

ZERODHA CAPITAL PRIVATE LIMITED

ANNUAL REPORT 2024- 2025

DIRECTORS:

Mr. Nithin Kamath	- Director
Mr. Nikhil Kamath	- Director
Mrs. Seema Patil	- Director
Mr. Abdul Hanan Delvi	- Director
Mr. Karthik Rangappa	- Director
Mr. Shivachalianda Rajkumar Abhilash	- Additional Director

COMPANY SECRETARY:

Mrs. Meetal T Jain

REGISTERED OFFICE ADDRESS:

No. 680, 15th Cross, J.P Nagar 2nd Phase, Bangalore, Karnataka, India, 560078

BRANCH OFFICE

Door No.172/1F/12A, (old Door No.769-1F-12A), Spencer Plaza, Anna Salai, Chennai-600002

STATUTORY AUDITOR:

M/s Tarai & Co
Chartered Accountants
No:12/3, 3rd floor, Sri Sathya Sai Krupa,
Vani Vilash Road, VV Puram, Near Lalbagh Westgate,
Opp to Kaveri Petrol Bunk, Basavanagudi,
Bengaluru, Karnataka, 560004

CONTACT INFORMATION

Zerodha Capital Private Limited

No. 680, 15th Cross, J.P Nagar 2nd Phase, Bangalore, Karnataka, India, 560078

Email: nbfc@zerodha.com | **Website:** zerodhacapital.com | **Phone No:** 080-47166888

Corporate Identification Number: U67100KA2014PTC073653

CIN: U67100KA2014PTC073653

Registered Office: No. 680, 15th Cross, J.P Nagar 2nd Phase Bangalore 560078

Branch office: No.172/1F/12A, (old Door No.769-1F-12A), Spencer Plaza, Anna Salai, Chennai-600002

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Email id: nbfc@zerodha.com

DIRECTOR'S REPORT

To the Members,

The Board of Directors have the pleasure in presenting the 12th Board's Report of Zerodha Capital Private Limited ("Company"/" Zerodha Capital") together with the Audited Financial Statements for the Financial Year ended on March 31, 2025.

1. FINANCIAL SUMMARY AND HIGHLIGHTS

The Financial Statements of the Company for the year ended March 31, 2025, have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Schedule III to the Act, as amended from time to time.

(Amount in Lakhs)

PARTICULARS	STANDALONE	
	2024-25	2023-2024
Revenue from Operations	3571.81	1176.59
Other Income	134.35	63.86
Total Revenue	3706.17	1240.46
Profit /loss before Exceptional items and Tax Expense	1634.19	973.82
Add/Less: Exceptional Items	--	--
Profit /loss before Tax Expense	1634.19	973.82
Less: Current Tax	414.99	248.32
Less: Deferred Tax	(1.01)	0.615
Income tax for earlier years	(0.54)	(0.23)
Net Profit /loss for the year	1220.75	725.12
Earnings Per Share (Basic)	24.42	14.50
Earnings per Share (Diluted)	15.51	10.18

The Company is a Non-Banking Financial Company (NBFC) engaged in the business of providing loans against securities, wherein stocks and mutual funds in the Demat account can be pledged to avail of loans.

On a standalone basis, in the FY 2024-25 and 2023-24, the Company has generated a revenue from operations of Rs. 3571.81 and Rs. 1176.59 respectively. The Profit after Tax (PAT) attributable to shareholders for the F.Y is Rs. 1220.75 and Rs. 725.12 respectively. And out of the total profits for the year the Company has transferred 20% of the PAT to the Statutory Reserves and the rest is transferred to the Retained Earnings for further growth and expansion of Company's Operations.

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The affairs of the Company are conducted in accordance with accepted business practices and within the purview of applicable legislations.

In accordance with Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, including audited financial statements, auditor's report and all other documents required by law to be annexed or attached to the financial statements, will be available for inspection by any member of the Company

2. KEY OPERATIONAL HIGHLIGHTS

Particulars	FY 2025	FY 2024	Increase/Decrease over FY 2024-25 (in%)
Borrowers	4,110	936	339.10%
No. of Loans Disbursed	23,679	11,902	98.95%
Total Asset Under management (AUM) (INR in Lakhs)	385.64	182.21	111.65%

During the year the number of borrowers grew by 339.10% to 4,110 (previous year 936). No. of Loans disbursed grew by 98.95% to INR 23,679 lakhs (previous year INR 11,902 lakhs). Total assets under management grew by 111.65% to INR 385.64 lakhs (previous year INR 182.21 lakhs).

3. SHARE CAPITAL

The Authorised Share Capital of the Company as on March 31, 2025, was INR 11,00,00,000/- (Indian Rupees Eleven One Crore Only) divided into

- 80,00,000 (Eighty Lakh) Equity Shares of INR. 10/- (Indian Rupee Ten Only) each aggregating to 8,00,00,000 (Indian Rupees Eight Crore Only)
- 30,00,000 (Thirty Lakh) Preference Shares of INR.10/- (Indian Rupee Ten Only) each aggregating to 3,00,00,000 (Indian Rupees Three Crore Only)

Further, issued, subscribed and Paid-up Share Capital as on March 31, 2025, was INR. 7,86,94,360/- (Indian Rupees Seven Crore Eighty-Six Lakhs Ninety-Four Thousand Three hundred and Sixty Only) divided into

- 50,00,000 (Fifty Lakh) Equity Shares face value of INR. 10/- (Indian Rupee Ten Only) each aggregating to INR. 5,00,00,000 (Indian Rupee Five Crore Only)
- 28,69,436 (Twenty-Eight Lakh Sixty-Nine Thousand Four hundred and Thirty-Six) Preference Shares face value of INR. 10/- (Indian Rupee Ten Only) each aggregating to INR. 2,86,94,360 (India Rupees Two Crore Eighty-Six Lakhs Ninety-Four Thousand Three Hundred and Sixty Only)

The entire Share Capital of the Company is held in dematerialized form.

4. TRANSFER TO RESERVES

According to Section 45 IC of the Reserve Bank of India Act 1934, every non-banking financial company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared. Accordingly, the Company has transferred an amount of Rs. 244.25 Lakhs to Reserve Account as per the norms laid down under Section 45-IC of the Reserve Bank of India Act, 1934.

The Company has not transferred any amount to the General Reserve for the year under consideration.

5. CAPITAL ADEQUACY

The Company being a Non-Deposit Accepting NBFC is subject to the capital adequacy requirements prescribed by the Reserve Bank of India. The Company is required to maintain a minimum Capital to Risk Asset Ratio (CRAR) of 15% as prescribed under the (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (as amended from time to time) based on total capital to risk-weighted assets. As of March 31, 2025, the Company's total Capital to Risk Asset Ratio stood at 35.79% out of which the Tier I capital adequacy ratio as on March 31, 2025, stood at 35.59% and the Tier II capital adequacy ratio as on March 31, 2025, stood at 0.2%. Accordingly, it is well above the regulatory minimum of 15%.

6. DIVIDEND

Keeping in view to conserve the Company's resources and to meet the Company's growth, your directors have decided not to recommend any dividend for the year.

7. TRANSFER OF UNCLAIMED DIVIDENDS TO THE INVESTOR EDUCATION AND PROTECTION FUND.

The provisions of Section 125 (2) of the Companies Act, 2013, do not apply to the company, as there was no dividend declared in the previous years.

8. CHANGE IN NATURE OF BUSINESS

There is no Change in the nature of the business of the Company during the Financial Year 2024-25.

9. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATED AND THE DATE OF THE BOARD'S REPORT:

There are no material changes and commitments affecting the financial position of the Company, which has occurred between the end of the financial year of the Company i.e. March 31, 2025, and the date of the Directors' Report.

10. DEPOSITS

CIN: U67100KA2014PTC073653

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The Company, being a non-deposit taking Non-Banking Financial Company (NBFC) classified as a Base Layer, has not accepted any deposits from the public during the financial year under review, in accordance with Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014. The Company has passed a Board resolution for non-acceptance of deposits from the public

11. INFORMATION ABOUT SUBSIDIARIES/JOINT VENTURES/ASSOCIATES

The Company does not have any subsidiary, associate and joint venture Company during the financial year under review within the meaning of Section 2 of the Companies Act 2013 ("Act")

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to Section 186(11)(a) of the Companies Act, 2013, read with Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, loans made, guarantees given, or securities provided in the ordinary course of business by a Non-Banking Financial Company (NBFC) registered with the Reserve Bank of India are exempt from the applicability of the provisions of Section 186 of the Act. Accordingly, the particulars of loans and guarantees have not been disclosed in this Report. The details of the Company's investments are provided in the Notes forming part of the Financial Statements for the year ended March 31, 2025

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES.

All related party transactions entered into during the financial year ended March 31, 2025, were on an arm's length basis and in the ordinary course of business. Therefore, the provisions of Section 188 of the Companies Act, 2013 were not applicable. Further, there were no materially significant related party transactions during the year under review with Promoters, Directors, or other designated persons that could potentially conflict with the interests of the Company at large. Therefore, disclosure in Form AOC-2 is not required. However, the details of transactions with related parties for the year, as per Indian Accounting Standard 24 (Related Party Disclosures), are provided in the Notes to the Balance Sheet as on March 31, 2025.

14. LOANS FROM DIRECTORS AND THEIR RELATIVES.

The Company has an approved loan sanction of INR 100 Crores from its Directors, valid only until March 31, 2025. During the year, the Company availed a loan of INR 30 Crores out of the sanctioned INR 100 Crores. The Company will need to obtain fresh approval from its directors for any further loans for the financial year 2025-26 if, required.

During the FY 2024-25 the declaration from the Directors have been obtained 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.

15. DIRECTORS AND KEY MANAGERIAL PERSONNEL**a. Composition of Board of Directors**

As on date of this report, the Board of Directors comprised of five (5) directors, and the composition of the Board is in line with the requirements of the Companies Act 2013. Details of the members are as follows

SL.NO	NAME	Designation	DIN
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1	Mr. Nithin Kamath	Director	03142935
2	Mr. Nikhil Kamath	Director	03142938
3	Mrs. Seema Patil	Director	03441620
4	Mr. Karthik Rangappa	Director	03596015
5	Mr. Shivachalianda Rajkumar Abhilash	Additional Director	10765160

b. Changes in Directors During FY 2024-25

Name	Date of Appointment / resignation	Nature of Change
Mr. Abdul Hanan Delvi	29 th July 2024	Resigned from the post of Director
Mr. Shivachalianda Rajkumar Abhilash	20 th December 2024	Appointed as an Additional Director

c. Key Managerial Personnel

In terms of the provisions of Sections 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, following are the Key Managerial Personnel as on March 31, 2025

Sr. No	Name of the Key Managerial Personnel	Designation
1	Ms. Meetal T Jain	Company Secretary

As per section 149(4) and Section 203 of the Companies Act 2013, the Company is not required to appoint Independent Directors and Key Managerial Personnel (other than Company Secretary) in the Company.

16. MEETINGS**a) Number of meetings of the Board of Directors**

During the Financial Year ended on March 31, 2025, six (6) meetings of the Board of Directors of the Company were held on 26.04.2024,13.06.2024,29.07.2024,04.09.2024,20.12.2024 and 07.03.2025. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013. The attendance of the Board of Directors in these meetings were as follows

Sr. No	Name of the Directors	No. of meetings eligible to attend	No. of meetings attended
1	Mr. Nithin Kamath	6	6
2	Mr. Nikhil Kamath	6	6
3	Mrs. Seema Patil	6	6

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4	Mr. Karthik Rangappa	6	6
5	Mr. Abdul Hanan Delvi	3	2
6	Mr. Shivachalianda Rajkumar Abhilash	1	1

b) Number of Meetings of Risk Management Committee

The Company has in place, the Risk Management Committee for the purpose of monitoring the risk and making suitable strategy to control it. During the Year, the Committee has met Three (3) times on 26.04.2024,11.10.2024 and 08.01.2025. The attendance of the members of the Risk management Committee in these meetings were as follows.

Sr. No	Name of the Members	No. of meetings eligible to attend	No. of meetings attended
1	Mr. Karthik Rangappa	3	3
2	Mr. Bhaskar S	3	3
3	Ms. Meetal T Jain	3	3

c) Number of Meetings of Asset and Liability Management Committee

Pursuant to the RBI Guidelines, the Company has in place an Asset and Liability Management Committee for the purpose of decision-making on the desired maturity profile and mix of incremental assets and liabilities, the sale of assets as a source of funding, the structure, responsibilities, and controls for managing liquidity risk and overseeing the liquidity positions.

During the Year, the Committee has met Ten (11) times on 17.04.2024,13.05.2024,13.06.2024,21.08.2024,11.10.2024,31.10.2024,16.12.2024,08.01.2025,12.02.2025,18.03.2025 and 28.03.2025. The attendance of the members of the Asset and Liability Management Committee in these meetings were as follows.

Sr. No	Name of the Members	No. of meetings eligible to attend	No. of meetings attended
1	Mr. Karthik Rangappa	11	11
2	Ms. Seema Patil	11	10
3	Mr. Shivachalianda Rajkumar Abhilash	11	11
4	Ms. Meetal T Jain	11	11

d) Annual General Meeting

Annual General Meeting for the Financial Year 2023-24 was held on July 08, 2024

17. AUDIT COMMITTEE AND NOMINATION AND REMUNERATION COMMITTEE

Pursuant to the provisions of Section 178 and 179 of the Companies Act, 2013, read with the applicable rules, the constitution of the Audit Committee and Nomination & Remuneration Committee was not mandatory during the financial year under review

18. CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Section 135 of the Companies Act, 2013, any company having a net worth of INR. 500 Crores or more, a turnover of INR. 1,000 Crores or more, or a net profit of INR. 5 Crores or more during the immediately preceding financial year, are required to undertake Corporate Social Responsibility (CSR) activities.

During the Financial Year 2024-25, the Company's net profit has exceeded Rs. 5 Crores. In compliance with the provisions of the Companies Act, the Company will ensure that it spends, in every financial year, at least 2% of the average net profits made during the three immediately preceding financial years.

During FY 2024-25, the Company has contributed an amount of INR. 9,95,000 (Indian Rupees Nine Lakh Ninety-Five Thousand Only) towards CSR activities, against the prescribed CSR expenditure of INR .9,95,000 (Indian Rupees Nine Lakh Ninety-Five Thousand Only). The same has been approve by the Board in its meeting held on 20.12.2024

It is important to note that, as per the provisions of Section 135, if the amount to be spent by a company on CSR does not exceed fifty lakh rupees, the requirement to constitute a CSR Committee does not apply. In such cases, the functions typically discharged by the CSR Committee will be carried out by the Board of Directors.

The Annual Report on CSR Activities is annexed as an Annexure-I.

The CSR policy of the Company has also been uploaded on the Company's website and can be accessed at the following link: <https://zerodhacapital.com/>

19. RISK MANAGEMENT POLICY

The Company has adopted a Risk Management Policy and recognizes that effective risk management plays a crucial role in optimizing returns. Its approach to managing business risks is holistic, encompassing regular risk reviews, a structured framework for risk mitigation, and a reporting mechanism to identify and address these risks. The Risk Management Committee periodically reviews the risk management framework to ensure its effectiveness.

20. STATUTORY AUDITORS AND STATUTORY AUDITORS REPORT

In accordance with the provisions of section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the members of the Company at their 8th Annual General Meeting convened on June 21, 2021 had appointed M/s TARAI & CO (FRN: 022166S) as Statutory Auditors of the Company for a term of Five years

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i.e., till the conclusion of the 13th Annual General Meeting of the Company to be held for Financial Year 2025-26. The Company had obtained the declaration of fulfilment of eligibility criteria in accordance with the provisions of Section 141 of the Companies Act, 2013.

Your directors confirm that the audit report for the Financial Year ended March 31, 2025, submitted by M/s TARAI & CO (FRN: 022166S), Chartered Accountants, does not contain any qualification, reservation or adverse remark or disclaimer. The Auditors' Reports on the Financial Statements for the Financial Year ended March 31, 2025, forms part of this Annual Report.

21. REPORTING OF FRAUDS BY AUDITORS

During the year under the review, the Statutory Auditor has not reported any instances of fraud committed in the Company by its officers or employees to the Board under Section 143 (12) of the Companies Act, 2013.

22. MAINTAINING OF COST RECORDS

The Company being an NBFC, the requirements under sub section (1) of Section 148 of the Companies Act, 2013. w.r.t Maintenance of cost records are not applicable.

23. INTERNAL FINANCIAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has put in place an effective internal financial control system, which is commensurate with its size, scale and complexity of operations. The Company has put in place policies and procedures with an objective of ensuring as far as practicable, the orderly and efficient conduct of business, safeguarding of assets, prevention and detection of errors and frauds, accuracy and completeness of the accounting records, and in preparation of reliable financial information. The Internal Financial Controls are adequate and are operating effectively.

24. INTERNAL AUDITOR

Pursuant to the provisions of Section 138 of the Companies Act, 2013, and Rule 13 of the Companies (Accounts) Rules, 2014, every private company having (i) a turnover of two hundred crore rupees or more during the preceding financial year, or (ii) outstanding loans or borrowings from banks or public financial institutions exceeding one hundred crore rupees at any point in time during the preceding financial year, is required to appoint an Internal Auditor.

Considering the above mandatory requirement, the Company has appointed M/s Kanchan A & Co. as the Internal Auditor in its Board meeting held on 28.04.2025. The appointed Internal Auditor continuously monitors and strengthens the financial control procedures in line with the operations of the Company.

25. VIGIL MECHANISM

As per the provisions of Section 177(9) of the Act the Company is required to establish an effective Vigil Mechanism for Directors and employees to report genuine concerns. The Company as part of the 'vigil mechanism' has in place a Board approved 'Whistle Blower Policy' to deal with instances of fraud and mismanagement, if any.

This vigil mechanism of the Company is overseen by the Board of Directors of the Company and provides adequate safeguard against victimization of employees and also provides direct access to the Director nominated by the Board, in the absence of Audit Committee in exceptional circumstances. During the year under review no such complaints have been received by the Company. Further, no person has been denied access to the Director in this regard.

The Whistle Blower Policy has been placed on the website: <https://zerodhacapital.com/>

26. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every company with outstanding loans or borrowings from banks or public financial institutions amounting to one hundred crore rupees or more is required to appoint a Secretarial Auditor. In compliance with these provisions, the Company, in its Board meeting held on 28.04.2025 has appointed M/s Pallavi Hegde & Co. as the Secretarial Auditor for the financial year 2025-26.

27. STATE OF COMPANY'S AFFAIRS

- **Change in the financial year:** There was no change in the Financial Year of the Company in the entire year under review
- **Details and Status of Acquisition, Merger, Expansion, Modernization and Diversification:** Nil
- **Developments, Acquisition and Assignment of material Intellectual Property Rights:** Nil
- **Any other material event having an impact on the affairs of the Company:** Nil

28. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There were no significant material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

29. DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to fostering a safe and respectful work environment for all employees. We have a comprehensive policy in place to prevent sexual harassment, in alignment with the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 (POSH Act). To ensure a fair grievance redressal process, an Internal Complaints Committee (ICC) has been established. While the POSH Act primarily offers legal protection to women, the Company promotes inclusivity by extending these protections to all genders, including co-workers, contract workers, probationers, trainees, and apprentices, ensuring a safe and respectful environment for everyone

Pursuant to POSH Act and Rules made thereunder, during the year 2024-25, there were no complaints received by the Company. The following is a summary of sexual harassment complaints received and disposed of during the year:

Number of complaints pending at the beginning of the year	Nil
Number of complaints received during the year	Nil
Number of complaints disposed of during the year	Nil
Number of cases pending at the end of the year	Nil

The Company is in compliance with the provisions relating to the Maternity Benefit Act, 1961

30. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors confirm that to the best of their knowledge and belief and according to the information and explanation obtained by them,

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and are prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.
- c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. The Directors had prepared the annual accounts on a going concern basis.
- e. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws, and Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems were adequate and operating effectively.

