, as may be set out in the applicable provisions of and schedule V to the Act, from time to time.

Directors are receiving only the fixed component of remuneration except the Company has paid performance based incentive to Mr. Shirish Patel of 100% of his Annual Salary in accordance with the terms and condition of his appointment as approved by the shareholders in 18th AGM of the Company, held on July 23, 2021. Performance based Incentive/Bonus are based on performance review of the Key Responsibility Areas (KRAs) and other measurable indicators along with performance of the organization, profitability and other financial indicators.

During the financial year, 2021-22, the Company does not have any stock option scheme for its Directors or employees. Moreover, there is no separate provision for payment of severance fees to the Directors.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

In compliance with provisions of section 178(5) of the Companies Act, 2013 read with Rules framed thereunder and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company has duly constituted Stakeholders Relationship Committee (SRC).

As per Regulation 20(4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, following are the Role of the Stakeholders' Relationship Committee specified under Part D of Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, non-receipt of annual report or balance sheet, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
2. review of measures taken for effective exercise of voting rights by shareholders;
3. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
4. Advising for giving effect to all transfer/transmission

of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

5. review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;

6. review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and

7. Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

(a) Name of the Director heading the Committee:

During the financial Year 2021-22, the Committee met one times on November 26, 2021.

Name of the Director	Designation	Nature of Directorship	No. of SRC Meetings entitled to attend	SRC Meetings attended
Ms. Shilpi Thapar	Chairperson	Non-Executive Independent Director	1	1
Mr. Aniket Talati	Member	Non-Executive Independent Director	1	1
Mr. Chirag Shah	Member	Whole-time Director	1	1

(b) Name and designation of Compliance Officer:

Mr. Dhaval Ghetia, Company Secretary is the Compliance Officer for complying with the requirements of Securities laws and the Listing Regulations.

(C) Number of shareholders' complaints received, number not solved to the satisfaction of shareholders and number of pending complaints:

During the Financial Year 2021-22, Company did not receive any complaint from any shareholder of the Company. There is no complaint pending at the end of the Financial Year.

OTHER BOARD COMMITTEES

The Board has constituted following other Board committees besides the committees mentioned above:

1. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

- **Composition and Meeting**

Company has constituted Corporate Social Responsibility (CSR) Committee, in compliance with the provision of section 135 of the Companies Act, 2013 read with Rules framed thereunder.

The CSR Committee met 2 (Two) time during the Financial Year 2021-22 on June 25, 2021 and September 16, 2021.

The composition of the CSR Committee as on 31st March, 2022 and the details of members' participation at the respective meeting of the Committee are as under:

Name of the Director	Designation	Nature of Directorship	No. of Meetings	
			entitled to attend	Attended
Mr. Karan Datta	Chairperson	Non-Executive/ Independent Director	2	1
Mr. Sanjay Shah	Member	Managing Director & Chairperson	2	2
Ms. Shilpi Thapar	Member	Non-Executive/ Independent Director	1	1
Mr. Chirag Shah	Member	Whole Time Director	2	2

STATUTORY REPORTS

- **Terms of reference**

  The terms of reference of the CSR Committee are as under:

  1. formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;
  2. formulate and recommend an annual action plan in pursuance of its Corporate Social Responsibility Policy which shall list the projects or programmes undertaken, manner of execution of such projects, modalities of utilisation of funds, monitoring and reporting mechanism for the projects;
  3. identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
  4. review and recommend the amount of expenditure to be incurred on the activities referred to in clause (1) above and the distribution of the same to various corporate social responsibility programs undertaken by the Company;
  5. delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
  6. review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
  7. any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and
  8. exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

2. RISK MANAGEMENT COMMITTEE

- **Composition and Meeting**

  Company has constituted Risk Management Committee, in compliance with the provision of Regulation 21 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

  The Risk Management Committee met 1 (One) time during the Financial Year 2021-22 on September 22, 2021.

  The composition of the Risk Management Committee as on 31st March, 2022 and the details of members' participation at the respective meeting of the Committee are as under:

Name of the Director	Designation	Nature of Directorship	No. of Meetings entitled to attend	No. of Meetings Attended
Mr. Sanjay Shah	Chairperson	Managing Director & Chairperson	1	1
Mr. Shirish Patel	Member	Whole Time Director & CEO	1	1
Mr. Aniket Talati	Member	Non-Executive/ Independent Director	1	1
Mr. Chirag Shah	Member	Whole Time Director	1	1
Mr. Chirag Kothari	Member	CFO	1	1

- **Terms of reference**

  The terms of reference of the Risk Management Committee are as under:

1. To formulate a detailed risk management policy which shall include:

   (a) A framework for identification of internal and external risks specifically faced by the company, in particular 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 including systems and processes for internal control of identified risks.

   (c) Business continuity plan;

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. To review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any);
7. To review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof;
8. To implement and monitor policies and/or processes for ensuring cyber security;
9. To frame, devise and monitor risk management plan and policy of the Company;
10. To review and recommend potential risk involved in any new business plans and processes;
11. To review the Company's risk-reward performance to align with the Company's overall policy objectives;
12. Monitor and review regular updates on business continuity;
13. Advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy; and

14 Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

7. GENERAL BODY MEETINGS:

(a) Location and time of last three Annual General Meetings (AGMs) were held and special resolutions passed in the previous 3 AGMs:

Financial year ended	Day/Date of AGM	Time	Location	No. of Special Resolution passed
31.03.2021	Friday, 23.07.2021	2:30 PM	Deemed Venue: Prudent House, 3 Devang Park Society Panjarapole Cross Road, Ambawadi, Ahmedabad – 380015, Gujarat	7 (Seven) (See Note:1)
31.03.2020	Wednesday, 30.09.2020	2.00 PM	Prudent House, 3 Devang Park Society Panjarapole Cross Road, Ambawadi, Ahmedabad – 380015, Gujarat	2 (Two) (See Note:2)
31.03.2019	Monday 30.09.2019	02.00 PM	Prudent House, 3 Devang Park Society Panjarapole Cross Road, Ambawadi, Ahmedabad – 380015, Gujarat	2 (Two) (See Note:3)

Note: 1 In the Annual General Meeting held on 23.07.2021, 7 (Seven) Special Resolutions were passed as follow:

1. To approve and modify revised Employment Contract of Mr. Shirish Patel as CEO of the Company;
2. To approve and modify revised Employment Contract of Mr. Sanjay Shah as Managing Director (MD) of the Company;
3. Approval for Payment of Commission to Non-Executive Directors for a Period of Five Years Commencing from 1 April 2021
4. Adoption of Revised Articles of Association
5. Issue of Bonus Shares to the Holders of Equity Shares as well as Preference Shares
6. Approval of a Stock Split
7. Raising of Capital through an Initial Public Offering

Note: 2 In the Annual General Meeting held on 30.09.2020, 2 (Two) Special Resolutions were passed as follow:

1. To Approve and Modify Revise Employment Contract of Mr. Shirish Patel as CEO of the Company;
2. To Approve and Modify Revise Employment Contract of Mr. Sanjay Shah as Managing Director of the Company.

Note: 3 In the Annual General Meeting held on 30.09.2019, 2 (Two) Special Resolutions were passed as follow:

1. To Approve and Modify Revise Employment Contract of Mr. Shirish Patel as CEO of the Company;
2. To Approve and Modify Revise Employment Contract of Mr. Sanjay Shah as Managing Director of the Company

   (b) The Details of special resolution passed last year through postal ballot and details of voting pattern: No Special Resolutions were passed during 2021-22 through postal ballot.

   (c) Person who conducted the Postal Ballot exercise : Not applicable

   (d) Whether any special resolution is proposed to be conducted through postal ballot:

   No Special Resolution is proposed to be conducted through postal ballot as on the date of this report.

   (e) Procedure for Postal Ballot: Procedure of Postal Ballot does not require.

8. MEANS OF COMMUNICATION

(a) Quarterly results	The quarterly results are published in the newspapers and displayed on the Company's website.
(b) Newspapers wherein results normally published	The Quarterly, Half Yearly Financial Results are generally published in Economic Times/ Financial Express/Business Standard in English language & also in Guajarati language in Economic Times/Financial Express/Jai Hind.
(c) Company's website, where displayed	The separate section named "INVESTOR RELATIONS" in the Company's website **www.prudentcorporate.com** is displaying required information in respect of interest of various stakeholders. The Annual Report for this financial year 2021-2022 as well as Quarterly / Half Yearly Financial Results of the Company is also available therein.
(d) Whether it also displays official news releases;	The Company's official news releases and presentations made to the institutional investors and analysts, if any are also available on the Company's website.
(e) The presentations made to institutional investors or to analysts	

9 GENERAL SHAREHOLDER INFORMATION

(a) AGM: Date, Time and Venue	Thursday, 29th day of September, 2022 at 12:30 PM Company is conducting meeting through Video Conferencing/Other Audio Visual Means. For details refer Notice of this AGM. The Proceeding of the AGM shall be deemed to be conducted at the Registered Office of the Company at Prudent House, 3 Devang Park Society Panjarapole Cross Road, Ambawadi, Ahmedabad – 380015, Gujarat, India.
(b) Financial Year	Financial Year of the Company is from 01st April to 31st March and financial results will be declared for the financial year 2022-23 as per the following schedule: **Particulars : Tentative and subject to Change** **Quarterly Unaudited Results** Quarter ending 30th June, 2022 : within 45 days from the end of the quarter Quarter ending 30th September, 2022 : within 45 days from the end of the quarter Quarter ending 31st December, 2022 : within 45 days from the end of the quarter Fourth Quarter and Annual ending on 31st March, 2023 : within 60 days fromthe end of the quarter
Record date for Final Dividend	Friday,16th day of September, 2022
(c) Dividend Payment Date	Your Board has recommended a Final Dividend of ₹ 1 per share (20%) on equity shares of face value of ₹ 5/- each. This is subject to approval by shareholders at the ensuing Annual General Meeting. Final Dividend on equity shares as recommended by the Directors for the year ended 31st March, 2022, when approved at the Annual General Meeting, will be paid after the date of ensuing AGM but within the statutory time limit of 30 days from the date of declaration in the AGM.
Dividend Transfer to IEPF	There is no any unclaimed dividend with the Company. Hence, transfer of Dividend to IEPF is not applicable.
Shares transferred to IEPF	There is no any unclaimed dividend with the Company. Hence, transfer of Shares to IEPF is not applicable.

(d) Name and address of stock exchanges at which the Company's shares are listed & details of annual listing fee paid	The Company's equity shares are listed on the BSE Limited and the National Stock Exchange of India Limited w.e.f. May 20, 2022. (i) **BSE Limited (BSE),** Corporate office: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 and (ii) **National Stock Exchange of India Limited (NSE)**, Corporate office: Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 Annual Listing Fees for the year 2022-23 has been paid by the Company to BSE and NSE.
Demat ISIN Numbers in NSDL & CDSL	INE00F201020
(e) Stock Code/ Symbol	BSE Equity Script Code: 543527 NSE Equity Symbol: PRUDENT

(f) Market Price Data high and low during each month in last financial year:

The Company' equity shares were listed on May 20, 2022; hence, the provision of the data is not applicable.

(g) Performance in comparison to board-based indices such as BSE Sensex:

The Company' equity shares were listed on May 20, 2022; hence, the provision of the data is not applicable.

(h) In case the securities are suspended from trading, the Directors Report shall explain the reason thereof : Not Applicable

(i) Registrar to an issue and share transfer agents:

Share Registrar and Transfer Agent:	Link Intime India Private Limited C101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083 Tel No: 022- 4918 6000 Email Id: **rnt.helpdesk@linkintime.co.in** Website: www.linkintime.co.in

(j) Share Transfer System:

Trading in equity shares of the Company through recognized Stock Exchanges can be done only in dematerialized form. All equity shares of the Company are in electronic form as on March 31, 2022. In terms of requirements to amendments to Regulation 40 of Listing Regulations w.e.f April 1, 2019, transfer of securities in physical form shall not be processed unless the securities are held in the dematerialised form with a depository. It is system that Share transfers / transmission, if any, is taken up for approval and the transferred security is to be dispatched to the transferees within the stipulated time. Detail of transfers / transmission approved by the delegates is to be taken for noting by the Stakeholders Relationship Committee at its next meeting.

(k) Distribution of Shareholding as on 31st March, 2022:

The distribution of shareholding of the Company as on 31st March, 2022 was as follows:

(i) By size of shareholding:

No. of Shares	No. of Shareholders	% of Total Shareholders	No. of Shares	% of Shareholding
01 to 5000	27	79.41%	24350	0.06%
5001 to 10000	0	0.00%	0	0.00%
10001 to 20000	1	2.94%	16000	0.04%
20001 to 30000	1	2.94%	27400	0.07%
30001 to 40000	0	0.00%	0	0.00%
40001 to 50000	0	0.00%	0	0.00%
50001 & 100000	0	0.00%	0	0.00%
100001 & above	5	14.71%	41338930	99.84%
Total	**34**	**100.00%**	**41406680**	**100.00%**

(ii) **Pattern of Shareholding:**

Sr. No.	Category	No. of Shares	% of total No. of shares
1	Promoters and Promoter Group	23511400	56.78
2	Public Shareholding:		
	Financial Institutions / Banks	0	0.00
	Foreign Institutional Investors (FII)	0	0.00
	Foreign Portfolio Investors	0	0.00
	Central Government/ State Government(s)/ President of India (IEPF)	0	0.00
	Bodies Corporate	0	0.00
	Foreign Company	16562680	40.00
	Individuals – i. Holding nominal share capital upto ₹ 2 lakhs	28600	0.07
	Individuals – ii. Holding nominal share capital in excess of ₹ 2 lakhs	1304000	3.15
	Clearing Member	0	0.00
	Non Resident Indians	0	0.00
	Other (i.e M/s Family fund , a Partnership Firm and HUF)	0	0.00
	Total	**41406680**	**100**

(l) **Dematerialization of shares and Liquidity:**

Equity shares of the Company can be traded in dematerialized form only. The Company has established connectivity with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through its Registrars & Share Transfer Agents Link Intime India Private Limited.

Break up of shares in physical and demat form as on 31st March, 2022:

Sr. No.	Particulars	No. of Shares	% of Shares
1	Demat Segment:		
	NSDL	16563680	40.00
	CDSL	24843000	60.00
2.	Physical:	0	0
	Total:	**41406680**	**100.00**

(m) **Outstanding GDRS / ADRS / Warrants or any Convertible Instruments, conversion date and likely impact on equity:** NIL

(n) **Commodity price risk or foreign exchange risk and hedging activities:**

The details for the same have been provided in the Notes to Financial Statements of the Company for the Financial Year 2021-22.

(o) **Plant Locations:**

The Company is in the business of mutual fund distribution, therefore, it does not have any manufacturing plants.

(p) **Address for correspondence:**

To contact Registrar & Transfer Agent for all matters relating to Shares, Dividends, Annual Reports	**Link Intime India Private Limited** C 101, 247 Park L.B.S. Marg, Vikhroli (West), Mumbai 400 083, Maharashtra Tel No.: 022 4918 6200 Email: **rnt.helpdesk@linkintime.co.in** Website: **www.linkintime.co.in**
For any other General Matters or in case of any difficulties / grievances including matters relating to Shares, Dividends, Annual Reports as above	**Compliance Department** **Prudent Corporate Advisory Services Limited,** “Prudent House”, Panjrapole Cross Road, Nr. Polytechnic, Ambawadi, Ahmedabad - 380 006, Gujarat. Email: **cs@prudentcorporate.com** Website: www.prudentcorporate.com Tel No.: +91 79 40209600
Name of the Compliance Officer	**Mr. Dhaval Ghetia** Company Secretary

(q) **List of all credit ratings obtained by the entity:** Nil

10. OTHER DISCLOSURES

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interest of company at large:

During the Financial year 2021-2022, no materially significant related party transaction undertaken by the Company under Section 188 of the Companies Act, 2013, read with rules framed thereunder, Indian Accounting Standards (Ind AS 24) that may have potential conflict with the interest of the Company at large. The Company has entered into some transactions with related parties as defined under Section 2(76) of the Companies Act, 2013, which were in the ordinary course of business and at arms' length basis and the same were duly approved or reviewed by the Audit Committee.

The necessary disclosures regarding the transactions with related parties are given in the notes to the financial statements. Your Company has formulated a Policy on materiality of Related Party Transactions and also dealing with Related Party Transaction. It is posted on the website of the Company which can be accessed by the link **www.prudentcorporate.com/investorrelation**

(b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or the Board or any statutory authority on any matter related to capital markets during the last three years:

There have been no instances of material non-compliances by the Company on any matter related to the capital markets and no material penalties and/or strictures have been imposed on it by the stock exchanges or by SEBI or by any statutory authority on any matter related to the capital markets during the last three financial years. However, during the ordinary course of business, the stock exchanges has levied minor penalties and the same have been paid by the Company.

(c) Whistle-blower policy and affirmation that no personnel has been denied access to the Audit Committee:

Pursuant to the provision of the section 177(9) of the Companies Act, 2013 read with rules framed thereunder, Regulation 4(2)(d)(iv) and 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Your company has established Vigil Mechanism/ Whistle Blower Policy for their Directors and Employees to report concerns about illegal or unethical practices, unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy.

The details of establishment of such mechanism available on the website of the Company and it can be access by the following link: **www.prudentcorporate.com/investorrelation**

It is affirmed that no personnel has been denied to access the Chairman of the Audit Committee.

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all applicable mandatory requirements as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The following non-mandatory requirements under Part E of Schedule II of the Listing Regulations to the extent they have been adopted are mentioned below:

i) Modified Opinion in Auditors Report:

The Company's financial statements for the year ended 31st March, 2022 do not contain any modified opinion.

ii) Reporting of Internal Auditor:

The Report of Internal Auditor is quarterly put up before the Audit Committee in their meeting.

(e) Web link where policy on dealing with Material Subsidiaries:

The Company has formulated a policy for determining material subsidiary and it is available on the web link **www.prudentcorporate.com/investorrelation**

(f) Web link where policy on dealing with related party transaction:

The Policy on dealing with related party transaction is disclosed on the website of the Company and can be accessed at **www.prudentcorporate.com/investorrelation** .

(g) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

Not Applicable

(h) Certificate from a company secretary in practice that none of the directors on the board of the 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.

A certificate from Mr. Mahesh Gupta, practicing company secretary confirming that none of the Directors on the board of the Company were debarred or disqualified from being re-appointed under retirement by rotation and/or continuing as Directors of the Company by the SEBI, Ministry of Corporate Affairs or any other statutory authorities is attached as "Annexure – A".

(i) **Details of total fees for all services paid by the company 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 part during the FY 2021-22.**

Statutory Auditor	M/s Deloitte Haskins & Sells (Firm Registration No. 117365W)
Statutory Audit Fees paid by the Company	₹ 11,48,000/-
Statutory Audit Fees paid by the Prudent Broking Services Private Limited, subsidiary company of the Company	₹ 7,50,000/-
Total	**₹ 18,98,000/-**

(j) **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.**

Number of complaints filed during the financial year	Number of complaints disposed of duhring the financial year	Number of complaints pending as on end of the financial year
	NIL	

11. **Non-compliance of any requirement of corporate governance report of sub-para (2) to (10) of Schedule V (c) of the Listing Regulations:** NIL.

12. **The disclosure of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 of Listing Regulations.**

    The Company has complied with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, 2015 to the extent applicable, as the Company was listed on Stock Exchanges on May 20, 2022.

13. **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.

14. **Particulars of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting have been provided in the Notice of the Annual General Meeting.**

15. **Declaration by the CEO on Code of Conduct as required by Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:** It is attached as **"Annexure – B".**

16. **COMPLIANCE CERTIFICATE:** Certificate from Mahesh C. Gupta, Practicing Company Secretaries, confirming compliances with the conditions of Corporate Governance as stipulated under the Listing Regulations attached as "Annexure – C".

17. **Particulars of Loans, Guarantees and Securities:** The details of Loans, guarantee and Investments covered under the provisions of Section 186 of the Act are given in the Notes to the Standalone Financial Statements forming part of Annual Report.

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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 of
Prudent Corporate Advisory Services Limited
Prudent House,
3 Devang Park Society,
Panjarapole Cross Road,
Ambawadi, Ahmedabad – 380015

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Prudent Corporate Advisory Services Limited (CIN: U91120GJ2003PLC042458) and having registered office at Prudent House, 3 Devang Park Society, Panjarapole Cross Road, Ambawadi, Ahmedabad – 380015 (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 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) as considered necessary 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 31st March, 2022 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 Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Sanjay Rameshchandra Shah	00239810	4th June, 2003
2.	Mr. Shirish Govindbhai Patel	00239732	31st July, 2018
3.	Mr. Chirag Ashwinkumar Shah	01480310	24th September, 2018
4.	Mr. Dhiraj Poddar	01946905	13th July, 2018
5.	Mr. Deepak Sood	01642332	23rd October, 2020
6.	Ms. Shilpi Sumankumar Thapar	00511871	7th June, 2021
7.	Mr. Karan Kailash Datta	08413809	23rd October, 2020
8.	Mr. Aniket Sunil Talati	02724484	7th June, 2021

Ensuring the eligibility of, 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.

For M. C. Gupta & Co.
Company Secretaries.
UCN: S1986GJ003400

Mahesh Chand Gupta
Proprietor
FCS 2047 (CP: 1028)
Peer Review: 579/2019
UDIN: F002047D000846473

Place: Ahmedabad
Date: 25th August, 2022

"Annexure – B"

DECLARATION ON CODE OF CONDUCT

This is to certify that Company "Prudent Corporate Advisory Services Limited" has in place a Code of Conduct applicable to the Board Members as well as the Senior Management Personnel and that the same has been uploaded on the Company's website www.prudentcorporate.com. I further certify that all the board Members and the Senior Management personnel have affirmed compliance with the Code of Conduct for All Board Members and Senior Management Personnel of the company for the Financial Year 2021-2022.

Shirish Patel
Whole-time Director & Chief Executive Officer
Prudent Corporate Advisory Services Limited

Place: Ahmedabad
Date: August 1, 2022

"Annexure – C"

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members of
Prudent Corporate Advisory Services Limited

We have examined the compliance of the conditions of Corporate Governance by Prudent Corporate Advisory Services Limited (CIN: U91120GJ2003PLC042458) ("the Company") for the year ended on 31st March, 2022, as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Clause and applicable Regulations. It is neither an audit nor an expression of the 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 the representations made by the Directors and the Management, we certify that the provisions relating to Corporate Governance prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 became applicable to the company with effect from 20th May, 2022, being the date of listing of equity shares on the Stock Exchanges and the company was complaint with respect to composition of the Board and constitution of the committees of the Board, including the audit committee, stakeholders relationship committee, nomination and remuneration committee, corporate social responsibility committee and risk management committee and formulation of Policies at the time of filing the DRHP with SEBI.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M. C. Gupta & Co.
Company Secretaries.
UCN: S1986GJ003400

Mahesh C. Gupta
Proprietor
FCS 2047 (CP: 1028)
Peer Review: 579/2019
UDIN: F002047D000846528

Place: Ahmedabad
Date: 25th August, 2022

To The Members of Prudent Corporate Advisory Services Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Prudent Corporate Advisory Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Actread with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS")and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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

Sr. No.	Key Audit Matter	Auditor's Response
1	**Acquisition of Customer Folios of Karvy Stock Broking Limited (KSBL) classified as asset acquisition:** (Refer to Note 45 to the Standalone Financial Statements)	**Our audit procedures included, amongst others:**
	During the year, the Company has acquired Mutual Fund Folios of KSBL ("Customer Folios") through a bid invited by Joint Committee of Exchanges. The Company has not taken over any assets or liabilities of KSBL.	• Evaluated the design & implementation and tested operating effectiveness of the management's control over the determination of the appropriate accounting treatment of the acquisition in accordance with the applicable accounting standards.
	Based on evaluation of the relevant facts and circumstances related to the acquisition, the management assessed that the acquisition did not involve inputs, substantive processes and out. Consequently, it accounted the acquisition of customer folios as an intangible asset under Ind-AS 38.	• Evaluated the judgements made by the management, with respect to the assessment of inputs, substantive processes and output considering the relevant facts and circumstances underlying the said acquisition to evaluate the appropriateness of management's conclusion on the accounting of the said acquisition.
	Considering the management judgement involved in determining whether the acquisition is a business acquisition or an asset acquisition it is considered as a key audit matter.	• Assessed the adequacy of disclosures in the Standalone Financial Statements for compliance with relevant accounting standards requirements.

Independent Auditor's Report

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the

audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in 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 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, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevantbooks 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   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 directors 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,as amended 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 standalone financial statements;

   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv) (a) The Management has represented that, to the best of it's 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 entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any personor entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The final dividend proposed in the previous year,declared and paid by the Company during the year is in accordance with section 123 of the Act,as applicable.

As stated in note 43 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.

2. 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 B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.117365W)

Hardik Sutaria
(Partner)
(Membership No.116642)
UDIN:22116642ANZLFL6431

Place: Ahmedabad
Date: August 01, 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRUDENT CORPORATE ADVISORY SERVICES LIMITED

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 **Prudent Corporate Advisory Services Limited** ("the Company") as of March 31, 2022 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Independent Auditor's Report

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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 **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.117365W)

Hardik Sutaria
(Partner)
(Membership No.116642)
UDIN:22116642ANZLFL6431

Place: Ahmedabad
Date: August 01, 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRUDENT CORPORATE ADVISORY SERVICES LIMITED

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

(i) In respect of property, plant & equipment

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 records showing full particulars of intangible assets.

b. Some of the property, plant & equipment and right-of-use assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the property, plant and equipment and right-of-use assets at reasonable intervalshaving regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c. Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date.

d. The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year.

e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The Company does not have any inventory and hence reporting under clause (ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us, at any point of time during the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.

(iii) The Company has not given any advances in the nature of loans or provided security during the year. The Company has made investments in, stood guarantee and granted unsecured loans to companies during the year:

a. The Company has provided loans and stood guarantee during the year and details of which are given below:

(₹in lakhs)

		Loans	Guarantees
A.	Aggregate amount granted / provided during the year: *		
	- Subsidiaries	1,500.00	--
	- Joint Ventures	--	--
	- Associates	--	--
	- Others #	48.56	--
B.	Balance outstanding as at balance sheet date:		
	- Subsidiaries	--	250.00
	- Joint Ventures	--	--
	- Associates	--	--

* The amounts reported are at gross amounts, without considering provisions made.

#Includes loan given to employees.

b. The investments made, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

c. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

d. According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

e. No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

f. According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014, as amended, would apply. Accordingly, clause (v) of paragraph 3 of the Order is not applicable to the Company.

(vi) To the best of our knowledge and according to the information and explanations given to us, the Company is not required to maintain cost records pursuant to Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, cess and other material statutory dues applicable to it to the appropriate authorities except for slight delay in a few cases of tax deducted at source and Goods and Services Tax. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Custom Duty, Goods and Services Tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2022

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

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

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (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, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (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 (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(b) To the best of our knowledge, 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) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year (and upto the date of this report)

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (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 of the company issued till date, for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

(d) The Group does not have any CIC as part of the group and accordingly reporting under clause (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) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.117365W)

Hardik Sutaria
(Partner)
(Membership No.116642)
UDIN:22116642ANZLFL6431

Place: Ahmedabad
Date: August 01, 2022

Standalone Balance Sheet

as at March 31, 2022

Particulars	Note	As at March 31, 2022 (₹in lakhs)	As at March 31, 2021 (₹in lakhs)
ASSETS			
I Financial Assets			
(a) Cash and Cash equivalents	4	1,081.01	7,385.80
(b) Bank Balances other than (a) above	5	20.14	27.16
(c) Securities for trade	6	1,039.51	1,271.48
(d) Trade receivables	7	4,336.38	3,024.86
(e) Loans	8	42.16	35.04
(f) Investments	9	2,339.93	4,014.87
(g) Other financial assets	10	817.75	696.04
Total Financial Assets		**9,676.88**	**16,455.25**
II Non-Financial Assets			
(a) Current Tax Asset (net)	30	104.85	16.02
(b) Deferred Tax Assets (net)	30	-	197.03
(c) Property, Plant and Equipment	11	1,394.63	1,488.02
(d) Right of use assets	12	917.65	762.03
(e) Intangible assets	13	14,607.24	33.58
(f) Other non-financial assets	14	448.18	210.10
Total Non-Financial Assets		**17,472.55**	**2,706.78**
Total Assets		**27,149.43**	**19,162.03**
LIABILITIES AND EQUITY			
Liabilities			
I Financial Liabilities			
(a) Trade payables	15		
(a) Total outstanding dues of micro enterprises and small enterprises		-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		4,476.48	3,006.87
(b) Lease liabilities	16	963.86	817.49
(c) Other financial liabilities	17	7.82	19.63
Total Financial Liabilities		**5,448.16**	**3,843.99**
II Non-Financial Liabilities			
(a) Current Tax Liability (net)	30	-	102.79
(b) Deferred Tax Liabilities (net)	30	164.73	-
(c) Provisions	18	432.55	430.23
(d) Other non-financial liabilities	19	1,444.17	950.18
Total Non-Financial Liabilities		**2,041.45**	**1,483.20**
Equity			
(a) Equity Share capital	20	2,070.33	103.36
(b) Instrument entirely equity in nature	21	-	0.16
(c) Other equity	22	17,589.49	13,731.32
Total Equity		**19,659.82**	**13,834.84**
Total Liabilities and Equity		**27,149.43**	**19,162.03**

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

In terms of our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Hardik Sutaria
Partner

Place : Ahmedabad
Date: August 01, 2022

For and on behalf of the Board of Directors of
Prudent Corporate Advisory Services Limited

Sanjay Shah
Chairman and Managing Director
DIN : 00239810

Shirish Patel
Whole Time Director and CEO
DIN : 00239732

Chirag Shah
Whole Time Director
DIN : 01480310

Chirag Kothari
Chief Financial Officer

Dhaval Ghetia
Company Secretary

Place : Ahmedabad
Date: August 01, 2022

Standalone Statement of Profit and Loss
for the year ended March 31, 2022

Prudent
— Money through wisdom —

Particulars	Note	For the year ended March 31, 2022 (₹in lakhs)	For the year ended March 31, 2021 (₹in lakhs)
Revenue from Operations			
I Commission and Fees Income	23	38,684.81	23,476.41
II Net gain on fair value changes	24	393.22	564.47
Total Revenue from Operations		**39,078.03**	**24,040.88**
III Other Income	25	661.30	790.20
IV Total Income (I) + (II) + (III)		**39,739.33**	**24,831.08**
V Expenses:			
Commission and Fees expenses		23,635.52	14,451.15
Employee benefits expense	26	5,363.60	4,316.16
Finance costs	27	196.58	79.69
Depreciation and amortization expense	28	1,177.46	673.62
Other expenses	29	1,546.09	1,116.14
Total Expenses (V)		**31,919.25**	**20,636.76**
VI Profit before tax (IV) - (V)		**7,820.08**	**4,194.32**
VII Tax expense	30		
Current tax		1,588.36	1,066.77
Deferred tax		365.27	6.88
VII Total tax expenses		**1,953.63**	**1,073.65**
VIII Profit for the year (VI) - (VII)		**5,866.45**	**3,120.67**
IX Other Comprehensive Income (OCI)			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of the defined benefit plans		(13.96)	4.23
(ii) Income tax relating to items that will not be reclassified to profit or loss		3.51	(1.06)
Total Other Comprehensive Income (IX)		**(10.45)**	**3.17**
X Total Comprehensive Income for the Year (VIII) + (IX)		**5,856.00**	**3,123.84**
XI Earnings per equity share	31		
- Basic [in ₹]		14.18	7.55
- Diluted [in ₹]		14.18	7.54

The accompanying notes are an integral part of these Standalone Financial Statements.
In terms of our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Hardik Sutaria
Partner

Place : Ahmedabad
Date: August 01, 2022

For and on behalf of the Board of Directors of
Prudent Corporate Advisory Services Limited

Sanjay Shah
Chairman and Managing Director
DIN : 00239810

Shirish Patel
Whole Time Director and CEO
DIN : 00239732

Chirag Shah
Whole Time Director
DIN : 01480310

Chirag Kothari
Chief Financial Officer

Dhaval Ghetia
Company Secretary

Place : Ahmedabad
Date: August 01, 2022

Standalone Statement of Cash Flows

for the year ended March 31, 2022

Contd...