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

A. Conservation of Energy

The Company's operations are not energy-intensive and as such involve low energy consumption. However, adequate measures have been taken to conserve the consumption of energy.

B. Technology Absorption

Operations of the company do not involve any kind of special technology and there was no expenditure on research & development during this financial year. However, the company continues to upgrade its technology (computer technology and telecom infrastructure) in ensuring it is connected with its clients across the globe.

C. Foreign Exchange Earnings and outgo

The Foreign Exchange earnings and outgo during the financial period ended March 31, 2025, is as follows:

Particulars	31 st March, 2025	31 st March, 2024
Foreign Exchange Earnings	NIL	NIL
Foreign Exchange Outgo	NIL	NIL

D. Human Resource Development and Industrial Relations

Your Company continues to take new initiatives to further align its HR policies to meet the growing needs of its business. People development continues to be a key focus area of the Company. The industrial relations in all the units of the Company remained cordial and peaceful throughout the year.

32. COMPLIANCE AND REGULATORY

During the year under review, the Company has complied with all the prudential norms, regulations and guidelines prescribed by RBI applicable to NBFCs and the laws, regulations, circulars, notifications as required under the Companies Act, 2013, tax laws and other regulatory provisions.

33. SECRETARIAL STANDARDS

During the Financial Year 2024- 25 the Company has complied with the Secretarial Standard issued by The Institute of Company Secretaries of India on Meetings of Board of Directors (SS-1) and General Meetings (SS-2)

34. DISCLOSURE ABOUT THE CHANGE IN THE REGISTERED OFFICE ADDRESS OF THE COMPANY

The Company has, on 29th January 2024, changed its registered office to 175/176, 2nd Floor, Bannerghatta Main Road, next to Rainbow Hospital, Bilekahalli, Bengaluru, Karnataka 560076. Further, the Company has made the requisite filings and updates, wherever necessary, in accordance with the provisions of the Companies Act, 2013.

35. EMPLOYEES STOCK OPTION

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

36. ANNUAL RETURN:

Pursuant to Section 134(3)(a) of the Companies Act, 2013, a copy of the annual return as provided under Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, will be uploaded on the website of the Company as and when the same is filed with concerned Registrar of Companies within prescribed statutory timeline.

The same will also be made available on <https://zerodhacapital.com/> under Annual Return tab.

37. RBI GUIDELINES

The Company has complied with the regulations of the Reserve Bank of India (RBI) as of March 31, 2025, including the Scale-Based Regulations (SBR) notified by the RBI, which came into effect from October 1, 2022. The Company is classified as a Base Layer Non-Banking Financial Company (NBFC) pursuant to the SBR. The Company continues to meet all the norms and standards set by the RBI, including those related to non-performing assets, capital adequacy, statutory liquidity, and other relevant policies.

38. OTHER DISCLOSURES

- **Sweat Equity Shares issued during the year:** The Company has not issued any sweat equity shares during the year under review.
- There has not been any revision in the financial Statements.
- the details of difference between the amount of the valuation done at the time of one-time settlement and the valuation done while taking a loan from the banks or financial institutions along with the reasons thereof is not applicable.
- The Company, in the capacity of Financial Creditor, has not filed any applications with National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 during the financial year 2024-25 for recovery of outstanding loans against any customer being Corporate Debtor.

39. CUSTOMER GRIEVANCES

The Company has a dedicated Customer Grievance team for receiving and handling customer complaints/grievances and ensuring that the customers are treated fairly and without any bias at all times. All issues raised by the customers are dealt with courtesy and redressed expeditiously.

40. FAIR PRACTICE CODE

The Company has in place a Fair Practice Code (FPC) approved by the Board in compliance with the guidelines issued by RBI, to ensure better service and provide necessary information to customers to take informed decisions. The FPC is available on the website of the Company at <https://zerodhacapital.com/>

41. ACKNOWLEDGMENTS

Your directors take this opportunity to express their sincere appreciation to the shareholders, customers, bankers, suppliers and other business associates for the excellent support and cooperation extended by them. Your directors gratefully acknowledge the ongoing cooperation and support provided by the Central and State Governments, Stock Exchanges, SEBI, RBI and other Regulatory Bodies. We place on record our appreciation of the contribution made by employees at all levels. Our consistent performance was made possible by their hard work, solidarity, co-operation and support.

For and on behalf of the Board of Directors of

Zerodha Capital Private Limited


Karthik Rangappa

(DIN: 03596015)

Director





Shivachalianda Rajkumar Abhilash

(DIN: 10765160)

Director

Place: Bangalore

Date: 26.06.2025

CIN: U67100KA2014PTC073653

Registered Office: No. 680, 15th Cross, J.P Nagar 2nd Phase Bangalore 560078

Branch office: No.172/1F/12A, (old Door No.769-1F-12A), Spencer Plaza, Anna Salai, Chennai-600002

Website: zerodhacapital.com

Phone No: 080-4716-6888

Email id: nbfc@zerodha.com

ANNEXURE-II

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES FOR FY 2024-25

1. A brief outline of the Company's CSR policy:

Zerodha Capital Private Limited outlines the CSR Policy as the Company's commitment to operating ethically and contributing to Social and environmental wellbeing, going beyond legal obligations, It typically includes a vision, objectives, implementation strategies and a monitoring framework for CSR activities.

2. Project Objectives:

To support the creation of a consolidated and authoritative document "*Wildlife Corridors of Karnataka*" that brings together critical information on wildlife, habitats, and conservation needs across the state. This initiative, led by the Holématthi Nature Foundation (HNF) with support from Zerodha Capital Private Limited, aims to enhance conservation planning and action by profiling major wildlife corridors, highlighting their ecological importance, key species, human impacts, and ongoing conservation efforts. The project seeks to aid decision-making and strengthen conservation initiatives by the Karnataka Forest Department (KFD) and other key stakeholders.

3. The Composition of the CSR Committee: As per Section 135 (9) of the Companies Act, 2013 Where the amount to be spent by a [company](#) under section 135 sub-section (5) does not exceed fifty lakh rupees, the requirement under Section 135 (1) for constitution of the Corporate Social Responsibility Committee shall not be applicable.

4. Provide the web-link where the Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company; <https://zerodhacapital.com/>

5. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable; **Not Applicable**

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

Financial Year	Net Profit
2021-2022	1,23,14,767/-
2022-2023	3,90,25,356/-
2023-2024	9,75,02,317/-

a) Two percent of the average net profit of the company as per sub-section (5) of section 135;

2% of the average profit made by the Company in the three immediately preceding financial years is **Rs. 9,92,283.00/-** and the Company has transferred the round figure of **Rs. 9,95,000.00/-**.

b) Surplus arising out of the CSR Projects or programs or activities of the previous financial years: **NIL**

c) Amount required to be set off for the financial year, if any; **NIL**

d) Total CSR obligation for the financial year [(b)+(c) -(d)]; **Rs. 9,92,283.00/-**

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7. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **9,95,000/-**
 (b) Amount spent on Administrative Overheads: **NIL**
 (c) Amount spent on Impact Assessment, if applicable. **NIL**
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]. **9,95,000/-**
 (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year.	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per the second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
9,95,000	NIL				

(f) Excess amount for set-off, if any: Not Applicable

Sl. No	Particulars	INR
(1)	(2)	(3)
(i)	Two percent of the average net profit of the company as per sub-section (5) of section 135.	9,92,283
(ii)	Total CSR obligation for the financial year 2024-25	9,92,283
(iii)	Total amount spent for the Financial Year	9,95,000
(iv)	Excess amount spent for the Financial Year [(iii)-(ii)]	2,717
(v)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	0
(vi)	Amount available for set off in succeeding Financial Years	0

8. Details of Unspent CSR amount for the preceding three financial years: **NIL**

Sl. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135 , if any	Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
Nil							

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Zerodha Capital

Private Limited

9. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **NIL**
10. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5):
Nil

For and on behalf of the Board of Directors of

Zerodha Capital Private Limited


Karthik Rangappa
(DIN: 03596015)
Director





Shivachalianda Rajkumar Abhilash
(DIN: 10765160)
Director

Place: Bangalore

Date: 26.06.2025

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Certificate of the Statutory Auditors' Certificate (SAC)

We have examined the books of accounts and other records of Zerodha Capital Private Limited for the Financial Year ending March 31, 2025., On the basis of the information submitted to us, we certify the following:

(Write NA whichever is Not applicable)

Sl.	Particulars	Details
1	Name of the company	Zerodha Capital Private Limited
2	Certificate of Registration No.	N 02.00283
3	Registered office Address	680, 15th Cross, J.P Nagar 2nd Phase Bangalore - 560078, Karnataka,
4	Corporate office Address	680, 15th Cross, J.P Nagar 2nd Phase Bangalore - 560078, Karnataka,
5	The company has been classified by RBI as : (Investment Company / Loan Company / AFC / NBFC-MFI / NBFC- Factor / IFC / IDF- NBFC)	NBFC-Investment and Credit Company (Base Layer)
6	Net Owned Fund (in Rs. Lakhs) (Calculation of the same is given in the Annex)	Rs. 17,259.91
7	Total Assets (in Rs. Lakhs)	Rs. 43,279.76
8	Asset-Income pattern: (in terms of RBI Press Release 1998-99/1269 dated April 8, 1999) a) % of Financial Assets to Total Assets b) % of Financial Income to Gross Income (NBFC-Factor / NBFC-MFI / AFC / IFC may also report separately below)	89.59% 96.37%
9	Whether the company was holding any Public Deposits, as on March 31, 2022?	No

No: 12/3, 3RD FLOOR, SRI SATHYA SAI KRUPA, VANI VILASH ROAD, VV PURAM, NEAR LALBAGH WESTGATE, OPP TO KAVERI PETROL BUNK, BASAVANAGUDI, BENGALURU, KARNATAKA, 560004 Email Id: Bijayktarai@Gmail.Com |

M: +91 63635 90420



	If Yes, the amount in Rs. lakhs	
10.	Has the company transferred a sum not less than 20% of its Net Profit for the year to Reserve Fund? (in Rs. Lakhs) (in terms of Sec 45-IC of the RBI Act, 1934).	Yes
11	Has the company received any FDI? If Yes, did the company comply with the minimum capitalization norms for the FDI?	No
12	If the company is classified as an NBFC-Factor; a) % of Factoring Assets to Total Assets b) % of Factoring Income to Gross Income	No
13	If the company is classified as an NBFC-MFI; % of Qualifying Assets to Net Assets (refer to Notification DNBS.PD.No.234CGM (US) 2011 dated December 02, 2011)	No
14	If the company is classified as an AFC. a) % of Advances given for creation of physical / real assets supporting economic activity to Total Assets b) % of income generated out of these assets to Total Income	No
15	If the company is classified as an NBFC-IFC % of Infrastructure Loans to Total Assets	No
16	Has there been any takeover/acquisition of control/ change in shareholding/ Management during the year which required prior approval from RBI? (please refer to per DNBR (PD) CC.No.	No

	065/03.10.001/2015-16 dated July 09, 2015 on the subject for details)	
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In terms of Chapter II of Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 dated September 29, 2016, a separate report to the Board of Directors of the company has been made.

I have read and understood Chapter III of Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 dated September 29, 2016

For Tarai & Co.

Chartered Accountant

Firm Reg. No : 022166S



Bijaya Kumar Tarai

Proprietor

M No.: 254032

Place: Bengaluru

Date: 26-06-2025

UDIN: 25254032BMMLDP9228

Annex

	Capital Funds - Tier I	(Rs. In Lakhs)
1.	Paid up Equity Capital	500.00
2.	Pref. shares to be compulsorily converted into equity	286.94
3.	Free Reserves:	
	a. General Reserve	
	b. Share Premium	14,209.85
	c. Capital Reserves	
	d. Debenture Redemption Reserve	
	e. Capital Redemption Reserve	
	f. Credit Balance in P&L Account	1,831.37
4.	Special Reserves	
	a. Statutory Reserve	466.20
	Total of 1 to 4	17,294.36
5.	Less: i. Accumulated balance of loss	
	ii. Prepaid Expenses	10.82
	ii. Deferred Tax Assets (Net)	
	iii. Other intangible Assets	23.64
	Owned Fund	17,259.91
6.	Investment in shares of	Nil
	(i) Companies in the same group	
	(ii) Subsidiaries	Nil
	(iii) Wholly Owned Subsidiaries	Nil
	(iv) Other NBFCs	Nil
7.	Book value of debentures, bonds outstanding loans and advances, bills purchased and iscounted(including H.P. and lease finance) made to, and deposits with	Nil
	(i) Companies in the same group	
	(ii) Subsidiaries	Nil
	(iii) Wholly Owned Subsidiaries/Joint Ventures Abroad	Nil
8.	Total of 6 and 7	Nil
9.	Amount in item 8 in excess of 10% of Owned Fund	Nil
10.	Net Owned Fund	17,259.91

Independent Auditor's Report

To the Members of M/s. Zerodha Capital Private Limited

Report on the standalone Financial Statements

Opinion

I have audited the accompanying standalone financial statements of **M/s. Zerodha Capital Private Limited** (the 'Company'), which comprise the Balance Sheet as at 31 March 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statement, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the 'standalone financial statements').

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read 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 31 March 2025, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

I conducted my audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act ('SA's). My responsibilities under those standards are further described in the Auditors' responsibility for the audit of the standalone financial statements section of my report. I am 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 my audit of the standalone financial statements under the provisions of the Act and the rules made thereunder, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. I believe that the audit evidence obtained by me is sufficient and appropriate to provide a basis for my audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in my audit of the financial statements of the current period. These matters are addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. During the year the company has not carried any business.

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63635 90420



Reporting of Key Audit Matters as per SA 701, Key Audit Matter are not applicable to the company as it is an unlisted company.

Information Other than the Standalone 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 Management Discussion and Analysis, the Board's report including Annexure to the Board's Report, Business Responsibility Report, Corporate Governance and Shareholders' Information, but does not include the standalone financial statements and my auditor's report thereon.

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

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

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

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the 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 statements 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 and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- i. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my 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.
- ii. 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, I am also responsible for expressing my opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that are of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my 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

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, I give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.


As required by Section 143(3) of the Act, I report that:

- a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief are necessary for the purpose of my audit.
- b) In my opinion, proper books of account as required by law have been kept by the company so far as appears from my examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account.
- d) In my 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 1st April 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to my separate Report in "Annexure 2". My report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Not Applicable.
 - ii. The Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Not Applicable
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
 - iv.
- a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on audit procedures which I have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013
- vi. Based on my examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the year ended 31 March 2025 which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of my audit, I did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For Tarai & Co
Chartered Accountant
F R No. 022166S



Bijaya Kumar Tarai
Proprietor

M No.: 254032

Place: Bangalore

Date: 26/06/2025

UDIN: 25254032BMLLDO9103

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF M/s. ZERODHA CAPITAL PRIVATE LIMITED

Claus e No	Sub- Clause	Explanation	
1.	(a) (A)	Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.	The Company has maintained proper records showing full particulars, including quantitative details and situation of Property plant and equipment.
	(a) (B)	Whether the company is maintaining proper records showing full particulars of intangible assets;	As per the Information and explanation given to me and based on the audit verification done by me, the company is maintaining proper records, showing full particulars of intangible asset.
	(b)	Whether these Property, Plant and Equipment have been physically verified by the management at reasonable intervals; whether any material discrepancies are noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	As per the Information and explanation given to me and based on the audit verification done by me the Property, Plant and Equipment have been physically verified by the management at reasonable intervals; No any material discrepancies are noticed on such verification.
	(c)	Whether the title deeds of all the immovable properties (other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company;	As per the Information and explanation given to me and based on the audit verification done by me the company does not possess any Immovable properties in the name of the company, So this clause will not be applicable to the company.



	(d)	Whether the company has revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year and, if so, whether the revaluation is based on the valuation by a Registered Valuer; specify the amount of change, if change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets;	As per the Information and explanation given to me and based on the audit verification done by me the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
	(e)	Whether any proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder,	As per the Information and explanation given to me and based on the audit verification done by me. No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Hence this clause will not be applicable to the company.
2.	(a)	Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether, in the opinion of the auditor, the coverage and procedure of such verification by the management is appropriate; whether any discrepancies of 10% or more in the aggregate for each class of inventory are noticed and if so, whether they have been properly dealt with in the books of account;	The Company is engaged primarily in lending activities and consequently does not hold any physical inventories. Accordingly, paragraph 3(ii)(a) of the Order is not applicable.



	(b)	Whether during any point of time of the year, the company has been sanctioned working capital limits in excess of five Crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets, whether the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company, if not, give details.	The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate from banks on the basis of security of loans (assets) during the year. In my opinion, the quarterly statements filed with banks are in agreement with the books of account.
3.		Whether during the year the company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.	As explained in note no. 1 to the standalone financial statements, the Company is a Non-Deposit-Taking Non-Banking Financial Company ('NBFC') registered with the Reserve Bank of India ('RBI') and as a part of its business activities is engaged in the business of lending across various types of loans. During the year, in the ordinary course of its business, the Company has made investments in, provided guarantee/security to and granted loans and advances in the nature of loans, secured and unsecured, to companies, firms, limited liability partnerships and other parties. With respect to such investments, guarantees/security and loans and advances:
	(a)	Whether during the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity [not applicable to	The provisions of paragraph 3(iii)(a) of the Order are not applicable to the Company as its principal business is to give loans;

	companies whose principal business is to give loans],	
(b)	Whether the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;	In my opinion, having regard to the nature of the Company's business, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest;
(c)	In respect of loans and advances in the nature of loans, whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	The Company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its borrowers as stipulated. In cases where repayment of principal or payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting.
(d)	If the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;	As per the Information and explanation given to me and based on the audit verification done by me, there are no loans or advances, where the principal is due more than ninety days, the company has taken reasonable steps for recovery of the principal and interest.
(e)	Whether any loan or advance in the nature of loan granted which has fallen due during the year, has been	The provisions of paragraph 3(iii)(e) of the Order are not applicable to the Company as its principal business is to give loans.

		renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties, if so, specify the aggregate amount of such dues renewed or extended or settled by fresh loans and the percentage of the aggregate to the total loans or advances in the nature of loans granted during the year [not applicable to companies whose principal business is to give loans];	
	(f)	Whether the company has granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, if so, specify the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause	As per the Information and explanation given to me and based on the audit verification done by me, the company has granted "loans against shares" which are repayable on demand sanctioned for a period up to one year. The aggregate amount of "loans against shares" is Rs. 38,754.67 lakhs which is 100% of total loans and advances as on 31/03/2025. No loans granted to promoters, related parties as defined in the clause.
4.		In respect of loans, investments, guarantees, and security, whether provisions of sections 185 and 186 of the Companies Act have been complied with	The Company has not advanced loans or made investments in or provided guaranty or security to parties covered by section 185 of the Act and the provisions of section 186 of the Act is not applicable to the Company. Hence reporting under paragraph 3(iv) of the Order is not applicable.
5.		In respect of deposits accepted by the company or amounts which are deemed to be deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant	In my Opinion and the information and explanation provided the company has not accepted the deposits or there are no amounts in the company which is deemed

		provisions of the Companies Act and the rules made thereunder, where applicable, have been complied with	to be deposits during the year hence the said clause will not be applicable.
6.		Whether maintenance of cost records has been specified by the Central Government under subsection (1) of section 148 of the Companies Act and whether such accounts and records have been so made and maintained	The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013, for the business activities carried out by the Company. Hence reporting under paragraph 3 (vi) of the Order is not applicable.
7.	(a)	Whether the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities	<p>The Company has generally been regular in depositing undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, cess and other material statutory dues applicable to it, to the appropriate authorities. As explained to me, the Company does not have any dues on account of sales tax, service tax, duty of customs, duty of excise and value added tax.</p> <p>There were no undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues in arrears as of 31 March 2025, for a period of more than six months from the date they became payable.</p>
	(b)	Where statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute, then the amounts involved and the	According to the information and explanations given to me, there are no any statutory dues referred in sub clause (a)

		forum where dispute is pending shall be mentioned	which have not been deposited on account of any dispute.
8.		Whether any transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), if so, whether the previously unrecorded income has been properly recorded in the books of account during the year	According to the information and explanations given to me, there are no any transaction that not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
9.	(a)	Whether the company has defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender	According to the information and explanations given to me and in my opinion the company has not been defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
	(b)	Whether the company is a declared willful defaulter by any bank or financial institution or other lender;	Based on the information and explanation provided by the company to me and in my opinion the company is not declared as a willful defaulter by Bank or Financial institution.
	(c)	Whether term loans are applied for the purpose for which the loans are obtained;	In my opinion and according to the information and explanations given to me, the Terms Loans are applied for the purpose for which the Loans are obtained. Also Refer note no. 13 to the Financial Statements, regarding a Term Loan, wherein the application of funds is in progress, and the unapplied loan amount is being held in the form of liquid investments as at the year end.

	(d)	Whether funds raised on short term basis have been utilized for long term purposes,	In my opinion and according to the information and explanations given, funds raised on short term basis have not been utilized for long term purposes,
	(e)	Whether the company has taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures	In my opinion and according to the information and explanations given, the company does not have any subsidiaries, associates or joint ventures, hence this clause will not be applicable to the company.
	(f)	Whether the company has raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies,	In my opinion and according to the information and explanations given, the company does not have any subsidiaries, associates or joint ventures, hence this clause will not be applicable to the company.
10.	(a)	Whether moneys raised by way of initial public offer or further public offer (including debt instruments) during the year are applied for the purposes for which those are raised, if not, the details together with delays or default and subsequent rectification	According to the information and explanations given to me, the company has not raised by way of initial public offer or further public offer (including debt instruments) during the year.
	(b)	Whether the company has made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and if so, whether the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds are raised.	According to the information and explanations given to me, the company has not made any Preferential allotment on private placement basis.

11.	(a)	Whether any fraud by the company or any fraud on the company has been noticed or reported during the year, if yes, the nature and the amount involved is to be indicated;	Based on the information and explanation provided by the company to me, there are no case of fraud by the company or any fraud on the Company during the year, Hence this clause will not be applicable to the company.
	(b)	Whether any report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;	During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. Hence this clause will not be applicable to the company.
	(c)	Whether the auditor has considered whistle-blower complaints, if any, received during the year by the company;	As an auditor, I did not receive any whistle-blower complaint during the year. Hence the said clause is not applicable to the company
12.	(a)	Whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability;	The company is not a Nidhi Company. Hence the said provisions are not applicable to the company
	(b)	Whether the Nidhi Company is maintaining ten per cent. unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;	The company is not a Nidhi Company. Hence the said provisions are not applicable to the company
	(c)	Whether there has been any default in payment of interest on deposits or repayment thereof for any period and if so, the details thereof;	The company is not a Nidhi Company. Hence the said provisions are not applicable to the company
13.		Whether all transactions with the related parties are in compliance with sections 177 and 188 of the	As per the information and explanations received to me all transactions with the related parties are in compliance with

		Companies Act where applicable and the details have been disclosed in the financial statements.	sections 177 and 188 of Companies Act where applicable, and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards
14.	(a)	Whether the company has an internal audit system commensurate with the size and nature of its business	As per the information and explanations received to me, the company has internal audit system commensurate with the size and nature of its business
	(b)	Whether the reports of the Internal Auditors for the period under audit are considered by the statutory auditor;	The reports of the Internal Auditors for the period under audit are considered by the statutory auditor.
15.		Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act have been complied with;	The Company has not entered into any non-cash transactions with directors or persons connected with him for the year, hence the clause is not applicable to the Company.
16.	a)	Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934)	In my opinion and the information , explanation given to me by the management the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934('RBI Act') and has obtained Certificate of Registration No. 02.00283 dated 01/06/2017 registration under section 45-IA of the Reserve Bank of India Act,1934
	b)	Whether the company has conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;	During the year, the Company has not conducted any non-banking financial activities or housing financial activities without a valid Certificate of Registration ('CoR') from the RBI as per the RBI Act, 1934.

	c)	whether the company is a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, if so, whether it continues to fulfil the criteria of a CIC, and in case the company is an exempted or unregistered CIC, whether it continues to fulfil such criteria	The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, Hence this Disclosure requirement will not be applicable to the company.
	d)	whether the Group has more than one CIC as part of the Group, if yes, indicate the number of CICs which are part of the Group;	As per information and explanation given to me and based on verification done by me, the group does not have any CIC as part of the Group. Hence this clause of the order is not applicable.
17.		Whether the company has incurred cash losses in the financial year and in the immediately preceding financial year, if so, state the amount of cash losses;	The company has not incurred cash loss in current financial year as Ill in immediately preceding financial year, Hence the said clauses won't be applicable to the company.
18.		Whether there has been any resignation of the statutory auditors during the year, if so, whether the auditor has taken into consideration the issues, objections or concerns raised by the outgoing auditors;	There has been no resignation of the previous statutory auditors during the year, Hence the said clauses won't be applicable to the company.
19.		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, the auditor's knowledge of the Board of Directors and management plans, whether the auditor is of the opinion that no	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 standalone financial statements, my knowledge of the Board of Directors and Management plans and based on my examination of the evidence supporting the assumptions, nothing has come to my

		material uncertainty exists as on the date of the audit report that company is 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.	attention, which causes me to believe that any material uncertainty exists as on the date of the audit report, that Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. I, however, state that this is not an assurance as to the future viability of the Company. I further state that my reporting is based on the facts up to the date of the audit report and I 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.
20.	(a)	Whether, in respect of other than ongoing projects, the company has transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act;	There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a fund specified in schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under paragraph 3(xx)(a) of the Order is not applicable for the year.
	(b)	Whether any amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act;	There is no liability on the company under the provisions of section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility. Hence the Provisions of the said clause will not be applicable to the company
21.		Whether there have been any qualifications or adverse remarks by the respective auditors in the	The Company has not made or have any investments, which compels the company to prepare the consolidated financial

		Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements, if yes, indicate the details of the companies and the paragraph numbers of the CARO report containing the qualifications or adverse remarks.	statements during the year, hence this disclosure requirement will not be applicable to the company.
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For Tarai & Co
Chartered Accountant
F R No. 022166S



Bijaya Kumar Tarai
Proprietor
M No.: 254032
Place: Bangalore
Date: 26/06/2025
UDIN: 25254032BMLLDO9103

Report on Internal Financial Controls with reference to the aforesaid Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of my report of even date)

I have audited the internal financial controls with reference to the Standalone Financial Statements of ZERODHA CAPITAL PRIVATE LIMITED ("the Company") as at 31 March 2025 in conjunction with my 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 controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that are operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

My responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial Statements based on my audit. I conducted my audit in accordance with the Guidance Note and the Standards on Auditing ("SA"), prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Standalone Financial Statements. Those SAs and the Guidance Note require that I comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Standalone Financial Statements are established and maintained and whether such controls operated effectively in all material respects.

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls with reference to the Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to the Standalone Financial Statements

A company's internal financial controls with reference to the Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A

No: 12/3, 3RD FLOOR, SRI SATHYA SAI KRUPA, VANI VILASH ROAD, VV PURAM, NEAR LALBAGH ISTGATE, OPP TO
KAVERI PETROL BUNK, BASAVANAGUDI, BENGALURU, KARNATAKA, 560004. Email Id: Bijayktarai@Gmail.Com | M: +91

63635 90420



company's internal financial controls with reference to the Standalone Financial Statements include 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

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

Opinion

In my opinion, to the best of my information and according to the explanations given to me, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements are operating effectively as at March 31, 2025, based on the criteria for internal financial controls with reference to standalone financial statements 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 Tarai & Co
Chartered Accountant
F R No. 022166S



Bijaya Kumar Tarai
Proprietor
M No.: 254032
Place: Bangalore
Date: 26/06/2025
UDIN: 25254032BMLLDO9103

To,
The Boards of Directors,
Zerodha Capital Private Limited
No. 680, 15th Cross, J.P Nagar 2nd Phase,
J P Nagar, Bangalore, Bangalore South,
Karnataka, India, 560078

We have examined the books of accounts and other records maintained by **Zerodha Capital Private Limited** (The Company) having its Registered office at No. 680, 15th Cross, J.P Nagar 2nd Phase, J P Nagar, Bangalore, Bangalore South, Karnataka, India, 560078. As required under Chapter II of the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016, We, the Statutory Auditors of the Company, hereby report that:

1. The company is engaged in the principal business of non-banking financial institutions, and it has obtained a Certificate of Registration (CoR) No 02.00283 dated 01/06/2017 from Reserve Bank of India U/s 45-IA of the Reserve Bank of India Act, 1934.
2. The Company has earned more than 50% of its income from financial assets. The company has more than 50% of its assets in financial assets. So, it is in the terms of its principal business criteria (financial asset/income pattern) as on 31st March 2025. the Company continues to be engaged in the business of a Non-Banking Financial Company.
3. The Company complied with the minimum prescribed Net Owned Funds amount of Rs. 500 Lakhs as on 31st March 2025.
4. The Board of Directors of the Company has passed a Board Resolution vide Board Meeting dated 26.04.2024 for Non-Acceptance / Holding of public deposits.
5. The Company has not accepted Public Deposits during the Financial Year ended 31st March, 2025.
6. The company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Systemically Important Non-Deposit Taking Company (Reserve Bank) Directions, 2016/ Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

For Tarai & Co
Chartered Accountants
Firm Reg. No: 022166S


Bijaya Kumar Tarai
Proprietor

M No.: 254032

Place: Bangalore

UDIN: 25254032BMLLD09103

Date: 26/06/2025



Zerodha Capital Private Limited

Balance Sheet

As on 31st March 2025

(All Amounts in INR Lakhs, Except otherwise stated)

Particulars	Note No.	As at 31st March, 2025	As at 31st March, 2024	As at 1st April, 2023
ASSETS				
Financial Assets				
(a) Cash And cash equivalents	4	579.20	1,243.46	659.13
(b) Bank Balance other than (a) above	5	3,862.30	3,006.60	-
(c) Receivables				
i) Trade Receivables		-	-	-
ii) Other Recievable		-	-	-
(d) Loans	6	38,754.67	18,309.04	7,644.79
(e) Investments		-	-	-
(f) Other Financial assets				
Total Financial Assets		43,196.16	22,559.10	8,303.92
Non- Financial Assets				
(a) Current Tax assets (net)	7	-	-	1.01
(b) Deferred Tax Assets (net)	8	-	-	-
(c) Property, Plant And Equipment	9	6.09	7.13	1.26
(d) Intangible Asset	10	23.64	26.74	29.85
(e) Right-of-use assets		-	-	-
(f) Other Non-Financial Assets	11	53.87	20.66	16.06
Total Non- Financial Assets		83.60	54.52	48.18
Total Assets		43,279.76	22,613.62	8,352.10
LIABILITIES AND EQUITY				
LIABILITIES				
Financial Liabilities				
(a) Payables	12			
I. Trade Payables				
i) Total Outstanding dues of micro enterprises and small enterprises		-	-	-
ii) Total Outstanding dues of creditors other than micro enterprises and small enterprises		1.40	1.76	0.69
II Other Payables				
i) Total Outstanding dues of micro enterprises and small enterprises		-	-	-
ii) Total Outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-
(b) Borrowings	13	25,949.09	6,511.10	1,000.00
(c) Other Financial liabilities	14	0.11	0.01	0.54
Total Financial Liabilities		25,950.60	6,512.88	1,001.23
Non- Financial Liabilities				
(a) Current Tax Liabilities (net)	7	1.50	17.30	-
(b) Provisions	15	3.18	3.32	0.57
(c) Deferred Tax Liabilities (net)	8	1.48	2.32	1.80
(d) Other non-financial liabilities	16	28.48	4.55	0.04
Total Non- Financial Liabilities		34.64	27.49	2.42
Total Liabilities (A)		25,985.23	6,540.36	1,003.65
EQUITY				
(a) Equity share capital	17	786.94	786.94	658.88
(b) Other Equity	18	16,507.58	15,286.32	6,689.57
Total Equity (B)		17,294.53	16,073.26	7,348.45
Total Liabilities and Equity (A+B)		43,279.76	22,613.62	8,352.10

See accompanying notes to the standalone financial statements (1-46)

In terms of our report attached

For Tarai & Co

Chartered Accountants

Firm Registration Number : 0221668

Bijaya Kumar Tarai

Proprietor

M No. : 254032

Place : Bengaluru

Date: 26/06/2025

For or On behalf of Board of Director

Zerodha Capital Private Limited

CIN: U67100KA2014PTC073653

Karthik Rangappa

Director

DIN: 03596015

Meetal T Jain

Company Secretary

M.no: F12550

S R Abhilash

Additional Director

DIN:10765160

Zerodha Capital Private limited

Statement of Profit and loss

For the year ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

Sr No.	Particulars	Note no.	For the year ended 31st March, 2025	For the year ended 31st March, 2024
	REVENUE FROM OPERATIONS			
(a)	Interest Income	19	3,475.56	1,165.67
(b)	Dividend Income	20	-	0.00
(c)	Fees and commission income	21	96.26	10.92
(d)	Net gain on Fair Value changes		-	-
(I)	Total revenue from operation (a+b+c+d)		3,571.81	1,176.60
(II)	Other Income	22	134.35	63.86
(III)	Total Income (I+II)		3,706.17	1,240.46
	EXPENSES			
(a)	Finance cost	23	1,571.89	81.09
(b)	Fees and commission expenses	24	-	-
(c)	Employee benefits expenses	25	230.15	117.38
(d)	Depreciation, amortization and impairment	26	9.43	4.97
(e)	Net Loss on Fair Value changes		-	-
(f)	Other expenses	27	260.52	63.20
(IV)	Total expenses (a+b+c+d+e+f)		2,071.97	266.64
(V)	Profit before exceptional items and tax (III)-(IV)		1,634.19	973.82
(VI)	Exceptional items		-	-
(VII)	Profit before tax (V)-(VI)		1,634.19	973.82
(VIII)	Tax expenses			
(a)	Current tax		414.99	248.32
(b)	Deferred tax		(1.01)	0.61
(c)	Current tax expense relating to Previous year		(0.55)	(0.23)
	Total tax expense (a+b+c)		413.44	248.70
(IX)	Profit for the period from continuing operation (VII)-(VIII)		1,220.75	725.12
(X)	Other comprehensive income			
(a)	Items that will not be reclassified to profit or (loss)		0.68	(0.40)
(b)	Income tax relating to items that will not be reclassified to profit or (loss)		(0.17)	0.10
	Total comprehensive income (a+b)		0.51	(0.30)
(XI)	Total comprehensive income for the period (IX)+(X) (Comprising Profit/(loss) and other Comprehensive Income for the period)		1,221.26	724.82
(XII)	Earnings per share (for continuing operations)	28		
	Basic (in ₹)		24.42	14.50
	Diluted (in ₹)		15.51	10.18

See accompanying notes to the standalone financial statements (1-46)

In terms of our report attached

For Tarai & Co

Chartered Accountants

Firm Registration Number : 0221669

Bijaya Kumar Tarai

Proprietor

M No. : 254032

Place : Bengaluru

Date: 26/06/2025



For or On behalf of Board of Director

Zerodha Capital Private Limited

CIN: U67180KA2014PTC073653

Karthik Rangappa

Director

DIN: 03596015

S R Abhilash

Additional Director

DIN:10765160



Meetal T Jain

Company Secretary

M.no: F12550

Zerodha Capital Private limited

Statement of Cashflow for the year ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Cash flows from operating activities		
Profit for the year before tax & OCI	1,634.19	973.82
Add/ (less) adjustments form/(used in):		
Depreciation, amortisation and impairment	9.43	4.97
Provision for Gratuity	2.32	1.38
Provision for Gratuity - OCI	0.51	(0.30)
Provision for Standards and Sub-standard assets	51.19	(27.95)
Finance Cost	1,543.57	70.83
Interest Income from FD	-	(0.00)
Dividend from Investments	-	(53.62)
Income from Capital Gains	-	(53.62)
Operating profit before working capital changes	3,241.22	1,022.75
Movements in working capital:		
(Increase)/Decrease in Loans	(20,445.62)	(10,664.25)
(Increase)/Decrease in Other financial assets	-	-
(Increase)/Decrease in Other non-financial assets	(33.21)	(4.60)
Increase/(Decrease) in Trade Payables	(0.36)	1.07
Increase/(Decrease) in Provisions	(53.66)	29.31
Increase/(Decrease) in Other Financial Liabilities	0.10	(0.53)
Increase/(Decrease) in Other Non-financial Liabilities	23.93	4.51
Cash generated from operations	(17,267.61)	(9,611.74)
Income taxes paid	(430.08)	(229.88)
Net cash generated from operating activities	(17,697.69)	(9,841.61)
Cash flows from investing activities		
Purchase of property, plant and equipments including intangible assets	(5.29)	(7.73)
Dividend on Investments	-	0.00
Interest On Investment	-	-
Income from Capital Gains	-	53.62
Net cash (used in)/generated by investing activities	(5.29)	(7.73)
Cash flows from financing activities		
Proceeds/(repayment) from borrowing	19,437.98	5,511.10
Finance Cost	(1,543.57)	(70.83)
Proceed from Allotment of Shares	-	8,000.00
Net cash generated by financing activities	17,894.41	13,440.27
Net increase in cash and cash equivalents	191.44	3,590.93
Cash and cash equivalents at the beginning of the year	4,250.06	659.13
Cash and cash equivalents at the end of the year	4,441.49	4,250.06

The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Ind AS -7 "Statement of Cash Flows".