Particulars	For the year ended March 31, 2022 (₹in lakhs)	For the year ended March 31, 2021 (₹in lakhs)
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	**7,820.08**	**4,194.32**
Adjustment for		
Less : Interest income	(82.66)	(66.54)
Less : Dividend income	(0.57)	(0.19)
Less : Unrealised gain on Securities held for Trade	32.89	(11.82)
Less : Net gain on Investments measured at FVTPL	(538.79)	(711.56)
Add : Depreciation and amortization expense	1,177.46	673.62
Add: Profit/(Loss) on sale of Property, Plant and Equipment (net)	(1.03)	(5.13)
Add : Finance costs	196.58	79.69
Operating Profit before working capital changes	**8,603.96**	**4152.39**
Changes in working capital:		
(Increase) / decrease in Trade receivables	(1,311.52)	(1,060.28)
(Increase) / decrease in Loans	(7.12)	16.90
(Increase) / decrease in Other Financial assets	(148.67)	(539.81)
(Increase) / decrease in Other Non-Financial assets	(238.08)	(105.53)
(Increase) / decrease in Securities held for Trade	199.08	(863.68)
Increase / (decrease) in Trade payables	1,469.61	1,023.49
Increase / (decrease) in Other financial liabilities	(11.81)	3.47
Increase / (decrease) in Other non-financial liabilities	494.00	263.76
Increase / (decrease) in Provisions	(11.64)	75.43
Cash generated from Operations	**9,037.81**	**2966.14**
Less : Direct Taxes (Paid)	(1,779.98)	(964.63)
Net cash generated from operating activities (A)	**7,257.83**	**2001.51**
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment and Intangible Assets	(136.40)	(173.20)
Acquisition of Customer Folios	(15,100.00)	-
Purchase of Investments	(22,040.90)	(32,929.48)
Proceeds from Sale of Investment	24,254.63	32,419.79
Proceeds from Sale of Property, Plant and Equipment	4.92	10.86
Dividend Income	0.57	0.19
Bank deposits / margin money withdrawn	28.61	-
Bank deposits / margin money (placed)	(20.00)	-
Loan given to subsidiary	(1,500.00)	(2,235.00)
Loan received back from subsidiary	1,500.00	2,235.00
Interest received	66.54	66.46
Net cash used in investing activities (B)	**(12942.03)**	**605.38**

Particulars	For the year ended March 31, 2022 (₹in lakhs)	For the year ended March 31, 2021 (₹in lakhs)
C CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Lease Liabilities	(393.00)	(357.26)
Dividend Paid	(31.01)	(25.84)
Loan Taken	7,600.00	-
Repayment of Loan	(7,600.00)	(14.73)
Finance Costs paid	(196.58)	(79.69)
Net cash used in financing activities (C)	**(620.59)**	**(477.52)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(6,304.79)**	**918.61**
Cash and cash equivalents at the beginning of the year	7,385.80	6,467.19
Cash and cash equivalents at the end of the year	**1,081.01**	**7,385.80**
Cash and cash equivalents comprises of:		
Cash on hand	4.58	4.57
Balances with banks		
In current accounts	1,076.43	7,381.23
Total cash and cash equivalents (Refer Note 4)	**1,081.01**	**7,385.80**

Notes:

1. The Standalone Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of the Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

2. Disclosure with regards to changes in liabilities arising from financing activities as set out in Ind AS 7 -Statement of cash flows is presented under note 17

The accompanying notes are an integral part of these Standalone Financial Statements.
In terms of our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Hardik Sutaria
Partner

Place : Ahmedabad
Date: August 01, 2022

For and on behalf of the Board of Directors of
Prudent Corporate Advisory Services Limited

Sanjay Shah
Chairman and Managing Director
DIN : 00239810

Shirish Patel
Whole Time Director and CEO
DIN : 00239732

Chirag Shah
Whole Time Director
DIN : 01480310

Chirag Kothari
Chief Financial Officer

Dhaval Ghetia
Company Secretary

Place : Ahmedabad
Date: August 01, 2022

Standalone Statement of Changes in Equity

for the year ended March 31, 2022

A. Equity share capital - Refer Note 20

(₹in lakhs)

Particulars	Amount
Balance as at April 01, 2020	**103.36**
Add: Issue of shares during the year	**-**
Balance as at March 31, 2021	**103.36**
Add: Shares issued for cash during the year	-
Add : Bonus Shares Issued	1,963.84
Add : Shares issued on split of face value of Equity Shares	-
Add : Conversion of Preference Shares	3.13
Balance as at March 31, 2022	**2,070.33**

B. Instrument entirely equity in nature - Refer Note 21

(₹in lakhs)

Particulars	Amount
Balance as at April 1, 2020	**0.16**
Add: Issue of shares during the year	**-**
Balance as at March 31, 2021	**0.16**
Add: Shares issued for cash during the year	-
Add : Bonus Shares Issued	2.97
Add : Shares issued on split of face value of Preference Shares	-
Less : Conversion in Equity Shares	(3.13)
Balance as at March 31, 2022	**-**

C. Other equity - Refer Note 22

(₹in lakhs)

Particulars	Reserves and Surplus			Total
	Securities Premium	General Reserves	Retained Earnings	
Balance as at April 01, 2020	**95.35**	**100.00**	**10,437.97**	**10,633.32**
Add: Net Profit for the year	-	-	3,120.67	3,120.67
Add/(Less): Re-measurement of the defined benefit plans	-	-	3.17	3.17
Total Comprehensive income/(loss) for the year	**-**	**-**	**3,123.84**	**3,123.84**
Less: Final dividend on Equity Shares	-	-	(25.84)	(25.84)
Less: Dividend @ 0.000001 % on Non-Cumulative Compulsory Convertible Preference Shares ('NCCCPS')	-	-	*-	*-
Balance as at March 31, 2021	**95.35**	**100.00**	**13,535.97**	**13,731.32**
Add: Net Profit for the year	-	-	5,866.45	5,866.45
Add/(Less): Remeasurement of the defined benefit plans	-	-	(10.45)	(10.45)
Total Comprehensive income/(loss) for the year	**-**	**-**	**5,856.00**	**5,856.00**
Less: Final dividend on Equity Shares	-	-	(31.01)	(31.01)
Less:Bonus shares issued during the year	-	-	(1,966.82)	(1,966.82)
(Less): Dividend @ 0.000001 % on Non-Cumulative Compulsory Convertible Preference Shares ('NCCCPS')	-	-	*-	*-
Balance as at March 31, 2022	**95.35**	**100.00**	**17,394.14**	**17,589.49**

The accompanying notes are an integral part of these Standalone Financial Statements.
*- Figure nullified in conversion of ₹in lakhs

In terms of our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Hardik Sutaria
Partner

Place : Ahmedabad
Date: August 01, 2022

For and on behalf of the Board of Directors of
Prudent Corporate Advisory Services Limited

Sanjay Shah
Chairman and Managing Director
DIN : 00239810

Shirish Patel
Whole Time Director and CEO
DIN : 00239732

Chirag Shah
Whole Time Director
DIN : 01480310

Chirag Kothari
Chief Financial Officer

Dhaval Ghetia
Company Secretary

Place : Ahmedabad
Date: August 01, 2022

Notes to the Standalone Financial Statements
for the year ended March,31 2022

1 Corporate information

Prudent Corporate Advisory Services Ltd was incorporated on June 4, 2003 under the provisions of Companies Act, 1956 and is a Public Company domiciled in India. Its registered office is situated at Prudent House, Panjra Pole Cross Road, Nr. Polytechnic, Ambawadi, Ahmedabad, Gujarat, India. After the year ended March 31, 2022, the Company concluded its Initial Public Offering ('IPO') on May 20,2022 through offer for sale of equity Shares by the existing shareholder and its equity shares are listed on recognised stock exchanges of India.

The Company is mainly engaged in business of advisory and distribution of various mutual funds existing in India. Apart from distributing mutual funds, the Company is also acting as agent/broker for real estate and distribution of other financial products like bonds, deposits, debentures, loan against securities, PMS Products, unlisted shares, AIFs, NPS, Structure Products etc. The Company is also a stock broker and having membership of National Stock Exchange of India (NSE), Bombay Stock Exchange Limited (BSE) in cash segment and a depository participant with Central Depository Services (India) Limited (CDSL).

2 Basis of preparation and Presentation:

A Statement of Compliance:

The Standalone Financial Statements of Company comprise the Standalone Balance Sheet as at March 31, 2022, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income/Loss), the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Equity for the year ended March 31, 2022, and a summary of significant accounting policies and other explanatory information, (together referred to as the "Standalone Financial Statements").

The Standalone Financial Statements have been prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, the provisions of the Companies Act, 2013 ("the Act") to the extent notified and other accounting principles generally accepted in India. These Financial Statements have been approved by the board of directors in its meeting held on August 01, 2022.

These Standalone Financial Statements have been prepared under historical cost convention on accrual basis except certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies. Historical cost is generally based on the fair value of consideration given in exchange for goods and services.

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by the Company, to all the periods presented in the said standalone financial statements.

The preparation of the said standalone financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas where estimates are significant to the standalone financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 2E.

The standalone financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of standalone financial statements' and Division III of Schedule III of the Act .

B Basis of Measurement

The Standalone Financial Statements have been prepared on accrual and going concern basis under the historical cost convention except for certain class of financial assets/ liabilities, and net liability for defined benefit plans that are measured at fair value. The accounting policies have been consistently applied by the Company unless otherwise stated.

C Functional and Presentation Currency

The Standalone Financial Statements have been prepared and presented in Indian Rupees (INR), which is also the Company's functional currency.

D Rounding off

All amounts disclosed in the Standalone Financial Statements and notes have been rounded off to the nearest Lakhs unless otherwise stated.

E Key accounting estimates and judgement:

The preparation of Standalone Financial Statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial period, are included in the following notes:

(i) Depreciation / amortisation and useful lives of property, plant and equipment / intangible assets :-

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates. (Refer note 3A, 3B & 45)

(ii) Measurement of defined benefit obligations

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Refer Note 3H.

(iii) Recognition and measurement of provisions and contingencies

The Company recognises a provision if it is probable that an outflow of cash or other economic resources will be required to settle the provision. If an outflow is not probable, the item is treated as a contingent liability. Risks and uncertainties are taken into account in measuring a provision. Refer Note 3J.

(iv) Recognition of deferred tax assets/liabilities

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies and future recoverability of deferred tax assets. Refer Note 3I.

(v) Impairment of financial assets

The Company recognises loss allowances for expected credit losses on its financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit- impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. (Refer Note 3E (2)(v))

(vi) Fair Value Measurement

Fair value is the price at the measurement date, at which an asset can be sold or paid to transfer a liability, in an orderly transaction between market participants. The Company's accounting policies require, measurement of certain financial / non-financial assets and liabilities at fair values (either on a recurring or non-recurring basis). Also, the fair values of financial instruments measured at amortised cost are required to be disclosed in the said Standalone Financial Statements.

The Company is required to classify the fair valuation method of the financial / non-financial assets and liabilities, either measured or disclosed at fair value in the Standalone Financial Statements, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurement). Accordingly, 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.

The three levels of the fair-value-hierarchy are described below:

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

Level 2: Significant inputs to the fair value measurement are directly or indirectly observable

Level 3: Significant inputs to the fair value measurement are unobservable.

(vii) Assessment of Business Combination

Note 45 describes the acquisition of identified customer folios of Karvy Stock Broking Limited. The management of the Company has assessed whether the said acquisition meets the definition of Business in accordance with Ind AS 103 Business Combination. In making such assessment, the management has exercised judgement while evaluating all the relevant facts and circumstances of the acquisition, including those related to inputs, substantive processes and outputs and concluded that the acquisition does not qualify as a Business in accordance with Ind AS 103 as Company has only acquired customer folios and accordingly, the same has been accounted as acquisition of intangible assets under Ind AS 38.

Notes to the Standalone Financial Statements

for the year ended March,31 2022

3 Summary of Significant Accounting Policies

A Property, Plant and Equipment

Items of property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost is inclusive of freight, duties, taxes or levies (net of recoverable taxes) and any directly attributable cost of bringing the assets to their working condition for intended use.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as “Capital work-in-progress”.

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 carrying amount and net realisable value and are shown separately in theStandalone Financial Statements. Any write-down in this regard is recognised immediately in the Standalone Statement of Profit and Loss.

An item of Property, Plant and Equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising between sale proceeds and carrying value on derecognition is recognised in the Standalone Statement of Profit and Loss.

Depreciable amount for assets is the cost of an assets less its estimated residual value. Based on management’s evaluation, useful life prescribed in Schedule II of the Act represent actual useful life of Property, Plant and Equipment. Accordingly, the Company has used useful lives as mentioned in Schedule II of the Companies Act 2013 to provide depreciation of different class of its Property, Plant and Equipment. The Company provides depreciation on reducing balance method as per the useful life mentioned in Schedule II of the Act. Any change in estimate is accounted on prospective basis.

The estimated useful lives of Property, Plant and Equipment are as follows :

Class of assets	Useful Life (in years)
Building	60 Years
Office Equipment	5 Years
Furniture and Fixtures	5 to 10 Years
Computer Equipment	3 to 6 Years
Vehicles	8 Years

Depreciation on addition is being provided on pro rata basis from the date of such additions. Depreciation on asset sold, discarded, disabled or demolished during the period is being provided up to the date in which such assets are sold, discarded, disabled or demolished.

B Intangibles assets

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial period end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Standalone Statement of Profit and Loss.

The estimated useful lives of intangible assets are as follows :

Class of assets	Useful Life (in years)
Software	5 years
Customer Folios	10 years (Refer note - 45)

C Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets, other than inventories and deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of such asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Standalone Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

Reversal of impairment losses recognised in earlier years is recorded when there is an indication that the impairment losses recognised for the asset/cash generating unit no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for that asset/cash generating unit in earlier years. Reversal of impairment loss is directly recognised in the Standalone Statement of Profit and Loss.

D Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Standalone Statement of Profit and Loss in the period in which they are incurred.

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. The financial instruments are recognised in the balance sheet when the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial instruments at initial recognition.

(1) Initial Recognition and Measurements

A financial asset and financial liability is initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the Standalone Statement of Profit and Loss.

Where the fair value of a financial asset or 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 Standalone 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 Standalone 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 assets or financial liability.

Trade receivables that do not contain a significant financing component are measured at transaction price.

(2) Subsequent Measurements

(a) Financial Assets

For purposes of subsequent measurement, financial assets are classified based on assessment of business model in which they are held. This assessment is done for portfolio of the financial assets. The relevant categories are as below:

(i) At amortised cost:

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL):

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

(ii) At fair value through Other comprehensive income (FVTOCI)

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

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

(iii) At fair value through profit and loss (FVTPL)

Financial assets which are not measured at amortised cost or OCI and are held for trading are measured at FVTPL. Fair value changes related to such financial assets are recognised in the Standalone Statement of Profit and Loss.
Based on the Company's business model, the Company has classified its securities held for trade and Investment in Mutual Funds at FVTPL.

iv) Investment in Equity Instruments

Investment in Subsidiaries, Associates and Joint ventures are out of scope of Ind AS 109 and hence, the Company has accounted for its investment in Subsidiaries at cost.
All other equity investments in scope of Ind AS 109, are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For equity instruments other than held for trading, the Company has irrevocable option to present in Other Comprehensive Income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Where the Company classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts of profit or loss from OCI to Standalone Statement of Profit and Loss, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Standalone Statement of Profit and Loss.

(v) Impairment of Financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss, otherwise lifetime ECL is used.

However, only in case of trade receivables, the Company applies the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Expected credit losses rate the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss 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 Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

(vi) Derecognition of Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Standalone Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Standalone Statement of Profit and Loss on disposal of that financial asset.

(b) Financial Liabilities

All financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method or at FVTPL.

(i) At amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Under the effective interest method, the future cash payments 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 liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Standalone Statement of Profit and Loss.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

(ii) At Fair Value through Profit and Loss:

A financial liability may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability whose performance is evaluated on a fair value basis, in accordance with the Company's documented risk management.

Fair value changes related to such financial liabilities are recognised in the Standalone Statement of Profit and Loss.

(iii) Derecognition of Financial Liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Standalone Statement of Profit and Loss.

(iv) Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset when the Company has a legally enforceable right (not contingent on future events) to off-set the recognised amounts either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(3) 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.

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument as per the relevant standards.

Ordinary shares are classified as Equity when the Company has an un-conditional right to avoid delivery of cash or another financial asset, that is, when the dividend and repayment of capital are at the sole and absolute discretion of the Company and there is no contractual obligation whatsoever to that effect.

(4) Derivative Financial Instruments

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. The resulting gain or loss is recognised in Standalone Statement of Profit and Loss immediately.

F Foreign currency transactions

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transactions. Monetary assets and liabilities outstanding at the period-end are translated at the rate of exchange prevailing at the period-end and the gain or loss, is recognised in the Standalone Statement of Profit and Loss.

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the Balance Sheet date are restated at the period-end rates. Non-monetary items of the Company are carried at historical cost.

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Standalone Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

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

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

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

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

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

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

Revenue from contracts with customers is recognised when control of the services are transferred to the customer which can be either at a point in time or over time, at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services.

Revenue recognized are exclusive of goods and service tax, stamp duties and other levies by Security Exchange Board of India (SEBI) and exchanges.

The Company recognises revenue from the following major sources:

(i) Commission and Fees Income from distribution of financial products (i.e. Mutual Funds, Bonds, Fixed Deposits, Non-convertible Debentures, Portfolio Management Services etc.)

(ii) Commission Income from Sale of Properties

Commission and Fees Income relating to Distribution of Financial Products: Fees on distribution services are recognized at a point in time when the service obligations are completed and when the terms of contracts are fulfilled.

Commission Income from Sale of Properties: Brokerage income from sale of non-financial properties is recognised at the point the sale when the performance obligation which gives rise to the commission income is satisfied and when the right to receive the income is established. The date of the agreement is considered as point in time when the performance obligation is satisfied.

Interest Income

Interest income on financial assets is recognised using the Effective Interest Rate (EIR) method. The EIR is the rate that exactly discounts estimated future cash flows of the financial asset through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument.

Dividend Income

Dividend income is recognised when the right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

H Employees Benefit

Employee benefits include short term employee benefits, provident fund, employee's state insurance, gratuity and compensated absences.

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. The Company 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.

Defined Contribution Plan

The Company's contribution to Provident Fund and Employee State Insurance Scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. The Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Defined Benefit Plan

The Company provides for the gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The Company contributes Gratuity liabilities to the Prudent Corporate Advisory Services Limited Employee Group Gratuity Fund (the Trust). Trustees administer contributions made to the Trusts and contributions are invested in Insurer Managed Funds. Net Obligation is recognised as asset/liability.

Re-measurements of the net defined benefit liability comprising actuarial gains and losses (excluding amounts included in net interest on the net defined benefit liability) and, are recognized in Other Comprehensive Income. Such re-measurements are not reclassified to the Standalone Statement of Profit and Loss in the subsequent year. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income.

Long-term employee benefits

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the period are treated as other long term employee benefits and is unfunded. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of the each period. Actuarial losses/ gains are recognised in the Standalone Statement of Profit and Loss in the period in which they arise.

I Current and deferred tax

Tax on Income comprises current and deferred tax.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the reporting period in accordance with the Income-tax Act, 1961 enacted in India and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantially enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities in Standalone Financial Statements and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantially enacted as on reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is also recognised in respect of carried forward tax losses and tax credits subject to the assessment of reasonable certainty of recovery. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Deferred tax relating to items recognised outside the standalone Statement of Profit and Loss is recognised outside with the underlying items i.e. either in the statement of other comprehensive income or directly in equity as relevant.

J Provisions and contingent liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Standalone Statement of Profit and Loss net of any reimbursement. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

K Leases: Right-of-use assets and Lease liabilities

i) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets (“RoU Assets”) at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (i) Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

L Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents for the purpose of Statement of Cash Flow comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less.

M Earning per share

Basic earnings per share is computed by dividing the profit / (loss) for the period attributable to equity share holder by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit/(loss) for the period attributable to Equity Share holders and the weighted average number of shares outstanding during the period are adjusted for effects of all dilutive portential equity shares.

N Dividend on Ordinary Shares

The Company recognizes a liability to make cash to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the Act, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

O Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108 - Operating Segments, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

P Cash flow statement

Cash flows are reported using the indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular operating, investing and financing activities of the Company are segregated based upon the available information.

Q New Accounting standards, amendments and interpretations adopted by the Company effective from April 1, 2021:

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended March 31, 2021, except for amendments to the existing Indian Accounting Standards (Ind AS). The Company has not early adopted any other standard, Interpretation or amendment that has been issued but is not yet effective. The Company applied following standards, for the accounting periods beginning on or after 1 April 2021.

Notes to the Standalone Financial Statements

for the year ended March,31 2022

1. **Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116**

   The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

   The amendments include the following practical expedients:

   -A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest.
   -Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued.
   -Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

   The adoption of these amendments did not have any material impact on the standalone financial statements. The Company intends to use the practical expedients in future periods if they are applicable.

2. **Conceptual framework for financial reporting under Ind AS issued by ICAI**

   The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

   The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS .includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

   The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

   The adoption of these amendments did not have any impact on the standalone financial statements

3. **Ind AS 116: COVID-19 related rent concessions**

   MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021

   The adoption of these amendments did not have any material impact on the standalone financial statements.

4. **Ind AS 103: Business combination**

   The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

   There was no such transaction during the year so these amendments no impact on the financial statements of the Company.

5. **Amendment to Ind AS 105, Ind AS 16 and Ind AS 28**

   The definition of “Recoverable amount” is amended such that the words “the higher of an asset’s fair value less costs to sell and its value in use” are replaced with “higher of an asset’s fair value less costs of disposal and its value in use”. The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

   The adoption of these amendments did not have any material impact on the standalone financial statements.

4 Cash and Cash equivalents

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(measured at amortised cost)		
Cash on Hand	4.58	4.57
Balance with Banks:		
- In current accounts	1,076.43	7,381.23
Total	**1,081.01**	**7,385.80**

5 Bank Balances other than (a) above

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(measured at amortised cost)		
Deposits held as Margin Money*	20.00	20.00
Interest accrued but not due on Bank Deposits	0.14	7.16
Total	**20.14**	**27.16**

*Includes Deposits under lien amounting to ₹20 Lakhs with Pension Fund Regulatory and Development Authority.

6 Securities for trade

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Quoted - measured at Fair value through profit and loss		
Bonds*	768.40	1,086.99
Equity Shares**	34.34	63.19
Unquoted - measured at Fair value through profit and loss		
Bonds*	6.42	-
Equity Share**	80.35	121.30
Preference Share***	150.00	-
Total	**1,039.51**	**1,271.48**

*** Details of Bonds - Securities held for trade**

(₹in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Number of Bonds	FV per Bond (in ₹)	Value (₹in lakhs)	Number of Bonds	FV per Bond (in ₹)	Value (₹in lakhs)
Quoted Bonds						
Indusind Bank Ltd Perp Bond 2024@10.50%	-	-	-	5	1,000,000	50.00
L&T Finance Holdings Ltd 2023@7.95%	-	-	-	7,000	100	8.40
Punjab & Sind Bank Bond 2022 @ 10.90%	-	-	-	2	1,000,000	19.87
BOB Perp Bond 2025 @ 8.25%	-	-	-	1	1,000,000	9.92
Central Bank of India 2023@9.90%	-	-	-	4	1,000,000	40.48
Mahanagar Telephone Ltd 2030@7.05%	-	-	-	10	1,000,000	100.73

Notes to the Standalone Financial Statements
for the year ended March,31 2022

(₹in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Number of Bonds	FV per Bond (in ₹)	Value (₹in lakhs)	Number of Bonds	FV per Bond (in ₹)	Value (₹in lakhs)
PFC 2036@7.15%	-	-	-	5,000	1,000	51.35
The Karur Vysya Bank Ltd Bond 2029@11.95%	-	-	-	42	100,000	43.09
UPPCL 2024 @ 9.75%	-	-	-	10	1,000,000	101.43
UPPCL 2028 @ 10.15%	-	-	-	1	1,000,000	10.62
Bank of Maharashtra 2025@7.75%	4	1,000,000	40.60	5	1,000,000	49.68
Ghazibad Nagar Nigam 2026@8.10%	37	142,900	53.99	-	-	-
ICICI Home Finance 2030@7.50%	-	-	-	4	500,000	20.06
IIFCL Bond 2033 @ 7.40%	-	-	-	2,093	1,000	25.58
India Grid Trust 2031@8.20%	3,839	1,000	42.33	-	-	-
Indian Bank 2025@8.44%	-	-	-	10	1,000,000	99.70
Punjab National Bond 2025 @ 9.15%	4	1,000,000	41.20	-	-	-
State Bank of India 2025@7.74%	8	1,000,000	80.65	9	1,000,000	90.55
Union Bank Ltd Bond 2026@9.50%	3	1,000,000	31.89	-	-	-
ECL Finance Limited 2028@9.85%	509	1,000	4.91	-	-	-
Hinduja Leyland Finance Ltd 2026@9.75%	-	-	-	10	1,000,000	99.25
IIFL Finance Ltd 2028@10%	5	1,000	0.05	-	-	-
Piramal Capital and Housing Finance Ltd 2031@6.75%	2,650	975	21.41	-	-	-
UPPCL 2025@8.97%	-	-	-	5	1,000,000	52.27
UPPCL 2026 @ 10.15%	-	-	-	7	1,000,000	74.20
UPPCL 2025 @ 10.15%	1	1,000,000	10.65	-	-	-
Asirvad Microfinance Ltd 2024	3	1,000,000	31.44	-	-	-
Belstar Microfinance Limited NCD 2024	1	1,000,000	10.03	-	-	-
BOB Perp Bond 2025 @ 8.50%	8	1,000,000	82.28	13	1,000,000	139.81
Edelweiss Financial Services Ltd 2023@11%	2	1,000,000	19.90	-	-	-
HDFC 2031@7.10%	1	1,000,000	9.96	-	-	-
Housing Development Finance Co Ltd 2031@7.05%	10	1,000,000	99.17	-	-	-
Mahindra and Mahindra Financial Ser Ltd 2031@7.45%	2	1,000,000	20.00	-	-	-
Muthoot finance ltd bond 2027@10.26%	51	100,000	52.53	-	-	-
Nabard Tax Free Bond 2026@7.29%	600	1,000	6.52	-	-	-
Rajasthan Rajya Vidyut Prasaran Nigam Ltd 2024	1	500,000	4.33	-	-	-
Rajasthan Rajya Vidyut Prasaran Nigam Ltd 2026	4	500,000	13.84	-	-	-
Tata Capital Housing Finance Ltd 2032@7.50%	9	1,000,000	90.72	-	-	-
Total			**768.40**			**1,086.99**
Unquoted Bonds						
Muthoot finance ltd bond 2031@8%	600	1,000	6.42	-	-	-
Total			**6.42**			**-**
Total			**774.82**			**1,086.99**

** Details of Equity Shares - Securities held for trade

(₹in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Number of shares	FV per share (in ₹)	Value (₹in lakhs)	Number of shares	FV per share (in ₹)	Value (₹in lakhs)
Quoted Shares						
HEC Infra Projects Limited	-	-	-	7,200	10	8.51
Maheshwari Logistics Limited	-	-	-	6,000	10	8.95
Nazara Technology Limited	2,000	4	32.75	2,000	4	29.30
Reliance Nippon Life Asset Management Limited	-	-	-	1,514	10	5.15
Suryoday Small Finance Bank Limited	1,810	10	1.59	1,810	10	4.96
Wealth First Portfolio Managers Limited	-	-	-	3,000	10	6.32
Total			**34.34**			**63.19**
Unquoted Shares						
Capital Small Finance Bank Limited	-	-	-	250	10	0.65
Chennai Super Kings Cricket Limited	290	0.1	0.60	1,080	0.1	0.86
Cochin International Airport Limited	3	10	0.01	-	-	-
Fino Paytech Limited	10,330	10	19.11	14,390	10	30.51
HDB Financial Services Limited	-	-	-	2,460	10	23.74
HDFC Securities Limited	35	10	5.60	75	10	6.75
Hero Fin Corp Limited	-	-	-	150	10	1.64
Kurlon Enterprises Limited	4	5	0.03	85	5	0.62
Maharashtra Knowledge Corporation Limited	50	10	0.20	-	-	-
Merino Industries Limited	250	10	8.25	390	10	11.31
Mohan Meakin Limited	-	-	-	550	5	4.90
NCL Buildtek Limited	-	-	-	890	10	1.76
Reliance Retail Limited	990	10	33.66	480	10	7.32
Shriram Life Insurance Co Limited	-	-	-	1,000	10	1.98
Sterlite Power Transmission Limited	800	2	7.60	-	-	-
Studds Accessories Limited	-	-	-	1,400	5	21.35
Tamil Nadu Mercantile Bank Limited	-	-	-	250	10	1.23
Tata Technologies Limited	80	10	4.70	220	10	3.88
Utkarsh CoreInvest Limited	360	10	0.59	1,400	10	2.80
Total			**80.35**			**121.30**

*** Details of Preference Shares - Securities held for trade

(₹in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Number of shares	FV per share (in ₹)	Value (₹in lakhs)	Number of shares	FV per share (in ₹)	Value (₹in lakhs)
Quoted Shares						
Tata Capital Limited 2024@7.15%	5,000	1,000	50.00	-	-	-
Tata Capital Limited 2024@7.50%	10,000	1,000	100.00	-	-	-
Total			**150.00**			**-**

Notes to the Standalone Financial Statements
for the year ended March,31 2022

7 Trade receivables

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(measured at amortised cost)		
Unsecured, considered good:		
Receivable from Clients/Customers	4,319.41	3,009.82
Receivable from Exchanges	16.97	15.04
Total	**4,336.38**	**3,024.86**

(a) Carrying value of trade receivables may be affected by the changes in credit risk of the counterparties as explained in Note 34.

(b) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Also, no trade receivables are due from firms or private companies in which any director is a partner, member or director.

(c) The company has duly provided its services and fulfilled the performance obligations for the month of March 2021 in March 2021 itself, but as a part of its routine procedure, the company has raised the invoices subsequent to the month. Since, the company has an unconditional right to consideration and only the act of billing has been deferred, the same has been classified as Trade Receivable. This has been duly reflected as unbilled in the trade receivable ageing.