In terms of our report attached

For Tarai & Co
Chartered Accountants
Firm Registration Number: 0221665

Bijaya Kumar Tarai
Proprietor
M No. : 254032
Place: Bengaluru
Date: 26/06/2025



For or On behalf of Board of Director
Zerodha Capital Private Limited
CIN: U87100KA2014PTC038653

Karthik Rangappa
Director
DIN: 03596015
S R Abhilash
Additional Director
DIN:10765160



Meetal T Jain
Company Secretary
M.no: F12550

Zerodha Capital Private limited

Statement of Changes in Equity for the year ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)
EQUITY SHARE CAPITAL (Refer note 17)

Particulars	Year ended 31st March, 2025		Year ended 31st March, 2024		Year ended 1st April, 2023	
	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs
As at the beginning of the year	50,00,000	500.00	50,00,000	500.00	50,00,000	500.00
Changes in equity share capital during the year	-	-	-	-	-	-
Closing at the end of the year	50,00,000	500.00	50,00,000	500.00	50,00,000	500.00

Compulsorily Convertible Preference Shares (Refer note 17)

Particulars	Year ended 31st March, 2025		Year ended 31st March, 2024		Year ended 1st April, 2023	
	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs
As at the beginning of the year	28,69,436	286.94	15,88,760	158.88	11,56,260	115.63
Changes in equity share capital during the year	-	-	12,80,676	128.07	4,32,500	43.25
Closing at the end of the year	28,69,436	286.94	28,69,436	286.94	15,88,760	158.88

OTHER EQUITY (Refer note 18)

Particulars	Reserves & surplus				Total
	Reserve Fund as per RBI Act	Security Premium	Retained earnings	Other items of other comprehensive income	
Balance as at 1st April, 2023	76.93	6,337.92	274.93	-	6,689.77
Net defined benefit liabilities	-	-	(0.15)	(0.05)	(0.20)
Restated Balance as at 1st April, 2023	76.93	6,337.92	274.78	(0.05)	6,689.57
Profit for the year	-	-	725.12	-	725.12
Transfer to reserve fund in terms of section 45-1C(1) of the Reserve Bank of India Act, 1934	145.02	-	(145.02)	-	-
Premium of CCPS issued (net of share issue expenses)	-	7,871.93	-	-	7,871.93
Net defined benefit liabilities	-	-	-	(0.30)	(0.30)
Balance as at March 31, 2024	221.95	14,209.85	854.87	(0.35)	15,286.32
Profit for the year	-	-	1,220.75	-	1,220.75
Transfer to reserve fund in terms of section 45-1C(1) of the Reserve Bank of India Act, 1934	244.25	-	(244.25)	-	-
Net defined benefit liabilities	-	-	-	0.51	0.51
Balance as at March 31, 2025	466.20	14,209.85	1,831.37	0.16	16,507.58

See accompanying notes to the standalone financial statements (1-46)

In terms of our report attached

For Tarai & Co
Chartered Accountants

Firm Registration Number : 0221665

Bijaya Kumar Tarai
Proprietor

M No. : 254032

Place : Bengaluru

Date: 26/06/2025

For or On behalf of Board of Director
Zerodha Capital Private Limited
CIN: U67100KA2014PTC033653

S R Abhilash
Additional Director
DIN:10765160

Karthik Rangappa
Director
DIN: 03596015

Meetal T Jain
Company Secretary
M.no: F12550



ZERODHA CAPITAL PRIVATE LIMITED**CIN: U67100KA2014PTC073653****Notes to the Financial Statements for the Year Ended 31st March, 2025****1) Reporting Entity:**

Zerodha Capital Private Limited is a private limited comp incorporated on 14 February 2014 under the provisions of the Companies Act, 2013 with Registrar of Companies, Bangalore bearing CIN U67100KA2014PTC073653. Company also holds a certificate vide registration no. 02.00283 dated 01/06/2017 and is regulated by Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and has got classified as a Base Layer Non-Banking Financial Company- vide registration no. 02.00283 dated 01/06/2017. The Activity of company includes providing Finance & is engaged in activities auxiliary to financial intermediation, except insurance and pension funding.

2.1 Basis of preparation**A. Statement of compliance**

Compliance with Ind AS The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified by Ministry of Corporate Affairs (MCA) under Section 133 of the Companies Act, 2013 (Act') and presentation requirements of Division III of Schedule III to the Companies Act, 2013, applicable to NBFCs, as notified by the MCA, and applicable provisions of the Companies Act, 2013 and other applicable regulatory norms/guidelines.

Accounting policies have been consistently applied except where newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. These financial statements are the Company's first Ind AS standalone financial statements. The Company's financial statements are presented in Indian Rupees, which is also its functional currency, and all values are rounded to the nearest thousands, except when otherwise indicated.

B. Functional and presentation currency

The financial statements are presented in Indian Rupees (₹)/(INR), which is also the Company's functional currency. All amounts are presented in INR, unless otherwise indicated.

C. Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis unless otherwise stated.

D. Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires that the management make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future years.

In particular, information about areas of significant estimation uncertainty and critical judgements in applying accounting policies that have a significant effect on the amounts recognized in the financial statements are included below:



ZERODHA CAPITAL PRIVATE LIMITED**CIN: U67100KA2014PTC073653****Notes to the Financial Statements for the Year Ended 31st March, 2025**

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2025 is included in the following notes:

- **Expected credit losses on financial assets**

The Company recognizes loss allowances for expected credit losses on its financial assets measured at amortized cost. At each reporting date, the Company assesses whether financial assets carried at amortized 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.

- **Recognition and measurement of provision and contingencies**

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

- estimates of useful lives and residual value of Property, Plant and Equipment, and other intangible assets;
- impairment test of non-financial assets: key assumptions underlying recoverable amounts including the recoverability of expenditure on intangible assets;
- recognition of deferred tax assets;

F. Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2025, MCA has notified Ind AS 117 - Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and lease back transactions, applicable from April 1, 2024. The Company has assessed that there is no significant impact on its financial statements.

3. Material accounting policies**3.1. Basis of preparation and measurement****(i) Going concern and basis of measurement**

The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis except for certain financial assets and financial liabilities are measured at fair values at the end of each reporting period. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

(ii) Use of estimates and judgements

ZERODHA CAPITAL PRIVATE LIMITED**CIN: U67100KA2014PTC073653****Notes to the Financial Statements for the Year Ended 31st March, 2025**

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods. An overview of the areas that involve a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed have been disclosed below. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Estimate and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under circumstances.

Business model assessment

Classification and measurement of financial assets depends on the results of the Solely Payments of Principle and Interest ('SPPI') and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated.

The Company monitors financial assets measured at amortised cost or at fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the assets are held remains appropriate. Financial assets classified as fair value through other comprehensive income remain permanently in equity and are not subsequently transferred to profit or loss on derecognition. If a financial instrument's credit risk has increased significantly since initial recognition, the Company assesses whether a change in business model is required and considers the impact on classification and measurement of the financial asset in accordance with applicable accounting standards.

Policy for sales / transfers out of amortised cost business model portfolios Sale/ transfer of portfolios out of amortised cost business model:

Any sale/transfer of loans recognised at amortised cost does not change the Company's business objective of holding financial assets to collect contractual cash flows. 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. Such sale of loans will not lead to change in business model as per the company's board approved policy and management's evaluation of business model.

Fair value of financial instruments

ZERODHA CAPITAL PRIVATE LIMITED**CIN: U67100KA2014PTC073653****Notes to the Financial Statements for the Year Ended 31st March, 2025**

The fair value of financial instruments 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 another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

Provisions and other contingent liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Impairment of loans and investment portfolio

The measurement of impairment losses across all categories of financial assets requires judgement the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by several factors, changes in which can result in different levels of allowances.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary

Effective Interest Rate (EIR) method

The Company's EIR methodology recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle.

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

3.2. Revenue recognition**(i) Recognition of interest income**

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at FVTPL.

The EIR in case of a financial asset is computed



ZERODHA CAPITAL PRIVATE LIMITED

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Notes to the Financial Statements for the Year Ended 31st March, 2025

- a. As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.
- b. By considering all the contractual terms of the financial instrument in estimating the cash flows.
- c. Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of provision) of the financial asset.

(ii) Recoveries against written off assets and fees received on collections

The Company recognises recoveries against written off assets and fees received on collections on realization basis.

(iii) Other income

All other income is recognized on accrual basis when no significant uncertainty exists on their receipt.

3.3. Financial instruments

(1) Financial assets

The Company recognizes all the financial assets and liabilities at its fair value on initial recognition; In the case of financial assets not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset are added to the fair value on initial recognition. The financial assets are accounted on a trade date basis.

Classification and subsequent measurement of financial asset:

For subsequent measurement, financial assets are categorised into:

- a. **Amortised cost:** The Company classifies the financial assets at amortised cost if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the assets are held under a business model to collect contractual cash flows, The gains and losses resulting from fluctuations in fair value are not recognised for financial assets classified in amortised cost measurement category.

Initial Recognition and Measurement of Unsecured Loans (Transition to Ind AS)

During its initial year of operations, the Company, in its capacity as a Non-Banking Financial Company (NBFC), extended unsecured loans to certain identified individuals. These loans were primarily issued as part of a pilot initiative to test the Company's infrastructure, internal systems, and control mechanisms. As at the date of transition to Indian Accounting Standards (Ind AS), all such loans had been fully repaid, and the carrying amount of these financial assets was nil.

Under Ind AS, financial assets are required to be measured using the effective interest method, based on an assessment of their contractual cash flow characteristics and considering only the



ZERODHA CAPITAL PRIVATE LIMITED

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Notes to the Financial Statements for the Year Ended 31st March, 2025

facts and circumstances existing at the transition date. Where it is impracticable to assess elements such as a modified time value of money – and hence to apply the effective interest method – the fair value of the financial asset on the date of transition shall be treated as its new carrying amount. This measurement exception is equally applicable to financial liabilities.

Application of a requirement is considered *impracticable* when an entity is unable to apply it after making every reasonable effort. Retrospective application or restatement is deemed impracticable if:

- The effects of retrospective application or restatement are not determinable.
- It would require assumptions about management's intent during the previous period; or
- It would require significant estimates that cannot be objectively supported with information that existed at the time.

Following an initial restatement exercise, the Company concluded that the impact of restating these financial instruments in accordance with Ind AS was nil, given that the carrying value at the reporting date was zero. Accordingly, management has considered the carrying amount of these loans as their amortised cost as at the date of transition for the purposes of Ind AS, and no further restatement has been made in respect of these transactions.

Fair value through other comprehensive income (FVOCI): The Company classifies the financial assets as FVOCI if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the Company's business model is achieved by both collecting contractual cash flow and selling financial assets. In case of debt instruments measured at FVOCI, changes in fair value are recognised in other comprehensive income. The impairment gains or losses, foreign exchange gains or losses and interest calculated using the effective interest method are recognised in profit or loss. On de-recognition, the cumulative gain or loss previously recognised in other comprehensive income is re-classified from equity to profit or loss as a reclassification adjustment. In case of equity instruments irrevocably designated at FVOCI, gains / losses including relating to foreign exchange, are recognised through other comprehensive income. Further, cumulative gains or losses previously recognised in other comprehensive income remain permanently in equity and are not subsequently transferred to profit or loss on derecognition.

c. Fair value through profit or loss (FVTPL): The financial assets are classified as FVTPL if these do not meet the criteria for classifying at amortised cost or FVOCI. Further, in certain cases to eliminate or significantly reduce a measurement or recognition inconsistency (accounting mismatch), the Company irrevocably designates certain financial instruments at FVTPL at initial recognition. In case of financial assets measured at FVTPL, changes in fair value are recognised in profit or loss. Profit or loss on sale of investments is determined on the basis of first-in-first-out (FIFO) basis.

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

- In the principal market for the asset or liability, or



ZERODHA CAPITAL PRIVATE LIMITED

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Notes to the Financial Statements for the Year Ended 31st March, 2025

- In the absence of a principal market, in the most advantageous market for the asset or liability

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments: Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.

Level 3 financial instruments: Those that include one or more unobservable input that is significant to the measurement as whole.

Financial liabilities are carried at amortised cost using the effective interest rate method. For trade and other payables, the carrying amount approximates the fair value due to short maturity of these instruments.

d. Derecognition: 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. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

e. Offsetting: Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

f. Impairment of financial assets: In accordance with Ind AS 109, the Company applies expected credit loss model (ECL) for measurement and recognition of impairment loss. The Company recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. At each reporting date, the Company assesses whether the loans have been impaired. The Company is exposed to credit risk when the customer



ZERODHA CAPITAL PRIVATE LIMITED**CIN: U67100KA2014PTC073653****Notes to the Financial Statements for the Year Ended 31st March, 2025**

defaults on his contractual obligations. For the computation of ECL, the loan receivables are classified into three stages based on the default and the aging of the outstanding.

If the amount of an impairment loss decreases in a subsequent period, and the decrease can be related objectively to an event occurring after the impairment was recognised, the excess is written back by reducing the loan impairment allowance account accordingly. The write-back is recognised in the statement of profit and loss.

The Company recognises lifetime expected credit loss for trade receivables and has adopted the simplified method of computation as per Ind AS 109. The Company considers outstanding overdue for more than 90 days for calculation of expected credit loss. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows

(li) Financial liabilities**a) Initial recognition and measurement**

Financial liabilities are initially recognized at fair value plus any transaction cost that are attributable to the acquisition of the financial liabilities except financial liabilities at FVTPL which are initially measured at fair value.

b) Subsequent measurement

The financial liabilities are classified for subsequent measurement into following categories.

- At amortized cost
- At FVTPL

Financial liability at amortized cost:

Amortized cost for financial liabilities represents amount at which liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount.

Financial liability at FVTPL:

Financial liabilities held for trading are measured at FVTPL.

c) Derecognition of financial liabilities

A financial liability is derecognized when and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

ii. Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset, and the net amount is presented in Balance Sheet when, and only when, the Company has a legal right to offset the recognised amounts and intends either to settle on a net basis or to realize the assets and settle the liability simultaneously.

(iii) Overview of the Expected Credit Loss (ECL) Model

ZERODHA CAPITAL PRIVATE LIMITED**CIN: U67100KA2014PTC073653****Notes to the Financial Statements for the Year Ended 31st March, 2025**

The Company records allowance for expected credit losses for all loans and other debt instruments not held at FVTPL in this section all referred to as financial instruments. Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss). Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Company does the assessment of significant increase in credit risk at a borrower level. If a borrower has various facilities having different past due status, then the highest days past due (DPD) is considered to be applicable for all the facilities of that borrower.

Based on the above, the Company categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The company classifies all standard advances/ investments and advances/ investments up to 30 days default under this category. Stage 1 financial instruments also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage, 30 Days Past Due is considered as significant increase in credit risk.

Stage 3

Financial instruments are classified as stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a financial instrument. The Company recognizes lifetime ECL for impairment of financial assets. A financial instrument after being classified as Stage 3 is reclassified to previous stages only after all over dues are paid.

Estimation of Expected Credit loss

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:



ZERODHA CAPITAL PRIVATE LIMITED

CIN: U67100KA2014PTC073653

Notes to the Financial Statements for the Year Ended 31st March, 2025

Probability of Default (PD) - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously de-recognised and is still in the portfolio.

Exposure at Default (EAD) - The Exposure at Default is an estimate of the exposure at a future default date.

Loss Given Default (LGD) - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any collateral.

The Performance history is currently not available in adequate numbers to build PD or LGD models. So, the management has computed ECL estimate for the portfolio based on judgement using industry analysis.

3.4. Employee Benefits

i. Short-term employee benefits

Short-term employee benefits include salaries and short-term cash bonus. A liability is under short-term cash bonus or target-based incentives if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably. These costs are recognised as an expense in the Statement of Profit and Loss at the undiscounted amount expected to be paid over the period of services rendered by the employees to the Company.

ii. Gratuity

The Company pays gratuity, a defined benefit plan, to its employees whose employment terminates after a minimum period of five years of continuous service on account of retirement or resignation.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of the defined benefit plan is calculated by estimating the amount of future benefit that employee has earned in exchange of their service in the current and prior periods and discounted back to the current valuation date to arrive at the present value of the defined benefit obligation.

As required by the Ind AS19, the discount rate used to arrive at the present value of the defined benefit obligations is based on the Indian Government security yields prevailing as at the balance sheet date that have maturity date equivalent to the tenure of the obligation.

The calculation is performed by a qualified actuary using the projected unit credit method. When the calculation results in a net asset position, the recognized asset is limited to the present value of economic benefits available in form of reductions in future contributions.

Remeasurements arising from defined benefit plans comprises of actuarial gains and losses on benefit obligations. The Company recognizes these items of remeasurements in other comprehensive income and all the other expenses related to defined benefit plans as employee benefit expenses in their profit and loss account.



ZERODHA CAPITAL PRIVATE LIMITED**CIN: U67100KA2014PTC073653****Notes to the Financial Statements for the Year Ended 31st March, 2025**

When the benefits of the plan are changed, or when a plan is curtailed or settlement occurs, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment or settlement, is recognized immediately in the profit or loss account when the plan amendment or when a curtailment or settlement occurs.

iii. Provident fund

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

iv. Compensated absence

The company compensates unutilized absences through cash payout and hence as at balance sheet date there is no compensated absences outstanding.

3.5. Foreign Exchange Transactions

The functional currency and the presentation currency of the Company is Indian Rupees. Transactions in foreign currency, if any, are recorded on initial recognition using the exchange rate at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date, Exchange differences arising on the settlement or translation of monetary items are recognized in the statement of profit and loss in the period in which they arise.

3.6. Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for,

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

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

Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefit is probable.



3.7. Income Tax

The income tax expense comprises current and deferred tax incurred by the Company, Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity or OCI, in which case the tax effect is recognised in equity or OCI. Income tax payable on profits is based on the applicable tax laws in each tax jurisdiction and is recognised as an expense in the period in which profit arises. Current tax is the expected tax payable/receivable on the taxable income or loss for the period, using tax rates enacted for the reporting period and any adjustment to tax payable/receivable in respect of previous years. Current tax assets and liabilities are offset only if, the Company has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amounts for tax purposes. 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 liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised, for all deductible temporary differences, to the extent it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized, such reductions are reversed when the probability of future taxable profits improves.

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

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

3.8. Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement include cash in hand, balances with the banks and demand deposits with bank with an original maturity of three months or less, and accrued interest thereon.

3.9. Earnings per share

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at



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later date. Dilutive potential equity shares are determined independently for each period presented.

3.10. Cash flow statement

Cash flows are reported using the indirect method, whereby profit 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 revenue generating, investing and financing activities of the Company are segregated.

3.11. Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue. Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

3.12. Measurement and recognition of Property, Plant and Equipment.

Property Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount.

All property, plant and equipment are initially recorded at cost. Cost comprises acquisition cost (net of tax/duty credit availed), borrowing cost if capitalization criteria are met, and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent expenditure relating to Property, Plant and Equipment is capitalized only when it is probable that future economic benefit associated with these will flow to the Company and the cost of the item can be measured reliably.

Direct costs are capitalized until property, plant and equipment are ready for use.

Depreciation

Depreciation is provided on written down value method, over the estimated useful life of the assets at rates which are equal to or higher than the rates prescribed under Schedule II of the Companies Act, 2013 in order to reflect the actual usage of the assets. Estimated useful lives of assets based on technical evaluation by management are as follows:

Class of assets	Useful life in years
Computers & Peripherals	3 Years
Office Equipment	5 Years

De-recognition:

The carrying amount of an item of Property, Plant and Equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition, disposal or retirement of an item of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the



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asset and are recognised net, within "Other Income" or "Other Expenses", as the case maybe, in the Statement of Profit and Loss in the year of de-recognition, disposal or retirement.

3.13. Measurement and recognition of Intangible assets

Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation:

The intangible assets are amortized over the estimated useful lives as given below:

Class of assets	Useful life in years
NBFC Software	10 Years

De-recognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

3.14. Impairment:

The carrying values of assets (including right of use asset)/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the fair value less cost to sell and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the statement of profit and loss, to the extent the amount was previously charged to the statement of profit and loss. In case of revalued assets, such reversal is not recognized.

Intangible assets with indefinite useful lives and also intangible assets not available for use are tested for impairment, at least annually, and whenever there is an indication then the asset may be impaired.

3.15. Leases

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Notes to the Financial Statements for the Year Ended 31st March, 2025

As Lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company considers whether:

- (i) The contract involves the use of identified asset;
- (ii) The Company has substantially all of the economic benefits from the use of the asset through the period of lease and
- (iii) The Company has right to direct the use of the asset.

The Company recognises a right-of-use asset and a corresponding lease liability at the lease commencement date, with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low values. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a part of other financial liabilities of standalone of financial statement.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. These lease payments have been classified as financing activities in the Statement of cash flows.

The Company re-measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase or any other option in the contract, in



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Notes to the Financial Statements for the Year Ended 31st March, 2025

which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. The depreciation starts at the date of transition to Ind AS.

3.16. Segment reporting

The 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 to make decision for which discrete financial information is available.

The Operating segment is reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM). The CODM assesses the financial performance and position of the Company and makes strategic decisions. In the opinion of the management, there is only one reportable business segment as envisaged by IND AS 108 on 'Operating Segment' issued by Institute of Chartered accountants of India. Accordingly, no separate disclosure for segment disclosure for segment reporting is required to be made in the financial statements of the company. Secondary segmentation based on geography has not been presented as the company operates primarily in India and the company perceives that there is no significant difference in its risk and returns in operating from different geographic areas within India



Zerodha Capital Private limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 4 : CASH AND CASH EQUIVALENTS

Particulars	Year ended 31st March,2025	Year ended 31st March,2024	Year ended 1st April 2023
Cash and cash equivalents			
(a) Cash on hand	-	-	-
(b) Balances with Banks			
- In Current accounts	559.61	1,237.75	652.25
- In Broker account *	19.59	5.71	6.87
Total	579.20	1,243.46	659.13

Cash and cash equivalents include cash on hand, balance held in current accounts with bank and Amount held with the Stock broker that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

NOTE 5 : BANK BALANCE OTHER THAN (NOTE 2) ABOVE

Particulars	Year ended 31st March,2025	Year ended 31st March,2024	Year ended 1st April 2023
Fixed Deposits including interest accrued but not due (Original maturity not more than 12 months)			
(a) Lien Marked	5.20	5.20	-
(b) Others	3,857.10	3,001.40	-
Total	3,862.30	3,006.60	-



Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 6 : LOANS (At Amortised Cost)

Particulars	As at 31st March, 2025			
	Amortised Cost	Through Other Comprehensive Income	At Fair Value Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(1+2+3)
(i) Loan Directors, Employees and KMPs*		-		-
(ii) Other Loans	38,851.80	-	-	38,851.80
Total Gross (A)	38,851.80	-	-	38,851.80
Less: Impairment loss allowance	(97.13)	-	-	(97.13)
Total Net (A)	38,754.67	-	-	38,754.67
Out of Above				
(i) Secured by Tangible Asset	-	-	-	-
(ii) Unsecured	-	-	-	-
(iii) Secured against Listed securities	38,851.80	-	-	38,851.80
Total Gross (B)	38,851.80	-	-	38,851.80
Less: Impairment loss allowance	(97.13)	-	-	(97.13)
Total Net (B)	38,754.67	-	-	38,754.67
(i) Loans in India	38,851.80	-	-	38,851.80
Less: Impairment loss allowance	(97.13)	-	-	(97.13)
Total Net (C) (i)	38,754.67	-	-	38,754.67
(ii) Loans outside India	-	-	-	-
Impairment allowance	-	-	-	-
Total Net (C) (ii)	-	-	-	-
Total (C) (i+ii)	38,754.67	-	-	38,754.67

Particulars	As at 31st March, 2024			
	Amortised Cost	Through Other Comprehensive Income	At Fair Value Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(1+2+3)
(i) Loan Directors, Employees and KMPs*	-	-	-	-
(ii) Other Loans	18,354.98	-	-	18,354.98
Total Gross (A)	18,354.98	-	-	18,354.98
Less: Impairment loss allowance	(45.94)	-	-	(45.94)
Total Net (A)	18,309.04	-	-	18,309.04
Out of Above				
(i) Secured by Tangible Asset	-	-	-	-
(ii) Unsecured	829.64	-	-	829.64
(iii) Secured against Listed securities	17,525.34	-	-	17,525.34
Total Gross (B)	18,354.98	-	-	18,354.98
Less: Impairment loss allowance	(45.94)	-	-	(45.94)
Total Net (B)	18,309.04	-	-	18,309.04
(i) Loans in India	18,354.98	-	-	18,354.98
Less: Impairment loss allowance	(45.94)	-	-	(45.94)
Total Net (C) (i)	18,309.04	-	-	18,309.04
(ii) Loans outside India	-	-	-	-
Less: Impairment allowance	-	-	-	-
Total Net (C) (ii)	-	-	-	-
Total (C) (i+ii)	18,309.04	-	-	18,309.04



Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 6 : LOANS (At Amortised Cost) (Continued...)

Particulars	As at 1st April, 2023			
	Amortised Cost	Through Other Comprehensive Income	At Fair Value Designated at fair value through profit or loss	Total
	(1)	(2)	(3)	(1+2+3)
(i) Loan Directors, Employees and KMPs*	-	-	-	-
(ii) Other Loans	7,733.37	-	-	7,733.37
Total Gross (A)	7,733.37	-	-	7,733.37
Less: Impairment loss allowance	(88.58)	-	-	(88.58)
Total Net (A)	7,644.79	-	-	7,644.79
Out of Above				
(i) Secured by Tangible Asset	-	-	-	-
(ii) Unsecured	816.06	-	-	816.06
(iii) Secured against Listed securities	6,917.31	-	-	6,917.31
Total Gross (B)	7,733.37	-	-	7,733.37
Less: Impairment loss allowance	(88.58)	-	-	(88.58)
Total Net (B)	7,644.79	-	-	7,644.79
(i) Loans in India	7,733.37	-	-	7,733.37
Less: Impairment loss allowance	(88.58)	-	-	(88.58)
Total Net (C) (i)	7,644.79	-	-	7,644.79
(ii) Loans outside India	-	-	-	-
Less: Impairment allowance	-	-	-	-
Total Net (C) (ii)	-	-	-	-
Total (C) (i+ii)	7,644.79	-	-	7,644.79

NOTE 6.1 : LOANS

The table below discloses credit quality and the maximum exposure to credit risk based on the company's year end stage classification. The numbers presented are gross of impairment loss allowance:

Particulars	As at 31st March 2025	As at 31st March 2024	As at 1st April 2023
Stage 1	38,650.38	18,066.65	5,918.99
Stage 2	201.41	288.33	1,814.38
Stage 3	-	-	-
Total	38,851.80	18,354.98	7,733.37

NOTE 6.2 : Gross Movement of Loans

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount as at April 1, 2023	5,918.99	1,814.38	-
Transfer to (from) stage 1	(5,918.99)	(1,814.38)	-
New loans originated during the year	18,066.65	288.33	-
Gross carrying amount as at March 31, 2024	18,066.65	288.33	-
Changes in the gross carrying amount during the year			
Transfer to (from) stage 1	(18,066.65)	(288.33)	-
New loans originated during the year	38,650.38	201.41	-
Gross carrying amount as at March 31, 2025	38,650.38	201.41	-



Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 6 : LOANS (At Amortised Cost) (Continued...)

NOTE 6.3 : ECL Movement of loans

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount as at April 1, 2023	14.80	73.79	-
Transfer to (from) stage 1	(14.80)	(73.79)	-
ECL for new loans originated during the year	45.17	0.77	-
Gross carrying amount as at March 31, 2024	45.17	0.77	-
Chnages in the loss allowance during the year			
Transfer to (from) stage 1	(45.17)	(0.77)	-
New loans originated during the year	96.63	0.50	-
Gross carrying amount as at March 31, 2025	96.63	0.50	-

There is no intra-group exposure as on March 31, 2025, March 31, 2024 and April 1 2023.

* No loans and advances are provided to the Directors, KMPs and relatives of directors and KMPs



Zerodha Capital Private limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 7 : CURRENT TAX ASSETS AND LIABILITIES

Particulars	Year ended 31st March,2025	Year ended 31st March,2024	Year ended 1st April, 2023
CURRENT TAX ASSETS			
Advance Income Tax (Net of Provision)	400.00	230.00	106.00
TDS Recievable	13.50	1.02	0.03
Total (A)	413.50	231.02	106.03

CURRENT TAX LIABILITIES

Provision for Income Tax	414.99	248.32	105.02
Total (B)	414.99	248.32	105.02
Net tax Assets/(Liabilities) (A) - (B)	(1.50)	(17.30)	1.01

* refer note no.27 for details of current tax liability

NOTE 8 : DEFERRED TAX ASSETS AND LIABILITIES

Particulars	Year ended 31st March,2025	Year ended 31st March,2024	Year ended 1st April, 2023
CURRENT TAX ASSETS			
Deferred tax assets	0.25	0.47	0.07
Deferred tax Liabilities	1.73	2.79	1.87
Net deferred tax Assets/(Liabilities)*	(1.48)	(2.32)	(1.80)

* refer note no.27 for details of deferred tax assets and liabilities



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 9 : PROPERTY, PLANT AND EQUIPMENT

Particulars	Computers & Fixtures	Electrical Equipments	Total
Year ended 1st April, 2023			
Gross Carrying amount as at 01st April, 2023	1.91	-	1.91
Additions	7.07	0.67	7.73
Disposals	-	-	-
Balance as at 31st March, 2024	8.97	0.67	9.64
Balance as at 01st April, 2024			
Accumulated Depreciation as on 01st April, 2023	0.65	-	0.65
Depreciation charge during the year	1.87	0.00	1.87
Disposals	-	-	-
Balance as at 31st March, 2024	2.52	0.00	2.52
Net carrying amount as at 31st March, 2024	6.46	0.67	7.13
Year ended 1st April, 2024			
Gross Carrying amount as at 01st April, 2024	8.97	0.67	9.64
Additions	5.29	-	5.29
Disposals	-	-	-
Balance as at 31st March, 2025	14.26	0.67	14.93
Balance as at 01st April, 2024			
Accumulated Depreciation as on 01st April, 2024	2.52	0.00	2.52
Depreciation charge during the year	6.02	0.30	6.32
Additions	-	-	-
Balance as at 31st March, 2025	8.53	0.30	8.84
Net carrying amount as at 31st March, 2025	5.73	0.37	6.09

Note : there is no Impairment Loss recognised for Property, Plant And Equipment



Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 10 : INTANGIBLE ASSETS

Particulars	NBFC Software	ERPNext Software	Total
Balance as at 01st April, 2023	12.00	32.70	44.70
Additions during the year	-	-	-
Disposals during the year	-	-	-
Balance as at 31st March, 2024	12.00	32.70	44.70
Accumulated Amortization and Impairment as on 01st April, 2023	12.00	2.85	14.85
Amortization for the year	-	3.11	3.11
Disposals during the year	-	-	-
Accumulated Amortization and Impairment as on 31st March, 2024	12.00	5.96	17.96
Net carrying amount as at 31st March, 2024	-	26.74	26.74

Balance as at 01st April, 2024	12.00	32.70	32.70
Additions during the year	-	-	-
Disposals during the year	-	-	-
Balance as at 31st March, 2025	12.00	32.70	32.70
Accumulated Amortization and Impairment as on 01st April, 2024	12.00	5.96	5.96
Amortization for the year	-	3.11	3.11
Disposals during the year	-	-	-
Accumulated Amortization and Impairment as on 31st March, 2025	12.00	9.06	9.06
Net carrying amount as at 31st March, 2025	-	23.64	23.64

Note : there is no Impairment Loss recognised for Intangible Assets.



Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 11 : OTHER NON FINANCIAL ASSETS

Particulars	Year ended 31st March,2025	Year ended 31st March,2024	Year ended 1st April, 2023
Prepaid expenses	10.82	3.49	2.25
Advances to Creditors and others	18.11	5.03	5.24
Security and Deposits	22.18	0.18	-
GST Input Credit			
SGST recievable	2.74	4.84	3.33
CGST Recievable	-	4.84	3.33
IGST Recievable	0.02	2.27	1.90
Total	53.87	20.66	16.06

NOTE 12 : PAYABLES

Particulars	Year ended 31st March,2025	Year ended 31st March,2024	Year ended 1st April, 2023
i) Trade Payables			
(i) Total outstanding dues of micro enterprises and smallenterprises (refer No. 38)	-	-	-
(ii) Total outstanding dues other than micro enterprises and small enterprises			
- Others	1.40	1.76	0.69
Sub Total	1.40	1.76	0.69
ii) Other Trade Payables			
(i) Total outstanding dues of micro enterprises and smallenterprises (refer No. 38)	-	-	-
(ii) Total outstanding dues other than micro enterprises and small enterprises			
- Others	-	-	-
Sub Total	-	-	-
Total	1.40	1.76	0.69

Trade Payables Ageing Schedule as on 31 March 2025

Particulars	Outstanding for following period from date of transaction		
	Less than 1 year	1-2 years	2-3 years
(i) MSME	-	-	-
(ii) Others	1.40	-	-
(ii) Disputed dues - MSME	-	-	-
(iv) Disputed dues - Others	-	-	-
Total	1.40	-	-

Trade Payables Ageing Schedule as on 31 March 2024

Particulars	Outstanding for following period from date of transaction		
	Less than 1 year	1-2 years	2-3 years
(i) MSME	-	-	-
(ii) Others	1.76	-	-
(ii) Disputed dues - MSME	-	-	-
(iv) Disputed dues - Others	-	-	-
Total	1.76	-	-

Trade Payables Ageing Schedule as on 1st April 2023

Particulars	Outstanding for following period from date of transaction		
	Less than 1 year	1-2 years	2-3 years
(i) MSME	-	-	-
(ii) Others	0.69	-	-
(ii) Disputed dues - MSME	-	-	-
(iv) Disputed dues - Others	-	-	-
Total	0.69	-	-



Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 13 : BORROWINGS

Particulars	Year ended 31st March,2025	Year ended 31st March,2024	Year ended 1st April, 2023
(A) In India			
At amortised cost:			
Term loans from banks and financial Institutions	22,847.79	6,511.10	-
Loan From Related Parties	3,101.29	-	1,000.00
	25,949.09	6,511.10	1,000.00
(B) Out of above			
Secured *	22,847.79	6,511.10	-
Unsecured	3,101.29	-	1,000.00
	25,949.09	6,511.10	1,000.00
Total	25,949.09	6,511.10	1,000.00

The Company has not been declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

* The loans liabilities are secured against the loan assets (LAS) of the company.

NOTE 14 : OTHER FINANCIAL LIABILITIES

Particulars	Year ended 31st March,2025	Year ended 31st March,2024	Year ended 1st April, 2023
Unclaimed Receipts	0.01	0.00	-
Excess Collected from Customer	0.00	0.01	0.54
Unclaimed Dividends of Customers	0.10	-	-
Total	0.11	0.01	0.54

NOTE 15: PROVISIONS

Particulars	Year ended 31st March,2025	Year ended 31st March,2024	Year ended 1st April, 2023
Provision for Expense	2.20	1.45	0.31
Gratuity Provision	0.98	1.87	0.27
Total	3.18	3.32	0.57

NOTE 16 : OTHER NON-FINANCIAL LIABILITIES

Particulars	Year ended 31st March,2025	Year ended 31st March,2024	Year ended 1st April, 2023
TDS Payable	27.89	4.01	0.01
Professional Tax Payable	0.02	0.02	-
EPF Payable	0.49	0.49	0.04
CGST payable	0.03	-	-
SGST Payable	0.03	-	-
IGST Payable	0.02	0.04	-
Total	28.48	4.55	0.04



Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 17: EQUITY SHARE CAPITAL

Particulars	Year ended 31st March, 2025		Year ended 31st March, 2024		Year ended 1st April, 2023	
	No. of shares	Amount in Lakhs	No. of shares	Amount in Lakhs	No. of shares	Amount in Lakhs
a) Authorised						
Equity shares of Rs. 10 each	8,00,00,000	8,000.00	8,00,00,000	8,000.00	8,00,00,000	8,000.00
Preference Shares of Rs. 10/- each	3,00,00,000	3,000.00	3,00,00,000	3,000.00	2,00,00,000	2,000.00
b) Issued, subscribed and paid up						
Equity Shares of Rs.10/- each, Fully paid	50,00,000	500.00	50,00,000	500.00	50,00,000	500.00
Compulsorily Convertible Preference Shares of Rs.10/- each, Fully paid	28,69,436	286.94	28,69,436	286.94	15,88,760	158.88
	78,69,436	786.94	78,69,436	786.94	65,88,760	658.88

c) Reconciliation of number of shares outstanding at the beginning of the year

Particulars	Year ended 31st March, 2025		Year ended 31st March, 2024		Year ended 1st April, 2023	
	No. of shares	Amount in Lakhs	No. of shares	Amount in Lakhs	No. of shares	Amount in Lakhs
Equity shares						
Outstanding at the beginning of the year	50,00,000	500.00	50,00,000	500.00	50,00,000	500.00
Shares issued during the year	-	-	-	-	-	-
Outstanding at the end of the period	50,00,000	500.00	50,00,000	500.00	50,00,000	500.00
Compulsorily Convertible Preference Shares						
Outstanding at the beginning of the year	28,69,436	286.94	15,88,760	158.88	11,56,260	115.63
Shares issued during the year	-	-	12,80,676	128.07	4,32,500	43.25
Outstanding at the end of the period	28,69,436	286.94	28,69,436	286.94	15,88,760	158.88

d) Rights, preferences and restrictions attached to equity shares

(i) Right to receive dividend as may be approved by the Board / Annual General Meeting

(ii) The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act.

(iii) Every member of the company holding equity shares has a right to attend the General Meeting of the company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the company

e) Rights, preferences and restrictions attached to equity shares

(i) CCPS shall be non-participating in surplus funds.

(ii) The Investor shall be entitled to receive such amount (out of the Liquidation Proceeds), which shall be the higher of:

(a) 100% of the total amount invested by the Investor in the Company at any given time, including but not limited to the Investor Investment Amount; or

(b) the amount that the Investor would have received had they participated on a Pro-rata Share in the Liquidations Proceeds payable to all Shareholders (on a Fully Diluted Basis) in respect of the Investor Shares, or (as applicable) on the Equity Shares issued and allotted pursuant to the conversion of the Investor's Series A Preference Shares in accordance with Agreement entered into between Investors and the Promoters.

(iii) CCPS shall be compulsorily convertible in to equity shares of the Company within a maximum period of 20 years from the date of allotment or upon the earlier in accordance with the Agreement entered into between the Promoters and the investors. And the Conversion price of CCPS be subject to any adjustments as a result of anti-dilution protection pursuant to and in accordance with the Agreement entered into between the Promoters and the investors.