Trade receivable as at March 31, 2022

(₹in lakhs)

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Not due	Less than 6 Months	6 Months - 1 year	1 - 2 Year	2 -3 year	More than 3 years	
Undisputed Trade Receivable - Considered good	-	66.53	4,269.85	*-	-	-	-	4,336.38
Total	**-**	**66.53**	**4,269.85**	***-**	**-**	**-**	**-**	**4,336.38**

*- Figure nullified in conversion of ₹in lakhs

Trade receivable as at March 31, 2021

(₹in lakhs)

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Not due	Less than 6 Months	6 Months - 1 year	1 - 2 Year	2 -3 year	More than 3 years	
Undisputed Trade Receivable - Considered good	32.16	23.04	2,968.15	1.51	-	-	-	3,024.86
Total	**32.16**	**23.04**	**2,968.15**	**1.51**	**-**	**-**	**-**	**3,024.86**

8 Loans

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
(measured at amortised cost)		
Loans to Employees	42.16	35.04
Total	**42.16**	**35.04**

9 **Investments**

(i) **Investments in Preference Shares**

(₹in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Face Value (₹)	No. of Shares	Amount (₹ in lakhs)	Face Value (₹)	No. of Shares	Amount (₹ in lakhs)
(Quoted - measured at amortised cost)						
IL&FS Limited						
2021 Non Convertible Redeemable Preference Shares @ 16.06%	7,500	760	95.00	7,500	760	95.00
Less: Impairment Allowances			(95.00)			(95.00)
2021 Non Convertible Redeemable Preference shares @ 15.99%	7,500	40	5.00	7,500	40	5.00
Less: Impairment Allowances			(5.00)			(5.00)
Total			**-**			**-**

(ii) **Investments in Bonds**

(₹in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Face Value (₹)	No. of Bonds	Amount (₹ in lakhs)	Face Value (₹)	No. of Bonds	Amount (₹ in lakhs)
(Quoted - measured at amortised cost)						
IIFCL Bond 2029 @ 8.73%	1,000	670.00	7.92	1,000	670.00	7.92
NHAI Tax Free Bond 2022 @ 8.20%	-	-	-	1,000	983.00	10.57
PFC Tax Free Bond 2022 @ 8.20%	-	-	-	1,000	1,424.00	15.31
Total			**7.92**			**33.80**

(iii) **Investments in Equity Shares**

(₹in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Face Value (₹)	No. of Shares	Amount (₹ in lakhs)	Face Value (₹)	No. of Shares	Amount (₹ in lakhs)
(Quoted - measured at Fair value through profit and loss)						
HEC Infra Projects Limited	10	36,000	12.55	-	-	-
Maheshwari Logistics Limited	10	12,000	12.50	-	-	-
Reliance Nippon Life Asset Management Limited	10	1,514	5.27	-	-	-
Wealth First Portfolio Managers Limited	10	5,000	13.61	-	-	-
Total			**43.93**			**-**

(iv) **Investments in Mutual Funds**

(₹in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Face Value (₹)	No. of Units	Amount (₹ in lakhs)	Face Value (₹)	No. of Units	Amount (₹ in lakhs)
(Unquoted - measured at Fair value through profit and loss)						
ICICI Prudential Bluechip Fund Growth	10	33,554.05	22.00	10	387,101.73	207.60
Mirae Asset Large Cap Fund Growth Plan	10	26,921.00	20.84	10	59,525.00	38.99
Nippon India Multi Cap Fund-Growth Plan Growth Option	10	15,034.35	22.75	10	193,014.37	217.39

Notes to the Standalone Financial Statements
for the year ended March,31 2022

(₹in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Face Value (₹)	No. of Units	Amount (₹ in lakhs)	Face Value (₹)	No. of Units	Amount (₹ in lakhs)
SBI Focused Equity Fund Regular Plan Growth	10	9,090.99	21.23	10	113,937.29	213.15
SBI Focused Equity Fund Direct Plan	-	-	-	10	501.49	1.01
Axis Strategic Bond Fund Growth	-	-	-	10	4,822,778.17	1,018.73
Mirae Asset Emerging Bluechip Fund - Regular Plan Growth Option	-	-	-	10	105,594.63	82.94
Total			**86.82**			**1,779.81**

(v) Others

(₹in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Face Value (₹)	No. of Shares	Amount (₹ in lakhs)	Face Value (₹)	No. of Shares	Amount (₹ in lakhs)
(Unquoted - measured at Cost)						
Investment in Equity shares of Subsidiary Company						
Prudent Broking Services Private Limited	10	1,091,100	1,935.57	10	1,091,100	1,935.57
Prutech Financial Services Private Limited	10	100,000	39.14	10	100,000	39.14
Gennext Insurance Brokers Private Limited	10	870,000	226.55	10	870,000	226.55
Total			**2,201.26**			**2,201.26**
Total (i) + (ii) + (iii) + (iv)			**2,339.93**			**4,014.87**
Aggregate amount of Quoted Investments			51.85			33.80
Market value of Quoted Investments			52.18			36.54
Aggregate amount of Unquoted Investments			2,288.08			3,981.07

10 Other financial assets

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
(measured at amortised cost)		
Deposits with Exchange*	165.75	155.00
Interest accrued on deposits with exchange	2.49	1.28
Deposits for Leased premises	180.07	169.43
Margin with Exchange	10.00	21.00
Proposed IPO Expense Recoverable (Refer note : 36)	459.44	-
Non Trade Receivables	-	349.33
Total	**817.75**	**696.04**

* The above fixed deposits are under lien with stock exchange as security deposit and minimum base capital requirements

11 Property, Plant and Equipment

(₹in lakhs)

Particulars	Freehold Land *	Building *	Office Equipment	Furniture and Fixtures	Computer Equipment	Vehicles	Total
Gross Block							
Deemed Cost							
As at April 01, 2020	**402.71**	**661.23**	**133.31**	**259.43**	**252.17**	**118.72**	**1,827.57**
Additions during the year	-	17.37	33.38	56.92	64.49	-	172.16
Disposals/ Adjustments	-	-	0.30	0.12	0.10	9.54	10.06
As at March 31, 2021	**402.71**	**678.60**	**166.39**	**316.23**	**316.56**	**109.18**	**1,989.67**
Additions during the year	-	-	21.99	38.51	70.90	-	131.40
Disposals/ Adjustments during the year	-	-	1.76	1.12	0.80	5.25	8.93
As at March 31, 2022	**402.71**	**678.60**	**186.62**	**353.62**	**386.66**	**103.93**	**2,112.14**
Accumulated Depreciation							
As at April 01, 2020	**-**	**31.86**	**38.74**	**66.05**	**87.88**	**37.07**	**261.60**
Additions during the year	-	33.67	36.21	58.89	91.18	24.44	244.39
Disposals/ Adjustments	-	-	0.23	0.02	0.04	4.05	4.34
As at March 31, 2021	**-**	**65.53**	**74.72**	**124.92**	**179.02**	**57.46**	**501.65**
Additions during the year	-	31.48	33.30	54.20	87.26	16.44	222.68
Disposals/ Adjustments during the year	-	-	1.34	0.93	0.35	4.20	6.82
As at March 31, 2022	**-**	**97.01**	**106.68**	**178.19**	**265.93**	**69.70**	**717.51**
Net Carrying Value as at March 31, 2022	**402.71**	**581.59**	**79.94**	**175.43**	**120.73**	**34.23**	**1,394.63**
Net Carrying Value as at March 31, 2021	**402.71**	**613.07**	**91.67**	**191.31**	**137.54**	**51.72**	**1,488.02**

1. Building given on Operating Lease

(₹in lakhs)

Particulars		Gross Block	Accumulated Depreciation	Net Block
Building	**March 31, 2022**	**89.39**	**12.44**	**76.95**
	March 31, 2021	**89.39**	**8.50**	**80.89**

* The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) are held in the name of the Company as at the balance sheet date.

12 Right-of-use

(₹in lakhs)

Particulars	Carrying Amount as at April 1, 2021	Additions during the year	Deletion during the year	Amortisation during the year	Carrying Amount as at March 31, 2022
Office Premises	**762.03**	784.88	(202.68)	(426.58)	**917.65**
Particulars	**Carrying Amount as at April 01, 2020**	**Additions during the year**	**Deletion during the year**	**Amortisation during the year**	**Carrying Amount as at March 31, 2021**
Office Premises	**766.96**	404.84	-	(409.77)	**762.03**

The Company has leases for the office premises. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected in the Balance Sheet as a right-of-use asset and a lease liability.

Notes to the Standalone Financial Statements

for the year ended March,31 2022

13 Intangible Assets

(₹in lakhs)

Particulars	Computer Software	Customer Folios (Refer note - 3B & 45)	Total
Gross Block			
Deemed Cost			
As at April 01, 2020	**45.75**	-	**45.75**
Additions during the year	26.30	-	**26.30**
Disposals/ Adjustments	-	-	**-**
As at March 31, 2021	**72.05**	**-**	**72.05**
Additions during the year	5.02	15,100.00	**15,105.02**
Disposals/ Adjustments during the year	3.16	-	**3.16**
As at March 31, 2022	**73.91**	**15,100.00**	**15,173.91**
Accumulated Amortisation			
As at April 01, 2020	**19.01**	**-**	**19.01**
Additions during the year	19.46	-	**19.46**
Disposals/ Adjustments	-	-	**-**
As at March 31, 2021	**38.47**	**-**	**38.47**
Additions during the year	11.08	517.12	**528.20**
Disposals/ Adjustments during the year	-	-	**-**
As at March 31, 2022	**49.55**	**517.12**	**566.67**
Net Carrying Value as at March 31, 2022	**24.36**	**14,582.88**	**14,607.24**
Net Carrying Value as at March 31, 2021	**33.58**	**-**	**33.58**

14 Other non-financial assets

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advances to suppliers	314.11	99.96
Prepaid expenses	127.54	110.14
Other Receivable	6.53	-
Total	**448.18**	**210.10**

15 Trade payables

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(at amortised cost)		
(Refer Note - 36)		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		
-Payable to Vendors	4,231.93	2,943.32
-Payable to Clients	225.41	63.51
-Payable to Exchanges	19.14	0.04
Total	**4,476.48**	**3,006.87**

Details of dues to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

The amounts remaining unpaid to any supplier at the end of the year:

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Principal Amount	-	-
2. Interest Amount	-	-
The amounts of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

Trade payables as at March 31, 2022

(₹in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 Year	1 - 2 Year	2 -3 year	More than 3 years	
(I) MSME	-	-	-	-	-	-	-
(II) Others	571.58	66.22	3,838.62	0.06	-	-	4,476.48
(III) Disputed dues - MSME	-	-	-	-	-	-	-
(IV) Disputed dues - others	-	-	-	-	-	-	-
Total	**571.58**	**66.22**	**3,838.62**	**0.06**	**-**	**-**	**4,476.48**

Trade payables as at March 31, 2021

(₹in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 Year	1 - 2 Year	2 -3 year	More than 3 years	
(I) MSME	-	-	-	-	-	-	-
(II) Others	530.07	22.81	2,452.96	0.68	0.05	0.30	3,006.87
(III) Disputed dues - MSME	-	-	-	-	-	-	-
(IV) Disputed dues - others	-	-	-	-	-	-	-
Total	**530.07**	**22.81**	**2,452.96**	**0.68**	**0.05**	**0.30**	**3,006.87**

16 Lease Liabilities

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(at amortised cost)		
Opening Balance	**817.49**	**788.81**
Additions	757.93	385.94
Finance Costs	83.34	76.81
Cancellation of lease	(218.56)	0.00
Lease Payments	(476.34)	(434.07)
Total	**963.86**	**817.49**

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for the year ended March,31 2022

Lease payments not recognised as a liability

The Company has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

The expense relating to payment not included in the measurement of the lease liability mainly pertains to the short term leases.

Future minimum lease payments under leases together with the present value of the net minimum lease payments are as follows.

(₹in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Minimum Lease Payments	Finance charge allocated to future periods	Present Value of MLP	Minimum Lease Payments	Finance charge allocated to future periods	Present Value of MLP
Within 1 year	418.83	67.74	351.09	378.85	50.64	328.21
1 to 5 Years	678.72	65.95	612.77	548.01	58.73	489.28
More than 5 Years	-	-	-	-	-	-
Total minimum lease payments	**1,097.55**	**133.69**	**963.86**	**926.86**	**109.37**	**817.49**
Less: Amounts representing finance charges	(133.69)	-	-	(109.37)	-	-
Present value of minimum lease payments	**963.86**		**963.86**	**817.49**		**817.49**

17 Other financial liabilities

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(at amortised cost)		
Security deposits received	7.72	18.45
Other payable	0.10	1.18
Total	**7.82**	**19.63**

Disclosure with regards to changes in liabilities arising from financing activities - Ind AS 7 Statement of Cash Flows

Disclosure of changes in liabilities arising from financing activities, including changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses) is as under :

(₹in lakhs)

Particulars	Dividend	Borrowings (Including Interest)	Lease Liabilities	Total
As at April 1, 2020	**-**	**14.73**	**788.81**	**803.54**
Addition during the year	-	-	385.94	385.94
Charged to Profit and Loss	-	2.88	76.81	79.69
Dividend recognised during the year	25.84	-	-	25.84
Cash flow movement	(25.84)	(17.61)	(434.07)	(477.52)
As at March 31, 2021		**-**	**817.49**	**817.49**
Addition during the year	-	-	757.93	757.93
Charged to Profit and Loss	-	113.24	83.34	196.58
Adjustment / (Deletion)	-	-	(218.56)	(218.56)
Dividend recognised during the year	31.01	-	-	31.01
Cash flow movement	(31.01)	(113.24)	(476.34)	(620.59)
As at March 31, 2022	**-**	**-**	**963.86**	**963.86**

18 Provisions

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for gratuity (Refer Note 35)	284.99	315.62
Provision for compensated absences (Unfunded) (Refer Note 35)	147.56	114.61
Total	**432.55**	**430.23**

19 Other non-financial liabilities

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance received from customers (Contract liabilities)	20.29	70.03
Statutory dues	1,423.88	880.15
Total	**1,444.17**	**950.18**

20 Equity Share capital

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised		
4,80,00,000 Equity shares of ₹5/- each (March 31, 2021: 1,40,00,000 Equity shares of ₹10/- each)	2,400.00	1,400.00
Issued, subscribed and fully paid up		
Equity shares of ₹5/- each fully paid-up	2,070.33	103.36
(March 31, 2021: 10,33,600 Equity shares of ₹10/- each fully paid-up)		
Total issued, subscribed and fully paid-up share capital	**2070.33**	**103.36**

(i) Reconciliation of number of shares

(₹in lakhs)

Equity Shares	Number of Shares	Amount
Balance as at April 01, 2020	**1,033,600**	**103.36**
Add : Issue during the year	-	-
Balance as at March 31, 2021	**1,033,600**	**103.36**
Add : Shares issued for cash during the year	-	-
Add : Bonus Shares Issued*	19,638,400	1,963.84
Add : Shares issued on split of face value of Equity Shares*	20,672,000	-
Add : Conversion of Preference Shares (Refer Note -21(i))	62,680	3.13
Balance as at March 31, 2022	**41,406,680**	**2,070.33**

*Pursuant to the Board resolution dated, July 22, 2021 and Shareholders' resolution dated July 23, 2021, the Company has issued 19 bonus shares of face value ₹10 each for every 1 existing fully paid up equity share of face value ₹10 each and accordingly 1,96,38,400 bonus shares were issued, which were allotted on August 3, 2021 (the "Bonus Issue"). Further, each equity share of face value of ₹10 each of the Company has been split into two equity shares of face value of ₹5 each (the "Split") by capitalizing the Retained earnings of our Company.

(ii) Rights, preferences and restrictions attached to Equity shares

The Company has only one class of equity shares having a par value of ₹5/- per share. Each shareholder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shareholders holding more than 5% of the aggregate shares in the Company

Equity Shares	As at March 31, 2022	
	Number of Shares	% Holding
Sanjay R Shah	17,952,250	43.36%
Wagner Ltd.	16,562,680	40.00%
Maitry Shah	2,760,000	6.67%
Sakhi Shah	2,760,000	6.67%

Equity Shares	As at March 31, 2021	
	Number of Shares	% Holding
Sanjay R Shah	448,900	43.43%
Wagner Ltd.	412,500	39.91%
Maitry Shah	69,000	6.68%
Sakhi Shah	69,000	6.68%

(iv) Details of shareholders holding of Promoters as at March 31, 2022

Promoter Name	As at March 31, 2022		% change during the year
	Number of Shares	% total shares	
Sanjay R Shah	17,952,250	43.36%	-0.07%

Promoter Name	As at March 31, 2021		% change during the year
	Number of Shares	% total shares	
Sanjay R Shah	448,900	43.43%	0.00%

21 Instrument entirely equity in nature

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised		
20,00,000 Preference shares of ₹5/- each	100.00	100.00
(March 31, 2021: 10,00,000 Preference shares of ₹10/- each)		
Issued, subscribed and fully paid up		
Nil Non-Cumulative Compulsory Convertible Preference Shares (NCCCPS) of ₹5/- each fully paid-up	-	0.16
(March 31, 2021: 1,567 Non-Cumulative Compulsory Convertible Preference Shares (NCCCPS) of ₹10/- each fully paid-up		
	-	**0.16**

(i) Reconciliation of number of shares

Preference shares	Number of Shares	Amount
Balance as at April 01, 2020	**1,567**	**0.16**
Add : Issue during the year	-	-
Balance as at March 31, 2021	**1,567**	**0.16**
Add : Bonus Shares Issued #	29,773	2.97
Add : Shares issued on split of face values of Preference Shares #	31,340	-
Less : Conversion in Equity Shares**	(62,680)	(3.13)
Balance as at March 31, 2022	**-**	**-**

Pursuant to the Board resolution dated, July 22, 2021 and Shareholders' resolution dated July 23, 2021, the Company has issued 19 bonus shares of face value ₹10 each for every 1 existing fully paid up preference share of face value ₹10 each and accordingly 29,773 bonus shares were issued, which were allotted on August 3, 2021 (the "Bonus Issue") by capitalizing the Retained earnings of our Company. Further, each preference share of face value of ₹10 each of the Company has been split into two preference shares of face value of ₹5 each (the "Split").

** During the year company has allotted 62,680 Equity Shares of ₹5 each to Wagner Limited as fully paid up pursuant to conversion of Non Cummulative Compulsory Convertible Preference Shares. In accordance with the terms of the shareholders' agreement, the NCCCPS were converted into Equity Shares in the ratio of 1:1 without payment of any additional conversion price. Accordingly, no additional consideration was paid by Wagner Limited at the time of conversion of the NCCCPS into Equity Shares.

(ii) Rights, preferences and restrictions attached to Preference shares

The Company had outstanding 1,567 - 0.000001 % Non-Cumulative Compulsory Convertible Preference Shares ('NCCCPS') of ₹10 each issued at a premium of ₹6,027.68 per share. Each holder of preference shares has a right to vote only on resolutions placed before the Company which directly affects the right attached to preference shareholders. The Preference have been converted into Equity Shares in the ratio of 1:1 after bonus and split on November 30, 2021.

22 Other equity **(₹in lakhs)**

	As at March 31, 2022	As at March 31, 2021
(a) Securities Premium		
Balance as at beginning of the year	95.35	95.35
Add: Amount received during the year	-	-
Balance as at end of the year	**95.35**	**95.35**
(b) General Reserves		
Balance as at beginning of the year	100.00	100.00
Add: Additions during the year	-	-
Balance as at end of the year	**100.00**	**100.00**
(c) Retained Earnings		
Balance as at beginning of the year	13,535.97	10,437.97
Add : Net Profit / (Loss) for the year	5,866.45	3,120.67
Less: Dividend @ 0.000001 % on Non-Cumulative Compulsory Convertible Preference Shares ('NCCCPS')	*-	*-
Add/(Less) : Remeasurement of the defined benefit plans	(10.45)	3.17
Less:Utilised for issue of Bonus Shares	(1,966.82)	-
Less: Final dividend on Equity Shares	(31.01)	(25.84)
Balance as at end of the year	**17,394.14**	**13,535.97**
Total	**17,589.49**	**13,731.32**

Notes to the Standalone Financial Statements

for the year ended March,31 2022

Distribution made and proposed (₹in lakhs)

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Cash Dividend on Equity Share declared and paid		
Final Dividend for the year ended March 31, 2021 (₹3/- per Share) and March 31, 2020 (₹2.5 per share)	31.01	25.84
	31.01	**25.84**
Proposed Dividend on Equity Shares		
Final Dividend for the year ended March 31, 2022 proposed in the board meeting held on May 30, 2022 at ₹1/- per Share,(Final dividend for the previous year ended March 31, 2021 was decided ₹3 per share in the board meeting scheduled on July 22, 2021) #	414.07	31.01
Cash Dividend on Preference Share declared and paid		
Dividend @ 0.000001 % on Non-Cumulative Compulsory Convertible Preference Shares ('NCCCPS')	*-	*-
Proposed Dividend on Preference Shares		
Dividend @ 0.000001 % on Non-Cumulative Compulsory Convertible Preference Shares ('NCCCPS')	-	*-

*- Figure nullified in conversion of ₹in lakhs

#The Board of Directors have recommended a final dividend of ₹1/- (face value of ₹5/- each) (20%) per equity share for the year ended March 31, 2022 on 4,14,06,680 equity shares, amounting ₹414.07/- Lakhs subject to the approval of the shareholders at the ensuing Annual General Meeting and are not recognised as a liability.

(i) Securities Premium

Securities premium is received by the Company on issue of shares at premium. This balance will be utilised in accordance with the provisions of Section 52 of the Act towards issuance of fully paid bonus shares, write-off of preliminary expenses, commission/discount expenses on issue of shares/debentures, premium payable on redemption of redeemable preference shares/debentures and buy back of its own shares/securities under Section 68 of the Act.

(ii) General Reserves

General reserve is a free reserve, retained from the Company's profits and can be utilized upon fulfilling certain conditions in accordance with statute of the relevant Act.

(iii) Retained Earnings

Retained earnings comprise balances of accumulated (undistributed) profit and loss at each year end and balances of remeasurement of net defined benefit plans, less any transfers to general reserve that can be distributed by the Company as dividend to its shareholders in compliance with the requirements of the Act.

23 Commission and Fees Income

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Commission and Fees Income from :		
Distribution of Mutual Fund Products	37,984.56	23,097.57
Distribution of Insurance Products	20.29	21.26
Stock broking and allied services	38.13	3.23
Other Financial and Non Financial products	641.83	354.35
Total	**38,684.81**	**23,476.41**

(a) Reconciliation of gross revenue with revenue from contracts with customers

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Gross revenue (i.e. Contracted Price)	38,684.81	23,476.41
Less: Discounts, rebates, Price Concessions etc.	-	-
Total	**38,684.81**	**23,476.41**

Revenue from Geographical Markets

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
India	38,684.81	23,476.41
Outside India	-	-
Total	**38,684.81**	**23,476.41**

Timing of Recognition of Revenue

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue recognised for services provided at point of time	38,684.81	23,476.41
Revenue recognised for services provided over a period of year	-	-
Total	**38,684.81**	**23,476.41**

There are external customers having ₹8,694.03/- Lakhs and ₹10,110.26/- Lakhs representing 10% or more of the Company's total revenue for the year ended March 31, 2022 and March 31, 2021 respectively.

24 Net gain on fair value changes

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net gain/ (loss) on financial instruments at fair value through profit or loss		
Securities held for trading - designated at fair value through profit and loss	393.22	564.47
Total	**393.22**	**564.47**

Fair Value changes:

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Realised	426.11	552.65
Unrealised	(32.89)	11.82
Total	**393.22**	**564.47**

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for the year ended March,31 2022

25 Other Income

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income on financial assets - measured at amortised cost		
Interest on Bonds	60.89	38.96
Loans to Related Party (Refer Note 36)	0.35	1.87
Deposits with Banks	4.17	7.12
Loans to Employees	2.63	3.44
Others	14.61	15.15
Net gain on Investments measured at FVTPL	538.79	711.56
Dividend Income	0.57	0.19
Rent Income (Refer Note - 36)	8.14	6.70
Profit on sale of Property, Plant and Equipment (net)	1.03	5.13
Profit on Cancellation of Lease Contract	28.13	-
Miscellaneous Income	1.99	0.08
Total	**661.30**	**790.20**

26 Employee benefits expense

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	5,165.42	4,164.77
Contribution to provident fund and other fund (Refer Note 35)	61.59	51.62
Gratuity Expenses (Refer Note35)	67.34	61.75
Compensated Abscence Expenses (Refer Note 35)	47.88	32.27
Staff welfare expenses	21.37	5.75
Total	**5,363.60**	**4,316.16**

27 Finance costs

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Expense on financial liabilities measured at amortised cost		
Term Loan	-	1.00
Unsecure Loan from Related Party (Refer Note - 36)	112.15	-
Lease liabilities	83.34	76.81
Others	-	0.55
Bank Charges and Other Borrowing Costs	1.09	1.33
Total	**196.58**	**79.69**

28 Depreciation and amortization expense

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on Property, Plant and Equipment (Refer Note 11)	222.68	244.39
Amortization on ROU (Refer Note 12)	426.58	409.77
Amortization of Intangible assets (Refer Note 13)	528.20	19.46
Total	**1,177.46**	**673.62**

29 Other expenses

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rent	2.79	13.38
Electricity expenses	70.50	60.80
Repair and Maintenance		
- Building	21.61	17.75
- Others	123.31	64.68
Insurance expenses	81.86	56.90
Business promotion expenses	470.21	304.37
Postage and Communication Expenses	146.94	119.28
Travelling and Conveyance expenses	121.49	68.64
Legal and professional expenses	146.43	97.51
Commission and Sitting Fees to Director	51.50	18.00
Rates & taxes	14.72	17.32
Office expenses	70.22	54.95
Printing and Stationery Expenses	23.79	26.23
Expenditure on Corporate Social Responsibility (Refer Note : 40)	70.07	91.17
Membership and subscription	23.66	24.73
Auditor's Remuneration (Refer note (a) below)	11.48	13.48
Miscellaneous expenses	95.51	66.95
Total	**1,546.09**	**1,116.14**

(a) Payment to auditors*

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
As auditor (excluding applicable taxes)		
Statutory audit fee	11.33	13.33
Certification Fees	0.15	0.15
Others	-	-
Total	11.48	13.48

* Does not include payments made to auditors for various reports and certificates for the Company IPO which are recoverable from the selling shareholders.

30 Income tax expense

(i) Income tax expense recognised in Statement of Profit and Loss and OCI:

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A) Income tax expense recognised in Statement of Profit and loss:		
Current tax		
In respect of current year	1,640.20	1,071.00
In respect of earlier years	(51.84)	(4.23)
	1,588.36	**1,066.77**
Deferred tax		
In respect of current year	365.27	6.88
	365.27	**6.88**
B) Income tax expense recognised in OCI:		
Deferred tax		
In respect of current year	(3.51)	1.06
	(3.51)	**1.06**

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for the year ended March,31 2022

(ii) Reconciliation of tax expense and the accounting profit

The major components of tax expense and the reconciliation of the expected tax expense based on the effective tax rate of the Company at 25.17% and the reported tax expense in profit or loss are as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before tax	**7,820.08**	**4,194.32**
Tax Rate applied	25.17%	25.17%
Income tax expense calculated at the applicable tax rate on Profit before tax	**1,968.31**	**1,055.71**
Adjustment in Tax due to the following (tax benefit)/tax expenses		
Expenses not deductible for tax purpose (net)	17.72	23.03
Income Chargeable at Different tax rate	(51.31)	(6.42)
Others	70.75	5.57
Adjustments in respect of earlier years	(51.84)	(4.23)
Tax expenses recognised during the year	**1,953.63**	**1,073.66**
Effective Tax Rate	**24.98%**	**25.60%**

(iii) Deferred tax

Deferred tax liabilities are the amounts of income taxes payable in future years in respect of taxable temporary differences.

Deferred tax assets are the amounts of income taxes recoverable in future years in respect of deductible temporary differences.

Component of Deferred tax liabilities/assets are as follows:

Break up of Deferred tax (liabilities)/assets	As at April 01, 2021	Recognised in Statement of Profit and Loss	Recognised in OCI	As at March 31, 2022
Property, Plant and Equipment & Intangible Assets	64.29	(338.76)	-	(274.47)
Employee Benefit Obligations	108.27	(2.92)	3.51	108.86
Fair valuation of Financial Instruments	4.90	(6.64)	-	(1.74)
Impact on account of Right of Use and Lease Liability	19.57	(16.95)	-	2.62
Total	**197.03**	**(365.27)**	**3.51**	**(164.73)**

Break up of Deferred tax (liabilities)/assets	As at April 01, 2020	Recognised in Statement of Profit and Loss	Recognised in OCI	As at March 31, 2021
Property, Plant and Equipment & Intangible Assets	61.32	2.97	-	64.29
Employee Benefit Obligations	91.99	17.34	(1.06)	108.27
Fair valuation of Financial Instruments	46.06	(41.16)	-	4.90
Impact on account of Right of Use and Lease Liability	5.60	13.97	-	19.57
Total	**204.97**	**(6.88)**	**(1.06)**	**197.03**

The following table provides the details of income tax assets and income tax liabilities as of March 31, 2022 and March 31, 2021

(iv) Balance sheet Section

Particulars	As at March 31, 2022	As at March 31, 2021
Current Tax Asset (Net of Provision ₹1640.20 Lakhs)	104.85	16.02
Current Tax Liabilities (Net of Advance Tax and TDS Nil (As at March 31,2021 ₹968.21 Lakhs))	-	102.79
Net income tax assets/ (liabilities)	**104.85**	**(86.77)**

31 Earning per share (EPS)

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit / (Loss) after tax for calculation of basic EPS	5,866.45	3,120.67
Weighted average number of equity shares for calculating Basic EPS *	41,364,951	41,344,000
Weighted average number of equity shares and Preference Shares for Diluted EPS *	41,364,951	41,406,680
Nominal value per share (Rs)	5.00	5.00
Basic Earning Per Share (in Rupees)	14.18	7.55
Diluted Earning Per Share (in Rupees)	14.18	7.54

*Pursuant to the Board resolution dated, July 22, 2021 and Shareholders' resolution dated July 23, 2021, the Company has issued 19 bonus shares of face value ₹10 each for every 1 existing fully paid up equity share and preference share of face value ₹10 each and accordingly 1,96,68,173 bonus shares were issued, which were allotted on August 3, 2021 (the "Bonus Issue"). Further, pursuant to the resolution of the Board of Directors dated July 22, 2021 and shareholders' resolution dated July 23, 2021, each equity share and preference share of face value of ₹10 each of the Company has been split into two equity shares and two preference shares of face value of ₹5 each (the "Split"). As required under Ind AS 33 "Earnings per share" the effect of such Split and Bonus Issue are required to be adjusted for the purpose of computing earnings per share for all the periods presented retrospectively. As a result, the effect of the Split and the Bonus Issue have been considered in these Financial Information for the purpose of calculation of earnings per share.

Further, 62,680 Equity shares of ₹5 Each have been alloted to Wagner Limited on November 30, 2021 as fully paid up pursuant to conversion of Non Cummulative Compulsorily Convertible Preference Shares (NCCCPS). As required under Ind AS 33 "Earnings per share", the effect of such conversion is required to be adjusted for the purpose of computing earnings per share prospectively.