(iv) The holders of the CCPS shall carry the same voting rights as are attached to equity shares of the Company on an as-if converted basis.

f) Details of shareholders holding more than 5% shares in the company

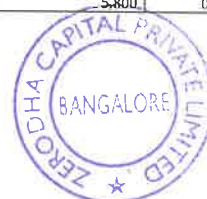
Name of the shareholder	Year ended 31st March, 2025		Year ended 31st March, 2024		Year ended 1st April, 2023	
	No. of Equity shares	% of holding	No. of Equity shares	% of holding	No. of Equity shares	% of holding
Straddle Capital Private Limited	49,47,060	98.94%	49,47,060	98.94%	49,47,060	98.94%

Name of the shareholder	Year ended 31st March, 2025		Year ended 31st March, 2024		Year ended 1st April, 2023	
	No. of Series A CCPS	% of holding	No. of Series A CCPS	% of holding	No. of Series A CCPS	% of holding
Zerodha Broking Limited	15,88,760	55.00%	15,88,760	55.00%	15,88,760	100.00%
Zerodha Technologies Private Limited	12,80,676	45.00%	12,80,676	45.00%	-	-

As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

f) Details of shares held by each Promoter

Name of the shareholder	Year ended 31st March, 2025		Year ended 31st March, 2024		Year ended 1st April, 2023	
	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
Nithin Kamath	3,480	0.07%	3,480	0.07%	3,480	0.07%
Nikhil Kamath	2,320	0.05%	2,320	0.05%	2,320	0.05%
Seema Patil	49,47,060	98.94%	49,47,060	98.94%	49,47,060	98.94%
Venu Madhav K S	2,320	0.05%	2,320	0.05%	2,320	0.05%
Hanan Abdul Delvi	9,280	0.19%	9,280	0.19%	9,280	0.19%
Straddle Capital Private Limited	5,800	0.12%	5,800	0.12%	5,800	0.12%



Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 18 : OTHER EQUITY

Particulars	Reserves & surplus				Total
	Reserve Fund as per RBI Act	Security Premium	Retained earnings	Other items of other comprehensive income	
Balance as at 1st April, 2023	76.93	6,337.92	274.93	-	6,689.77
Net defined benefit liabilities	-	-	(0.15)	(0.05)	(0.20)
Restated Balance as at 1st April, 2023	76.93	6,337.92	274.78	(0.05)	6,689.57
Profit for the year	-	-	725.12	-	725.12
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	145.02	-	(145.02)	-	-
Premium of CCPS issued (net of share issue expenses)	-	7,871.93	-	-	7,871.93
Net defined benefit liabilities	-	-	-	(0.30)	(0.30)
Balance as at 31st March, 2024	221.95	14,209.85	854.87	(0.35)	15,286.32
Profit for the year	-	-	1,220.75	-	1,220.75
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	244.25	-	(244.25)	-	-
Net defined benefit liabilities	-	-	-	0.51	0.51
Balance as at 31st March, 2025	466.20	14,209.85	1,831.37	0.16	16,507.58

NOTE 19A : NATURE AND PURPOSE OF RESERVE

Retained Earnings

Surplus in statement of Profit and loss (Retained Earnings) represents surplus/accumulated profit of the company and is available for distribution to shareholders as dividend.

Security Premium

This is the premium received on issuance of Compulsorily Convertible Preference Shares. This is calculated as amount in excess of face value of the shares.

Employee Benefits through Other comprehensive income

Other Comprehensive Income represents the cumulative gains and losses arising on the Actuarial valuation of Employee Benefits measured at fair value through other comprehensive income.

Reserve Fund as per RBI Act

In terms of section 45-IC(1) of the Reserve Bank of India Act, 1934, all NBFC's are required to create a reserve fund by transferring a minimum of 20% of its net profit every year before any dividend is declared



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 19 : INTEREST INCOME

Particulars	Year ended 31st March,2025	Year ended 31st March,2024
Interest Income from :		
Interest Income on ELS Loan	25.54	67.14
Interest Income on Loan against Securities (LAS)	3,450.02	1,098.53
Total	3,475.56	1,165.67

NOTE 20 : DIVIDEND INCOME

Particulars	Year ended 31st March,2025	Year ended 31st March,2024
Dividend Income	-	0.00
Total	-	0.00

NOTE 21 : FEES AND COMMISSION INCOME

Particulars	Year ended 31st March,2025	Year ended 31st March,2024
Loan Processing Fees	96.26	10.92
Total	96.26	10.92

NOTE 22 : OTHER INCOME

Particulars	Year ended 31st March,2025	Year ended 31st March,2024
Capital Gain / (Loss) on Investments	-	53.62
Interest Income from Term Deposits with Banks	134.35	10.24
Total	134.35	63.86

NOTE 23 : FINANCE COST

Particulars	Year ended 31st March,2025	Year ended 31st March,2024
Loan Processing Fee	28.31	10.25
Bank Charges	0.00	0.01
Interest Expenses	1,543.57	70.83
Total	1,571.89	81.09

NOTE 24 : EMPLOYEE BENEFIT EXPENSES

Particulars	Year ended 31st March,2025	Year ended 31st March,2024
Salary and Wages	221.26	114.11
Contribution to Provident and Other Funds (refer note 30)	2.17	1.40
Gratuity (refer note 31)	2.32	1.38
Employee Insurance	4.39	0.49
Total	230.15	117.38

NOTE 25 : DEPRECIATION, AMORTIZATION AND IMPAIRMENT

Particulars	Year ended 31st March,2025	Year ended 31st March,2024
Depreciation Amortisation on Property, Plant and Equipment and Intangible Assets (refer note 9 & 10)	9.43	4.97
Total	9.43	4.97



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 26 : OTHER EXPENSES

Particulars	Year ended 31st March,2025	Year ended 31st March,2024
Audit Fees	1.70	1.50
Cloud Service Charges	16.44	4.85
Charity Expenses	9.95	-
Goods and Service Tax Expenses	28.10	9.66
Payment Gateway Charges	3.37	3.57
Professional Fee	73.06	49.32
Provision for Standard Assets	51.24	27.95
Provision for Sub Standard Assets	-	(55.95)
Provision for SMA Assets	(0.05)	0.05
Office Rent	17.84	5.87
ROC Filing Fees	0.13	1.36
Software & Technology Expenses	42.68	9.07
Stamp Paper Charges	6.92	2.31
Other Administrative Expenses	8.68	1.99
Travel Expenses	0.46	1.65
Total	260.52	63.20



Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 27: TAX EXPENSES
Amounts recognised in profit and loss

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Current tax expenses		
Current period		248.32
Current tax pertaining to prior periods	(0.55)	(0.23)
Total current tax expenses (A)	(0.55)	248.09
Deferred tax Expenses/ (credit)		
Obligation and reversal of temporary differences	1.01	(0.61)
Deferred tax expenses/ (credit) (B)	1.01	(0.61)
Tax expenses for the year (A+B)	0.46	247.47

Amounts recognised in other comprehensive income

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit liability (asset)	0.68	(0.40)
Income tax relating to items that will not be reclassified to profit or (loss)	(0.17)	0.10
Comprehensive Income after tax	0.51	(0.30)

MOVEMENT IN DEFERRED TAX BALANCES

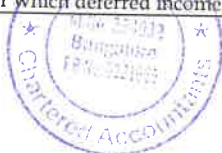
Particulars	As at 31st March, 2025			
	Net balance as at 01st April, 2024	Recognised in Profit or Loss	Recognised in OCI	Net Closing
(A) Deferred Tax Asset				
Remeasurement of defined benefits	0.47	(0.05)	(0.17)	0.25
Total (A)	0.47	(0.05)	(0.17)	0.25
(B) Deferred Tax Liabilities				
On Depreciation, impairment and amortisation	2.79	(1.06)	-	1.73
Total (B)	2.79	(1.06)	-	1.73
Total DTA/(DTL) (A-B)	(2.32)	1.01	(0.17)	(1.48)

Particulars	As at 31st March, 2024			
	Net balance as at 01st April, 2023	Recognised in Profit or Loss	Recognised in OCI	Net Closing
(A) Deferred Tax Asset				
Remeasurement of defined benefits	0.07	0.30	0.10	0.47
Total (A)	0.07	0.30	0.10	0.47
(B) Deferred Tax Liabilities				
On Depreciation, impairment and amortisation	1.87	0.92	-	2.79
Total (B)	1.87	0.92	-	2.79
Total DTA/(DTL) (A-B)	(1.80)	(0.61)	0.10	(2.32)

Particulars	As at 1st April, 2023			
	Net balance as at 01st April, 2022	Recognised in Profit or Loss	Recognised in OCI	Net Closing
(A) Deferred Tax Asset				
Remeasurement of defined benefits	-	0.05	0.02	0.07
Total (A)	-	0.05	0.02	0.07
(B) Deferred Tax Liabilities				
On Depreciation, impairment and amortisation	0.56	1.31	-	1.87
Total (B)	0.56	1.31	-	1.87
Total DTA/(DTL) (A-B)	(0.56)	(1.26)	0.02	(1.80)

Note : The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for Income Tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of future taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 28 : BASIC EARNINGS PER SHARE

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Profit attributable to ordinary shareholders (basic) (in Rs.)	12,20,75,415	7,25,11,546
Profit for the year, attributable to ordinary shareholders of the Company (in Rs.)	12,20,75,415	7,25,11,546
Weighted average number of ordinary shares (basic)		
Weighted average number of equity shares at the beginning of the year	50,00,000	50,00,000
Add: Weighted average number of equity shares issued during the year	-	-
Add: Weighted average effect of share options exercised	-	-
Weighted average number of equity shares outstanding at the end of the year	50,00,000	50,00,000
Basic Earnings Per Share (₹) (Face value ₹ 10 each) (Previous year: ₹ 10 each)	24.42	14.50

DILUTED EARNINGS PER SHARE

Profit attributable to ordinary shareholders (diluted)	Year ended 31st March, 2025	Year ended 31st March, 2024
Profit for the year, attributable to ordinary shareholders of the Company (in Rs.)	12,20,75,415	7,25,11,546
Weighted average number of ordinary shares (diluted)		
(i) Weighted average number of Equity shares outstanding (basic)	50,00,000	50,00,000
(ii) Add: Weighted average effect of potential equity shares from CCPS conversion	28,69,436	21,22,375
Weighted average number of equity shares outstanding (diluted) (i) + (ii) + (iii)	78,69,436	71,22,375
Basic Earnings Per Share (₹) (Face value ₹ 10 each) (Previous year: ₹ 10 each)	15.51	10.18

Note : Information concerning the classification of CCPS

CCPS issued Zerodha Broking Limited and Zerodha Technology Private Limited are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The CCPS have not been included in the determination of basic earnings per share.



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE: 29 RELATED PARTY DISCLOSURE

Related party disclosure, as required by notified IND AS- 24 'Related Party Disclosure' are given below

A	Nature of Relationship	Name of Party (2024-25)
(i)	Holding Company	Straddle Capital Private Limited
(ii)	Key Managerial Personnel	Hanan Abdul Delvi Karthik Rangappa Meetal T Jain Nithin Kamath Nikhil Kamath Seema Patil Meetal T Jain Abhilash S
(iii)	Other Related Parties	Zerodha Technologies Private limited Zerodha Broking Limited ETS Securities Private Limited Zerodha Commodities Private Limited Rainmatter Capital Private Limited NKSquared Global Private Limited Rainmatter Land Development Private Limited (Cease to be related party wef 09-05-2023) True Beacon Investment Advisors LLP Zerodha (IFSC) Private Limited Zerodha Trustee Private Limited Zerodha Asset Management Private Limited Trustx Internet Private Limited Nithin Kamath HUF Kamath Associates NKSquared Rainmatter Foundation NKSquared Solutions LLP Zerodha Cares VS Foss united Foundation Kamath technology LLP Zerodha Mutual Fund NK Enterprises Holding Limited NKSquared Ventures Gruhas Collective Fund Advisors LLP Gruhas Proptech LLP Gruhas Realty Investment Partners Private Limited NK FIF (IFSC) Private Limited Rainmatter FinTech Investment Rainmatter Climate Investment Samagata Foundation NKSquared LLC WTF Global Private Limited



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st Mar

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE: 29 RELATED PARTY DISCLOSURE (Continued....)

Related party disclosure, as required by IND AS-24 'Related Party Disclosure are given below

B	Nature of transaction	As at March 31, 2025	As at March 31,2024
(i)	KEY MANAGERIAL PERSON DIRECTORS & THEIR RELATIVES		
	Transactions during the year		
	Nithin Kamath		
	- Loan taken/Received	1,500.00	1,200.00
	- Loan Repaid	-	1,700.00
	- Interest Accrued on loan	56.27	-
	Nikhil Kamath		
	- Loan taken/Received	1,000.00	1,136.00
	- Loan Repaid	-	1,636.00
	- Interest Accrued on loan	37.52	-
	Seema Patil		
	- Loan taken/Received	500.00	-
	- Interest Accrued on loan	18.76	-
	Meetal T jain		
	- Remuneration Paid	41.58	21.50
	Abhilash S		
	- Remuneration Paid	48.29	-
(ii)	Holding Company		
	Transactions during the year		
	Straddle Capital Private Limited		
	- Purchase of Services (Incl Taxes)	1.06	0.97
(iii)	Other Related Parties		
	Transactions during the year		
	Zerodha Broking Limited		
	- Purchase of Services (Incl Taxes)	4.32	11.96
	- On Behalf Payments	2.53	-
	Rainmatter Land Development Private Limited (Cease to be related party wef 09-05-2023)		
	- Purchase of Services (Incl Taxes)	-	3.54
	Zerodha Technology Private Limited		
	- Issuance of CCPS	-	8,000.00
	- Purchase of Services (Incl Taxes)	23.60	-



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE: 29 RELATED PARTY DISCLOSURE (Continued....)

Related party disclosure, as required by IND AS-24 'Related Party Disclosure are given below

C	Closing Balance	As at March 31, 2025	As at March 31, 2024
	Key management personnel		
(i)	Balance as at the year end		
	Loan		
	Seema Patil	516.88	-
	Nithin Kamath	1,550.65	-
	Nikhil Kamath	1,033.76	-
	Remuneration		
	Meetal T jain	-	-
	Abhilash S	-	-
(ii)	Holding Company		
	Purchase of Services		
	Straddle Capital Private Limited	-	-
(iii)	Other Related Party		
	Purchase of Services		
	Zerodha Broking Limited	(19.45)	(5.71)
	Rainmatter Land Development Private Limited (Ceased to be related party wef 09-05-2023)	-	-
	Zerodha Technology Private Limited	-	-
	Issuance of CCPS		
	Zerodha Technology Private Limited	-	-



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE: 29 RELATED PARTY DISCLOSURE (Continued....)

Related Party Disclosure as per RBI Norms

Items	Related Party														Total	
	Parent (as per ownership or control)		Subsidiaries		Associates/Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others					
	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY	CY	PY		
For the year ended																
Borrowings taken		-	-	-	-	-	3,000.00	2,336.00	-	-	-	-	3,000.00	2,336.00		
Borrowing Repaid		-	-	-	-	-	-	3,336.00	-	-	-	-	-	3,336.00		
Deposits		-	-	-	-	-	-	-	-	-	-	-	-	-		
Salary		-	-	-	-	-	89.87	21.50	-	-	-	-	89.87	21.50		
Placement of Deposits Advances		-	-	-	-	-	-	-	-	-	-	-	-	-		
Purchase of fixed/other assets		-	-	-	-	-	-	-	-	-	-	-	-	-		
Sale of fixed/other assets		-	-	-	-	-	-	-	-	-	-	-	-	-		
Interest paid		-	-	-	-	-	-	-	-	-	-	-	-	-		
Interest received		-	-	-	-	-	112.55	-	-	-	-	-	112.55	-		
Issue of Series A CCPS		-	-	-	-	-	-	-	-	-	-	-	-	-		
Reimbursement of Expenses		-	-	-	-	-	-	-	-	-	-	-	-	-		
Purchase of Services	1.06	0.97	-	-	-	-	-	-	-	-	-	-	-	-		
									30.45	15.50			31.51	16.47		



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 30: EMPLOYEE BENEFITS

A. The Company contributes to the following post-employment defined benefit plans in India.

(i) DEFINED CONTRIBUTION PLANS:

The Company makes contributions towards provident fund and other retirement benefits to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

The company recognised Rs. 2,17,164/- (Previous year Rs.140,133/-) for the provident fund contributions in the statement to Profit and loss.

(ii) DEFINED BENEFIT PLAN:

GRATUITY

In accordance with Payment of Gratuity Act, the Company provides for gratuity, a defined benefit retirement plan covering all employees.

The plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee's salary and the years of employment with the Company subject to maximum of Rs. 20 lakhs. (Previous Year Rs. 20 lakhs).

The gratuity benefit is provided through funded plan and annual contributions are charged to the Statement of Profit and Loss. Under the scheme, the settlement obligation remains with the Company. Company accounts for the liability for future gratuity benefits based on an actuarial valuation.

The net present value of the Company's obligation towards the same is actuarially determined based on the projected unit credit method as at the Balance Sheet date.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at Balance Sheet date:

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Present value of funded defined benefit obligation (A)	4.61	2.76
Fair value of plan assets (B)	3.63	0.89
Net (asset)/ liability recognised in Balance Sheet (A-B)	0.98	1.87



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 31 : MOVEMENT IN NET DEFINED BENEFIT (ASSET) LIABILITY

B. The following table shows a reconciliation from the opening balances to the closing balances for net benefit (asset) liability and its components

Particulars	Defined Benefit Obligation			Fair Value of Plan Assets			Net Defined Benefit		
	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
Opening Balance	2.76	0.93	0.59	0.89	0.66	-	1.87	0.27	0.59
Included in profit or loss									
Current service cost	2.19	1.36	0.20	-	-	-	2.19	1.36	0.20
Past service cost	-	-	-	-	-	-	-	-	-
Interest cost	0.20	0.07	0.04	-	-	-	0.20	0.07	0.04
Interest Income	-	-	-	0.06	0.05	-	(0.06)	(0.05)	-
Total (A)	5.15	2.37	0.83	0.95	0.71	-	4.20	1.65	0.83
Included in OCI									
Remeasurement loss/(Gain):									
Actuarial loss/(Gain) arising from:									
Demographic assumption	(0.74)	-	-	-	-	-	(0.74)	-	-
Financial assumptions	0.22	0.11	(0.04)	-	-	-	0.22	0.11	(0.04)
Experience adjustment	(0.02)	0.28	0.15	-	-	-	(0.02)	0.28	0.15
Return on plan assets, excluding interest income	-	-	-	0.14	(0.00)	0.04	(0.14)	0.00	(0.04)
Total (B)	(0.54)	0.39	0.11	0.14	(0.00)	0.04	(0.68)	0.40	0.07
Other									
Contribution paid by the employer	-	-	-	2.53	0.18	0.63	(2.53)	(0.18)	(0.63)
Benefits paid	-	-	-	-	-	-	-	-	-
Liabilities assumed/ (settled)	-	-	-	-	-	-	-	-	-
Total (C)	-	-	-	2.53	0.18	0.63	(2.53)	(0.18)	(0.63)
Closing Balance (A)+(B)+(C)	4.61	2.76	0.93	3.63	0.89	0.66	0.98	1.87	0.27
Represented by									
Net defined benefit asset	-	-	-	-	-	-	-	-	-
Net defined benefit liabilities	4.61	2.76	0.93	3.63	0.89	0.66	0.98	1.87	0.27



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

(C) NOTE 32 : DEFINED BENEFIT OBLIGATIONS

(i) ACTUARIAL ASSUMPTIONS

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Particulars	As at 31st March, 2025	As at 31st March, 2024
Rate of Discounting	6.71%	7.23%
Rate of Salary Increase	7.00%	7.00%
Expected Return on Plan Assets	6.71%	7.23%
Rate of Employee Turnover	10.00%	1.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

(ii) SENSITIVITY ANALYSIS

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	As at 31st March, 2025	As at 31st March, 2024
Projected Benefit Obligation on Current Assumptions	4.61	2.76
Delta Effect of +1% Change in Rate of Discounting	(0.40)	(0.53)
Delta Effect of -1% Change in Rate of Discounting	0.47	0.69
Delta Effect of +1% Change in Rate of Salary Increase	0.47	0.68
Delta Effect of -1% Change in Rate of Salary Increase	(0.41)	(0.54)
Delta Effect of +1% Change in Rate of Employee Turnover	(0.10)	(0.03)
Delta Effect of -1% Change in Rate of Employee Turnover	0.10	0.03