Notes to the Standalone Financial Statements

for the year ended March,31 2022

32 Maturity Analysis of Assets and Liabilities

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

(₹in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
I Financial assets						
(a) Cash and Cash equivalents	1,081.01	-	1,081.01	7,385.80	-	7,385.80
(b) Bank Balances other than (a) above	0.14	20.00	20.14	27.16	-	27.16
(c) Securities for trade	1,039.51	-	1,039.51	1,271.48	-	1,271.48
(d) Trade receivables	4,336.38	-	4,336.38	3,024.86	-	3,024.86
(e) Loans	23.33	18.83	42.16	24.56	10.48	35.04
(f) Investments	-	2,339.93	2,339.93	1,044.61	2,970.26	4,014.87
(g) Other financial assets	520.58	297.17	817.75	395.53	300.51	696.04
Total Financial Assets	**7,000.95**	**2,675.93**	**9,676.88**	**13,174.00**	**3,281.25**	**16,455.25**
II Non-Financial assets						
(a) Current Tax Asset (net)	-	104.85	104.85	-	16.02	16.02
(b) Deferred Tax Assets (net)	-	-	-	-	197.03	197.03
(c) Property, Plant and Equipment	-	1,394.63	1,394.63	-	1,488.02	1,488.02
(d) Right-of-use assets	-	917.65	917.65	-	762.03	762.03
(e) Intangible assets	-	14,607.24	14,607.24	-	33.58	33.58
(f) Other non-financial assets	432.66	15.52	448.18	183.94	26.16	210.10
Total Non Financial Assets	**432.66**	**17,039.89**	**17,472.55**	**183.94**	**2,522.84**	**2,706.78**
Total Assets	**7,433.61**	**19,715.82**	**27,149.43**	**13,357.94**	**5,804.09**	**19,162.03**
LIABILITIES						
I Financial Liabilities						
(a) Trade payables						
(i) Total outstanding dues of micro and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	4,476.48	-	4,476.48	3,006.87	-	3,006.87
(b) Lease liabilities	351.09	612.77	963.86	328.21	489.28	817.49
(c) Other financial liabilities	7.82	-	7.82	18.51	1.12	19.63
Total Financial Liabilities	**4,835.39**	**612.77**	**5,448.16**	**3,353.59**	**490.40**	**3,843.99**
II Non-Financial Liabilities						
(a) Current Tax Liability (net)	-	-	-	102.79	-	102.79
(b) Deferred Tax Liabilities (net)	-	164.73	164.73	-	-	-
(c) Provisions	180.13	252.42	432.55	20.41	409.82	430.23
(d) Other non-financial liabilities	1,444.17	-	1,444.17	950.18	-	950.18
Total Non-Financial Liabilities	**1,624.30**	**417.15**	**2,041.45**	**1,073.38**	**409.82**	**1,483.20**
Total Liabilities	**6,459.69**	**1,029.92**	**7,489.61**	**4,426.97**	**900.22**	**5,327.19**

33 Financial Instruments

(i) Capital Management

The Company's objective for capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor and customer confidence, to ensure future development of its business and remain going concern. The Company is focused on keeping strong capital base to ensure independence and sustained growth in business. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented in the balance sheet. The funding requirements are predominately met through equity and out of cashflow generated from operations

The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell non-core assets to reduce the debt.

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Debt	-	-
Equity	19,659.82	13,834.84
Debt to Equity Ratio (%)	**0.00%**	**0.00%**

Lease liability arising on account of implementation of Ind AS 116 is not considered in the above working, as it is a liability.

No changes were made in the objectives, policies or processes for managing capital during the current year and previous years.

(ii) Category-wise classification of financial instruments:

The accounting classification of each category of financial instruments and their carrying amounts are set out below: **(₹in lakhs)**

Particulars	As at March 31, 2022				
	Amortised Cost	FVTOCI	FVTPL	Total carrying value	Total fair value
Financial Assets					
Cash and Cash equivalents	1,081.01	-	-	1,081.01	1,081.01
Bank Balances other than above	20.14	-	-	20.14	20.14
Securities for trade	-	-	1,039.51	1,039.51	1,039.51
Trade receivables	4,336.38	-	-	4,336.38	4,336.38
Loans	42.16	-	-	42.16	42.16
Investments *	7.92	-	130.75	138.67	139.00
Other financial assets	817.75	-	-	817.75	817.75
Total	**6,305.36**	**-**	**1,170.26**	**7,475.62**	**7,475.95**
Financial Liabilities					
Trade payables	4,476.48	-	-	4,476.48	4,476.48
Lease liabilities	963.86	-	-	963.86	963.86
Other financial liabilities	7.82	-	-	7.82	7.82
Total	**5,448.16**	**-**	**-**	**5,448.16**	**5,448.16**

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for the year ended March,31 2022

(₹in lakhs)

Particulars	As at March 31, 2021				
	Amortised Cost	FVTOCI	FVTPL	Total carrying value	Total fair value
Financial Assets					
Cash and Cash equivalents	7,385.80	-	-	**7,385.80**	**7,385.80**
Bank Balances other than above	27.16	-	-	**27.16**	**27.16**
Securities for trade	-	-	1,271.48	**1,271.48**	**1,271.48**
Trade receivables	3,024.86	-	-	**3,024.86**	**3,024.86**
Loans	35.04	-	-	**35.04**	**35.04**
Investments *	33.80	-	1,779.81	**1,813.61**	**1,816.36**
Other financial assets	696.04	-	-	**696.04**	**696.04**
Total	**11,202.70**	**-**	**3,051.29**	**14,253.99**	**14,256.74**
Financial Liabilities					
Trade payables	3,006.87	-	-	**3,006.87**	**3,006.87**
Lease liabilities	817.49	-	-	**817.49**	**817.49**
Other financial liabilities	19.63	-	-	**19.63**	**19.63**
Total	**3,843.99**	**-**	**-**	**3,843.99**	**3,843.99**

* Investments does not include investment in subsidiaries which are measured at cost.

(iii) **Fair Value Hierarchy**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

Financial assets and financial liabilities measured at fair value in the Balance Sheet are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) 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: unobservable inputs for the asset or liability.

Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis.

(a) The Company uses the following hierarchy for determining and/or disclosing the fair value of financial assets by valuation techniques:

Financial Assets As at March 31, 2022	Level 1	Level 2	Level 3	Total
At fair value through profit or loss				
Securities for trade	802.74	236.77	-	**1,039.51**
Investments	130.75	-	-	**130.75**
Total	**933.49**	**236.77**	**-**	**1,170.26**

Financial Assets As at March 31, 2021	Level 1	Level 2	Level 3	Total
At fair value through profit or loss				
Securities for trade	1,150.18	121.30	-	**1,271.48**
Investments	1,779.81	-	-	**1,779.81**
Total	**2,929.99**	**121.30**	**-**	**3,051.29**

There is no movement from between Level 1, Level 2 and Level 3.

(b) **Financial Instrument measured at Amortised Cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

34 Financial Risk Management, Objective and Policies

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, credit risk and market risk. Risk management policies have been established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review and reflect the changes in the policy accordingly.

The Company's Management reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

(a) 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 principally from the Company's cash and bank balances, trade receivables, investments, securities held for trade, loans, and security deposits.

The carrying amounts of financial assets represent the maximum credit risk exposure. Credit risk assessment on various components is described below:

(i) Trade receivables

The Company's trade receivables primarily include receivables from asset management companies (AMCs) for services provided. These carries limited credit risk based on the financial position of parties and Company's historical experience of dealing with these parties.

(ii) Cash and cash equivalents, bank deposits, investments and Securities held for trade

The Company maintains its cash and cash equivalents, bank deposits, investment, and securities held for trade with reputed banks, financial institutions, and corporates. The credit risk on these instruments is limited because the counterparties are banks and high credit rated financial institutions and corporates assigned by credit rating agencies.

(iii) Security Deposits and Loans

This consists of loans given to Employees and Security Deposits given to lessors as well as to utility providers like Electricity companies. These carries limited credit risk based on the financial position of parties and Company's historical experience of dealing with these parties.

(b) Market Risk:

Market risk is the risk of changes in market prices due to foreign exchange rates, interest rates which will affect the Company's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Market risk exposures are measured using sensitivity analysis. There has been no change in the measurement and management of the Company's exposure to market risks.

(i) Foreign currency risk

The functional currency of the Company is INR. The Company does not have material foreign currency exposure. Hence, currency risk is very limited.

(ii) Price Risk :

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, caused by factors specific to an individual investments, its issuer and market. The Company's exposure to price risk arises from diversified investments in mutual funds and Bonds, and Securities held for trade, and classified in the balance sheet at fair value through profit or loss.

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(₹in lakhs)

Changes in Prices of Investments and Securities held for trade	Impact on profit or loss	For the year ended March 31, 2022	For the year ended March 31, 2021
+10%	Profit before tax increased by	337.94	308.51
-10%	Profit before tax decreased by	(337.94)	(308.51)

(iii) 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 risk primarily arises from investments in debt oriented mutual funds and debt securities. The Company's investments in debt oriented mutual funds and debt securities are primarily short-term, which do not expose it to significant interest rate risk. Additionally, since there are no external borrowings, the Company is not exposed to interest rate risk in with respect to borrowings.

(c) Liquidity risk:

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities. In doing this, management considers both normal and stressed conditions. The Company also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

The Company has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term, and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves and by continuously monitoring cash flows, and by matching the maturity profiles of financial assets and liabilities.

Contractual maturities of financial liabilities

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2022 :

(₹in lakhs)

Particulars	Upto 1 year	1-5 years	More than 5 years	Total
Liabilities				
Trade payables	4,476.48	-	-	**4,476.48**
Lease liabilities	351.09	612.77	-	**963.86**
Other financial liabilities	7.82	-	-	**7.82**
Total	**4,835.39**	**612.77**	-	**5,448.16**

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2021 :

Particulars	Upto 1 year	1-5 years	More than 5 years	Total
Liabilities				
Trade payables	3,006.87	-	-	**3,006.87**
Lease liabilities	328.21	489.28	-	**817.49**
Other financial liabilities	18.51	1.12	-	**19.63**
Total	**3,353.59**	**490.40**	-	**3,843.99**

35 Detail of Employees Benefits

(a) Defined Contribution Plans

The Company has defined contribution plan in form of Provident Fund and Employee State Insurance Scheme for qualifying employees. Under the Schemes, the Company is required to contribute a specified rates to fund the schemes.

(₹in lakhs)

Contribution to	For the year ended March 31, 2022	For the year ended March 31, 2021
Provident Fund	44.88	34.43
Employee State Insurance Scheme	16.71	17.19
Total	**61.59**	**51.62**

(b) Defined Benefits Plans

The Company provides for retirement benefits in the form of Gratuity. The Company's gratuity scheme (funded) provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service subject to a ceiling of ₹20 Lakhs. Vesting occurs upon completion of 5 years of service.The Company contributes gratuity liblities to the Prudent Corporate Advisory Services Ltd Employee's Group Gratuity Fund (the Trust). Trustees administaror contributions made to the Trusts and contributions are invested in Insurer Managed Funds.

The present value of the defined benefits plan was measured using the projected unit credit method.

The following tables set out the status of the gratuity plan and amounts recognised in the financial statements:

(i) Present value of defined benefit obligation

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Balance at the beginning of the year	**315.62**	**264.99**
Current service cost	45.66	43.49
Interest Cost	21.68	18.26
Past Service Cost	-	-
Liability Transferred In	-	5.13
(Liability Transferred Out)	(4.28)	(7.40)
Remeasurement (gain)/loss:		
Actuarial (Gain)/loss arising from Demographic adjustments	(0.23)	-
Actuarial (Gain)/Loss due to changes in Financial Assumption	(21.05)	0.90
Actuarial (Gain)/Loss due to changes in Experience Adjustment	35.53	(5.13)
Benefits paid	(7.65)	(4.62)
Balance at the end of the year	**385.28**	**315.62**

Notes to the Standalone Financial Statements

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(₹in lakhs)

Fair Value of Plan Assets	For the year ended March 31, 2022	For the year ended March 31, 2021
Fair Value of Plan Assets at the Beginning of the year		
Interest Income	-	-
Contributions by the Employer	100.00	-
Expected Contributions by the Employees	-	-
Assets Transferred In/Acquisitions	-	-
(Assets Transferred Out/ Divestments)	-	-
(Benefit Paid from the Fund)	-	-
(Assets Distributed on Settlements)	-	-
Effects of Asset Ceiling	-	-
The Effect of Changes In Foreign Exchange Rates	-	-
Return on Plan Assets, Excluding Interest Income	0.29	-
Fair Value of Plan Assets at the End of the year	**100.29**	**-**

(ii) Amount Recognized in the Balance Sheet

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(Present Value of Benefit Obligation at the end of the Year)	**(385.28)**	**(315.62)**
Fair Value of Plan Assets at the end of the Year	100.29	-
Net (Liability)/Asset Recognized in the Balance Sheet	**(284.99)**	**(315.62)**

(iii) Cost of the defined benefit plan for the year

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	**45.66**	**43.49**
Interest cost	21.68	18.26
Past service cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expense recognised in the Statement of Profit and Loss	**67.34**	**61.75**

(iv) Recognised in other Comprehensive Income

(₹in lakhs)

Particulars	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Remeasurement on the net defined benefit liability:		
Actuarial (gain)/loss arising from Demographic adjustments	(0.23)	-
Actuarial Gain/(Loss) due to changes in Financial Assumption	(21.05)	(0.90)
Actuarial Gain/(Loss) due to changes in Experience Adjustment	35.53	5.13
Return on Plan Assets, Excluding Interest Income	(0.29)	-
Change in Asset Ceiling	-	-
Recognised in the Other Comprehensive Income	**13.96**	**4.23**
Total cost of the defined benefit plan for the year	**81.30**	**65.98**

(v) The major categories of the fair value of the total plan assets are as follows:

Particulars	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Insurer Managed Funds*	100%	-

*In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

(vi) Principal actuarial assumptions:

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate, the salary growth rate, attrition rate and the average life expectancy. The assumptions used for the valuation of the defined benefit obligation are as follows:

Discount rate (p.a.)	6.87%	6.89%
Expected rate of salary increase (p.a.)	6%	6%
Mortality	Indian Assured Lives Mortality 2012-2014 (Urban)	*Indian Assured Lives (2006-08) Ultimate*
Rate of employees turnover (p.a.)		
For Service 4 years and Below	15%	15%
For Service 5 years and Above	2%	2%
Retirement age	58 years	58 years

Estimates of future salary increase takes into account: inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The plan exposes the Company to significant actuarial risks such as interest rate risk and inflation risk:

Inflation risk – A significant proportion of the defined benefit liability is linked to inflation. An increase in the inflation rate will increase the Company's liability.

Interest rate risk – The present value of the defined benefit liability is calculated using a discount rate prevailing market yields of Indian government securities. A decrease in discount rate will increase the Company's defined benefit liability.

Notes to the Standalone Financial Statements

for the year ended March,31 2022

(vii) Sensitivity analysis in respect of the actuarial assumptions used in calculation of defined benefit obligation is given below:

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Projected Benefit Obligation on Current Assumptions	385.27	315.62
Delta Effect of +1% Change in Rate of Discounting	(46.50)	(41.27)
Delta Effect of -1% Change in Rate of Discounting	55.66	49.81
Delta Effect of +1% Change in Rate of Salary Increase	49.25	45.41
Delta Effect of -1% Change in Rate of Salary Increase	(43.02)	(39.88)
Delta Effect of +1% Change in Rate of Employee Turnover	6.67	3.61
Delta Effect of -1% Change in Rate of Employee Turnover	(7.75)	(4.28)

Sensitivities have been calculated to show the movement in Defined Benefit Obligation in isolation and assuming there are no other changes in market conditions at the accounting date. In presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(viii) The weighted average duration of the benefit obligation as at March 31, 2022 is 15 years (as at March 31, 2021 is 16 years)

(ix) Maturity Analysis of the Benefit Payments

The followings are the expected future benefit payments for the defined benefit plan :

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Within the next 12 months	9.23	7.04
Between 2 to 5 years	65.34	36.91
Beyond 5 years	1,122.51	943.65
Total expected payments	**1,197.08**	**987.60**

(c) **Compensated absence:**

The employees are entitled for leave for each year of service and part thereof, subject to the limits specified, the unavailed portion of such leaves can be accumulated or encashed during/at the end of the service period up to a maximum of 63 days.

Expenses recognised in the Statement of Profit and Loss amounts to ₹47.88 Lakhs for the year ended March 31, 2022 (March 31, 2021: ₹32.27 lakhs)

The current and non-current classification of obligations under defined benefit plans and other long-term benefits is done bases on the actuarial valuation reports.

36 Related Party Disclosures

Relationship	Name of Party
Wholly owned Subsidiary Companies	Prutech Financial Services Private Limited
	Prudent Broking Service Private Limited
	Gennext Insurance Broking Private Limited
Director / Key Management Personnel	Mr. Sanjay R Shah - Chairman and Managing Director
	Mr. Shirish Patel - Whole time Director and CEO
	Mr. Chirag Ashwinkumar Shah - Whole time Director
	Mr. Deepak Sood - Independent Director
	Mr. Karan Datta - Independent Director
	Mr. Dhiraj Poddar- Nominee Director
	Mr. Aditya Sharma - Nominee Director (up to April 30, 2021)
	Mr. Aniket Talati - Independent Director (w.e.f 7th June 2021)
	Ms. Shilpi Thapar - Independent Director (w.e.f 7th June 2021)
	Mr. Chirag Kothari - Chief Financal Officer (w.e.f 22nd July 2021)
	Mr. Dhaval Ghetia - Company Secretary (w.e.f 22nd July 2021)
Relative of Director / Key Management Personnel	Ms. Niketa S. Shah
	Mr. Ramesh C. Shah
	Ms. Maitry Sanjay Shah
	Ms. Sakhi Sanjay Shah
	Ms. Harshida Shirish Patel
Enterprise over which Director/Key Management personnel and their relatives having control or significant influence	Ramesh C Shah HUF
Enterprise having significant influence on the company	Wagner Limited
Employee's Group Gratuity Trust	Prudent Corporate Advisory Services Ltd Employees Group Gratuity Fund (w.e.f 9th August 2021)

Note : - The names of the related parties and nature of the relationships where control exists are disclosed irrespective of whether or not there have been transactions between the related parties. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship.

Transactions with the Related Parties

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Transactions with Director / Key Management Personnel		
Salary Expenses	**877.12**	**624.60**
Mr. Sanjay Shah	193.50	90.00
Mr. Shirish Patel	653.40	534.60
Mr. Chirag Kothari	26.37	-
Mr. Dhaval Ghetia	3.85	-
Rent Expense	**5.40**	**4.21**
Mr. Sanjay Shah	5.40	4.21
Final Dividend on Equity Shares	**14.45**	**12.03**
Mr. Sanjay Shah	13.47	11.20
Mr. Shirish Patel	0.98	0.83

Notes to the Standalone Financial Statements
for the year ended March,31 2022

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sitting Fees - Board Meetings	**16.50**	**3.00**
Mr. Karan Datta	4.50	1.50
Mr. Deepak Sood	4.50	1.50
Ms. Shilpi Thapar	3.75	-
Mr. Aniket Talati	3.75	-
Fixed Commission Expense	**35.00**	**15.00**
Mr. Karan Datta	15.00	7.50
Mr. Deepak Sood	15.00	7.50
Ms. Shilpi Thapar	5.00	-
Brokerage Income	**0.05**	**0.18**
Mr. Sanjay Shah	-	0.18
Mr. Chirag Shah	0.05	-
Loan Taken	**7,600.00**	**-**
Mr Sanjay Shah	7,600.00	-
Loan Repaid	**7,600.00**	**-**
Mr Sanjay Shah	7,600.00	-
Interest Expense	**112.15**	**-**
Mr Sanjay Shah	112.15	-
Transactions with Relative of Director / Key Management Personnel		
Final Dividend on Equity Shares	**4.19**	**3.48**
Mr. Ramesh Shah	0.05	0.08
Ms. Maitry Shah	2.07	1.70
Ms.Sakhi Shah	2.07	1.70
Rent Expense	**5.40**	**4.21**
Mrs. Niketa Shah	5.40	4.21
Salary Expenses	**5.97**	**3.00**
Ms. Maitry Shah	5.97	3.00
Sale of Bond	**-**	**6.33**
Ms.Sakhi Shah	-	6.33
Brokerage Income	**0.02**	**0.07**
Mrs. Niketa Shah	0.02	0.07
Transactions with Subsidiaries of Prudent Corporate Advisory Services Limited		
Interest Income from Subsidiary	**0.35**	**1.87**
Prudent Broking Services Pvt. Ltd.	0.35	1.87
Loan Given to Subsidiary	**1,500.00**	**2,235.00**
Prudent Broking Services Pvt. Ltd.	1,500.00	2,235.00
Repayment of Loan given to Subsidiary	**1,500.00**	**2,235.00**
Prudent Broking Services Pvt. Ltd.	1,500.00	2,235.00
Rent Income from Subsidiary	**8.14**	**6.69**
Prudent Broking Services Pvt. Ltd.	8.14	6.69
Sale of Bond	**-**	**41.41**
Prutech Financial Services Private Limited	-	41.41
Transfer of Assets	**-**	**0.05**
Prudent Broking Services Pvt. Ltd.	-	0.05

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Referral Charges	**-**	**1.34**
Prudent Broking Services Pvt. Ltd.	-	1.34
Employee benefit transfer in	**-**	**5.09**
Prudent Broking Services Pvt. Ltd.	-	5.09
Employee benefit transfer Out	**4.28**	**7.37**
Gennext Insurance Brokers Private Limited	4.28	7.37
Advance paid for Purchase of Bond	**-**	**41.49**
Prudent Broking Services Pvt. Ltd.	-	41.49
Demat Charges Paid	**1.05**	**0.79**
Prudent Broking Services Pvt. Ltd.	1.05	0.79
Transaction with Entities over which Director/Key Management personnel and their relatives having control		
Sale of Bond	**-**	**6.18**
Ramesh C. Shah HUF	-	6.18
Transaction with Enterprise having significant influence in the company		
Final Dividend on Equity Shares	**12.38**	**10.31**
Wagner Ltd	12.38	10.31
Transaction with Employee's Group Gratuity Trust		
Contribution to Group Gratuity Fund	**100.25**	**-**
Prudent Corporate Advisory Services Ltd Employees Group Gratuity Fund	100.25	-

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Outstanding Balances		
Outstanding with Director / Key Management Personnel		
Salary Payable	**170.77**	**136.99**
Mr. Sanjay Shah	-	0.20
Mr. Shirish Patel	166.25	136.79
Mr. Chirag Kothari	3.75	-
Mr. Dhaval Ghetia	0.77	-
Fixed Commission Payable	**8.09**	**7.22**
Mr. Karan Datta	3.37	3.61
Mr. Deepak Sood	3.37	3.61
Ms. Shilpi Thapar	1.35	-
Trade Payable	**-**	**3.22**
Mr. Sanjay Shah	-	2.60
Mr. Shirish Patel	-	0.24
Mr. Chirag Shah	-	0.38
Outstanding with Subsidiary of Prudent Corporate Advisory Services Limited		
Rent Deposit Received	**1.12**	**1.12**
Prudent Broking Services Pvt Ltd	1.12	1.12

Notes to the Standalone Financial Statements
for the year ended March,31 2022

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance paid for Purchase of Bond	**-**	**41.49**
Prudent Broking Services Pvt Ltd	-	41.49
Trade Receivable	**-**	**5.09**
Prudent Broking Services Pvt Ltd	-	5.09
Trade Payable	**4.28**	**7.37**
Gennext Insurance Brokers Private Limited	4.28	7.37
Outstanding with Relative of Director / Key Management Personnel		
Salary Payable	**3.22**	**0.25**
Ms. Maitry Shah	3.22	0.25
Trade Payable	**-**	**3.75**
Mrs. Niketa Shah	-	3.75
Outstanding with Employee's Group Gratuity Trust		
Receivable	**0.25**	**-**
Prudent Corporate Advisory Services Ltd Employees Group Gratuity Fund	0.25	-

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Short Term Employee Benefit Expenses		
Salary to KMP	877.12	624.60
Salary to Relative of KMP	5.97	3.00
Total compensation paid to key management personnel	**883.09**	**627.60**

Note:-

As part of the IPO, there was offloading of shares through Offer For Sale ('OFS') by Mr. Shirish Patel and Wagner Limited ('Selling Shareholders') totalling to ₹1,342.56 Lakhs and ₹41,485.84 Lakhs respectively. The Share issue expense attributable to Selling Shareholders has been estimated at ₹2,960.40 Lakhs out of which ₹459.44 have already been incurred by the company up to March 31, 2022 and disclosed under Note-10 Other Financial Assets as "Proposed IPO Expense Recoverable". The entire share issue expenses except listing fees are recoverable from the selling shareholders in the ratio of their offloading, as per agreement.

Terms and conditions of transactions with related parties

As the liabilities for defined benefit obligations and compensated absences are provided based on actuarial valuation for the company as a whole, the amount pertaining to Key management personnel has not been included.

37. Details on list of Investments in Subsidiaries as per Ind AS 27

Particulars	Proportion of ownership interest	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Investment in Subsidiaries		
Prudent Broking Services Private Limited	100%	100%
Prutech Financial Services Private Limited	100%	100%
Gennext Insurance Brokers Private Limited	100%	100%

All companies are incorporated and having primary place of business is in India.

38 Operating Segment

The Company determines Operating Segments as components of an entity for which discrete financial information is available that is evaluated regularly by chief operating decision maker (CODM), in deciding how to allocate resources and assessing performance.

The Company's activities revolve around distribution of Financial Products i.e. Mutual Funds, Bonds, Fixed Deposits, Insurance, Structured Products etc. Various financial products are aggregated into one reportable segment being agency nature of business under "Fees and Commission" in accordance with aggregation criteria. Aggregation is done due to the similarities of the products and services provided to the customers and similarities in method used to provide services and regulatory environment.

Considering the nature of Company's business, as well as based on reviews by CODM to make decisions about resource allocation and performance measurement, there is only one reportable segment in accordance with the requirements of Ind AS - 108 – ''Operating Segments'', prescribed under Companies (Indian Accounting Standards) Rules, 2015.

39. Expenditure in foreign currency (on accrual basis)

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Business promotion expenses	2.27	10.13
Software Expenses (included in Miscellaneous Expenses)	2.66	1.84
Membership and Subscription Expense	3.51	-
Total	**8.44**	**11.97**

40 Corporate Social Responsibility

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Gross amount required to be spent by the company during the Year (under section 135 of the companies Act 2013)	73.06	10.13
Amount of Expenditure incurred	70.07	91.17
Total of previous year shortfall	(4.86)	17.84
Construction/ acquisition of assets	-	-
On purpose other than above	70.07	91.17
Amount yet to be spent/ paid	(1.87)	(4.86)
Details of related party transactions	NA	NA
Liability incurred by entering into contractual obligations	-	-

Nature of CSR activities:

1. COVID 19 Support & rehabilitation program
2 Educational infrastructure & systems strengthening
3. Nurture women entrepreneurship & employability
4. General community infrastructure support & welfare initiatives
5. Nurturing aquatic & terrestrial ecosystems for better environment & reduced emissions
6. Public health infrastructure, capacity building & support programs

Details of Expenditure on Corporate Social Responsibilities As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are promoting education, art and culture, healthcare, destitute care, women entrepreneurship & employability and rehabilitation, environment sustainability, disaster relief and Public health. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

As per notification issued by Ministry of Corporate Affairs dated January 22, 2021, where a company spends an amount in excess of requirement provided under sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years.

(i) Gross amount required to be spent during the year ₹73.06 lakhs (previous year ₹68.47 lakhs)

(ii) Excess amount to be set off against succeeding three financial years ₹1.87Lakhs (previous year ₹4.86 lakhs)

41 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules thereunder are yet to be framed. Accordingly, the actual impact of this change will be assessed and accounted for when the notification becomes effective.

42 Standards issued but not effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate Affairs (MCA) has notified certain amendments to Ind AS, through Companies (Indian Accounting Standards) Amendment Rules, 2022 on 23rd March, 2022. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board(IASB) into Ind AS and has amended the following standards:

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

These amendments shall come into force with effect from April 01, 2022

The Company is assessing the potential effect of the amendments on its financial statements. The Company will adopt these amendments, if applicable, from applicability date.

43 Events Occuring After Balance Sheet Date

1) The Company's equity shares have been listed on National Stock Exchanage ("NSE") and on BSE Limited ("BSE") on May 20, 2022, by completing Initial Public Offering of 68,08,820 equity shares of face value of ₹5 each at an issue price of ₹630 per equity share (Employee Discount of ₹59/- per share for 1,13,835 shares reserved under Employee Category), consisting of an offer for sale of 68,08,820 equity shares by selling share holde ₹As the IPO was through Offer for Sale, the Company did not receive any proceeds from the offer.

2) The Board of Directors have recommended a final dividend of ₹1/- (face value of ₹5/- each) (20%) per equity share for the year ended March 31, 2022 on 4,14,06,680 equity shares, amounting ₹414.07/- Lakhs.

3) On July 27, 2022 the Company has signed a Term Sheet with M/s. Ifast Financial India Private Limited (Ifast) having to acquire its Mutual Fund Assets Under Management (AUM). The progress and closure of the transaction is contingent upon satisfactory completion of business, financial and legal due diligence of Ifast; signing of definitive agreements among the transacting parties; receipt of all necessary approvals and consents from all relevant Governmental, regulatory and other authorities and third parties and customers and suppliers, and fulfilment of conditions precedent as may be agreed upon.

44 Contingent Liabilities and Commitments

(₹in lakhs)

(a) Contingent liabilities	For the year ended March 31, 2022	For the year ended March 31, 2021
Outstanding Balance of Corporate Guarantee	250.00	250.00
Total	**250.00**	**250.00**

1. The Company has received order u/s 148A(d) of Income Tax Act 1961 for re-opening of scrutiny assessment for AY 2016-17 and AY 2018-19 with approval of appropriate authority. The matter is pending with Income Tax Authorities. Based on prior experience management is reasonably confident that no liability will devolve on the company. During the current year, on assessment of facts and status on the above matter, the company has assessed that possibility of any outflow in settlement is remote. Accordingly the same has not been considered as contingent liability.

(b) Capital commitments and other commitments

Based on the information available with the company, there is no capital commitments and other commitments as on March 31, 2022.

45 On October 21, 2021, the Company was selected as the highest bidder for acquiring the mutual fund folio of Karvy Stock Broking Limited ("KSBL"). On October 27, 2021, the Company has paid ₹15,100/- Lakhs (excluding taxes) for the above acquisition. Based on the analysis performed by the management of the Company, it has concluded that the acquisition does not qualify as a "Business" as per the definition provided in Ind AS 103 "Business Combination". Consequently, the said acquisition is accounted for as an asset acquisition. As required under Ind-AS 38, the Company has considered various factors such as its ability to retain the customers and generate revenue over a sustainable period, technical and technological changes expected, the industry growth prospects and the leverage of its existing physical and digital infrastructure to serve these customers and concluded that the cost of acquiring the customer folios should be amortized over a 10 year period on a straight line basis. The transfer of AUM has been duly completed on November 28, 2021. Consequently, the figures of the comparative year are not comparable to the extent of revenue received from such acquired AUM and its consequetial expenses.

46 A show-cause notice dated September 28, 2020 was issued by the Joint Commissioner, Central Goods and Service Tax and Central Excise ("Joint Commissioner- CGST and C.Ex") to Karvy Stock Broking Limited ("KSBL") for huge difference between gross value of services declared in ITR & ST 3 returns for F.Y. 2014-15. The matter was further taken up for adjudication, which remain unattended at the offices of KSBL.
Subsequently, a show-cause notice was sent to the Company on January 21, 2022 for complying with the tax liabilities of KSBL. The Company submitted that it had only acquired the mutual fund folios of KSBL through the bidding process and the transaction cannot be equated to a takeover of the business of KSBL. Further, it was also submitted that both our Company and KSBL are separate companies incorporated under the Companies Act and should therefore be treated as separate and distinct legal entities under applicable law. The matter is currently pending.

Notes to the Standalone Financial Statements

for the year ended March,31 2022

47. Other statutory information

(a) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

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

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

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(d) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i) 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

(ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(e) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

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

(g) The Company does not have any transactions with companies which are struck off.

(h) The Company has not taken any loan from bank or financial institutions. Consequently filling of quarterly returns or statements of current assets with bank or financial institutions is not applicable to Company.

48 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 Distribution of Mutual Fund, Stock broking and other Financial and Non Financial Product Distribution business and not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.

49 In compliance with Ministry of Corporate Affairs notification w.r.t amendment in Schedule III to the Companies Act, 2013 effective from April 01, 2021, figures for comparative previous periods have been regrouped/ reclassified, wherever necessary.

50. The standalone financial statements were authorized for issue in accordance with a resolution of the directors on August 01, 2022.

For and on behalf of the Board of Directors of
Prudent Corporate Advisory Services Limited

Sanjay Shah
Chairman and Managing Director
DIN : 00239810

Shirish Patel
Whole Time Director and CEO
DIN : 00239732

Chirag Shah
Whole Time Director
DIN : 01480310

Chirag Kothari
Chief Financial Officer

Dhaval Ghetia
Company Secretary

Place : Ahmedabad
Date: August 01, 2022

To The Members of Prudent Corporate Advisory Services Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Prudent Corporate Advisory Services Limited** ("the Parent") and its subsidiaries, (the Paren tand its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income),the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries, referred to in the Other Matters section below,the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Actread with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, and their consolidated profit,their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Acquisition of Customer Folios of Karvy Stock Broking Limited (KSBL) classified as asset acquisition:** (Refer to Note 49 to the Consolidated Financial Statements)	**Our audit procedures included, amongst others:**
	During the year, the Parent has acquired Mutual Fund Folios of KSBL ("Customer Folios") through a bid invited by Joint Committee of Exchanges. It has not taken over any assets or liabilities of KSBL.	• Evaluated the design & implementation and tested operating effectiveness of the management's control over the determination of the appropriate accounting treatment of the acquisition in accordance with the applicable accounting standards.
	Based on evaluation of the relevant facts and circumstances related to the acquisition, the management assessed that the acquisition did not involve inputs, substantive processes and out. Consequently, it accounted the acquisition of customer folios as an intangible asset under Ind-AS 38.	• Evaluated the judgements made by the management, with respect to the assessment of inputs, substantive processes and output considering the relevant facts and circumstances underlying the said acquisition to evaluate the appropriateness of management's conclusion on the accounting of the said acquisition.
	Considering the management judgement involved in determining whether the acquisition is a business acquisition or an asset acquisition it is considered as a key audit matter.	• Assessed the adequacy of disclosures in the Consolidated Financial Statements for compliance with relevant accounting standards requirements.

Independent Auditor's Report

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries,is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section134(5) of theAct with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equityof the Group in accordance with the Ind AS and other accounting principles generally accepted in India.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 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 thefinancial 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 Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing theability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless therespective Board of Directors either intends to liquidate their respective entities 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 also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the 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.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent 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 consolidated 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 two subsidiaries, whose financial statements reflect total assets of ₹5,129.50 lakhs as at March 31, 2022, total revenues of ₹3,770.93 lakhs and net cash outflows amounting to ₹1,915.81 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors 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 these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above 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 the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our auditof 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, returns and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity 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 Ind AS/ Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Parent as on March 31, 2022 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness ofinternal financial controls over financial reporting of those companies.

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 and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Parent and such subsidiary companies to their respective directors 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,as amended in our opinion and to the best of our information and according to the explanations given to us:

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;

ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material for eseeable losses, if any, on long-term contracts including derivative contracts;

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parentand its subsidiary companies incorporated in India.

iv) (a) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries that, to the best of their 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 Parent or any of such subsidiaries to or in any other person or entity, including foreign entities("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries that, to the best of their knowledge and belief, no funds have been received by the Parent or any of such subsidiaries from any person or entity, including foreign entities("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c Based on the audit procedures performed 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 auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The final dividend proposed in the previous year, declared and paid by the Parent, during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 47 to the consolidated financial statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.117365W)

Hardik Sutaria
(Partner)
(Membership No.116642)
UDIN:22116642ANZLMN9235

Place: Ahmedabad
Date: August 01, 2022

Independent Auditor's Report

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRUDENT CORPORATE ADVISORY SERVICES LIMITED

(Referred to in paragraph 1(f)under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Prudent Corporate Advisory Services Limited (hereinafter referred to as "the Parent") and its subsidiary companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, and its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditor's 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 and the audit evidence obtained by the other auditors of the subsidiary companies which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, 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 reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are 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, 2022, based on the criteria for internal financial control over financial reporting established by the respective companies 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 report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No.117365W)

Hardik Sutaria
(Partner)
(Membership No.116642)
UDIN:22116642ANZLMN9235

Place: Ahmedabad
Date: August 01, 2022

Consolidated Balance Sheet

as at March 31, 2022

Particulars	Note	As at March 31, 2022 (₹in lakhs)	As at March 31, 2021 (₹in lakhs)
ASSETS			
I Financial Assets			
(a) Cash and Cash equivalents	4	2,885.42	9,933.21
(b) Bank Balances other than (a) above	5	2,862.12	3,987.77
(c) Securities for trade	9	1,039.52	1,311.95
(d) Trade receivables	6	9,375.26	6,831.15
(e) Loans	7	65.08	50.60
(f) Investments	10	3,921.59	2,058.67
(g) Other financial assets	8	1,459.59	1,029.25
Total Financial Assets		**21,608.58**	**25,202.60**
II Non-Financial Assets			
(a) Current Tax Asset (net)	33	207.97	75.43
(b) Deferred Tax Assets (net)	33	139.02	357.23
(c) Property, Plant and Equipment	11	1,565.66	1,664.72
(d) Right-of-use assets	12	1,263.84	933.09
(e) Intangible assets	13	14,613.36	43.05
(f) Other non-financial assets	14	600.01	216.80
Total Non-Financial Assets		**18,389.86**	**3,290.32**
Total Assets		**39,998.44**	**28,492.92**
LIABILITIES AND EQUITY			
Liabilities			
I Financial Liabilities			
(a) Trade payables	15		
(a) Total outstanding dues of micro enterprises and small enterprises		-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		12,056.28	9,393.54
(b) Borrowings	16	0.72	261.00
(c) Lease liabilities	17	1,317.80	999.07
(d) Other financial liabilities	18	483.56	252.31
Total Financial Liabilities		**13,858.36**	**10,905.92**
II Non-Financial Liabilities			
(a) Current Tax Liability (net)	33	11.08	124.14
(b) Provisions	19	501.69	572.87
(c) Other non-financial liabilities	20	1,685.71	1,125.47
(d) Deferred Tax Liability (net)	33	180.27	0.06
Total Non-Financial Liabilities		**2,378.75**	**1,822.54**
Equity			
(a) Equity Share capital	21	2,070.33	103.36
(b) Instrument entirely equity in nature	22	-	0.16
(c) Other equity	23	21,691.00	15,660.94
Equity attributable to owners of the Company		**23,761.33**	**15,764.46**
Total Equity		**23,761.33**	**15,764.46**
Total Liabilities and Equity		**39,998.44**	**28,492.92**

The accompanying notes are an integral part of these Consolidated Financial Statements.
In terms of our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Hardik Sutaria
Partner

Place : Ahmedabad
Date: August 01, 2022

For and on behalf of the Board of Directors of
Prudent Corporate Advisory Services Limited

Sanjay Shah
Chairman and Managing Director
DIN : 00239810

Shirish Patel
Whole Time Director and CEO
DIN : 00239732

Chirag Shah
Whole Time Director
DIN : 01480310

Chirag Kothari
Chief Financial Officer

Dhaval Ghetia
Company Secretary

Place : Ahmedabad
Date: August 01, 2022

Consolidated Statement of Profit and Loss

for the year ended March 31, 2022

Prudent
— Money through wisdom —

Particulars	Note	For the year ended March 31, 2022 (₹in lakhs)	For the year ended March 31, 2021 (₹in lakhs)
Revenue from Operations			
I Commission and Fees Income	24	44,278.31	27,755.77
II Interest Income	25	403.74	330.22
III Net gain on fair value changes	26	393.22	564.64
Total Revenue from Operations		**45,075.27**	**28,650.63**
IV Other Income	27	781.20	838.92
V Total Income (I) + (II) + (III) + (IV)		**45,856.47**	**29,489.55**
VI Expenses:			
Commission and Fees Expense		24,644.66	15,305.99
Employee benefits expense	28	6,927.17	5,550.79
Finance costs	29	258.95	165.57
Impairment on Financial Instruments	30	(11.76)	203.86
Depreciation and amortization expense	31	1,338.82	811.91
Other expenses	32	1,987.85	1,399.04
Total Expenses (VI)		**35,145.69**	**23,437.16**
VII Profit before tax (V) - (VI)		**10,710.78**	**6,052.39**
VIII Tax expense / (Benefit)	33		
Current tax		2,276.57	1,568.83
Deferred tax		400.41	(46.15)
Total Tax Expense (VIII)		**2,676.98**	**1,522.68**
IX Profit after tax for the year (VII) - (VIII)		**8,033.80**	**4,529.71**
X Other Comprehensive Income (OCI)			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of the defined benefit plans		(7.89)	11.84
(ii) Income tax relating to items that will not be reclassified to profit or loss		1.98	(2.98)
Total Other Comprehensive Income/(Loss) (X)		**(5.91)**	**8.86**
XI Total Comprehensive Income for the year (IX)+(X)		**8,027.89**	**4,538.57**
XII Profit for the year		**8,033.80**	**4,529.71**
Attributable to :			
Equity holders of the Parent		8,033.80	4,529.71
Non Controlling interest		-	-
XIII Profit for the year		8,027.89	4,538.57
Attributable to :			
Equity holders of the Parent		8,027.89	4,538.57
Non Controlling interest		-	-
XIV Earnings per equity share	31		
- Basic [in ₹]		19.42	10.96
- Diluted [in ₹]		19.42	10.94

The accompanying notes are an integral part of these Consolidated Financial Statements.
In terms of our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Hardik Sutaria
Partner

Place : Ahmedabad
Date: August 01, 2022

For and on behalf of the Board of Directors of
Prudent Corporate Advisory Services Limited

Sanjay Shah
Chairman and Managing Director
DIN : 00239810

Shirish Patel
Whole Time Director and CEO
DIN : 00239732

Chirag Shah
Whole Time Director
DIN : 01480310

Chirag Kothari
Chief Financial Officer

Dhaval Ghetia
Company Secretary

Place : Ahmedabad
Date: August 01, 2022

Consolidated Statement of Cash Flows

for the year ended March 31, 2022

Contd...

Particulars	For the year ended March 31, 2022 (₹in lakhs)	For the year ended March 31, 2021 (₹in lakhs)
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	**10,710.78**	**6,052.39**
Adjustment for		
Add : Depreciation and amortization expense	1,338.82	811.91
Add : Finance costs	258.95	165.57
Add: Bad Debts	5.54	84.14
Add/(Less): Impairment made/(reversed) for Trade Receivables	(11.76)	(10.05)
Add: Impairment allowances for Margin Money	-	213.91
Add/(Less): Provision for Contingencies	-	(34.24)
Add/(Less): Net Gain / Loss on sale of Property, Plant and Equipment	(1.51)	(5.10)
(Less): Dividend Income	(0.57)	(0.19)
Add/(Less): Unrealized gain/ loss on Securities held-for-trading measured at FVTPL	32.89	(11.99)
(Less): Net gain on financial instruments measured at FVTPL	(652.75)	(760.99)
(Less) : Interest income	(493.31)	(399.54)
Operating Profit before working capital changes	**11,187.08**	**6,105.82**
Changes in working capital:		
(Increase) / decrease in Trade receivables	(2,537.89)	(2,958.18)
(Increase) / decrease in Loans	(14.48)	41.04
(Increase) / decrease in Other financial assets	(440.95)	198.09
(Increase) / decrease in Other non-financial assets	(383.22)	(21.12)
(Increase) / decrease in Securities held for Trade	239.54	(904.00)
Increase / (decrease) in Trade payables	2,662.75	4,191.37
Increase / (decrease) in Other financial liabilities	231.25	124.30
Increase / (decrease) in Other non-financial liabilities	560.24	318.53
Increase / (decrease) in Provisions	(79.07)	146.84
Cash generated from Operations	**11,425.25**	**7,242.69**
Less : Direct Taxes (Paid)	(2,528.28)	(1,470.34)
Net cash generated from operating activities (A)	**8,896.97**	**5,772.35**
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment and Intangible assets	(179.43)	(191.06)
Acquisition of Customer Folios from KSBL	(15,100.00)	-
Purchase of Investments	(26,246.26)	(36,930.77)
Proceeds from Sale of Investment	25,036.09	36,252.58
Proceeds from sale of Property, Plant and Equipment	4.03	20.31
Dividend Income	0.57	0.19
Bank deposits / margin money withdrawn	4,829.73	1,492.96
Bank deposits / margin money (placed)	(3,711.00)	(3,810.08)
Interest received	458.77	398.71
Net cash used in investing activities (B)	**(14,907.50)**	**(2,767.16)**

Particulars	For the year ended March 31, 2022 (₹in lakhs)	For the year ended March 31, 2021 (₹in lakhs)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Borrowings	7,600.00	1,065.00
Repayment of Borrowings	(7,860.00)	(1,573.74)
Repayment of Lease Liabilities	(489.01)	(429.88)
Dividend Paid	(31.01)	(25.84)
Finance Costs paid	(257.24)	(171.40)
Net cash used in financing activities (C)	**(1,037.26)**	**(1,135.86)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(7,047.79)**	**1,869.33**
Cash and cash equivalents at the beginning of the year	9,933.21	8,063.88
Cash and cash equivalents at the end of the year	**2,885.42**	**9,933.21**
Cash and cash equivalents comprises of:		
Cash on hand	4.81	5.10
Balances with banks		
- In current accounts	1,856.99	9,828.68
- In Fixed Deposits with original maturity of less than three months	1,020.50	95.50
- Interest accrued but not due on Bank Deposits	3.12	3.93
Total cash and cash equivalents (Refer Note : 4)	**2,885.42**	**9,933.21**

Notes:

1. The Consolidated Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of the Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

2. Disclosure with regards to changes in liabilities arising from financing activities as set out in Ind AS 7 -Statement of Cash Flows is presented under Note 18.

The accompanying notes are an integral part of these Consolidated Financial Statements.
In terms of our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Hardik Sutaria
Partner

Place : Ahmedabad
Date: August 01, 2022

For and on behalf of the Board of Directors of
Prudent Corporate Advisory Services Limited

Sanjay Shah
Chairman and Managing Director
DIN : 00239810

Shirish Patel
Whole Time Director and CEO
DIN : 00239732

Chirag Shah
Whole Time Director
DIN : 01480310

Chirag Kothari
Chief Financial Officer

Dhaval Ghetia
Company Secretary

Place : Ahmedabad
Date: August 01, 2022

Consolidated Statement of Changes in Equity

for the year ended March 31, 2022

A. Equity share capital - Refer Note 21

(₹in lakhs)

Particulars	Amount
Balance as at April 01, 2020	**103.36**
Add: Issue of shares during the year	**-**
Balance as at March 31, 2021	**103.36**
Add: Shares issued for cash during the year	-
Add : Bonus Shares issued	1,963.84
Add : Shares issued on split of face value of Equity Shares	-
Add : Conversion of Preference Shares	3.13
Balance as at March 31, 2022	**2,070.33**

B. Instrument entirely equity in nature - Refer Note 22

(₹in lakhs)

Particulars	Amount
Balance as at April 01, 2020	**0.16**
Add: Issue of shares during the year	**-**
Balance as at March 31, 2021	**0.16**
Add: Shares issued for cash during the year	-
Add : Bonus shares issued	2.97
Add : Shares issued on split of face value of Preference Shares	-
Less : Conversion in Equity Shares	(3.13)
Balance as at March 31, 2022	**-**

C. Other equity - Refer Note 23

(₹in lakhs)

Particulars	Reserves and Surplus			Total			Total
	Securities Premium	General Reserves	Retained Earnings	Retained Earnings	Attributable to owners of the parent	Non Controlling Interest	
Balance as at April 01, 2020	**95.35**	**214.62**	**100.00**	**10,738.24**	**11,148.21**	**-**	**11,148.21**
Add: Net Profit for the year	-	-	-	4,529.71	4,529.71	-	4,529.71
Add/(Less): Re-measurement of the defined benefit plans	-	-	-	8.86	8.86	-	8.86
Total Comprehensive income/(loss) for the year	**-**	**-**	**-**	**4,538.57**	**4,538.57**	**-**	**4,538.57**
(Less): Final dividend on Equity Shares paid during the year	-	-	-	(25.84)	(25.84)	-	(25.84)
(Less): Dividend @ 0.000001 % on Non-Cumulative Compulsory Convertible Preference Shares ('NCCCPS')	-	-	-	*-	*-	-	*-
Balance as at March 31, 2021	**95.35**	**214.62**	**100.00**	**15,250.97**	**15,660.94**	**-**	**15,660.94**
Add: Net Profit for the year	-	-	-	8,033.80	8,033.80	-	8,033.80
Add/(Less): Re-measurement of the defined benefit plans	-	-	-	(5.91)	(5.91)	-	(5.91)
Total Comprehensive income/(loss) for the year	**-**	**-**	**-**	**8,027.89**	**8,027.89**	**-**	**8,027.89**
(Less): Final dividend on Equity Shares paid during the year	-	-	-	(31.01)	(31.01)	-	(31.01)
(Less):Bonus shares issued during the year				(1,966.82)	(1,966.82)	-	(1,966.82)
(Less): Dividend @ 0.000001 % on Non-Cumulative Compulsory Convertible Preference Shares ('NCCCPS')	-	-	-	*-	*-	-	*-
Balance as at March 31, 2022	**95.35**	**214.62**	**100.00**	**21,281.03**	**21,691.00**	**-**	**21,691.00**

The accompanying notes are an integral part of these Consolidated Financial Statements.
*- Figure nullified in conversion of ₹in lakhs

In terms of our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants

Hardik Sutaria
Partner

Place : Ahmedabad
Date: August 01, 2022

For and on behalf of the Board of Directors of
Prudent Corporate Advisory Services Limited

Sanjay Shah
Chairman and Managing Director
DIN : 00239810

Shirish Patel
Whole Time Director and CEO
DIN : 00239732

Chirag Shah
Whole Time Director
DIN : 01480310

Chirag Kothari
Chief Financial Officer

Dhaval Ghetia
Company Secretary

Place : Ahmedabad
Date: August 01, 2022

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

1 Corporate information

Prudent Corporate Advisory Services Limited ("the Company" or "the Parent Company") together with its subsidiaries (collectively referred to as "the Group") are engaged in the business of distribution of financial products. The Company was incorporated on June 4, 2003 under the provisions of Companies Act, 1956 and is Public Company domiciled in India. Its registered office is situated at Prudent House, Panjra Pole Cross Road, Nr. Polytechnic, Ambawadi, Ahmedabad, Gujarat, India. After the year ended March 31, 2022, the Parent Company concluded its Initial Public Offering ("IPO") on May 20, 2022 through offer for sale of equity Shares by the existing shareholders and its equity shares are listed on recognised stock exchanges of India.

The Company is mainly engaged in business of distribution of various mutual funds existing in India and registered stock broker in cash segment with NSE and BSE and a depository participant with Central Depository Services (India) Limited (CDSL). Apart from distributing mutual funds, the Company, along with its subsidiaries is also engaged in distribution of various products like: Insurance products, PMS Products, Unlisted Securities, Bonds/FDs, AIFs, NPS, Stock broker etc.

The entities considered for consolidation and their nature of operations are as follows:

(i) Gennext Insurance Brokers Private Limited, a 100% subsidiary of PCASL, is an IRDA registered direct Insurance Broker- Life and General and it distributes various Insurance products both offline as well as online.

(ii) Prudent Broking Services Private Limited (PBSPL), a 100% subsidiary of PCASL, was incorporated under the provisions of Companies Act, 1956 and is private limited company domiciled in India. The Company is registered as a stock broker with the Securities and Exchange Board of India ("SEBI"). It is a member of NSE, BSE, MCX and NCDEX and is engaged in the business of providing broking services to its clients.

(iii) Prutech Financial Services Private Limited (Prutech), a 100% subsidiary of PCASL, is SEBI registered investment Adviser offering financial planning services to its clients.

2 Basis of preparation and Presentation:

A Basis of preparation and Statement of Compliance:

The Consolidated Financial Statements of the Company and its subsidiaries (together known as the "Group") comprise of the Consolidated Balance Sheet as at March 31, 2022 and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income/ Loss) and the Consolidated Statement of Changes in Equity and the Consolidated statement of Cash Flows for the year ended March 31,2022 and the Summary of Significant Accounting Policies and other explanatory information, (together referred to as the " Consolidated Financial Statement").

The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, the provisions of the Companies Act, 2013 ("the Act") to the extent notified, and other accounting principles generally accepted in India. These Consolidated Financial Statements have been approved by the board of directors in its meeting held on August 01, 2022.

These Consolidated Financial Statements have been prepared under historical cost convention on accrual basis except certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies. Historical cost is generally based on the fair value of consideration given in exchange for goods and services.

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by the Group, to all the periods presented in the said Consolidated financial statements.

The preparation of the said Consolidated financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Group accounting policies. The areas where estimates are significant to the Consolidated financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 2E.

The Consolidated financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Consolidated financial statements' and Division III of Schedule III of the Act .

B Basis of Consolidation

The Consolidated Financial Statement incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) up to March 31, 2022. Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affects its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the period are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable Ind ASs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109 when applicable, or the cost of initial recognition of an investment in an associate or a joint venture.

C Basis of Measurement

The Consolidated Financial Statement have been prepared on accrual and going concern basis under the historical cost convention except for certain class of financial assets/liabilities, share based payments and net liability for defined benefit plans that are measured at fair value. The accounting policies have been consistently applied by the Group unless otherwise stated.

D Functional and Presentation Currency

The Consolidated Financial Statement have been prepared and presented in Indian Rupees (INR), which is also the Group's functional currency.

E Rounding off

All amounts disclosed in the Consolidated Financial Statement and notes have been rounded off to the nearest Lakhs, unless otherwise stated.

E Key accounting estimates and judgement:

The preparation of Consolidated Financial Statement requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial period, are included in the following notes:

(i) Depreciation / amortisation and Useful life of property, plant and equipment and Intangible Assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates. (Refer note 3A, 3 B & 49)

(ii) Measurement of defined benefit obligations

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.(Refer note 3H & 35)

(iii) Recognition and measurement of provisions and contingencies

The Group recognises a provision if it is probable that an outflow of cash or other economic resources will be required to settle the provision. If an outflow is not probable, the item is treated as a contingent liability. Risks and uncertainties are taken into account in measuring a provision. (Refer note 3J)

(iv) Recognition of deferred tax assets/liabilities

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies and future recoverability of deferred tax assets. (Refer note 3I)

(v) Impairment of financial assets

The Group recognises loss allowances for expected credit losses on its financial assets measured at amortised cost. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit- impaired. A financial asset is ‘credit impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. (Refer note 3E(2)(v) & 30)

(vi) Fair Value Measurement

Fair value is the price at the measurement date, at which an asset can be sold or paid to transfer a liability, in an orderly transaction between market participants. The Group’s accounting policies require, measurement of certain financial / non-financial assets and liabilities at fair values (either on a recurring or non-recurring basis). Also, the fair values of financial instruments measured at amortised cost are required to be disclosed in the said Consolidated Financial Statement .

The Group is required to classify the fair valuation method of the financial / non-financial assets and liabilities, either measured or disclosed at fair value in the financial statements, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurement). Accordingly, the Group 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.

The three levels of the fair-value-hierarchy are described below:

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

Level 2: Significant inputs to the fair value measurement are directly or indirectly observable

Level 3: Significant inputs to the fair value measurement are unobservable.

(vii) Assessment of Business Combination

Note 49 describes the acquisition of identified customer folios of Karvy Stock Broking Limited. The management of the Group has assessed whether the said acquisition meets the definition of Business in accordance with Ind AS 103 Business Combination. In making such assessment, the management has exercised judgement while evaluating all the relevant facts and circumstances of the acquisition, including those related to inputs, substantive processes and outputs and concluded that the acquisition does not qualify as a Business in accordance with Ind AS 103 as Group has only acquired customer folios and accordingly, the same has been accounted as acquisition of intangible assets under Ind AS 38.

3 Summary of Significant Accounting Policies

A Property, Plant and Equipment

Items of property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost is inclusive of freight, duties, taxes or levies (net of recoverable taxes) and any directly attributable cost of bringing the assets to their working condition for intended use.

Property, plant and equipment which are not ready for intended use as on the date of Consolidated Balance Sheet are disclosed as "Capital work-in-progress".

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 carrying amount and net realisable value and are shown separately in the financial statements. Any write-down in this regard is recognised immediately in the Consolidated Statement of Profit and Loss.

An item of Property, Plant and Equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognised in the Consolidated Statement of Profit and Loss.

On transition to Ind AS, the Group has elected to apply Ind AS 16 Property, Plant and Equipment for various Property, Plant and Equipment from the date of acquisition

Depreciable amount for assets is the cost of an assets less its estimated residual value. Based on management's evaluation, useful life prescribed in Schedule II of the Act represent actual useful life of Property, Plant and Equipment. Accordingly, the Group has used useful lives as mentioned in Schedule II of the Act to provide depreciation of different class of its Property, Plant and Equipment. The Group provides depreciation on reducing balance method as per the useful life mentioned in Schedule II of the Act.

The estimated useful lives of Property, Plant and Equipment are as follows :

Class of assets	Useful Life (in years)
Building	60 Years
Office Equipment	5 Years
Furniture and Fixtures	5 to 10 Years
Computer Equipment	3 to 6 Years
Vehicles	8 Years

Out of the total assets, 4.90% of the assets are depreciated on straight line basis.

Depreciation on addition is being provided on pro rata basis from the date of such additions. Depreciation on asset sold, discarded, disabled or demolished during the period is being provided up to the date in which such assets are sold, discarded, disabled or demolished.

B Intangibles assets

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial period end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Consolidated Statement of Profit and Loss.

The estimated useful lives of intangible assets are as follows :

Class of assets	Useful Life (in years)
Software	5 Years
Customer Folios	10 years (Refer note 49)

C Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of non-financial assets, other than inventories and deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of such asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Consolidated Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

Reversal of impairment losses recognised in earlier periods is recorded when there is an indication that the impairment losses recognised for the asset/cash generating unit no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for that asset/cash generating unit in earlier periods. Reversal of impairment loss is directly recognised in the Consolidated statement of Profit and Loss.

D Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Consolidated Statement of Profit and Loss in the period in which they are incurred.

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. The financial instruments are recognised in the Consolidated Balance Sheet when the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial instruments at initial recognition.

(1) *Initial Recognition and Measurements*

A financial asset and financial liability is initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the Consolidated Statement of Profit and Loss.

Where the fair value of a financial asset or 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 Consolidated 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 Consolidated 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 assets or financial liability.

Trade receivables that do not contain a significant financing component are measured at transaction price.

(2) *Subsequent Measurements*

(a) Financial Assets

For purposes of subsequent measurement, financial assets are classified based on assessment of business model in which they are held. This assessment is done for portfolio of the financial assets. The relevant categories are as below:

(i) At amortised cost:

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL):

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

(ii) At fair value through Other comprehensive income (FVTOCI)

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

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

(iii) At fair value through profit and loss (FVTPL)

Financial assets which are not measured at amortised cost and are held for trading are measured at FVTPL. Fair value changes related to such financial assets are recognised in the Consolidated Statement of Profit and Loss.

Based on the Group's business model, the Group has classified its securities heldfor trade and Investment in Mutual Funds at FVTPL.

iv) Investment in Equity Instruments

Equity investments are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For equity instruments other than held for trading, the Group has irrevocable option to present in Other Comprehensive Income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Where the Group classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts of profit or loss from OCI to Statement of Profit and Loss, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated Statement of Profit and Loss.

(v) Impairment of Financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss, otherwise lifetime ECL is used.

However, only in case of trade receivables, the Group applies the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Expected credit losses rate the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Group estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

(vi) Derecognition of Financial Assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Consolidated Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Consolidated Statement of Profit and Loss on disposal of that financial asset.

(b) Financial Liabilities

All financial liabilities of the Group are subsequently measured at amortized cost using the effective interest method or at FVTPL.

(i) At amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Under the effective interest method, the future cash payments 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 liability over the relevant period of the financial liability to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Consolidated Statement of Profit and Loss.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

(ii) At Fair Value through Profit and Loss:

A financial liability may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability whose performance is evaluated on a fair value basis, in accordance with the Group's documented risk management.

Fair value changes related to such financial liabilities are recognised in the Consolidated Statement of Profit and Loss.

(iii) Derecognition of Financial Liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Consolidated Statement of Profit and Loss.

(iv) Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset when the Group has a legally enforceable right (not contingent on future events) to off-set the recognised amounts either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(3) 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 are recognised at the proceeds received, net of direct issue costs.

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument as per the relevant accounting standard.

Ordinary shares are classified as Equity when the Group has an un-conditional right to avoid delivery of cash or another financial asset, that is, when the dividend and repayment of capital are at the sole and absolute discretion of the Group and there is no contractual obligation whatsoever to that effect.

(4) *Derivative Financial Instruments*

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. The resulting gain or loss is recognised in Consolidated Statement of Profit and Loss immediately.

F Foreign currency transactions

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transactions. Monetary assets and liabilities outstanding at the period-end are translated at the rate of exchange prevailing at the period-end and the gain or loss, is recognised in the Consolidated Statement of Profit and Loss.

Foreign currency monetary items (other than derivative contracts) of the Group, outstanding at the Balance Sheet date are restated at the period-end rates. Non-monetary items of the Group are carried at historical cost.

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Group are recognised as income or expense in the Consolidated Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

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

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

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

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

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

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

Revenue from contracts with customers is recognised when control of the services are transferred to the customer which can be either at a point in time or over time, at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services.

Revenue recognized are exclusive of goods and service tax, stamp duties and other levies by Security Exchange Board of India (SEBI) and exchanges.

The Group recognises revenue from the following major sources:

(i) Commission and Fees Income from distribution of financial products (i.e. Mutual Funds, Bonds, Fixed Deposits, Non-convertible Debentures,Insurance products, etc.)

(ii) Brokerage Income from stock broking business.

(iii) Commission Income from Sale of Properties.

Commission and Fees Income relating to Distribution of Financial Products: Fees on distribution services are recognized at a point in time when the service obligations are completed and when the terms of contracts are fulfilled.

Commission and Fees Income relating to Stock Broking : Revenue from contract with customer is recognised point in time when performance obligation is satisfied. Income from broking activities is accounted for on the trade date of transactions.