(iii) RISK EXPOSURE

A decrease in Government Securities yield will increase plan liabilities. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

(D) EXPECTED FUTURE CASH FLOWS

EXPECTED FUTURE BENEFIT PAYMENTS:

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

Projected Benefits Payable in Future Years From the Date of Reporting	As at 31st March, 2025	As at 31st March, 2024
1st Following Year	0.20	10.44
2nd Following Year	0.20	11.40
3rd Following Year	0.25	12.38
4th Following Year	0.35	13.48
5th Following Year	0.48	14.35
Sum of Years 6 To 10	2.13	91.39
Sum of Years 11 and above	6.60	5,054.47

ASSET INFORMATION

Projected Benefits Payable in Future Years From the Date of Reporting	As at 31st March, 2025	As at 31st March, 2024
Insurer managed funds	100%	100%



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 33 : FINANCIAL INSTRUMENTS- FAIR VALUES AND RISK MANAGEMENT

A CLASSIFICATION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES:

The following tables shows the carrying amounts of financial assets and financial liabilities which are classified as fair value through profit and loss (FVTPL), Fair value through other

Particulars	As at 31st March, 2025				
	FVTPL	FVOCI	Amortised cost	Cost	Total
Financial assets					
Cash and cash equivalents	-	-	579.20	-	579.20
Bank Balance other than cash and cash equivalent	-	-	-	-	-
<u>Receivables</u>	-	-	3,862.30	-	3,862.30
Trade receivables	-	-	-	-	-
Other receivables	-	-	-	-	-
Loans	-	-	-	-	-
Investments	-	-	38,754.67	-	38,754.67
<u>Other financial assets</u>	-	-	-	-	-
Total Financial Assets	-	-	43,196.16	-	43,196.16
Financial liabilities					
<u>Payables</u>	-	-	-	-	-
Trade Payables	-	-	-	-	-
Other Payables	-	-	1.40	-	1.40
Borrowings	-	-	-	-	-
<u>Other Financial liabilities</u>	-	-	25,949.09	-	25,949.09
Total Financial Liabilities	-	-	0.11	-	0.11
			25,950.60	-	25,950.60

Particulars	As at 31st March, 2024				
	FVTPL	FVOCI	Amortised cost	Cost	Total
Financial assets					
Cash and cash equivalents	-	-	1,243.46	-	1,243.46
Bank Balance other than cash and cash equivalent	-	-	-	-	-
<u>Receivables</u>	-	-	3,006.60	-	3,006.60
Trade receivables	-	-	-	-	-
Other receivables	-	-	-	-	-
Loans	-	-	-	-	-
Investments	-	-	18,309.04	-	18,309.04
<u>Other financial assets</u>	-	-	-	-	-
Total Financial Assets	-	-	22,559.10	-	22,559.10
Financial liabilities					
<u>Payables</u>	-	-	-	-	-
Trade Payables	-	-	-	-	-
Other Payables	-	-	1.76	-	1.76
Borrowings	-	-	-	-	-
<u>Other Financial liabilities</u>	-	-	6,511.10	-	6,511.10
Total Financial Liabilities	-	-	0.01	-	0.01
			6,512.88	-	6,512.88

Particulars	As at 1st April, 2023				
	FVTPL	FVOCI	Amortised cost	Cost	Total
Financial assets					
Cash and cash equivalents	-	-	659.13	-	659.13
Bank Balance other than cash and cash equivalent	-	-	-	-	-
<u>Receivables</u>	-	-	-	-	-
Trade receivables	-	-	-	-	-
Other receivables	-	-	-	-	-
Loans	-	-	-	-	-
Investments	-	-	7,644.79	-	7,644.79
<u>Other financial assets</u>	-	-	-	-	-
Total Financial Assets	-	-	8,303.92	-	8,303.92
Financial liabilities					
<u>Payables</u>	-	-	-	-	-
Trade Payables	-	-	-	-	-
Other Payables	-	-	0.69	-	0.69
Borrowings	-	-	-	-	-
<u>Other Financial liabilities</u>	-	-	1,000.00	-	1,000.00
Total Financial Liabilities	-	-	1,000.69	-	1,000.69



Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 33 : FINANCIAL INSTRUMENTS- FAIR VALUES AND RISK MANAGEMENT (Continued....)

FAIR VALUE HIERARCHY

B The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair

Financial instruments measured at fair value recurring fair value measurements	Recurring fair value measurement as at March 31st, 2025			
	Level 1	Level 2	Level 3	Total
Equity Instruments	-	-	-	-
CCPS	-	-	-	-
Mutual Fund	-	-	-	-
Total Assets	-	-	-	-

Financial instruments measured at fair value recurring fair value measurements	Recurring fair value measurement as at March 31st, 2024			
	Level 1	Level 2	Level 3	Total
Equity Instruments	-	-	-	-
CCPS	-	-	-	-
Mutual Fund	-	-	-	-
Total Assets	-	-	-	-

Financial instruments measured at fair value recurring fair value measurements	Recurring fair value measurement as at Arpil 1st, 2023			
	Level 1	Level 2	Level 3	Total
Equity Instruments	-	-	-	-
CCPS	-	-	-	-
Mutual Fund	-	-	-	-
Total Assets	-	-	-	-



Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 33 : FINANCIAL INSTRUMENTS- FAIR VALUES AND RISK MANAGEMENT (Continued....)

C Financial Risk Management

The company has following risks arising from financial instruments

Credit Risk

Liquidity Risk

Market Risk

(i) Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

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

(ii) Credit risk

Loans

Credit risk is controlled by analysing the credit limits and creditworthiness of the customer on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. An impairment analysis is performed at each reporting date on a portfolio basis. The Company holds collateral as security against the loans. The impairment of the credit risk on the loan is carried out through a detailed ECL model. Expected Credit Loss or ECL is measured in the following manner. The Company calculates ECL based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Company in accordance with the contract and the cash flows that the Company expects to receive.

$$ECL = PD \times LGD \times EAD$$

Each item is defined as follows:

ECL: Expected credit loss. Present value of difference between contractual cash flows and actual cash flows expected to be received over a given time horizon.

PD - Probability of default: The probability of default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. The Company calculates the PD by taking into account the past historical trends of the portfolio and its credit performance based on a homogenous characteristic of the underlying portfolio.

LGD - Loss given default: The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

EAD - Exposure at default: Cash flows that are at risk of default over a given time horizon. The Exposure at Default is an estimate of the exposure at a future default date.



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 33 : FINANCIAL INSTRUMENTS- FAIR VALUES AND RISK MANAGEMENT (Continued....)

The Performance history is currently not available in adequate numbers to build PD or LGD models. So, the management has computed ECL estimate for the portfolio based on judgement using industry analysis.

Reconciliation of ECL balance on Loans is given below:

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount as at April 1, 2023	14.80	73.79	-
Transfer to (from) stage 1	(14.80)	(73.79)	-
ECL for new loans originated during the year	45.17	0.77	-
Gross carrying amount as at March 31, 2024	45.17	0.77	-
Changes in the loss allowance during the year			
Transfer to (from) stage 1	(45.17)	(0.77)	-
New loans originated during the year	96.63	0.50	-
Gross carrying amount as at March 31, 2025	96.63	0.50	-

Exposure to credit risk

Financial asset for which loss allowance is measured using expected credit loss model:

Particulars	As on 31st March 2025	As on 31st March 2024	As on 1st April 2023
Financial assets at amortised cost			
Loans	38,754.67	18,309.04	7,644.79
At end of the year	38,754.67	18,309.04	7,644.79

The Company exposure to customers is diversified and no single customer contributes to more than 25% of outstanding loans, investment, and other financial assets which are measured at amortised cost as at 31 March 2025 and 31 March 2024.

The Company has used a practical expedient by computing the expected credit loss allowance for loans and investment taking into account historical credit loss experience.

For other financial assets, the Company assesses and manages credit risk based on reasonable and supportive forward looking information. The Company does not have significant credit risk exposure for these items.

Cash & Cash Equivalent and Bank Balance Other than Cash & Cash Equivalent

The Group holds cash and cash equivalents with bank, which are having highest safety ratings based on ratings published by various credit rating agencies. The Group considers that its cash and cash equivalents have low credit risk based on external credit ratings of the counterparties.

(iii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's principal sources of liquidity are cash and cash equivalents, and the cash flow that is generated from operations. The Company has managed its liquidity and working capital requirements through cash generated from operations and through intermittent short term borrowings. The Company has sufficient short term fund based lines, which provides healthy liquidity and these carry highest credit quality rating from reputed credit rating agency, hence no liquidity risk is perceived.



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 33 : FINANCIAL INSTRUMENTS- FAIR VALUES AND RISK MANAGEMENT (Continued....)

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Particulars	Carrying Amount	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years
As at 31 March 2025						
Borrowings	25,949.09	-	5,824.09	20,125.00		
Trade Payables	1.40	-	1.40			
Other Financial Liabilities	0.11	-	0.11			
	25,950.60	-	5,825.60	20,125.00	-	-
As at 31 March 2024						
Borrowings	6,511.10	-	1,511.10	5,000.00		
Trade Payables	1.76	-	1.76			
Other Financial Liabilities	0.01	-	0.01			
	6,512.88	-	1,512.88	5,000.00	-	-
As at 31 March 2023						
Borrowings	1,000.00	-		1,000.00		
Trade Payables	0.69	-	0.69			
Other Financial Liabilities	0.54	-	0.54			
	1,001.23	-	1.23	1,000.00	-	-

(0)

iv. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, price risk, and currency risk. Financial instruments affected by market risk include trade receivable/payable and other financial assets and liabilities.

The Company operates in the lending sector, offering loans secured against shares, mutual funds, and other capital market securities. To mitigate risk:

> **Initial Security Coverage:** Loans are disbursed with a 2.22x security cushion (e.g., ₹100 collateral for ₹45 disbursement).

> **Ongoing Ratio Maintenance:** A 1:2 loan-to-security ratio is enforced post-disbursement (₹50 loan for every ₹100 collateral value).

This conservative collateralization strategy minimizes exposure to price volatility in underlying securities.

Exposure to Market risk

Financial asset for which are secured against capital market instruments.

Particulars	As on 31st March 2025	As on 31st March 2024	As on 1st April 2023
Financial assets at amortised cost			
Loans	38,851.80	17,525.34	6,917.31
At end of the year	38,851.80	17,525.34	6,917.31

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. This risk can also impact the provision for retribal benefits. The Company generally utilises fixed rate borrowings and therefore is not subject to interest rate risk, as neither the carrying amount nor the future cash flows will fluctuate due to changes in market interest rates. The Company is not exposed to significant interest rate risk at the respective reporting dates



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 33 : FINANCIAL INSTRUMENTS- FAIR VALUES AND RISK MANAGEMENT (Continued....)

The Company has interest rate risk exposure mainly from changes in rate of interest on borrowing, loans & securities. The following table analyse the breakdown of the interest bearing financial assets and liabilities by type of interest rate:

Particulars	As on 31st March 2025	As on 31st March 2024	As on 1st April 2023
Financial assets			
Interest bearing			
-fixed interest rate			
Bank balances other than cash and cash equivalent	3,862.30	3,006.60	-
Loans	38,754.67	18,309.04	7,644.79
-floating interest rate	-	-	-
Non interest bearing			
Cash And cash equivalents	579.20	1,243.46	659.13
Financial Liabilities			
Interest bearing			
-fixed interest rate			
Borrowings	9,601.29	2,500.00	1,000.00
-floating interest rate			
Borrowings	16,347.79	4,011.10	-
Non interest bearing			
Trade Payables	1.40	1.76	0.69
Other Financial liabilities	0.11	0.01	0.54

Price Risk

Price risk is the risk arising from investments held by the Company and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. The Company does not hold any investments as on the reporting dates.

Currency risk

Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. Exposures can arise from various assets and liabilities denominated in currencies other than the Indian Rupee. There are no foreign currency exposures in USD, EUR, or GBP on financial instruments at the end of the reporting period



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 34 : CAPITAL MANAGEMENT

For the purpose of the company's capital management, capital includes issued capital and other equity reserves. The primary objective of the company's Capital Management is to maximise shareholders value.

The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirement in the light of changes in economic environment and the requirement of the financial covenants.

The company monitors capital using debt to equity ratio.

Particulars	As at 31st March, 2025	As at 31st March, 2024
Liabilities		
Unsecured Loan	3,101.29	-
Bank Overdraft	-	-
Term Loan	22,847.79	6,511.10
Gross debt	25,949.09	6,511.10
Less: Cash and cash Equivalents (Including Broker balance)	579.20	1,243.46
Less - Other Bank Deposits	3,862.30	3,006.60
Net debt	21,507.59	2,261.05
Total equity	17,294.53	16,073.26
Adjusted net debt to equity ratio	1.24	0.14

Particulars	As at 31st March, 2025	As at 31st March, 2024
CRAR (%)	35.80%	70.21%
CRAR- Tier I Capital (%)	35.59%	70.01%
CRAR- Tier II Capital (%)	0.20%	0.20%



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 35 : CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
I Contingent Liability in respect of:		
a) Income tax demands	-	-
b) GST/Service tax demands*	-	-
c) Other Matters	-	-
II Other Commitments shall be classified as:		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for;#	-	-
b) Uncalled liability on shares and investments partly paid	-	-

NOTE 36 : Details of CSR expenditure

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
(a) Amount required to be spent	9.92	-
(b) Amount of expenditure incurred	9.95	-
(c) Shortfall at the end of the year	-	-
(d) Total of previous years shortfall	-	-
(e) Nature of CSR activities	Social welfare, Prmoting education, environment & civic activities, Animal Health care, food.	NA
(f) Related Party	NA	NA



Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 37 : MATURITY ANALYSIS OF ASSETS AND LIABILITIES

Particulars	As at 31st March, 2025			As at 31st March, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
1) Financial Assets						
a) Cash And cash equivalents	579.20	-	579.20	1,243.46	-	1,243.46
b) Bank Balance other than (a) above	3,862.30	-	3,862.30	3,006.60	-	3,006.60
c) Receivables	-	-	-	-	-	-
i) Trade Receivables	-	-	-	-	-	-
ii) Other Receivables	-	-	-	-	-	-
d) Loans	38,754.67	-	38,754.67	18,309.04	-	18,309.04
e) Investments	-	-	-	-	-	-
f) Other Financial assets	-	-	-	-	-	-
Sub-Total	43,196.16	-	43,196.16	22,559.10	-	22,559.10
2) Non- Financial Assets						
a) Current Tax assets	-	-	-	-	-	-
b) Deferred Tax Assets (net)	-	-	-	-	-	-
c) Property, Plant And Equipment	-	6.09	6.09	-	7.13	7.13
d) Other Intangible assets	-	23.64	23.64	-	26.74	26.74
e) Right-of-use asstes	-	-	-	-	-	-
f) Other Non-Financial Assets	31.69	22.18	53.87	20.66	-	20.66
Sub-Total	31.69	51.91	83.60	20.66	33.87	54.52
Total Assets	43,227.85	51.91	43,279.76	22,579.76	33.87	22,613.62
LIABILITIES AND EQUITY						
LIABILITIES						
1) Financial Liabilities						
a) Payables						
i) Trade Payables						
ii) Total Outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
iii) Total Outstanding dues of creditors other than micro enterprises and small enterprises	1.40	-	1.40	1.76	-	1.76
iv) Other Payables	-	-	-	-	-	-
v) Total Outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
vi) Total Outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
b) Borrowings (other than debt securities)	25,949.09	-	25,949.09	6,511.10	-	6,511.10
c) Other Financial liabilities	0.11	-	0.11	0.01	-	0.01
Sub-Total	25,950.60	-	25,950.60	6,512.88	-	6,512.88
2) Non- Financial Liabilities						
a) Current Tax liabilities	1.50	-	1.50	17.30	-	17.30
b) Provisions	2.20	0.98	3.18	1.45	1.87	3.32
c) Deferred tax liabilities	-	1.48	1.48	-	2.32	2.32
d) Other non financial liabilities	28.48	-	28.48	4.55	-	4.55
Sub-Total	32.18	2.46	34.64	23.30	4.19	27.49
Total liabilities	25,982.77	2.46	25,985.23	6,536.17	4.19	6,540.36
Net	17,245.08	49.45	17,294.53	16,043.58	29.68	16,073.26



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 38 : DISCLOSURE U/S 22 OF MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT 2006

There are no micro, small and medium enterprises, to which company owes dues, as at March 31, 2025. This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act, 2006') that has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Particulars	As at 31st March, 2025	As at 31st March, 2024
The amounts remaining unpaid to micro and small suppliers as at the end of the year :		
1. Principal	-	-
2. Interest	-	-
The amounts of interest paid by the buyer in terms of section 16 of the the Micro Small and Medium Enterprises Development Act,2006 (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 due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
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	-	-



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

NOTE 39 : CODE ON SOCIAL SECURITY

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and postemployment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on 13th November, 2020 draft rules were published and invited for stakeholders' suggestions. The Central Government on 30th March, 2021 has deferred the implementation of the said Code and the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will account for the related impact in the period the Code becomes effective.

NOTE 40 : AUDIT TRAIL

As per the requirements of the rule 3(1) of the Companies (Accounts) rule 2014 the Company uses only such accounting software for maintaining its books of account that have a feature of recording audit trail of each and every transaction creating an edit log of each change made in the books of account along with the date when such changes were made and who made those changes within such accounting software. This feature of recording audit trail has operated throughout the year and was not tampered with during the year. The company has established and maintained an adequate internal control framework over its financial reporting and based on its assessment, has concluded that the internal controls for the year ended 31st March, 2025 were effective.

NOTE 41 : COMPARATIVES

Previous year figures are re-grouped, re-classified and re-arranged, wherever considered necessary to confirm to current year's presentation.

NOTE 42 : RELATOINSHIP WITH STRUCK-OFF COMPANIES

The company does not have any invetsment in/ receivable from/ payable to/ share capital held by/ any other outstanding balances with company which are struck off under section 248 of the Companies Act, 2013.

NOTE 43 : EVENT AFTER REPORTING DATE

There are no material events after the reporting date that require disclosure in these financial statements.



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

Note 44: First time adoption of IND AS

These are company's first financial statements prepared in accordance with IND AS for periods upto and including the year ended 31st March, 2025. The company prepared its financial statements in accordance with accounting standards notified under section 133 of the companies act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (previous GAAP)

Accordingly, the company has prepared the financial statements for the comparative period as at and for the year ended 31st March 2025 that complies with the applicable IND AS, as described in the summary of significant accounting policies. In preparing these financial statements, the company's opening balance sheet was prepared as at April 01st, 2023, the company's date of transition to IND AS. This note explains the principal adjustments made by the company in restating its previous GAAP financial statements, including the balance sheet as at April 01st, 2023 and the comparative financial statements as at and for the year ended March 31st, 2025.

A. IND AS optional exemptions

The company does not taken any optional exemptions, while adopting to IND AS from the previous GAAP

B. IND AS mandatory exemptions

B1. Estimates

In accordance with IND AS, as at the date of transition to IND AS. An entity's estimates shall be consistent with the estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

IND AS estimates as at 01st April, 2023 are consistent with the estimates as at the same date made in conformity with previous GAAP except impairment of financial assets based on expected credit loss model in accordance with IND AS at the date of transition as this was not required under the previous GAAP.