Commission Income from Sale of Properties: Brokerage income from sale of non-financial properties is recognisedat the point the sale when the performance obligation which gives rise to the commission income is satisfied and when the right to receive the income is established. The date of the agreement is considered as point in time when the performance obligation is satisfied.

Revenues in excess of invoicing are classified as contract assets (referred to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (referred to as income received in advance or unearned revenue).

Interest Income

Interest income on financial assets is recognised using the Effective Interest Rate (EIR) method. The EIR is the rate that exactly discounts estimated future cash flows of the financial asset through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument.

Dividend Income

Dividend income is recognised when the right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

H Employees Benefit

Employee benefits include short term employee benefits, provident fund, employee's state insurance, gratuity and compensated absences.

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. The Group 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.

Defined Contribution Plan

The Group's contribution to Provident Fund and Employee State Insurance Scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. The Group does not carry any further obligations, apart from the contributions made on a monthly basis.

Defined Benefit Plan

The Group provides for the gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The Group contributes Gratuity liabilities to the trusts. Trustees administer contributions made to the Trusts and contributions are invested in Insurer Managed Funds. Net Obligation is recognised as asset/liability.

Re-measurements of the net defined benefit liability comprising actuarial gains and losses (excluding amounts included in net interest on the net defined benefit liability) and, are recognized in Other Comprehensive Income. Such re-measurements are not reclassified to the Consolidated Statement of Profit and Loss in the subsequent year. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income.

Long-term employee benefits

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the period are treated as other long term employee benefits and is unfunded. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of the each period. Actuarial losses/gains are recognised in the Consolidated Statement of Profit and Loss in the period in which they arise.

I Current and deferred tax

Tax on Income comprises current and deferred tax.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the reporting period in accordance with the Income-tax Act, 1961 enacted in India and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantially enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is also recognised in respect of carried forward tax losses and tax credits subject to the assessment of reasonable certainty of recovery. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Deferred tax relating to items recognised outside the Consolidated Statement of Profit and Loss is recognised outside with the underlying items i.e. either in the statement of other comprehensive income or directly in equity as relevant.

J Provisions and contingent liabilities:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Consolidated Statement of Profit and Loss net of any reimbursement. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

K Leases: Right-of-use assets and Lease liabilities

i) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets ("RoU Assets") at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 3(C) Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The Company as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

L Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents for the purpose of Statement of Cash Flow comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less.

M Earning per share

Basic earnings per share is computed by dividing the profit / (loss) for the period attributable to equity share holder by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit/(loss) for the period attributable to Equity Share holders and the weighted average number of shares outstanding during the period are adjusted for effects of all dilutive portential equity shares.

N Dividend on Ordinary Shares

The Group recognizes a liability to make cash to equity holders of the Group when the distribution is authorized and the distribution is no longer at the discretion of the Group. As per the Act, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

O Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108 - Operating Segments, the CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

P Cash flow statement

Cash flows are reported using the indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular operating, investing and financing activities of the Group are segregated based upon the available information.

Q New Accounting standards, amendments and interpretations adopted by the Group effective from April 1, 2021:

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended March 31, 2021, except for amendments to the existing Indian Accounting Standards (Ind AS).
The Company has not early adopted any other standard, Interpretation or amendment that has been issued but is

not yet effective. The Group applied following standards, for the accounting periods beginning on or after 1 April 2021.

1. **Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116**

   The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

   The amendments include the following practical expedients:

   -A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest.
   -Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued.
   -Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

   The adoption of these amendments did not have any material impact on the Consolidated financial statements. The Group intends to use the practical expedients in future periods if they are applicable.

2. **Conceptual framework for financial reporting under Ind AS issued by ICAI**

   The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

   The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS .includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

   The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

   The adoption of these amendments did not have any impact on the Consolidated financial statements

3. **Ind AS 116: COVID-19 related rent concessions**

   MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021

   The adoption of these amendments did not have any material impact on the Consolidated financial statements.

4. **Ind AS 103: Business combination**

   The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

   There was no such transaction during the year so these amendments no impact on the financial statements of the Group.

5. **Amendment to Ind AS 105, Ind AS 16 and Ind AS 28**

   The definition of “Recoverable amount” is amended such that the words “the higher of an asset’s fair value less costs to sell and its value in use” are replaced with “higher of an asset’s fair value less costs of disposal and its value in use”. The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

   The adoption of these amendments did not have any material impact on the Consolidated financial statements.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

4 Cash and Cash equivalents

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(measured at amortised cost)		
Cash on Hand	4.81	5.10
Balance with Banks:		
- In current accounts	1,856.99	9,828.68
- In Fixed Deposits with original maturity of less than three months (Refer Note Below)	1,020.50	95.50
- Interest accrued but not due on Bank Deposits with remaining maturities less than 3 months	3.12	3.93
Total	**2,885.42**	**9,933.21**

Note : Bank Deposits include fixed deposit amounting to ₹150.00 Lakhs which is lien with Banks against credit facilities of the Group , ₹860.50 Lakhs with Stock Exchanges against deposit / margin requirements and ₹10 Lakhs with Insurance Regulatory and Development Authority.

5 Bank Balances other than (a) above

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(measured at amortised cost)		
Deposits held as Margin Money *	20.00	20.00
Bank Deposits with remaining maturities more than 3 months **	2,837.50	3,947.62
Interest accrued but not due on Bank Deposits	4.62	20.15
Total	**2,862.12**	**3,987.77**

*Includes Deposits under lien amounting to ₹20 Lakhs with Pension Fund Regulatory and Development Authority.

** Bank Deposits include fixed deposit amounting to ₹879.00 Lakhs which is lien with Banks against credit facilities of the Group and ₹1,958.50 Lakhs with Stock Exchanges against deposit / margin requirements.

6 Trade receivables

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(measured at amortised cost)		
Unsecured :		
Receivable from Clients/Customers		
Considered Good	9,231.43	6,373.05
Significant increase in credit risk	1.37	13.13
Credit Impaired	177.66	177.66
	9,410.46	**6,563.84**
Less : Allowance for expected credit Loss	(179.03)	(190.79)
	9,231.43	**6,373.05**
Receivable from Exchanges (Considered Good)	143.83	458.10
Total	**9,375.26**	**6,831.15**

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Movement in expected credit loss allowance are as follows:		
Balance as at beginning of the year	**190.79**	**200.84**
Add: Provision recognized/ (reversed) during the year (Refer note : 30 & 40)	(11.76)	(10.05)
Balance as at end of the year	**179.03**	**190.79**

(a) Carrying value of trade receivables may be affected by the changes in credit risk of the counterparties as explained in Note 40

(b) No Trade receivables are due from directors or other officers of the Group. No trade receivables are due from firms or private companies in which any director is a partner, member or director.

(C) The Group has duly provided its services and fulfilled the performance obligations for the month of March 2022 in March 2022 and March 2021 in March 2021 itself, but as a part of its routine procedure, the group has raised the invoices subsequent to the month. Since, the Group has the unconditional right to consideration and only the act of billing has been deferred, the same has been classified as Trade Receivable. This has been duly reflected as unbilled in the trade receivable ageing.

Trade receivable as at March 31, 2022

(₹in lakhs)

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Not due	Less than 6 Months	6 Months - 1 year	1 -2 Years	2 - 3 Years	More than 3 Years	
(I) Undisputed Trade Receivable - Considered good	5.57	1,218.84	8,146.53	1.71	2.56	0.05	-	9,375.26
(II) Undisputed Trade Receivable - which have significant increase in credit risk	-	0.24	0.79	0.04	0.25	-	0.05	1.37
(III) Disputed Trade Receivable - Credit impaired	-	-	-	-	-	177.66	-	177.66
	5.57	**1,219.08**	**8,147.32**	**1.75**	**2.81**	**177.71**	**0.05**	**9,554.29**
Less : Allowance for expected credit Loss	-	-	-	-	-	-	-	(179.03)
Total	**5.57**	**1,219.08**	**8,147.32**	**1.75**	**2.81**	**177.71**	**0.05**	**9,375.26**

Trade receivable as at March 31, 2021

(₹in lakhs)

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Not due	Less than 6 Months	6 Months - 1 year	1 -2 Years	2 - 3 Years	More than 3 Years	
(I) Undisputed Trade Receivable - Considered good	80.76	1,359.79	5,350.08	29.51	9.30	1.71	-	6,831.15
(II) Undisputed Trade Receivable - which have significant increase in credit risk	-	0.97	4.18	3.73	2.16	1.38	0.71	13.13
(III) Disputed Trade Receivable - Credit impaired	-	-	-	-	177.66	-	-	177.66
	80.76	**1,360.76**	**5,354.26**	**33.24**	**189.12**	**3.09**	**0.71**	**7,021.94**
Less : Allowance for expected credit Loss	-	-	-	-	-	-	-	(190.79)
Total	**80.76**	**1,360.76**	**5,354.26**	**33.24**	**189.12**	**3.09**	**0.71**	**6,831.15**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

7 Loans

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
(measured at amortised cost)		
Loans to Employees	65.08	50.60
Total	**65.08**	**50.60**

8 Other financial assets

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
(measured at amortised cost)		
Deposits with Exchange*	493.70	380.75
Margins with Exchanges and clearing member	430.69	282.29
Less : Impairment Allowances (Refer Note : 30 & 48(b))	(204.67)	(204.67)
	226.02	**77.62**
Deposit for leased premises	220.85	196.55
Interest accrued but not due on Deposits & Margins	6.27	8.04
Less : Impairment Allowances (Refer Note : 30 & 48(b))	(3.78)	(3.78)
	2.49	**4.26**
Proposed IPO Expense Recoverable (Refer note : 36)	459.44	-
Other Receivables	8.88	374.05
Less : Impairment Allowances (Refer Note : 30 & 48(b))	(5.46)	(4.81)
	3.42	**369.24**
Interest Receivable	0.59	0.83
Amount Paid under Protest (Refer Note : 48(a)(i))	53.08	-
Total	**1,459.59**	**1,029.25**

* The above fixed deposits are under lien with stock exchange as security deposit and minimum base capital requirements

9 Securities for trade

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Quoted - measured at Fair value through profit and loss		
Equity Shares (i)	34.35	63.18
Bonds (iii)	768.40	1,127.48
Unquoted - measured at Fair value through profit and loss		
Equity Share (i)	80.35	121.29
Bonds (iii)	6.42	-
Preference Share (ii)	150.00	-
Total	**1,039.52**	**1,311.95**

(i) **Equity Shares - Securities for trade**

(₹in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Number of Shares	FV per Shares (in ₹)	Value (₹in lakhs)	Number of Shares	FV per Shares(in ₹)	Value (₹in lakhs)
Quoted Shares						
HEC Infra Projects Limited	-	-	-	7,200	10	8.51
Maheshwari Logistics Ltd	-	-	-	6,000	10	8.98
Reliance Nippon Life Asset Management Ltd.	-	-	-	1,514	10	5.12
Wealth First Portfolio Managers Limited	-	-	-	3,000	10	6.32
Nazara Technology Ltd Listed Shares	2,000	4	32.76	2,000	4	29.30
Suryoday Small Finance Bank Limited Listed Shares	1,810	10	1.59	1,810	10	4.95
Total			**34.35**			**63.18**
Unquoted Shares						
Chennai Super Kings Cricket Limited	290	0.10	0.60	1,080	0.10	0.86
Fino Paytech Limited	10,330	10	19.11	14,390	10	30.51
HDB Financial Services Limited	-	-	-	2,460	10	23.74
HDFC Securities Limited	35	10	5.60	75	10	6.75
Hero Fin Corp Limited	-	-	-	150	10	1.64
Reliance Retail Limited	990	10	33.66	480	10	7.32
Kurlon Enterprises Limited	4	5	0.03	85	5	0.62
Merino Industries Limited	250	10	8.25	390	10	11.31
Mohan Meakin Limited	-	-	-	550	5	4.90
NCL Buildtek Limited	-	-	-	890	10	1.76
Shriram Life Insurance Co Limited	-	-	-	1,000	10	1.98
Studds Accessories Limited	-	-	-	1,400	5	21.35
Tamil Nadu Mercantile Bank Limited	-	-	-	250	10	1.23
Tata Technologies Limited	80	10	4.70	220	10	3.88
Utkarsh CoreInvest Limited	360	10	0.59	1,400	10	2.80
Capital Small Finance Bank Limited	-	-	-	250	10	0.64
Cochin International Airport Limited	3	10	0.01	-	-	-
Sterlite Power Transmission Limited	800	2	7.60	-	-	-
Maharashtra Knowledge Corporation Limited	50	10	0.20	-	-	-
Total			**80.35**			**121.29**
Total			**114.70**			**184.47**

(ii) **Details of Preference Shares - Securities held for trade**

(₹in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Number of shares	FV per share (in ₹)	Value (₹in lakhs)	Number of shares	FV per share (in ₹)	Value (₹in lakhs)
Unquoted Shares						
Tata Capital Limited 2024@7.15%	5,000	1,000	50.00	-	-	-
Tata Capital Limited 2024@7.50%	10,000	1,000	100.00	-	-	-
Total			**150.00**	**-**	**-**	**-**

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for the year ended March 31, 2022

(iii) Bonds - Securities for trade

(₹in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Number of Bonds	FV per Bond (in ₹)	Value (₹in lakhs)	Number of Bond	FV per Bond (in ₹)	Value (₹in lakhs)
Quoted Bonds						
Indusind Bank Ltd Perp Bond 2024@10.50%	-	-	-	5	1,000,000	50.00
Edelweiss Yield Plus 35 Months July 2021				40	100,000	40.51
L&T Finance Holdings Ltd 2023@7.95%	-	-	-	7,000	100	8.40
Punjab & Sind Bank Bond 2022 @ 10.90%	-	-	-	2	1,000,000	19.87
BOB Perp Bond 2025 @ 8.25%	-	-	-	1	1,000,000	9.92
Central Bank of India 2023@9.90%	-	-	-	4	1,000,000	40.48
Mahanagar Telephone Ltd 2030@7.05%	-	-	-	10	1,000,000	100.73
PFC 2036@7.15%	-	-	-	5,000	1,000	51.35
The Karur Vysya Bank Ltd Bond 2029@11.95%	-	-	-	42	100,000	43.09
UPPCL 2024 @ 9.75%	-	-	-	10	1,000,000	101.43
UPPCL 2028 @ 10.15%	-	-	-	1	1,000,000	10.62
Bank of Maharashtra 2025@7.75%	4	1,000,000	40.60	5	1,000,000	49.66
Ghazibad Nagar Nigam 2026@8.10%	37	142,900	53.99	-	-	-
ICICI Home Finance 2030@7.50%	-	-	-	4	500,000	20.06
IIFCL Bond 2033 @ 7.40%	-	-	-	2,093	1,000	25.58
India Grid Trust 2031@8.20%	3,839	1,000	42.32	-	-	-
Indian Bank 2025@8.44%	-	-	-	10	1,000,000	99.70
Punjab National Bond 2025 @ 9.15%	4	1,000,000	41.20	-	-	-
State Bank of India 2025@7.74%	8	1,000,000	80.66	9	1,000,000	90.55
Union Bank Ltd Bond 2026@9.50%	3	1,000,000	31.89	-	-	-
ECL Finance Limited 2028@9.85%	509	1,000	4.91	-	-	-
Hinduja Leyland Finance Ltd 2026@9.75%	-	-	-	10	1,000,000	99.25
IIFL Finance Ltd 2028@10%	5	1,000	0.05	-	-	-
Piramal Capital and Housing Finance Ltd 2031@6.75%	2,650	975	21.41	-	-	-
UPPCL 2025@8.97%	-	-	-	5	1,000,000	52.27
UPPCL 2026 @ 10.15%	-	-	-	7	1,000,000	74.20
UPPCL 2025 @ 10.15%	1	1,000,000	10.65	-	-	-
Asirvad Microfinance Ltd 2024	3	1,000,000	31.44	-	-	-
Belstar Microfinance Limited NCD 2024	1	1,000,000	10.03	-	-	-
BOB Perp Bond 2025 @ 8.50%	8	1,000,000	82.28	13	1,000,000	139.81
Edelweiss Financial Services Ltd 2023@11%	2	1,000,000	19.90	-	-	-
HDFC 2031@7.10%	1	1,000,000	9.96	-	-	-
Housing Development Finance Co Ltd 2031@7.05%	10	1,000,000	99.17	-	-	-
Mahindra and Mahindra Financial Ser Ltd 2031@7.45%	2	1,000,000	20.00	-	-	-
Muthoot finance ltd bond 2027@10.26%	51	100,000	52.53	-	-	-
Nabard Tax Free Bond 2026@7.29%	600	1,000	6.52	-	-	-
Rajasthan Rajya Vidyut Prasaran Nigam Ltd 2024	1	500,000	4.33	-	-	-
Rajasthan Rajya Vidyut Prasaran Nigam Ltd 2026	4	500,000	13.84	-	-	-
Tata Capital Housing Finance Ltd 2032@7.50%	9	1,000,000	90.72	-	-	-
Total			**768.40**			**1,127.48**
Unquoted Bonds						
Muthoot finance ltd bond 2031@8%	600	1,000	6.42	-	-	-
Total			**6.42**			**-**

10 Investments

(i) Investments in Preference Shares

(₹in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Face Value (₹)	No. of Shares	Amount (₹ in lakhs)	Face Value (₹)	No. of Shares	Amount (₹ in lakhs)
(Quoted - measured at amortised cost)						
IL&FS Limited						
2021 Non Convertible Redeemable Preference Shares @ 16.06%	7,500	760	95.00	7,500	760	95.00
Less: Impairment Allowances			(95.00)			(95.00)
2021 Non Convertible Redeemable Preference shares @ 15.99%	7,500	40	5.00	7,500	40	5.00
Less: Impairment Allowances			(5.00)			(5.00)
Total			-			-

(ii) Investments in Bonds

(₹in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Face Value (₹)	No. of Bonds	Amount (₹ in lakhs)	Face Value (₹)	No. of Bonds	Amount (₹ in lakhs)
(Quoted - measured at amortised cost)						
9.75% Uttar Pradesh Power Corporation Ltd. 2024	1,000,000	1	10.06	1,000,000	1	10.06
11.01% Meghalaya Energy Corporation Ltd. 14/01/2031	1,000,000	1	10.61	1,000,000	1	10.61
9.90% Central Bank of India 2023	1,000,000	1	10.67	1,000,000	1	10.66
10.15% Uttar Pradesh Power Corporation Ltd. 2022	-	-	-	1,000,000	1	10.06
IIFCL Bond 2029 @ 8.73%	1,000	670	7.92	1,000	670	7.92
NHAI Tax Free Bond 2022 @ 8.20%	-	-	-	1,000	983	10.57
PFC Tax Free Bond 2022 @ 8.20%	-	-	-	1,000	1,424	15.31
Total			**39.26**			**75.19**

(iii) Investments in Equity Shares

(₹in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Face Value (₹)	No. of Shares	Amount (₹ in lakhs)	Face Value (₹)	No. of Shares	Amount (₹ in lakhs)
(Quoted - measured at Fair value through profit and loss)						
HEC Infra Projects Limited	10	36,000	12.55	-	-	-
Maheshwari Logistics Limited	10	12,000	12.50	-	-	-
Reliance Nippon Life Asset Management Limited	10	1,514	5.27	-	-	-
Wealth First Portfolio Managers Limited	10	5,000	13.61	-	-	-
Total			**43.93**			-

(iv) Investments in Mutual Funds

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

(₹in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Face Value (₹)	No. of Units	Amount (₹ in lakhs)	Face Value (₹)	No. of Units	Amount (₹ in lakhs)
(Unquoted - measured at Fair value through profit and loss)						
Axis Strategic Bond Fund	10	964,100	215.14	10	5,786,878	1,222.39
SBI Liquid Fund	1,000	1,205	39.90	-	-	-
Reliance ETF Liquidbees	1,000	0.65	0.01	1,000	2	0.01
Mirae Asset Large Cap Fund Growth Plan	10	26,921	20.84	10	59,525	38.99
Nippon India Multi Cap Fund-Growth Plan Growth Option	10	15,034	22.75	10	193,014	217.39
ICICI Prudential Bluechip Fund Growth	10	33,554	22.00	10	387,102	207.60
SBI Focused Equity Fund Direct Plan	-	-	-	10	501	1.01
SBI Focused Equity Fund Regular Plan Growth	10	9,091	21.23	10	113,937	213.15
HDFC Corporate Bond Fund	10	800,075	209.08	-	-	-
HDFC Low Duration Fund	10	554,916	259.78	-	-	-
ICICI Prudential Savings Fund	100	84,018	364.10	-	-	-
Kotak Bond short term fund	10	732,761	312.06	-	-	-
Nippon India corporate bond fund	10	439,742	210.06	-	-	-
Nippon India short term Fund	10	488,882	209.22	-	-	-
Aditya Birla Sun Life Liquid Fund	100	567,575	1,932.23	-	-	-
Mirae Asset Emerging Bluechip Fund - Regular Plan Growth Option	-	-	-	10	105,595	82.94
Total			**3,838.40**			**1,983.48**
Total (i) + (ii) + (iii)+(iv)			**3,921.59**			**2,058.67**
Aggregate amount of Quoted Investments			83.19			75.19
Market value of Quoted Investments			84.44			75.20
Aggregate amount of Unquoted Investments			3,838.40			1,983.48

* The above fixed deposits are under lien with stock exchange as security deposit and minimum base capital requirements

11 Property, Plant and Equipment

(₹in lakhs)

Particulars	Freehold Land *	Building *	Computer	Furniture and Fixtures	Office Equipment	Vehicles	Total
Gross Block							
Deemed Cost							
As at April 01, 2020	**402.71**	**723.64**	**343.34**	**310.55**	**169.98**	**154.96**	**2,105.18**
Addition during the year	-	17.37	33.80	57.70	71.37	-	180.24
Deduction/Adjustment during the year	-	-	(0.38)	(0.27)	(0.35)	(9.56)	(10.56)
As at March 31, 2021	**402.71**	**741.01**	**376.76**	**367.98**	**241.00**	**145.40**	**2,274.86**
Addition during the year	-	-	89.45	40.25	23.22	23.64	176.56
Deduction/Adjustment during the year	-	-	(3.65)	(1.13)	(3.57)	(5.14)	(13.49)
As at March 31, 2022	**402.71**	**741.01**	**462.56**	**407.10**	**260.65**	**163.90**	**2,437.93**
Accumulated Depreciation							
As at April 01, 2020	**-**	**37.79**	**106.73**	**75.46**	**47.25**	**45.55**	**312.78**
Depreciation for the year	-	39.04	43.36	66.54	121.73	31.34	302.01
Deduction	-	-	(0.26)	(0.04)	(0.30)	(4.05)	(4.65)
As at March 31, 2021	**-**	**76.83**	**149.83**	**141.96**	**168.68**	**72.84**	**610.14**
Depreciation for the year	-	36.34	112.73	61.82	38.27	24.01	273.17
Deduction	-	-	(2.83)	(0.93)	(3.08)	(4.20)	(11.04)
As at March 31, 2022	**-**	**113.17**	**259.73**	**202.85**	**203.87**	**92.65**	**872.27**
Net Carrying Value as at March 31, 2022	**402.71**	**627.84**	**202.83**	**204.25**	**56.78**	**71.25**	**1,565.66**
Net Carrying Value as at March 31, 2021	**402.71**	**664.18**	**226.93**	**226.02**	**72.32**	**72.56**	**1,664.72**

* The title deeds of all the immovable properties, (other than immovable properties where the Group is the lessee and the lease agreements are duly executed in favour of the Group) are held in the name of the Group as at the balance sheet date.

12 Right-of-use assets

(₹in lakhs)

Particulars	Carrying Amount as at April 1, 2021	Additions during the year	Deletion during the year	Amortisation during the year	Carrying Amount as at March 31, 2022
Office Premises	933.09	1,086.73	(222.82)	(533.16)	1,263.84
Total	**933.09**	**1,086.73**	**(222.82)**	**(533.16)**	**1,263.84**
Particulars	**Carrying Amount as at April 01, 2020**	**Additions during the year**	**Deletion during the year**	**Amortisation during the year**	**Carrying Amount as at March 31, 2021**
Office Premises	914.44	526.10	(21.50)	(485.95)	933.09
Total	**914.44**	**526.10**	**(21.50)**	**(485.95)**	**933.09**

(a) The Group has leases for the office premises. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected in the Balance Sheet as a right-of-use asset and a lease liability. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

13 Intangible Assets

(₹in lakhs)

Particulars	Computer Software	Customer Folios (Refer note - 3B & 49)	Total
Gross Block			
Deemed Cost			
As at April 01, 2020	63.16	-	**63.16**
Additions during the year	26.96	-	**26.96**
Disposals/ Adjustments	-	-	**-**
As at March 31, 2021	**90.12**	**-**	**90.12**
Additions during the year	6.01	15,100.00	**15,106.01**
Disposals/ Adjustments	(3.21)	-	**(3.21)**
As at March 31, 2022	**92.92**	**15,100.00**	**15,192.92**
Accumulated Amortisation			
As at April 01, 2020	**23.12**	**-**	**23.12**
Additions during the year	23.95	-	**23.95**
Disposals/ Adjustments	-	-	**-**
As at March 31, 2021	**47.07**	**-**	**47.07**
Additions during the year	15.37	517.12	**532.49**
Disposals/ Adjustments	-	-	**-**
As at March 31, 2022	**62.44**	**517.12**	**579.56**
Net Carrying Value as at March 31, 2022	**30.48**	**14,582.88**	**14,613.36**
Net Carrying Value as at March 31, 2021	**43.05**	**-**	**43.05**

14 Other non-financial assets

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance with Government Authorities	5.13	5.19
Advances to suppliers	418.60	64.44
Prepaid expenses	169.64	147.17
Other Receivable	6.64	-
Total	**600.01**	**216.80**

Notes to the Consolidated Financial Statements
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15 Trade payables

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(at amortised cost)		
(Refer Note - 36)		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		
-Payable to Vendors	4420.34	3103.13
-Payable to Clients	7609.87	6234.03
-Payable to Exchanges	26.07	56.38
Total	**12,056.28**	**9,393.54**

Details of dues to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006. This information has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by auditors.

The amounts remaining unpaid to any supplier at the end of the year:

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Principal Amount	-	-
2. Interest Amount	-	-
The amounts of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

Trade payables as at March 31, 2022

(₹in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 Year	1 - 2 Year	2 -3 year	More than 3 years	
(I) MSME	-	-	-	-	-	-	-
(II) Others	646.22	1,971.22	9,437.83	0.06	-	0.95	12,056.28
(III) Disputed dues - MSME	-	-	-	-	-	-	-
(IV) Disputed dues - Others	-	-	-	-	-	-	-
Total	**646.22**	**1,971.22**	**9,437.83**	**0.06**	**-**	**0.95**	**12,056.28**

Trade payables as at March 31, 2021

(₹in lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 Year	1 - 2 Year	2 -3 year	More than 3 years	
(I) MSME	-	-	-	-	-	-	-
(II) Others	607.64	3,663.73	5,106.85	4.69	2.88	7.75	9,393.54
(III) Disputed dues - MSME	-	-	-	-	-	-	-
(IV) Disputed dues - Others	-	-	-	-	-	-	-
Total	**607.64**	**3,663.73**	**5,106.85**	**4.69**	**2.88**	**7.75**	**9,393.54**

16 Borrowings

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(at amortised cost)		
Unsecured		
- from Financial Institution (Refer note below)	-	260.00
Interest accrued but not due on borrowings	0.72	1.00
Total	**0.72**	**261.00**

Note: Rate of Interest is ranging from 8.00% to 9.25% for all above borrowings

17 Lease Liabilities

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(at amortised cost)		
Opening Balance	999.07	943.38
Additions	1,049.59	508.15
Adjustment / Deletion	-	(22.58)
Finance Cost	106.06	91.66
Cancellation of lease	(241.85)	-
Lease Payments	(595.07)	(521.54)
Total	**1,317.80**	**999.07**

Lease payments not recognised as a liability

The Group has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

The expense relating to payment not included in the measurement of the lease liability mainly pertains to the short term leases.

Future minimum lease payments under leases together with the present value of the net minimum lease payments are as follows.

(₹in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Minimum Lease Payments	Finance charge allocated to future periods	Present Value of MLP	Minimum Lease Payments	Finance charge allocated to future periods	Present Value of MLP
Within 1 year	561.22	93.90	467.32	461.61	62.98	398.63
1 to 5 Years	948.25	97.77	850.48	671.69	71.25	600.44
More than 5 Years	-	-	-	-	-	-
Total minimum lease payments	**1,509.47**	**191.67**	**1,317.80**	**1,133.30**	**134.23**	**999.07**
Less: Amounts representing finance charges	(191.67)	-	-	(134.23)	-	-
Present value of minimum lease payments	**1,317.80**		**1,317.80**	**999.07**		**999.07**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

18 Other financial liabilities

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(at amortised cost)		
Security deposits received	49.21	54.16
Other payable	434.35	198.15
Total	**483.56**	**252.31**

Disclosure of changes in liabilities arising from financing activities, including changes arising from cash flows is as under :

(₹in lakhs)

Particulars	Dividend	Borrowings (Including Interest))	Lease Liabilities	Total
As at April 1, 2020	-	943.38	775.58	1,718.96
Addition during the year	-	508.15	-	508.15
Adjustments/deletion	-	(22.58)	-	(22.58)
Charged to Profit and Loss	-	91.66	73.90	165.56
Dividend recognised during the year	25.84	-	-	25.84
Cash flow movement	(25.84)	(521.54)	(588.48)	(1,135.86)
As at March 31, 2021	-	999.07	261.00	1,260.07
Addition during the year	-	1,049.59	-	1,049.59
Adjustments/deletion	-	(241.85)	-	(241.85)
Charged to Profit and Loss	-	106.06	125.52	231.58
Dividend recognised during the year	31.01	-	-	31.01
Cash flow movement	(31.01)	(595.07)	(385.80)	(1,011.88)
As at March 31, 2022	-	1317.80	0.72	1318.52

19 Provisions

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for gratuity (Refer Note 35)	314.64	423.50
Provision for compensated absences (unfunded) (Refer Note 35)	187.05	149.37
Total	**501.69**	**572.87**

20 Other non-financial liabilities

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance received from customers (Contract liabilities)	20.29	111.52
Statutory dues	1,665.42	1,013.95
Total	**1,685.71**	**1,125.47**

21 Equity Share capital

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised		
4,80,00,000 Equity shares of ₹5/- each (March 31, 2021: 1,40,00,000 Equity shares of ₹10/- each)	2,400.00	1,400.00
	2,400.00	1,400.00
Issued, subscribed and fully paid up		
4,14,06,680 Equity shares of ₹5/- each fully paid-up	2,070.33	103.36
(March 31, 2021: 10,33,600 Equity shares of ₹10/- each fully paid-up)		
Total issued, subscribed and fully paid-up share capital	**2,070.33**	**103.36**

(i) Reconciliation of number of shares

(₹in lakhs)

Equity Shares	Number of Shares	Amount
Balance as at April 1, 2020	1,033,600	103.36
Add : Issue during the year	-	-
Balance as at March 31, 2021	1,033,600	103.36
Add : Shares issued for cash during the year	-	-
Add : Bonus Shares issued *	19,638,400	1,963.84
Add : Shares issued on split of face value of Equity Shares *	20,672,000	-
Add : Conversion of Preference Shares (Refer note 22)	62,680	3.13
Balance as at March 31, 2022	**41,406,680**	**2,070.33**

*Pursuant to the Board resolution dated, July 22, 2021 and Shareholders' resolution dated July 23, 2021, the Parent Company has issued 19 bonus shares of face value ₹10 each for every 1 existing fully paid up equity share of face value ₹10 each and accordingly 1,96,38,400 bonus shares were issued, which were allotted on August 3, 2021 (the "Bonus Issue"). Further, each equity share of face value of ₹10 each of the Parent Company has been split into two equity shares of face value of ₹5 each (the "Split") by capitalizing the Retained earnings of our Parent Company.