B2. Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per IND AS 109 Financial Instruments are met based on facts and circumstances existing at the date of transition.

Financial assets can be measured using the effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess elements of modified time value of money i.e. the use of effective interest method, fair value of financial assets at the date of transition shall be the new carrying value of that asset. The measurement exception applies for financial liabilities as well.

Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so. It is impracticable to apply the changes retrospectively if:

- The effects of retrospective application or retrospective restatement are not determinable, or
- The retrospective application or restatement requires assumption about what management's intent would have been in that period, or
- The retrospective application or restatement requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that existed at that time.

B3. De-recognition of financial assets and liabilities

IND AS 101 First time adoption of Indian Accounting Standards requires a first time adopter to apply the derecognition provisions of IND AS 109 Financial Instruments prospectively for transactions occurring on or after the date of transition to IND AS. However, IND AS 101 First time adoption of Indian Accounting Standards allows a first time adopter to apply the derecognition requirements in IND AS 109 Financial Instruments retrospectively from a date of the entity's choosing provided that the information needed to apply IND AS 109 Financial Instruments to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The company has elected to apply the derecognition provisions of IND AS 109 Financial Instruments prospectively from the date of transition to IND AS.

C. Reconciliation between previous GAAP and IND AS

IND AS 101 First time adoption of Indian Accounting Standards requires an entity to reconcile equity, to comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP and IND AS as at the periods specified below:



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

Note 44: First time adoption of IND AS (Continued...)

C1. Reconciliation of other equity

The company has also prepared a reconciliation of equity as at March 31, 2024 and April 01, 2023 under the previous GAAP with the equity as reported in these financial statements under IND AS, that reflects the impact of IND AS on the components of statement of Balance sheet which is presented below

Particulars	As at March 31, 2024	As at April 01, 2023
Equity as per previous GAAP	15,287.72	6,689.77
Adjustments on account of IND AS:		
Measurement of defined benefit liability at FVTPL	(1.40)	(0.20)
Measurement of defined benefit liability at FVOCI	(0.47)	(0.07)
Deferred Tax on above two	0.47	0.07
Equity as per IND AS	15,286.32	6,689.57

C2. Reconciliation of total comprehensive income

There were no adjustments to total comprehensive income while adopting to IND AS from the previous GAAP and hence no reconciliation has been given. The company has also prepared a reconciliation of total comprehensive income as at March 31, 2024 under the previous GAAP with the equity as reported in these financial statements under IND AS, that reflects the impact of IND AS on the components of statement of Profit and Loss which is presented below

Particulars	As at March 31, 2024
Profit as per previous GAAP	726.02
Adjustments on account of IND AS:	
Measurement of defined benefit liability at FVTPL	(1.21)
Measurement of defined benefit liability at FVOCI	(0.40)
Deferred Tax on above two	0.40
Profit as per IND AS	724.82

* The previous GAAP figures have been reclassified to confirm to IND AS presentation requirements for the purposes of this note.

D. PURPOSE OF ADJUSTMENT

D1. Fair Value of Investment measured through OCI

Under IndAS, The Company has elected to recognise changes in the fair value of certain investments in equity and CCPS in other comprehensive income. These changes are accumulated within the investment through Other Comprehensive Income. The company transfers amounts from this reserve to retained earnings when the relevant investment are derecognised.

D2. Deferred Tax

Under previous GAAP, deferred tax accounting was done using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Under Ind AS, accounting of deferred taxes is done using the Balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

D3. Other comprehensive income

Under IndAS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Item of income and expense that are not recognised in profit or loss but are shown in the Statement of profit and loss as "other comprehensive income" includes investment in equity and ccps instrument valued at FVTOCI. The concept of other comprehensive income did not exist under previous GAAP.

* The previous GAAP figures have been reclassified to confirm to IND AS presentation requirements for the purposes of this note



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

Note No 45: Additional Disclosure as per Annexure VII of Master Direction - Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023 applicable for Base layer NBFCs

A Exposure to Capital Market

(Amounts in Rs. Lakhs)

Sr No	Particulars	31st March 2025	31st March 2024	1st April 2023
1	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;		-	-
2	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;		-	-
3	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	38,851.80	17,525.34	6,917.31
4	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;		-	-
5	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;		-	-
6	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;		-	-
7	bridge loans to companies against expected equity flows / issues;		-	-
8	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds		-	-
9	Financing to stockbrokers for margin trading		-	-
	All exposures to Alternative Investment Funds:		-	-
	i. Category I			
	ii. Category II			
	iii. Category III			
	Total Exposure to Capital Market		17,525	6,917

B Exposure Real Estate Sector

The Company has no exposure to the real estate sector directly or indirectly in the current and previous year.

C Intra Group Exposure

During the year the company does not have any intra group exposure in the current and previous year.

D Unhedged foreign currency exposure

The company does not have any Unhedged foreign currency exposure as on 31/03/2025, 31/03/2024 and as on 01/04/2023

E Disclosure of Restructured Advances as per Appendix IV-D of Scale Based Regulations

The Company does not carry out any restructuring of loans and advance during the year ended 31st March 2025 and 31st March 2024, Hence no disclosure is required.

F Loans to Directors, Senior Officers and Relatives of Directors

Sr No	Particulars	31st March 2025	31st March 2024	1st April 2023
	Directors and their relatives	-	-	-
	Entities associated with directors and their relatives	-	-	-
	Senior Officers and their relatives	-	-	-



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

Note No 45: RBI Disclosure Continued....

G Sectoral Exposure

Sectors	As on 31st March 2025		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ lakh)	Gross NPAs (₹ lakh)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-
2. Industry	-	-	-
3. Services	-	-	-
4. Personal Loans			
i. Loan Against Shares and Securities	38,851.80	-	-
ii. Others	-	-	-
Total of Personal Loans	38,851.80	-	-
5. Others, if any (please specify)	-	-	-

Sectors	As on 31st March 2024		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ lakh)	Gross NPAs (₹ lakh)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-
2. Industry	-	-	-
3. Services	-	-	-
4. Personal Loans			
i. Loan Against Shares and Securities	17,525.34	-	-
ii. Others	829.64	-	-
Total of Personal Loans	18,354.98	-	-
5. Others, if any (please specify)	-	-	-

Sectors	As on 1st April 2023		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ lakh)	Gross NPAs (₹ lakh)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-
2. Industry	-	-	-
3. Services	-	-	-
4. Personal Loans			
i. Loan Against Shares and Securities	6,917.31	494.40	7.15%
ii. Others	816.06	65.11	7.98%
Total of Personal Loans	7,733.37	559.51	7.24%
5. Others, if any (please specify)	-	-	-



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

Note No 45: RBI Disclosure Continued....

G Disclosure of complaints

1. Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr No	Particulars	Current Year	Previous Year
	Complaints received by the NBFC from its customers		
1	Number of complaints pending at beginning of the year	NIL	NIL
2	Number of complaints received during the year	139	4
3	Number of complaints disposed during the year	132	1
3.1	Of which, number of complaints rejected by the NBFC	7	3
4	Number of complaints pending at the end of the year		NIL
	Maintainable complaints received by the NBFC from Office of Ombudsman		NIL
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman		NIL
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman		NIL
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman		NIL
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC		NIL
6	Number of Awards unimplemented within the stipulated time (other than those appealed)		NIL

2. Top five grounds of complaints received by the NBFCs from customers

Sr No	Grounds of complaints, (I.e. Complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
		1	2	3	4	5
						6
			Current Year			
1	Enquiry Number	Nil	27	Nil	Nil	Nil
2	Change in LTV	Nil	17	Nil	Nil	Nil
3	Name & Address Updation	Nil	14	Nil	Nil	Nil
4	Key Fact Statement	Nil	8	Nil	Nil	Nil
5	Day pass Dues	Nil	7	Nil	Nil	Nil
			Previous Year			
1	Confiscation of Security	Nil	1	Nil	Nil	Nil



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

Note No 45: RBI Disclosure Continued....

I Disclosure on liquidity risk as per Appendix VI-A of Scale based regulations

i. Funding Concentration based on significant counterparty (both deposits and borrowings):

SR NO	As at March 2025				As at March 2024			
	Number of Significant Counterparties	Amount (Rs. Crore)#	% of Total deposits	% of Total Liabilities	Number of Significant Counterparties	Amount (Rs. Crore)*	% of Total deposits	% of Total Liabilities
1	8	259.49	NA	99.86%	3	65.11	NA	99.55%

Notes:

The Amount of Rs. 259.49 Crores includes Rs. 1.99 Crores interest accrued but not due as on 31st March 2025

* The Amount of Rs. 65.11 Crores include Rs. 11.10 Lakhs interest accrued but not due as on 31st March 2024

ii. Top 20 large deposits (amount in Rs. Crore and % of total deposits)

Company is registered as NBFC - Base Layer (NBFC - BL) and not accepting public deposits, hence N.A.

iii. Top 10 borrowings (amounts in Rs. Crore and % of total borrowings)*

SR NO	As at March 2025		As at March 2024	
	Amount (Rs. Crore)#	% of Total Borrowings	Amount (Rs. Crore)*	% of Total Borrowings
1	259.49	100%	65.11	100%

Notes:

The Amount of Rs. 259.49 Crores includes Rs. 1.99 Crores interest accrued but not due as on 31st March 2025

* The Amount of Rs. 65.11 Crores include Rs. 11.10 Lakhs interest accrued but not due as on 31st March 2024

iv. Funding Concentration based on significant instrument/product

Sr. No.	Name of the instrument/product	As at March 2025		As at March 2024	
		Amount (Rs. Crore)	% of Total Liabilities	Amount (Rs. Crore)	% of Total Liabilities
1	Borrowings				
	- term loan from Financial Institutions	100.50	38.68%	40.11	61.33%
	- Term Loan from Banks	127.98	49.25%	25.00	38.22%
	- Loan from Directors	31.01	11.93%	-	0.00%

v. Stock Ratios :

a. Commercial papers as a percent of total public funds, total liabilities and total assets - Not Applicable

b. Non-convertible debentures (original maturity of less than one year) as a percent of total public funds, total liabilities and total assets - Not Applicable

c. Other short-term liabilities, if any as a percent of total public funds, total liabilities and total assets: -

As on 31st March 2025

Sr. No.	Name of the instrument/product	% of Total Public Funds	% of Total Liabilities	% of Total Assets
1	Short Term Liabilities	64.16%	99.86%	59.96%

As on 31st March 2024

Sr. No.	Name of the instrument/product	% of Total Public Funds	% of Total Liabilities	% of Total Assets
1	Short Term Liabilities	30.99%	99.55%	28.79%

d. Institutional set-up for liquidity risk management

Liquidity represents the ability of the company to generate sufficient cash flow to meet financial obligations, both under normal and stressed conditions, without liquidating assets or raising funds at unfavourable terms. The operations of Companies gives rise to Asset Liability mismatches and liquidity risks.

In order to address these risks, the Company has a Board approved Liquidity Risk Management Policy in place prepared on the basis of RBI guidelines and internal factors specific to our business. The Board of the company has setup an Asset Liability Management Committee to review the liquidity risk. Liquidity is monitored through flow as well as stock approaches. The Company also undertakes liquidity risk stress testing at reasonable intervals. The policy is reviewed on annual basis.

Notes:

a) Significant counterparty is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No. 102/ 03.10.001/ 2019-20 dated November 4, 2019 on 'Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies'.

b) Significant instrument/product is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD)CC.No.102/03.10.001/2019-20 dated November 4, 2019 on 'Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies'.

c) Total liabilities has been computed as sum of all liabilities (Balance Sheet figure) less Equities and Reserves/Surplus.

d) Public funds areas defined in Master Direction -RBI - Non-Banking Financial Company -Scale Based Regulations Direction, 2023.



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

Note No 45: RBI Disclosure Continued....

J. Schedule to the Balance Sheet as on 31st March 2025

[as prescribed under Paragraph 31 of of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023]

LIABILITIES SIDE :

	Amount Outstanding	Amount Overdue
1 Loans and advances availed by the non-banking financial		
a) Debentures		
>> Secured	-	-
>> Unsecured	-	-
(other than falling within the meaning of public deposits*)		
b) Deferred Credits	-	-
c) Term Loans	22,847.79	-
d) Inter-corporate loans and borrowing	-	-
e) Commercial Paper	-	-
f) Public Deposits*	-	-
g) Other Loans		
Loan from Directors	3,101	-
* Please see Note 1 below		
2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :		
a) In the form of Unsecured debentures	-	-
b) In the form of partly secured debentures i.e. debentures	-	-
c) Other public deposits	-	-

ASSET SIDE :

3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :	Amount Outstanding net of Provisions
a) Secured	38,851.80
b) Unsecured	-
Total	38,851.80
4 Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	
i) Lease assets including lease rentals under sundry debtors :	
a) Financial lease	-
b) Operating lease	-
ii) Stock on hire including hire charges under sundry debtors :	
a) Assets on hire	-
b) Repossessed Assets	-
iii) Other loans counting towards AFC activities	
a) Loans where assets have been repossessed	-
b) Loans other than (a) above	-



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

Note No 45: RBI Disclosure Continued....

J. Schedule to the Balance Sheet as on 31st March 2025 (Continued...)

[as prescribed under Paragraph 31 of of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023]

5 Break-up of Investments :

Current investments :

1) Quoted :

i) Shares :

(a) Equity

(b) Preference

ii) Debentures and Bonds

iii) Units of mutual funds

iv) Government Securities

v) Others (Please Specify)

2) Unquoted :

i) Shares :

(a) Equity

(b) Preference

ii) Debentures and Bonds

iii) Units of mutual funds

iv) Government Securities

v) Others (Please Specify)

Long Term Investments :

1) Quoted :

i) Shares :

(a) Equity

(b) Preference

ii) Debentures and Bonds

iii) Units of mutual funds

iv) Government Securities

v) Others (Please Specify)

2) Unquoted :

i) Shares :

(a) Equity

(b) Preference

ii) Debentures and Bonds

iii) Units of mutual funds

iv) Government Securities

v) Others (Please Specify)

Total Investments

Amount
Outstanding

Amount
Outstanding



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

Note No 45: RBI Disclosure Continued....

J. Schedule to the Balance Sheet as on 31st March 2025 (Continued...)

[as prescribed under Paragraph 31 of of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023]

6 Borrower group-wise classification of assets financed as in (3) and (4) above :

Please see Note 2 below

Category	Amount Net of Provisions		
	Secured	Unsecured	Total
1) Related Parties **			
a) Subsidiaries	-	-	-
b) Companies in the same group	-	-	-
c) Other related parties	-	-	-
2) Other than related parties	38,754.67	-	38,754.67
Total	38,754.67	-	38,754.67

7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Please see Note 3 below

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1) Related Parties **		
a) Subsidiaries	-	-
b) Companies in the same group	-	-
c) Other related parties	-	-
2) Other than related parties	-	-
Total	-	-

** As per Accounting Standard of ICAI (Please see Note 3)

8 Other information

Particulars	Amount
i) Gross Non-Performing Assets	
a) Related parties	-
b) Other than related parties	-
ii) Net Non-Performing Assets	
a) Related parties	-
b) Other than related parties	-
iii) Assets acquired in satisfaction of debt	-



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

Note No 45: RBI Disclosure Continued....

J. Schedule to the Balance Sheet as on 31st March 2025 (Continued...)

[as prescribed under Paragraph 31 of of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023]

Notes :

- 1) As defined in point (xix) of paragraph 3 of Chapter 2 of the Non-Banking Financial Company - Non-Systemically Important Non-Deposit Taking Company (Reserve Bank) Directions, 2016.
- 2) Provisioning norms applicable are as prescribed in Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.
- 3) All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up value/fair value/NAV in respect of Unquoted investments are disclosed irrespective of whether they are classified as long term or current in (5) above.



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

Note No 45: RBI Disclosure Continued....

K. The disclosures as required by the NBFC Master Directions issued by RBI - A comparison between provision required under income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial Instruments'

As on 31st March 2025

Asset Classification of as per RBI Norm	Asset Classification as per Ind AS 109	Gross Carrying Amount as per IndAS 109	Loss Allowance (provision) as required under IndAS 109	Net Carrying Amount	Provision required as per IRACP norms	Difference between IndAS 109 provision and IRACP norm
1	2	3	4	5= 3 - 4	6	7= 4 -6
(a) Performing Assets						
Standard Assets	Stage I	38,650.38	96.63	38,553.76	96.63	(0.00)
	Stage II	201.41	0.50	200.91	0.50	(0.00)
(b) Non Performing Assets						
Substandard Assets						
Doubtful Asset						
Loss Assets						
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current income recognition, asset classification and provisioning (IRAC) norms.						
Total		38,851.80	97.13	38,754.67	97.13	(0.00)

As on 31st March 2024

Asset Classification of as per RBI Norm	Asset Classification as per Ind AS 109	Gross Carrying Amount as per IndAS 109	Loss Allowance (provision) as required under IndAS 109	Net Carrying Amount	Provision required as per IRACP norms	Difference between IndAS 109 provision and IRACP norm
1	2	3	4	5= 3 - 4	6	7= 4 -6
(a) Performing Assets						
Standard Assets	Stage I	18,066.65	45.17	18,021.48	45.17	0.00
	Stage II	288.33	0.77	287.56	0.72	0.05
(b) Non Performing Assets						
Substandard Assets						
Doubtful Asset						
Loss Assets						
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current income recognition, asset classification and provisioning (IRAC) norms.						
Total		18,354.98	45.94	18,309.04	45.89	0.05



Zerodha Capital Private Limited

Notes to the Financial Statements for the Year Ended 31st March, 2025

(All Amounts in INR Lakhs, Except otherwise stated)

Note No 46: Additional Regulatory Information

- i) The company does not hold any immovable property in its books as at 31st March 2024 and 31st March 2025, hence the question of title deed held/ not held in the name of company does not arise.
- ii) The company does not hold any investment assets in its books as at 31st March 2024 and 31st March 2025, hence the question of valuation of investment does not arise.
- iii) During the year company has not revalued any of its property plant and equipments.
- iv) During the year company has not revalued any of its Intangible assets.
- v) During the year company has not granted loans and advances in the nature of loans to its promoters, directors, KMPs, and the related parties
- vi) During the year company has not have any capital work in progress
- vii) During the year company has not have any intangible assets under development.

viii) No proceedings have been initiated or pending against the company under the Benami Transaction (Prohibition) Act, 1988 during the financial year ended 31st March 2024 and 31st March 2025.

ix) The company has availed term loans from financial institutions which is hypothecated against the loan and advances (assets). Monthly/ quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

x) The company has not been declared as a willful defaulter by any bank or financial institutions or any other lender.

xi) During the financial year ended 31st March 2024 and 31st March 2023 the company does not have any relationship with struck off company

xii) All the charges are registered with Registrar of Companies within the statutory period.

xiv) Key Ratios

Ratios	Numerator	Denominator	March 31st 2025	March 31st 2024	April 1st 2023
CRAR	Total Capital Funds		35.80%	70.21%	77.31%
Tier I CRAR	Total Capital Funds Tier I	Total Risk Weighted	35.59%	70.01%	76.39%
Tier II CRAR	Total Capital Funds Tier II	Assets	0.20%	0.20%	0.92%

Liquidity Coverage Ratio is not applicable to the company as the asset size of the company is less than Rs. 5,000 Crores

xv) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013,

xvi) Utilisation of Borrowed funds and share premium:

(A) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) 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;

(B) The company has not received any fund from any person(s) or entity(is), 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

xvii) The company has not traded or invested in Crypto Currency or Virtual Currency During the financial year.