(ii) Rights, preferences and restrictions attached to Equity shares

The Parent Company has only one class of equity shares having a par value of ₹5/- per share. Each shareholder of equity shares is entitled to one vote per share. The Parent Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive the remaining assets of the Parent Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shareholders holding more than 5% of the aggregate shares in the Parent Company

Equity Shares	As at March 31, 2022	
	Number of Shares	% Holding
Sanjay R Shah	17,952,250	43.36%
Wagner Ltd.	16,562,680	40.00%
Maitry Shah	2,760,000	6.67%
Sakhi Shah	2,760,000	6.67%

Equity Shares	As at March 31, 2021	
	Number of Shares	% Holding
Sanjay R Shah	448,900	43.43%
Wagner Ltd.	412,500	39.91%
Maitry Shah	69,000	6.68%
Sakhi Shah	69,000	6.68%

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

(iv) Details of shareholders holding of Promoters as at March 31, 2022

Promoter Name	As at March 31, 2022		% change during the year
	Number of Shares	% total shares	
Sanjay R Shah	17,952,250	43.36%	-0.07%

Details of shareholders holding of Promoters as at March 31, 2021

Promoter Name	As at March 31, 2021		% change during the year
	Number of Shares	% total shares	
Sanjay R Shah	448,900	43.43%	0.00%

22 Instrument entirely equity in nature

(₹in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised		
20,00,000 Preference shares of ₹5/- each	100.00	100.00
(March 31, 2021: 10,00,000 Preference shares of ₹10/- each)		
Issued, subscribed and fully paid up		
Nil Non-Cumulative Compulsory Convertible Preference Shares (NCCCPS) of ₹5/- each fully paid-up	-	0.16
(March 31, 2021: 1,567 Non-Cumulative Compulsory Convertible Preference Shares (NCCCPS) of ₹10/- each fully paid-up		
Total	**-**	**0.16**

(i) Reconciliation of number of shares

Preference shares	Number of Shares	Amount
Balance as at April 01, 2020	**1,567**	**0.16**
Add : Issue during the year	-	-
Balance as at March 31, 2021	**1,567**	**0.16**
Add : Bonus shares issued #	29,773	2.97
Add : Shares issued on split of face value of Preference Shares #	31,340	-
Less : Conversion in Equity Shares **	(62,680)	(3.13)
Balance as at March 31, 2022	**-**	**-**

Pursuant to the Board resolution dated, July 22, 2021 and Shareholders' resolution dated July 23, 2021, the Parent Company has issued 19 bonus shares of face value ₹10 each for every 1 existing fully paid up equity share and preference share of face value ₹10 each and accordingly 29,773 bonus shares were issued, which were allotted on August 3, 2021 (the "Bonus Issue") by capitalizing the Retained earnings of our Parent Company. Further, each preference share of face value of ₹10 each of the Parent Company has been split into two preference shares of face value of ₹5 each (the "Split").

** During the year Parent comany have alloted 62,680 Equity Shares of ₹5 each to Wagner Limited as fully paid up pursuant to conversion of Non Cummulative Compulsory Convertible Preference Shares. In accordance with the terms of the shareholders' agreement, the NCCCPS were converted into Equity Shares in the ratio of 1:1 without payment of any additional conversion price. Accordingly, no additional consideration was paid by Wagner Limited at the time of conversion of the NCCCPS into Equity Shares.

(ii) Rights, preferences and restrictions attached to Preference shares

The Parent Company had outstanding 1,567 - 0.000001 % Non-Cumulative Compulsory Convertible Preference Shares ('NCCCPS') of ₹10 each issued at a premium of ₹6,027.68 per share. Each holder of preference shares has a right to vote only on resolutions placed before the Parent Company which directly affects the right attached to preference shareholders. The Preference Shares have been converted into Equity Shares in the ratio of 1:1 after Bonus share and Split share on November 30,2021.

(iii) Details of shareholders holding more than 5% of the aggregate shares in the Parent Company

Preference shares	As at March 31, 2022	
	Number of Shares	% total shares
Wagner Ltd.	-	-

Preference shares	As at March 31, 2021	
	Number of Shares	% total shares
Wagner Ltd.	1567	100.00%

23 Other equity

(₹in lakhs)

	As at March 31, 2022	As at March 31, 2021
(a) Securities Premium		
Balance as at beginning of the year	95.35	95.35
Add: Amount received during the year	-	-
Balance as at end of the year	**95.35**	**95.35**
(b) General Reserves		
Balance as at beginning of the year	100.00	100.00
Add: Addition during the year	-	-
Balance as at end of the year	**100.00**	**100.00**
(c) Capital Reserves		
Balance as at beginning of the year	**214.62**	**214.62**
Balance as at end of the year	**214.62**	**214.62**
(d) Retained Earnings		
Balance as at beginning of the year	**15,250.97**	**10,738.24**
Add : Net Profit for the year	8,033.80	4,529.71
Add : Re-measurement of the defined benefit plans (net of tax)	(5.91)	8.86
Less: Final Dividend on Equity Shares paid during the year	(31.01)	(25.84)
Less:Utilised for issue of Bonus Shares	(1,966.82)	-
Less: Dividend @ 0.000001 % on Non-Cumulative Compulsory Convertible Preference Shares ('NCCCPS')	*-	*-
Balance as at end of the year	**21,281.03**	**15,250.97**
Total	**21,691.00**	**15,660.94**

Distribution made and proposed

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Cash Dividend on Equity Share declared and paid		
Final Dividend for the year ended March 31, 2021 (₹3 per share) and March 31, 2020 (₹2.5 per share)	31.01	25.84
	31.01	**25.84**
Proposed Dividend on Equity Shares		
Final Dividend for the year ended March 31, 2022 proposed in the board meeting scheduled on May 30, 2022 at ₹1/- per Share, (Final Dividend for the previous year March 31, 2021 was decided ₹3 per share in the board meeting scheduled on July 22, 2021) ##	**414.07**	**31.01**
	414.07	**31.01**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

PARTICULARS	As at March 31, 2022	As at March 31, 2021
Cash Dividend on Preference Share declared and paid		
Dividend @ 0.000001 % on Non-Cumulative Compulsory Convertible Preference Shares ('NCCCPS')	*-	*-
Proposed Dividend on Preference Shares		
Dividend @ 0.000001 % on Non-Cumulative Compulsory Convertible Preference Shares ('NCCCPS')	-	*-
Total		

*- Figure nullified in conversion of ₹in lakhs

The Board of Directors have recommended a final dividend of ₹1/- (face value of ₹5/- each) (20%) per equity share for the year ended March 31, 2022 on 4,14,06,680 equity shares, amounting ₹414.07/- Lakhs subject to the approval of the shareholders at the ensuing Annual General Meeting and are not recognised as a liability.

(i) Securities Premium

Securities premium is received by the Parent Company on issue of shares at premium. This balance will be utilised in accordance with the provisions of Section 52 of the Act towards issuance of fully paid bonus shares, write-off of preliminary expenses, commission/discount expenses on issue of shares/debentures, premium payable on redemption of redeemable preference shares/debentures and buy back of its own shares/securities under Section 68 of the Act.

(ii) General Reserves

General reserve is a free reserve, retained from the Group profits and can be utilized upon fulfilling certain conditions in accordance with statute of the relevant Act.

(iii) Capital Reserves

Capital reserve on consolidation was created on account of acquisition of subsidiary companies. The balance in this reserve will get transferred at the time of disposal of the relevant invest

(iv) Retained Earnings

Retained earnings comprise balances of accumulated (undistributed) profit and loss at each year end and balances of remeasurement of net defined benefit plans, less any transfers to general reserve that can be distributed by the Group as dividend to its shareholders in compliance with the requirements of the Act.

24 Commission and Fees Income

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Commission and Fees Income from :		
Distribution of Mutual Fund Products	38,022.18	23,129.26
Distribution of Insurance Products	3,628.70	2,636.49
Stock broking and allied services	1,860.66	1,629.39
Other Financial and Non Financial products	766.77	360.63
Total	**44,278.31**	**27,755.77**

(a) Reconciliation of gross revenue with revenue from contracts with customers

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Gross revenue (i.e. Contracted Price)	44,278.31	27,755.77
Less: Discounts, rebates, Price Concessions etc.	-	-
Total	**44,278.31**	**27,755.77**

Revenue from Geographical Markets

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
India	44,278.31	27,755.77
Outside India	-	-
Total	**44,278.31**	**27,755.77**

Timing of Recognition of Revenue

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue recognised for services provided at point of time	44,278.31	27,755.77
Revenue recognised for services provided over a period of year	-	-
Total	**44,278.31**	**27,755.77**

There are no external customers who represents 10 % or more of the Group's total revenue for the year ended March 31, 2022. (Previous year ₹2,957.83 Lakhs)

25 Interest Income

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on		
Deposits and Margin with Exchange	186.85	167.35
Delayed Payments from customers	216.20	160.57
Others	0.69	2.30
Total	**403.74**	**330.22**

26 Net gain on fair value changes

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net gain/ (loss) on financial instruments at fair value through profit or loss		
Securities held for trading - designated at fair value through profit and loss	393.22	564.64
Total	**393.22**	**564.64**

Fair Value changes:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Realised	426.11	552.65
Unrealised	(32.89)	11.99
Total	**393.22**	**564.64**

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

27 Other Income

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income on financial assets - measured at amortised cost		
- Interest on Bond	64.28	39.96
- Deposits with Banks	4.83	7.79
- Loans to Employees	3.55	4.05
- Others	16.92	17.51
Profit on sale of Property, Plant and Equipments (net)	1.51	5.13
Net gain on financial instruments measured at FVTPL	652.75	760.99
Dividend Income	0.57	0.19
Profit on Cancellation of Lease Contract	31.72	-
Miscellaneous Income	5.07	3.30
Total	**781.20**	**838.92**

28 Employee benefits expense

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	6,539.45	5,260.06
Contribution to provident fund and other fund (Refer Note 35)	73.66	62.39
Compensated Abscence Expense (Refer Note 35)	59.75	50.01
Gratuity Expenses (Refer Note 35)	90.09	98.35
Staff welfare expenses	164.22	79.98
Total	**6,927.17**	**5,550.79**

29 Finance costs

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Expense on financial liabilities measured at amortised cost		
Term Loan	-	57.46
Unsecure Loan from Related Party (Refer Note : 36)	112.15	-
Lease Liabilities (Refer Note : 17)	106.06	91.66
Others	15.54	5.01
Bank Charges and Other Borrowing Costs	25.20	11.44
Total	**258.95**	**165.57**

30 Impairment on Financial Instruments

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Impairment of Financial Instruments measured at Amortised Cost:		
Trade Receivables (Refer note : 6)	(11.76)	(10.05)
Margin with Clearing Member (including others) {Refer Note 48(b)}	-	213.91
Total	**(11.76)**	**203.86**

31 Depreciation and amortization expense

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on Property, Plant & Equipment (Refer Note 11)	273.17	302.01
Amortization on ROU (Refer Note 12)	533.16	485.95
Amortization of Intangible assets (Refer Note 13)	532.49	23.95
Total	**1,338.82**	**811.91**

32 Other expenses

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rent	11.01	16.37
Business promotion expenses	480.71	312.21
Postage and Communication Expenses	173.03	148.92
Electricity expenses	80.94	67.31
Office expenses	82.48	65.34
Bad Debts	5.54	84.14
Loss on sale of Property, Plant and Equipment (net)	-	0.03
Expenditure on Corporate Social Responsibility (Refer Note : 44)	90.07	101.99
Repair and Maintenance		
- Building	25.06	19.85
- Others	166.84	104.37
Insurance Expenses	89.90	63.79
Travelling and Conveyance expenses	156.32	82.03
Legal and professional expenses	209.58	130.23
Commission and Sitting Fees to Director	57.00	18.00
Printing and Stationery Expenses	26.95	29.31
Rates and taxes	27.26	32.82
Membership and subscription	35.49	38.78
Training Expenses	85.61	23.81
Auditor's Remuneration (Refer note a)	19.83	21.54
Miscellaneous expenses	164.23	38.20
Total	**1,987.85**	**1,399.04**

(a) Payment to auditors*

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
As auditor (excluding applicable taxes)		
Statutory audit fee	19.38	20.83
Certification Fees	0.45	0.71
Others	-	-
Total	**19.83**	**21.54**

* Does not include payments made to auditors for various reports and certificates for the Parent Company`s IPO which are recoverable from the selling shareholders.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2022

33 Income tax expense

(i) Income tax expense recognised in Statement of Profit and Loss and OCI:

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A) Income tax expense recognised in Statement of Profit and loss:		
Current tax		
In respect of current year	2,332.33	1,572.15
In respect of earlier years	(55.76)	(3.32)
	2,276.57	**1,568.83**
Deferred tax		
In respect of current year	400.41	(46.15)
	400.41	**(46.15)**
Total Tax expense debited to consolidated statement of Profit and Loss	**2676.98**	**1522.68**
B) Income tax expense recognised in OCI:		
Deferred tax		
In respect of current year	(1.98)	2.98
	(1.98)	**2.98**

(ii) Reconciliation of tax expense and the accounting profit

The major components of tax expense and the reconciliation of the expected tax expense based on the effective tax rate of the Group at 25.17% and the reported tax expense in profit or loss are as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before tax	**10,710.78**	**6,052.39**
Tax Rate applied	25.17%	25.17%
Income tax expense calculated at the applicable tax rate on Profit before tax	**2,695.90**	**1,523.39**
Adjustment in Tax due to the following (tax benefit)/tax expenses		
Expenses not deductible for tax purpose (net)	18.70	27.37
Income Chargeable at Different tax rate	(51.31)	(6.42)
Effects of unused tax losses and unabsorbed depreciation not recognised as deferred tax	-	(32.17)
Adjustment in respect to previous years	(55.99)	(3.32)
Others	69.68	13.83
Tax expenses recognised during the year	**2,676.98**	**1,522.68**
Effective Tax Rate	**24.99 %**	**25.16%**

(iii) Deferred tax

Deferred tax liabilities are the amounts of income taxes payable in future years in respect of taxable temporary differences.

Deferred tax assets are the amounts of income taxes recoverable in future years in respect of deductible temporary differences.

Component of Deferred tax liabilities/assets are as follows:

Balance sheet Section	For the year ended March 31, 2022	For the year ended March 31, 2021
Deferred Tax Assets (A)	139.02	357.23
Deferred Tax Liabilities (B)	180.27	0.06
Net Deferred Tax (liabilities)/assets	**(41.25)**	**357.17**

Break up of Deferred tax (liabilities)/assets	As at April 01,2021	Recognised in Statement of Profit and Loss	Recognised in OCI	As at March 31, 2022
Deferred Tax Assets (A)				
Property, Plant and Equipment and Intangible Assets	69.62	(335.95)	-	(266.33)
Employee Benefit Obligations	143.12	(21.76)	4.06	125.42
Fair valuation of Financial Instruments	5.42	(31.24)	-	(25.82)
Impact on account of Right of Use and Lease Liability	21.19	(17.75)	-	3.44
Impairment of Financial Assets	128.53	(6.12)	-	122.41
Others	(10.65)	12.41	(2.08)	(0.31)
Total (A)	**357.23**	**(400.41)**	**1.98**	**(41.19)**
Deferred Tax Liabilities (B)				
Property, Plant and Equipment	(0.06)	-	-	(0.06)
Total (Net) (A+B)	**357.17**	**(400.41)**	**1.98**	**(41.25)**

Break up of Deferred tax (liabilities)/assets	As at April 01,2020	Recognised in Statement of Profit and Loss	Recognised in OCI	As at March 31, 2021
Deferred Tax Assets (A)				
Property, Plant and Equipment and Intangible Assets	65.48	4.14	-	69.62
Employee Benefit Obligations	113.03	33.07	(2.98)	143.12
Fair valuation of Financial Instruments	46.03	(40.62)	-	5.42
Impact on account of Right of Use and Lease Liability	6.38	14.81	-	21.19
Impairment of Financial Assets	80.01	48.52	-	128.53
Others	3.13	(13.78)	-	(10.65)
Total (A)	**314.06**	**46.14**	**(2.98)**	**357.23**
Deferred Tax Liabilities (B)				
Property, Plant and Equipment	(0.07)	0.01	-	(0.06)
Total (Net) (A+B)	**313.99**	**46.15**	**(2.98)**	**357.17**

(iv) Balance sheet Section	As at March 31, 2022	As at March 31, 2021
Current tax assets (Net of Provision)	207.97	75.43
Current tax liabilities (Net of TDS and Advance Tax)	11.08	124.14
Net current tax assets/ (liability)	**196.89**	**(48.71)**

There are certain income-tax related legal proceedings which are pending against the Group. Potential liabilities, if any have been adequately provided for, and the Group does not currently estimate any probable material incremental tax liabilities in respect of these matters. (Refer Note - 48)

34 Earning per share (EPS)

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit / (Loss) after tax for calculation of EPS	8,033.80	4,529.71
Weighted average number of equity shares for calculating Basic EPS *	41,364,951	41,344,000
Weighted average number of equity shares for calculating Diluted EPS *	41,364,951	41,406,680
Nominal value per share (in Rupees) *	5.00	5.00
Basic Earning Per Share (in Rupees)	19.42	10.96
Diluted Earning Per Share (in Rupees)	19.42	10.94

*Pursuant to the Board resolution dated, July 22, 2021 and Shareholders' resolution dated July 23, 2021, the Parent Company has issued 19 bonus shares of face value ₹10 each for every 1 existing fully paid up equity share and preference share of face value ₹10 each and accordingly 1,96,68,173 bonus shares were issued, which were allotted on August 3, 2021 (the "Bonus Issue"). Further, pursuant to the resolution of the Board of Directors dated July 22, 2021 and shareholders' resolution dated July 23, 2021, each equity share and preference share of face value of ₹10 each of the Parent Company has been split into two equity shares and two preference shares of face value of ₹5 each (the "Split"). As required under Ind AS 33 "Earnings per share" the effect of such Split and Bonus Issue are required to be adjusted for the purpose of computing earnings per share for all the periods presented retrospectively. As a result, the effect of the Split and the Bonus Issue have been considered in these Financial Information for the purpose of calculation of earnings per share.
Further, 62,680 Equity shares of ₹5 Each have been alloted to Wagner Limited on November 30, 2021 as fully paid up pursuant to conversion of Non Cummulative Compulsorily Convertible Preference Shares (NCCCPS). As required under Ind AS 33 "Earnings per share", the effect of such conversion is required to be adjusted for the purpose of computing earnings per share prospectively.

35 Detail of Employees Benefits

(a) Defined Contribution Plans

The Group has defined contribution plan in form of Provident Fund and Employee State Insurance Scheme for qualifying employees. Under the Schemes, the Group is required to contribute a specified rates to fund the schemes.

(₹in lakhs)

Contribution to	For the year ended March 31, 2022	For the year ended March 31, 2021
Provident Fund	53.67	41.97
Employee State Insurance Scheme	19.99	20.42
Total	**73.66**	**62.39**

(b) Defined Benefits Plans

The Group provides for retirement benefits in the form of Gratuity. The Group's gratuity scheme (funded) provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service subject to a ceiling of ₹20 Lakhs Vesting occurs upon completion of 5 years of service.The Entity contributes gratuity liblities to the respective entity Employee Group Gratuity Fund (the Trust). Trustees administaror contributions made to the Trusts and contributions are invested in Insurer Managed Funds.

The present value of the defined benefits plan was measured using the projected unit credit method.

The following tables set out the status of the gratuity plan and amounts recognised in the financial statements:

(i) Present value of defined benefit obligation

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Balance at the beginning of the year	**423.50**	**352.31**
Current service cost	60.98	59.71
Interest Cost	29.11	25.14
Liability Transferred In/ Acquisitions	-	31.84
(Liability Transferred Out/ Divestments)	-	(18.34)
Remeasurement (gain)/loss:		
Actuarial (gain)/Loss arising from demographic assumptions	(3.22)	0.38
Actuarial (gain)/loss arising from experience adjustments	32.52	(0.22)
Actuarial (gain)/loss arising from changes financial in assumptions	(21.06)	(12.00)
Benefits paid	(26.25)	(15.31)
Past service cost	-	-
Balance at the end of the year	**495.58**	**423.50**

(₹in lakhs)

Fair Value of Plan Assets	For the year ended March 31, 2022	For the year ended March 31, 2021
Fair Value of Plan Assets at the Beginning of the year	**-**	
Interest Income	-	-
Contributions by the Employer	181.40	-
Expected Contributions by the Employees	-	-
(Benefit Paid from the Fund)	(0.81)	-
(Assets Distributed on Settlements)	-	-
Effects of Asset Ceiling	-	-
Return on Plan Assets, Excluding Interest Income	0.35	-
Fair Value of Plan Assets at the end of the year	**180.94**	**-**

(ii) Amount Recognized in the Balance Sheet

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(Present Value of Benefit Obligation at the end of the year)	**(495.58)**	**(423.50)**
Fair Value of Plan Assets at the end of the year	180.94	-
Net (Liability)/Asset Recognized in the Balance Sheet	**(314.64)**	**(423.50)**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

(iii) Cost of the defined benefit plan for the year

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	60.98	59.71
Interest cost	29.11	25.14
Past service cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expense recognised in the Statement of Profit and Loss	**90.09**	**84.85**

(₹in lakhs)

Recognised in other Comprehensive Income	For the year ended March 31, 2022	For the year ended March 31, 2021
Remeasurement on the net defined benefit liability:		
Actuarial (gain)/loss arising from Demographic adjustments	(3.22)	0.38
Actuarial Gain/(Loss) due to changes in Financial Assumption	(21.06)	(12.00)
Actuarial Gain/(Loss) due to changes in Experience Adjustment	32.52	(0.22)
Return on Plan Assets, Excluding Interest Income	(0.35)	-
Change in Asset Ceiling	-	-
Recognised in the Other Comprehensive Income	**7.89**	**(11.84)**
Total cost of the defined benefit plan for the year	**97.98**	**73.01**

(iv) The major categories of the fair value of the total plan assets are as follows:

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Insurer Managed Funds*	**100%**	**-**

* In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

(v) Experience Adjustment

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Defined benefit obligation at the end of year	495.58	423.50
Plan Assets at the end of year	180.94	-
Net Obligation at the end of year	**(314.64)**	**(423.50)**
Experience adjustment on plan liabilities-Gain/(Loss)	(32.52)	0.22
Actuarial Gain/(Loss) due to changes in assumptions	24.63	11.62

(vi) Principal actuarial assumptions:

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate, the salary growth rate and the average life expectancy. The assumptions used for the valuation of the defined benefit obligation are as follows:

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount rate (p.a.)	6.82% to 7.37%	6.50% to 7.00%
Expected rate of salary increase (p.a.)	6%	6%
Mortality	Indian Assured Lives Mortality 2012-2014 (Urban)	Indian Assured Lives Mortality (2006-08) Ultimate
Rate of employees turnover (p.a.)		
For Service 4 years and Below	15% to 25%	15% to 25%
For Service 5 years and Above	2%	2%
Retirement age	58 Years	58 Years

Estimates of future salary increase takes into account: inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The plan exposes the Group to significant actuarial risks such as interest rate risk and inflation risk:

Inflation risk – A significant proportion of the defined benefit liability is linked to inflation. An increase in the inflation rate will increase the Group's liability.

Interest rate risk – The present value of the defined benefit liability is calculated using a discount rate prevailing market yields of Indian government securities. A decrease in discount rate will increase the Group's defined benefit liability.

(vii) Sensitivity analysis in respect of the actuarial assumptions used in calculation of defined benefit obligation is given below:

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Projected Benefit Obligation on Current Assumptions	495.58	423.50
Delta Effect of +1% Change in Rate of Discounting	(60.56)	(54.90)
Delta Effect of -1% Change in Rate of Discounting	72.63	66.30
Delta Effect of +1% Change in Rate of Salary Increase	65.03	61.00
Delta Effect of -1% Change in Rate of Salary Increase	(56.57)	(53.10)
Delta Effect of +1% Change in Rate of Employee Turnover	8.89	4.80
Delta Effect of -1% Change in Rate of Employee Turnover	(10.32)	(5.70)

Sensitivities have been calculated to show the movement in Defined Benefit Obligation in isolation and assuming there are no other changes in market conditions at the accounting date. In presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

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for the year ended March 31, 2022

(viii) The weighted average duration of the benefit obligation as at March 31, 2022 is 16 years. (as at March 31, 2021 is 16 years)

(ix) Maturity Analysis of the Benefit Payments

The followings are the expected future benefit payments for the defined benefit plan :

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Within the next 12 months	11.87	10.78
Between 2 to 5 years	78.42	47.48
Beyond 5 years	1,478.04	1,262.41
Total expected payments	**1,568.33**	**1,320.67**

(c) Compensated absence:

The employees are entitled for leave for each year of service and part thereof, subject to the limits specified, the unavailed portion of such leaves can be accumulated or encashed during/at the end of the service period up to a maximum of 63 days. The plan is funded.

Expenses recognised in the Statement of Profit and Loss amounts to ₹59.75 Lakhs for the year ended March 31, 2022 (March 31, 2021: ₹50.01 lakhs)

The current and non-current classification of obligations under defined benefit plans and other long-term benefits is done based on the actuarial valuation reports.

36 Related Party Disclosures

Relationship	Name of Party
Director/Key Management Personnel	Mr. Sanjay R Shah - Chairman and Managing Director
	Mr. Shirish Patel - Whole Time Director and CEO
	Mr. Chirag Ashwinkumar Shah - Whole Time Director
	Mr. Deepak Sood - Independent Director
	Mr. Karan Datta - Independent Director
	Mr. Dhiraj Poddar- Nominee Director
	Mr. Aditya Sharma - Nominee Director (Upto 30th April, 2021)
	Mr. Aniket Talati - Independent Director (w.e.f 7th June 2021)
	Ms. Shilpi Thapar - Independent Director (w.e.f 7th June 2021)
	Mr. Chirag Kothari - Chief Financal Officer (w.e.f 22nd July 2021)
	Mr. Dhaval Ghetia - Company Secretary (w.e.f 22nd July 2021)
Relative of Director / Key Management Personnel	Ms. Niketa S. Shah
	Mr. Ramesh C. Shah
	Ms. Maitry Sanjay Shah
	Ms. Sakhi Sanjay Shah
	Ms. Harshida Shirish Patel
Enterprises over which Key Management personnel having control or significant influence (With whom transactions have taken place)	Ramesh C Shah HUF
	Sanjay R Shah HUF
Enterprise having significant influence on the Group	Wagner Limited
Employee's Group Gratuity Trust	Prudent Corporate Advisory Services Ltd Employees Group Gratuity Fund (w.e.f 9 th August 2021)
	Gennext Insurance Brokers Private Limited Employees Group Gratuity Fund (w.e.f 9 th August 2021)
	Prudent Broking Services Private Limited Employees Group Gratuity Fund (w.e.f 9 th August 2021)

Notes: The names of the related parties and nature of the relationships where control exists are disclosed irrespective of whether or not there have been transactions between the related parties. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the Group`s with the related parties during the existence of the related party relationship.

Transactions with the Related Parties

(₹in lakhs)

Particulars Name of Related Party	For the year ended March 31, 2022	For the year ended March 31, 2021
Transactions with Director / Key Management Personnel		
Salary expense	**997.12**	**703.95**
Mr. Sanjay Shah	193.50	90.00
Mr. Shirish Patel	653.40	534.60
Mr. Chirag Kothari	26.37	-
Mr. Dhaval Ghetia	3.85	-
Mr. Chirag Shah	120.00	79.35
Rent expense	**5.40**	**4.21**
Mr. Sanjay Shah	5.40	4.21
Final Dividend on Equity Shares	**14.45**	**12.03**
Mr. Sanjay Shah	13.47	11.20
Mr. Shirish Patel	0.98	0.83
Sitting Fees - Board Meetings	**19.50**	**3.00**
Mr. Karan Datta	4.50	1.50
Mr. Deepak Sood	4.50	1.50
Ms. Shilpi Thapar	3.75	-
Mr. Aniket Talati	6.75	-

(₹in lakhs)

Particulars Name of Related Party	For the year ended March 31, 2022	For the year ended March 31, 2021
Fixed Commission Expense	**37.50**	**15.00**
Mr. Karan Datta	15.00	7.50
Mr. Deepak Sood	15.00	7.50
Ms. Shilpi Thapar	5.00	-
Mr. Aniket Talati	2.50	-
Brokerage, Demat and Other Income	**0.05**	**0.24**
Mr. Sanjay Shah	-	0.24
Mr. Shirish Patel	*-	*-
Mr. Chirag Shah	0.05	*-
Loan Taken	**9,750.00**	**-**
Mr Sanjay Shah	9,750.00	-
Loan Repaid	**9,750.00**	**-**
Mr Sanjay Shah	9,750.00	-
Interest Expense	**114.20**	**-**
Mr Sanjay Shah	114.20	-
Transaction with Relative of Director / Key Management Personnel		
Final Dividend on Equity Shares	**4.19**	**3.48**
Mr. Ramesh Shah	0.05	0.08
Ms. Maitry Shah	2.07	1.70
Ms.Sakhi Shah	2.07	1.70
Rent expense	**5.40**	**4.21**

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(₹in lakhs)

Particulars Name of Related Party	For the year ended March 31, 2022	For the year ended March 31, 2021
Mrs. Niketa Shah	5.40	4.21
Salary expense	**5.97**	**3.00**
Ms. Maitry Shah	5.97	3.00
Sale of Bonds	**-**	**6.33**
Ms.Sakhi Shah	-	6.33
Brokerage, Demat and Other Income	**0.02**	**0.07**
Mrs. Niketa Shah	0.02	0.07
Transaction with Enterprises over which Director/Key Management personnel having control		
Sale of Bonds	**-**	**6.18**
Mr. Ramesh C. Shah	**-**	**6.18**
Brokerage, Demat and Other Income	**-**	**0.28**
Sanjay R Shah HUF	-	0.28
Transaction with Enterprise having significant influence in the Group		
Final Dividend on Equity Shares	**12.38**	**10.31**
Wagner Limited	12.38	10.31
Transaction with Employee's Group Gratuity Trust		
Contribution to Group Gratuity Fund	**182.15**	**-**
Prudent Corporate Advisory Services Ltd Employees Group Gratuity Fund	100.25	-
Gennext Insurance Brokers Private Limited Employees Group Gratuity Fund	56.65	-
Prudent Broking Services Private Limited Employees Group Gratuity Fund	25.25	-

(₹in lakhs)

Particulars Name of Related Party	For the year ended March 31, 2022	For the year ended March 31, 2021
Outstanding Balances		
Outstanding with Director / Key Managerial Personnel		
Salary Payable	**200.61**	**158.89**
Mr. Sanjay Shah	-	0.20
Mr. Shirish Patel	166.25	136.79
Mr. Chirag Kothari	3.75	21.90
Mr. Dhaval Ghetia	0.77	-
Mr. Chirag Shah	29.84	-
Fixed Commission Payable	**8.77**	**7.22**
Mr. Karan Datta	3.37	3.61
Mr. Deepak Sood	3.37	3.61
Ms. Shilpi Thapar	1.35	-
Mr. Aniket Talati	0.68	-
Trade Payable	**-**	**3.22**
Mr. Sanjay Shah	-	2.60
Mr. Shirish Patel	-	0.24
Mr. Chirag Shah	-	0.38
Outstanding with relative of Director / Key Managerial Personnel		
Salary Payable	**3.22**	**0.25**

(₹in lakhs)

Particulars	Name of Related Party	For the year ended March 31, 2022	For the year ended March 31, 2021
Ms. Maitry Shah		3.22	0.25
Trade Payable		**-**	**3.75**
Mrs. Niketa Shah		-	3.75
Outstanding with Employee's Group Gratuity Trust			
Other Receivable		**0.75**	**-**
Prudent Corporate Advisory Services Ltd Employees Group Gratuity Fund		0.25	-
Gennext Insurance Brokers Private Limited Employees Group Gratuity Fund		0.25	-
Prudent Broking Services Private Limited Employees Group Gratuity Fund		0.25	-

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Short Term Employee Benefit Expenses		
Salary to KMP	997.12	703.95
Salary to Relative of KMP	5.97	3.00
Total compensation paid to key management personnel	**1,003.09**	**706.95**

Note:-

As part of the IPO, there was offloading of shares through Offer For Sale ('OFS') by Mr. Shirish Patel and Wagner Limited ('Selling Shareholders') totalling to ₹1,342.56 Lakhs and ₹41,485.84 Lakhs respectively. The Share issue expense attributable to Selling Shareholders has been estimated at ₹2,960.40 Lakhs out of which ₹459.44 has already been incurred by the Parent Company up to March 31, 2022 and disclosed under Note-8 Other Financial Assets as "Proposed IPO Expense Recoverable". The entire shares issue expenses (Except Listing Fees) are recoverable from the Selling Shareholders in the ratio of their offloading, as per agreement.

Terms and conditions of transactions with related parties

As the liabilities for defined benefit obligations and compensated absences are provided based on actuarial valuation for the group as a whole, the amount pertaining to Key Management Personnel has not been included.

37. Details on list of Investments in Subsidiaries as per Ind AS 27

Particulars	Proportion of ownership interest	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Investment in Subsidiaries		
Prudent Broking Services Private Limited	100%	100%
Prutech Financial Services Private Limited	100%	100%
Gennext Insurance Brokers Private Limited	100%	100%

All companies are incorporated and having primary place of business is in India.

Notes to the Consolidated Financial Statements
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38 Maturity Analysis of Assets and Liabilities

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

(₹in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
I Financial assets						
(a) Cash and Cash equivalents	2,885.42	-	2,885.42	9,933.21	-	9,933.21
(b) Bank Balances other than (a) above	2,484.97	377.15	2,862.12	3,312.77	675.00	3,987.77
(c) Securities for trade	1,039.52	-	1,039.52	1,311.95	-	1,311.95
(d) Trade receivables	9,375.26	-	9,375.26	6,831.15	-	6,831.15
(e) Loans	46.25	18.83	65.08	39.68	10.92	50.60
(f) Investments	1,972.18	1,949.41	3,921.59	1,222.38	836.29	2,058.67
(g) Other financial assets	831.16	628.43	1,459.59	1,029.25	-	1,029.25
Total Financial Assets	**18,634.76**	**2,973.82**	**21,608.58**	**23,680.39**	**1,522.21**	**25,202.60**
II Non-Financial assets						
(a) Current Tax Asset (net)	-	207.97	207.97	-	75.43	75.43
(b) Deferred Tax Assets (net)	-	139.02	139.02	-	357.23	357.23
(c) Property, Plant and Equipment	-	1,565.66	1,565.66	-	1,664.72	1,664.72
(d) Right-of-use assets	-	1,263.84	1,263.84	-	933.09	933.09
(e) Intangible assets	-	14,613.36	14,613.36	-	43.05	43.05
(f) Other non-financial assets	571.06	28.95	600.01	190.64	26.16	216.80
Total Non-Financial Assets	**571.06**	**17,818.80**	**18,389.86**	**190.64**	**3,099.68**	**3,290.32**
Total Assets	**19,205.82**	**20,792.62**	**39,998.43**	**23,871.03**	**4,621.89**	**28,492.92**
LIABILITIES						
I Financial Liabilities						
(a) Trade payables						
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	12,056.28	-	12,056.28	9,393.54	-	9,393.54
(b) Borrowings	0.72	-	0.72	261.00	-	261.00
(c) Lease liabilities	466.66	851.14	1,317.80	490.50	508.57	999.07
(d) Other financial liabilities	482.44	1.12	483.56	252.31	-	252.31
Total Financial Liabilities	**13,006.10**	**852.26**	**13,858.36**	**10,397.35**	**508.57**	**10,905.92**
II Non-Financial Liabilities						
(a) Current Tax Liability (net)	11.08	-	11.08	124.14	-	124.14
(b) Provisions	205.16	296.53	501.69	26.17	546.70	572.87
(c) Other non-financial liabilities	1,685.71	-	1,685.71	1,125.47	-	1,125.47
(d) Deferred Tax Liability (net)	-	180.27	180.27	0.06	-	0.06
Total Non-Financial Liabilities	**1,901.95**	**476.80**	**2,378.75**	**1,275.84**	**546.70**	**1,822.54**
Total Liabilities	**14,908.05**	**1,329.06**	**16,237.11**	**11,673.19**	**1,055.27**	**12,728.46**

39 Financial Instruments

(i) **Capital Management**

The Group's objective for capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor and customer confidence, to ensure future development of its business and remain going concern. The Group is focused on keeping strong capital base to ensure independence and sustained growth in business. The Group determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The Group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented in the balance sheet. The funding requirements are predominately met through equity and revenue generated from operations.

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell non-core assets to reduce the debt.

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Debt	0.72	261.00
Equity	23,761.33	15,764.46
Debt to Equity Ratio (%)	**0.00**	**0.02**

Lease liability arising on account of implementation of Ind AS 116 is not considered in the above working, as it is a liability.

No changes were made in the objectives, policies or processes for managing capital during the current year and previous years.

(ii) **Category-wise financial instruments:**

The accounting classification of each category of financial instruments and their carrying amounts are set out below:

(₹in lakhs)

Particulars	As at March 31, 2022				
	Amortised Cost	FVTOCI	FVTPL	Total carrying value	Total fair value
Financial Assets					
Cash and Cash equivalents	2,885.42	-	-	**2,885.42**	**2,885.42**
Bank Balances other than above	2,862.12	-		**2,862.12**	**2,862.12**
Securities for trade	-	-	1,039.52	**1,039.52**	**1,039.52**
Trade receivables	9,375.26	-	-	**9,375.26**	**9,375.26**
Loans	65.08	-	-	**65.08**	**65.08**
Investments	39.26	-	3,882.33	**3,921.59**	**3,922.84**
Other financial assets	1,459.59	-	-	**1,459.59**	**1,459.59**
Total	**16,686.73**	**-**	**4,921.85**	**21,608.58**	**21,609.83**
Financial Liabilities					
Trade payables	12,056.28	-	-	**12,056.28**	**12,056.28**
Borrowings	0.72	-	-	**0.72**	**0.72**
Lease liabilities	1,317.80			**1,317.80**	**1,317.80**
Other financial liabilities	483.56	-	-	**483.56**	**483.56**
Total	**13,858.36**	-	-	**13,858.36**	**13,858.36**

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(₹in lakhs)

Particulars	As at March 31, 2021				
	Amortised Cost	FVTOCI	FVTPL	Total carrying value	Total fair value
Financial Assets					
Cash and Cash equivalents	9,933.21	-	-	**9,933.21**	**9,933.21**
Bank Balances other than above	3,987.77	-		**3,987.77**	**3,987.77**
Securities for trade	-	-	1,311.95	**1,311.95**	**1,311.95**
Trade receivables	6,831.15	-	-	**6,831.15**	**6,831.15**
Loans	50.60	-	-	**50.60**	**50.60**
Investments	75.19	-	1,983.48	**2,058.67**	**2,058.56**
Other financial assets	1,029.25	-	-	**1,029.25**	**1,029.25**
Total	**21,907.17**	**-**	**3,295.43**	**25,202.60**	**25,202.49**
Financial Liabilities					
Trade payables	9,393.54	-	-	**9,393.54**	**9,393.54**
Borrowings	261.00	-	-	**261.00**	**261.00**
Lease liabilities	999.07			**999.07**	**999.07**
Other financial liabilities	252.31	-	-	**252.31**	**252.31**
Total	**10,905.92**	**-**	**-**	**10,905.92**	**10,905.92**

For description of the Group's financial instrument risks, including risk management objectives and policies is given in, Note 40. The methods used to measure financial assets and liabilities reported at fair value are described in the note below.

(iii) Fair Value Hierarchy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

Financial assets and financial liabilities measured at fair value in the Balance Sheet are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) 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: unobservable inputs for the asset or liability.

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis.

(a) The Group uses the following hierarchy for determining and/or disclosing the fair value of financial assets by valuation techniques:

(₹in lakhs)

Financial Assets As at March 31, 2022	Level 1	Level 2	Level 3	Total
At fair value through profit or loss				
Securities for trade	802.75	236.77	-	**1,039.52**
Investments	3,882.33	-	-	**3,882.33**
Total	**4,685.08**	**236.77**	**-**	**4,921.85**

Financial Assets As at March 31, 2021	Level 1	Level 2	Level 3	Total
At fair value through profit or loss				
Securities for trade	1,190.66	121.29	-	**1,311.95**
Investments	1,983.48	-	-	**1,983.48**
Total	**3,174.14**	**121.29**	**-**	**3,295.43**

There is no movement from between Level 1, Level 2 and Level 3.

(b) **Financial Instrument measured at Amortised Cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

40 Financial Risk Management, Objective and Policies

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's business activities are exposed to a variety of financial risks, namely liquidity risk, credit risk and market risk. Risk management policies have been established to identify and analyse the risks faced by the Group, to set and monitor appropriate risk limits and controls, periodically review and reflect the changes in the policy accordingly.

The Group's Management reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

(a) Credit Risk:

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit Risk arises principally from the Group's cash and bank balances, trade receivables, investments, securities held for trade, loans, and security deposits.

The carrying amounts of financial assets represent the maximum credit risk exposure. Credit risk assessment on various components is described below:

(i) Trade receivables

The Group's trade receivables primarily include receivables from asset management companies (AMCs) for services provided. These carries limited credit risk based on the financial position of parties and Group's historical experience of dealing with these parties.

(ii) Cash and cash equivalents, bank deposits, investments and Securities held for trade

The Group maintains its cash and cash equivalents, bank deposits, investment, and securities held for trade with reputed banks, financial institutions, and corporates. The credit risk on these instruments is limited because the counterparties are banks and high credit rated financial institutions and corporates assigned by credit rating agencies.

(iii) Security Deposits and Loans

This consists of loans given to Employees and Security Deposits given to lessors as well as to utility providers like Electricity companies. These carries limited credit risk based on the financial position of parties and Group's historical experience of dealing with these parties.

(iv) Expected Credit Loss (ECL):

The Subsidiary Company M/s. Prudent Broking Services Private Limited follows simplified ECL method in case of Trade Receivables and the Group recognises lifetime expected losses for all trade receivables that do not constitute a financing transaction. The Group assesses the provision for ECL on each reporting dates.

For the purpose of computation of ECL, the term default implies an event where amount due towards margin requirement and/or mark to market losses for which the client was unable to provide funds / collaterals, within 90 days of its due, to bridge the shortfall, the same is termed as margin call triggered.

The Subsidiary Company assesses allowance for expected credit losses for Loans and other financial assets. The ECL allowance is based upon 12 months expected credit losses. These carries very minimal credit risk based on the financial position of parties and Subsidiary Company historical experience of dealing with these parties. Credit Risk on Other Financial assets is considered insignificant considering the nature of such assets and absence of counterparty risk.

(₹in lakhs)

Particulars	Carrying Amount As at March 31, 2022	Carrying Amount As at March 31, 2021
Opening balance	190.79	200.84
Impairment loss recognised / (reversed)	(11.76)	(10.05)
Closing balance	**179.03**	**190.79**

(b) Market Risk:

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

Market risk exposures are measured using sensitivity analysis. There has been no change in the measurement and management of the Group's exposure to market risks.

(i) Foreign currency risk

The functional currency of the Group is INR. The Group does not have material foreign currency exposure. Hence, currency risk is very limited.

(ii) Price Risk :

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, caused by factors specific to an individual investments, its issuer and market. The Group's exposure to price risk arises from diversified investments in mutual funds and Bonds, and Securities held for trade, and classified in the balance sheet at fair value through profit or loss.

(₹in lakhs)

Changes in Prices of Investments and Securities held for trade	Impact on profit or loss	For the year ended March 31, 2022	For the year ended March 31, 2021
+10%	Profit before tax increased by	496.10	337.06
-10%	Profit before tax decreased by	(496.10)	(337.06)

(iii) 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 risk primarily arises from investments in debt oriented mutual funds and debt securities. The Group investments in debt oriented mutual funds and debt securities are primarily short-term, which do not expose it to significant interest rate risk.

(c) Liquidity risk:

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Group's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities. In doing this, management considers both normal and stressed conditions. The Group also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

The Group has established an appropriate liquidity risk management framework for the management of the Group's short-term, medium-term, and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and by continuously monitoring cash flows, and by matching the maturity profiles of financial assets and liabilities.

Contractual maturities of financial liabilities and assets

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2022 :

(₹in lakhs)

Particulars	Upto 1 year	1-5 years	More than 5 years	Total
Liabilities				
Trade payables	12,056.28	-	-	**12,056.28**
Borrowings	0.72	-	-	**0.72**
Lease liabilities	466.66	851.14		**1,317.80**
Other financial liabilities	482.44	1.12	-	**483.56**
Total	13,006.10	852.26	-	**13,858.36**

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2021 :

Particulars	Upto 1 year	1-5 years	More than 5 years	Total
Liabilities				
Trade payables	9,393.54	-	-	**9,393.54**
Borrowings	261.00	-	-	**261.00**
Lease liabilities	490.50	508.57		**999.07**
Other financial liabilities	252.31	-	-	**252.31**
Total	10,397.35	508.57	-	**10,905.92**

41 Additional Information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statement.

(₹in lakhs)

Particulars	For the year ended March 31, 2022							
	Net Assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	as % of consolidated net assets	Amount	as % of consolidated profit or loss	Amount	as % of consolidated comprehensive Income	Amount	as % of consolidated Total Comprehensive Income	Amount
Parent Company								
Prudent Corporate Advisory Services Limited	75.72%	19,659.83	73.02%	5,866.45	176.69%	(10.44)	72.95%	5,856.01
Subsidiary Companies								
Prudent Broking Services Private Limited	8.36%	2,170.75	5.65%	454.00	27.76%	(1.64)	5.63%	452.36
Prutech Financial Services Private Limited	0.32%	83.06	0.25%	20.08	-	-	0.25%	20.08
Gennext Insurance Brokers Private Limited	15.60%	4,049.00	21.08%	1,693.27	-104.45%	6.17	21.17%	1,699.44
	100.00%	**25,962.64**	**100.00%**	**8,033.80**	**100.00%**	**(5.91)**	**100.00%**	**8,027.89**
Adjustment arising out of consolidation		(2,201.31)		-		-		-
Total		**23,761.33**		**8,033.80**		**(5.91)**		**8,027.89**

(₹in lakhs)

Particulars	For the year ended March 31, 2021							
	Net Assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	as % of consolidated net assets	Amount	as % of consolidated profit or loss	Amount	as % of consolidated comprehensive Income	Amount	as % of consolidated Total Comprehensive Income	Amount
Parent Company								
Prudent Corporate Advisory Services Limited	77.01%	13,834.81	68.89%	3,120.65	35.71%	3.16	68.83%	3,123.80
Subsidiary Companies								
Prudent Broking Services Private Limited	9.56%	1,718.37	3.86%	174.83	28.86%	2.56	3.91%	177.40
Prutech Financial Services Private Limited	0.35%	62.98	0.48%	21.89	-	-	0.48%	21.90
Gennext Insurance Brokers Private Limited	13.08%	2,349.57	26.76%	1,212.34	35.43%	3.14	26.78%	1,215.47
	100.00%	**17,965.73**	**100.00%**	**4,529.71**	**100.00%**	**8.86**	**100.00%**	**4,538.57**
Adjustment arising out of consolidation		2,201.27		-		-		-
Total		**15,764.46**		**4,529.71**		**8.86**		**4,538.57**

42 Operating Segment

The Group determines Operating Segments as components of an entity for which discrete financial information is available that is evaluated regularly by the chief operating decision-maker (CODM), in deciding how to allocate resources and assessing performance.

The Group's activities revolve around the distribution of Financial Products i.e. Mutual Funds, Bonds, Fixed Deposits, Insurance, Structured Products, Stock Broking and allied services, etc. Various financial products are aggregated into one reportable segment being agency nature of the business under "Fees and Commission" in accordance with aggregation criteria. Aggregation is done due to the similarities of the products and services provided to the customer and similarities in the method used to provide services.

Considering the nature of the Group's business, as well as based on reviews by CODM to make decisions about resource allocation and performance measurement, there is only one reportable segment in accordance with the requirements of Ind AS - 108 – ''Operating Segments'', prescribed under Companies (Indian Accounting Standards) Rules, 2015.

43 Expenditure in foreign currency (on accrual basis)

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Business promotion expenses	2.27	10.13
Software Expenses (included in Miscellaneous Expenses)	2.66	1.84
Membership and Subscription Expense	3.51	-
Total	**8.44**	**11.97**

44 Corporate Social Responsibility

(₹in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Gross amount required to be spent by the Group during the year (under section 135 of the companies Act 2013)	92.46	77.34
Amount of Expenditure incurred	90.07	101.99
Total of previous year shortfall	(6.81)	17.84
Construction/ acquisition of assets	-	-
on purpose other than above	90.07	101.99
amount yet to be spent/ paid	(4.42)	(6.81)
Details of related party transactions	NA	NA
Liability incurred by entering into contractual obligations	-	-

Nature of CSR activities :

1. COVID 19 Support & rehabilitation program
2. Educational infrastructure & systems strengthening
3. Nurture women entrepreneurship & employability
4. General community infrastructure support & welfare initiatives
5. Nurturing aquatic & terrestrial ecosystems for better environment & reduced emissions
6. Public health infrastructure, capacity building & support programs

Details of Expenditure on Corporate Social Responsibilities As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are promoting education, art and culture, healthcare, destitute care, women entrepreneurship & employability and rehabilitation, environment sustainability, disaster relief and Public health. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

As per notification issued by Ministry of Corporate Affairs dated January 22, 2021, where a company spends an amount in excess of requirement provided under sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years.

(i) Gross amount required to be spent during the year ₹92.46 lakhs (previous year ₹77.34 lakhs)

(ii) Excess amount to be set off against succeeding three financial years ₹4.42 Lakhs (previous year ₹6.81 lakhs)

45 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules thereunder are yet to be framed. Accordingly, the actual impact of this change will be assessed and accounted for when the notification becomes effective.

46 Standards issued but not effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate Affairs (MCA) has notified certain amendments to Ind AS, through Companies (Indian Accounting Standards) Amendment Rules, 2022 on 23rd March, 2022. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board (IASB) into Ind AS and has amended the following standards:

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Group is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Group does not expect the amendment to have any significant impact in its financial statements.

These amendments shall come into force with effect from April 01, 2022

The Group is assessing the potential effect of the amendments on its financial statements. The Group will adopt these amendments, if applicable, from applicability date.

47 Events occurring after balance sheet

1) The Parent Company's equity shares have been listed on National Stock Exchanage ("NSE") and on BSE Limited ("BSE") on May 20, 2022, by completing Initial Public Offering of 68,08,820 equity shares of face value of ₹5 each at an issue price of ₹630 per equity share (Employee Discount of ₹59/- per share for 1,13,835 shares reserved under Employee category) consisting of an offer for sale of 68,08,820 equity shares by selling share holders. As the IPO was through Offer for Sale, the Parent Company did not receive any proceeds from the offer.

2) The Board of Directors of Parent Company have recommended a final dividend of ₹1/- (face value of ₹5/- each) (20%) per equity share for the year ended March 31, 2022 on 4,14,06,680 equity shares, amounting ₹414.07/- Lakhs.

3) On July 27, 2022 the Parent Company has signed a Term Sheet with M/s. Ifast Financial India Private Limited (Ifast) having to acquire its Mutual Fund Assets Under Management (AUM). The progress and closure of the transaction is contingent upon satisfactory completion of business, financial and legal due diligence of Ifast; signing of definitive agreements among the transacting parties; receipt of all necessary approvals and consents from all relevant Governmental, regulatory and other authorities and third parties and customers and suppliers, and fulfilment of conditions precedent as may be agreed upon.

48 Additional Information to the Consolidated Financial Statement

(a) **Contingent liabilities**

(₹in lakhs)

Particulars	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Bank Guarantee with Exchanges as margin requirement	1,990.00	1,990.00
Income Tax Matters (refer note (i) below)	538.47	-
Outstanding Balance of Corporate Guarantee	250.00	250.00
Total	**2,778.47**	**2,240.00**

(i) (i) Includes - Income Tax Demand for A.Y. 2013-14 of ₹ 538.47 Lakhs received on September 29, 2021 by Prudent Broking Services Private Limited ("PBSPL" or "Subsidiary Company"). PBSPL has filed appeal against the said order with CIT(Appeal). Pending the resolution of the appeal, PBSPL had agreed for payment of ₹ 50.00 Lakhs till August 31, 2022 out of which PBSPL has deposited ₹ 25.00 Lakhs in three instalment till 31.3.2022. PBSPL, subsequent to the balance sheet date and before signing of the annual accounts for FY 2021-22 have paid ₹ 5.00 Lakhs each every month and balance amount of ₹ 5 Lakhs was payable in August 2022. Further, ₹ 28.08 Lakhs of refund for AY 2021-22 had been adjusted against the said demand which was refunded back to PBSPL on June 01, 2022. PBSPL has assessed that it is only possible, but not probable, that outflow of economic resources will be required.

Further income tax notices u/s 148 for reopening assessment u/s 147 have been received for A.Y. 2014-15, A.Y. 2015-16, A.Y. 2016-17 and A.Y. 2017-18 on similar kind of matter and PBSPL had filed writ petition with Gujarat High Court for all these assessment years and matter was on stay. Based on a Supreme Court judgement, the Income Tax Department was permitted to reissue notices u/s 148A(b) and PBSPL received such notices for all the above mentioned years in June 2022. PBSPL filed its reply to the notices on June 27, 2022 for all the assessment years. Favourable orders have been received by PBSPL stating that these matters are not fit cases for issuance of notice u/s 148 of the Income Tax Act, for all the relevant years.

(b) The Subsidiary company Prudent Broking Services Private Limited (PBSPL) ("Trading member") had entered into an agreement with IL&FS Securities Services Ltd ("ISSL" or "Clearing Member") for appointing ISSL as Company's Clearing Member for Derivative Segment. As a part of the agreement, the Trading Member had to place margins with Clearing Member for trading member's client open positions. As at year end March 2019, this margin amount placed by PBSPL with ISSL amounted to ₹213.91 Lakhs. In July 2019, the National Stock Exchange("NSE") disabled the terminals of ISSL citing shortfalls in payments by ISSL which resulted in the trading members not being able to place trades for its clients. Considering the IL&FS crisis, PBSPL obtained NOC from ISSL and appointed Axis Bank Limited as its Clearing Member. Since the margin amount had not been released by ISSL, PBSPL and other trading members along with the Association of National Exchanges Members of India (ANMI) filed an Interlocutory Application in the Supreme Court of

Notes to the Consolidated Financial Statements

for the year ended March 31, 2022

India on September 26, 2019 requesting the release of the funds by ISSL. The Supreme Court dismissed this interlocutory application in December 2020 and asked the parties to file case with lower authorities. Thereafter, PBSPL filed a complaint with NSE's Grievence Redressal Committee (GRC) on December 28, 2020. GRC has accepted PBSPL's claim of ₹204.67 Lakhs in the committee meeting held on July 15, 2021 . Further, ANMI has filed an interlocutory application under Rule 31 of National Company Law Appellate Tribunal Rules, 2016 on behalf of Trading Members, which has been admitted on December 01, 2021 and the matter is still pending. Considering the facts of the case, the management of PBSPL has already provided ₹213.91 Lakhs as impairment allowance in F.Y. 2020-21, and considering pending outcome, the said provision has been continued (Refer Note 8 and 30).

(c) A Show Cause Notice ("SCN") dated September 25, 2018, has been issued by SEBI to Prudent Comder Private Limited ("PCPL") (now merged with Prudent Broking Services Private Limited) alleging that there had been contraventions of certain provisions, regarding trading in "paired contracts", of erstwhile Forward Contracts (Regulation) Act, 1952 and Government Notification dated June 05, 2007, while the company was a member National Spot Exchange of India Limited ("NSEL"). The SCN called upon PCPL to show cause as to why appropriate recommendation should not be made against it under the SEBI (Intermediaries) Regulation, 2008 ("SEBI Intermediaries Regulation"). Prudent Broking Services Private Limited ("PBSPL") denied the allegations and submitted in its letter dated October 15, 2018, that it has not violated any of the regulations of the stock exchanges and sought inspection of the relevant documents. PBSPL inspected the documents provided by SEBI and pursuant to its letter dated November 19, 2019, submitted that all the transactions undertaken were within the bye laws, rules and regulations of the stock exchanges, and requested to be exonerated from alleged violations and actions. SEBI, in January 2020, issued a show cause notice to PCPL based on an Enquiry Report of Designated Authority in terms of SEBI Intermediaries Regulation, stating that the company did not maintain requisite standards of the code of conduct in trading in "paired contracts", which resulted in a recommendation to cancel the certificate of registration of the company as a commodity derivatives broker. PBSPL has responded to the SCN denying the allegation made and submitted that the allegations are misconceived, based on incomplete and incorrect assumption of facts. The matter is currently pending adjudication.

(d) A show-cause notice dated September 28, 2020 was issued by the Joint Commissioner, Central Goods and Service Tax and Central Excise ("Joint Commissioner- CGST and C.Ex") to Karvy Stock Broking Limited ("KSBL") for difference between gross value of services declared in ITR & ST 3 returns for F.Y. 2014-15. The matter was further taken up for adjudication, which remain unattended at the offices of KSBL.

Subsequently, a show-cause notice was sent to the Parent Company on January 21, 2022 for complying with the tax liabilities of KSBL. The Parent Company submitted that it had only acquired the mutual fund folios of KSBL through the bidding process and the transaction cannot be equated to a takeover of the business of KSBL. Further, it was also submitted that both the Parent Company and KSBL are separate companies incorporated under the Companies Act and should therefore be treated as separate and distinct legal entities under applicable law.

(e) Prudent Corporate Advisory Services Limited ("Parent Company" or "PCASL") has received order u/s 148A(d) of Income Tax Act 1961 for re-opening of scrutiny assessment for AY 2016-17 and AY 2018-19 with approval of appropriate authority. The matter is pending with Income Tax Authorities. Based on prior experience management is reasonably confident that no liability will devolve on PCASL. During the current year, on assessment of facts and status on the above matter, PCASL has assessed that possibility of any outflow in settlement is remote. Accordingly the same has not been considered as contingent liability.

(g) Capital commitments and other commitments

Based on the information available with the group, there is no capital commitments and other commitments as on March 31, 2022.

49 On October 21, 2021, the Prudent Corporate Advisory Services Limited ("Parent Company" or "PCASL") was selected as the highest bidder for acquiring the mutual fund folio of Karvy Stock Broking Limited ("KSBL"). On October 27, 2021, the Parent Company has paid ₹15,100/- Lakhs (excluding taxes) for the above acquisition. Based on the analysis performed by the management of the Parent Company, it has concluded that the acquisition does not qualify as a "Business" as per the definition provided in Ind AS 103 "Business Combination". Consequently, the said acquisition is accounted for as an asset acquisition. As required under Ind-AS 38, the Parent Company has considered various factors such as its ability to retain the customers and generate revenue over a sustainable period, technical and technological changes expected, the industry growth prospects and the leverage of its existing physical and digital infrastructure to serve these customers and concluded that the cost of acquiring the customer folios should be amortized over a 10 year period on a straight line basis.The transfer of AUM has been duly complete on November 28, 2021 .Consequently, the figures of the comparative year are not comparable to the extent of revenue received from such acquired AUM and its consequential expenses.

50 Other statutory information

(a) The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.

(b) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(d) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(i) 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

(ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(e) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

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

(g) The Group does not have any transactions with companies which are struck off.

(h) The Group was not required to file quarterly statement/returns of current assets with the banks or financial institutions w.r.t. secured working capital borrowings.

51 Additional regulatory information required under (WB)(xvi) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Group as it is in Distribution of Mutual Fund, Stock broking and other Financial and Non Financial Product Distribution business and not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.

52 In compliance with Ministry of Corporate Affairs notification w.r.t amendment in Schedule III to the Companies Act, 2013 effective from April 01, 2021, figures for comparative previous periods have been regrouped/ reclassified, wherever necessary.

53 The Consolidated Financial Statement were authorized for issue in accordance with a resolution of the directors on August 01, 2022.

For and on behalf of the Board of Directors of
Prudent Corporate Advisory Services Limited

Sanjay Shah
Chairman and Managing Director
DIN : 00239810

Shirish Patel
Whole Time Director and CEO
DIN : 00239732

Chirag Shah
Whole Time Director
DIN : 01480310

Chirag Kothari
Chief Financial Officer

Dhaval Ghetia
Company Secretary

Place : Ahmedabad
Date: August 01, 2022

Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

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

(Figures in lakhs)

Sl. No.	Particulars	Details	Details	Details
1.	Name of the subsidiary	Prudent Broking Services Private Limited	Prutech Financial Services Private Limited	Gennext Insurance Brokers Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	No	No	No
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	No	No	No
4.	Share capital	₹109.11	₹10	₹87
5.	Reserves & surplus	₹2,061.63	₹73.06	₹3,962.00
6.	Total assets	₹9,926.22	₹84.42	₹5,045.08
7.	Total Liabilities	₹7,755.48	₹1.36	₹996.08
8.	Investments	₹0.01	₹71.24	₹3,711.67
9.	Turnover	₹2,352.26	₹37.62	₹3,608.42
10.	Profit before taxation	₹618.38	₹26.92	₹2,245.40
11.	Provision for taxation & Deferred Tax	(₹164.38)	(₹6.84)	(₹552.13)
12.	Profit after taxation	₹454.00	₹20.08	₹1,693.27
13.	Proposed Dividend	Nil	Nil	Nil
14.	% of shareholding	100.00%	100.00%	100.00%

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

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

For and on behalf of the Board of Directors of
Prudent Corporate Advisory Services Limited

Sanjay Shah	**Shirish Patel**	**Chirag Shah**	**Chirag Kothari**	**Dhaval Ghetia**
Chairman and Managing Director	Whole Time Director and CEO	Whole Time Director	Chief Financial Officer	Company Secretary
DIN : 00239810	DIN : 00239732	DIN : 01480310		

Place : Ahmedabad
Date: August 01, 2022

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