

Independent Auditor's Report on the Financial Results of Nomura Fixed Income Securities Limited for the quarter ended June 30, 2024 pursuant to the Regulation 52 read with regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Board of Directors

Nomura Fixed Income Securities Limited

(formerly known as Nomura Fixed Income Securities Private Limited)

Opinion

We have audited the accompanying Financial Results of Nomura Fixed Income Securities Limited *(formerly known as Nomura Fixed Income Securities Private Limited)* ("the Company") for the quarter ended June 30, 2024 ("the Financial Results") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 52 read with 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, these Financial Results:

- a. are presented in accordance with the requirements of Regulation 52 read with Regulation 63(2) of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial reporting" ("Ind AS 34") notified under section 133 of the Companies Act, 2013 ("the Act") read along with the rules issued thereunder and other accounting principles generally accepted in India of the net loss, total comprehensive income, and other financial information for the quarter ended June 30, 2024.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) notified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Financial Results section of our report. We are independent of the

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Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Results under the provisions of the Act and rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Results

This Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Financial Results for the quarter ended June 30, 2024 have been compiled from the audited interim condensed financial statements as at and for the quarter ended June 30, 2024. The Board of Directors are responsible for the preparation and presentation of the Financial Results for the quarter ended June 30, 2024 that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS 34 notified under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of these Financial Results by the Board of Directors of the Company, as aforesaid.

In preparing the Financial Results, the Board of Directors are 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 Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Results

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

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

- Identify and assess the risks of material misstatement of the Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

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- Conclude on the appropriateness of the Board of Directors' 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 Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Results, including the disclosures, and whether the Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misinformation in the financial statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misinformation in the financial statement.

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

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



Other Matters

- a) The Financial Results include the results for the quarter ended March 31, 2024 being the balancing figure between the audited figures in respect of the financial year ended March 31, 2024 and year to date figures up nine months ended December 2023 as per management accounts and not reviewed by us.
- b) The financial results for the quarter ended June 30, 2023 are based on un-audited books of accounts and are not audited/reviewed by us.

Our opinion is not modified in respect of these matters.

For **C N K & Associates LLP**

Chartered Accountants

Firm Registration No. 101961 W/W-100036



Manish Sampat

Partner

Membership No. 101684

UDIN: 24101684BKEJGH6810



Place: Mumbai

Date: August 12, 2024

NOMURA FIXED INCOME SECURITIES LIMITED
(Formerly known as Nomura Fixed Income Securities Private Limited)
Ceejay House, Level 11, Plot F, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai 400018
CIN: U65910MH2007PLC168237

STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2024

In ₹ million

Particulars	Quarter ended		Year ended	
	June 30, 2024 (Audited)	March 31, 2024 (Unaudited - Refer Note 9)	June 30, 2023 (Unaudited)	March 31, 2024 (Audited)
Revenue from operations				
Interest income	2,375.9	2,065.7	1,375.7	6,175.0
Net (loss) / gain on fair value changes	(551.1)	800.5	91.8	916.4
Fees and commission income	6.1	10.5	1.8	19.2
Total income	1,830.9	2,876.7	1,469.3	7,110.6
Expenses				
Finance costs	2,052.7	1,770.8	1,132.7	5,211.9
Fees and commission expense	18.0	24.6	10.7	82.9
Employee benefits expenses	105.6	120.0	51.5	387.4
Depreciation, amortization and impairment	3.5	3.5	3.7	14.3
Others expenses	54.8	120.8	43.8	263.6
	2,234.6	2,039.7	1,242.4	5,960.1
Profit / (Loss) before tax	(403.7)	837.0	226.9	1,150.5
Tax Expense:				
Current tax	0.0	296.7	496.2	807.6
Deferred tax	(99.8)	(82.9)	(437.2)	(509.3)
Total Tax Expense	(99.8)	213.8	59.0	298.3
Profit / (Loss) after taxes	(303.9)	623.2	167.9	852.2
Other comprehensive income				
i. Items that will not be reclassified to profit or loss				
(a) Remeasurements (loss) of the defined benefit plans	-	(2.8)	-	(2.8)
ii.				
Income tax relating to items that will not be reclassified to profit or loss	-	0.7	-	0.7
Other comprehensive income		(2.1)		(2.1)
Total comprehensive income for the year	(303.9)	621.1	167.9	850.1
Earnings per equity share (Not annualised) (Face Value ₹10 per share (previous year ₹10))				
Basic (₹)	(0.8)	1.9	0.5	2.6
Diluted (₹)	(0.8)	1.9	0.5	2.6



Notes:

- 1 Subsequent to year ended on March 31, 2024, upon the receipts of permission, the company has completed listing of its Non-Convertible Debentures amounting to ₹ 2000 million on National Stock Exchange on June 26, 2024. Accordingly, these financial results for the quarter ended June 30, 2024 are drawn up for the first time in accordance with the requirements of the SEBI listing regulation (LODR).
- 2 During the quarter, the company has issued 144,533,282 equity shares with Face value of ₹ 10 each for consideration of ₹ 5,388.20 million to its existing shareholder on May 30, 2024 on a rights issue basis.
- 3 The above results for the quarter ended June 30, 2024, have been prepared pursuant to the requirements of Regulation 52 read with 63 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including relevant circulars issued by the SEBI from time to time.
- 4 The above financial results have been prepared in accordance with recognition and measurement principles laid down in accordance with the Indian Accounting Standard ("Ind AS") 34 - Interim Financial Reporting as notified under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and the other accounting principles generally accepted in India.
- 5 There has been no change to material accounting policies during the quarter ended June 30, 2024 as compared to those followed for the year ended March 31, 2024.
- 6 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meeting held on August 12, 2024. The results have been subjected to audit by the Statutory Auditors and they have issued an unmodified opinion thereon.
- 7 The Company's primary operations fall under a single business of undertaking Primary Dealer activities as defined by Reserve Bank of India and its allied services whose operating results are regularly reviewed by the Company's chief operating decision maker to assess performance and make decisions. Since the Company's current business activity primarily falls within a single business and geographical segment, no additional disclosure is to be provided under Ind AS 108, Operating segments.
- 8 The financial results for the quarter ended June 30, 2023 has not been subjected to limited review or audit. However, the management has exercised necessary due diligence to ensure that the financial results for said quarter provide a true and fair view of the Company's affairs.
- 9 The figures for the quarter ended March 31, 2024 are the balancing figures between the audited figures in respect of the full financial year and the management verified figures for the nine months ended December 31, 2023 based on management accounts and not reviewed.
- 10 Figures are regrouped, rearranged and reclassified wherever necessary. Figures are rounded off to the nearest ₹ in millions



**For and on behalf of the Board of Directors of
Nomura Fixed Income Securities Limited**
(Formerly known as Nomura Fixed Income
Securities Private Limited)


Ujjwal Kumar
Director
Place: Mumbai
Date: August 12, 2024

Annexure 1

Disclosure in compliance with Regulation 52 (4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.
Key Financial Ratios

Particulars	Quarter ended			Year Ended
	June 30, 2024	March 31, 2024	June 30, 2023	March 31, 2024
Debt Equity Ratio (times)	7.58	9.67	5.65	9.67
Net worth (In ₹ million)	17,002.0	12,013.6	11,234.1	12,013.6
Total debt to Total Assets ratio	72.96%	83.51%	63.40%	83.51%
Net Profit Margin	-	21.66%	11.43%	11.99%
Capital to Risk Weighted Assets Ratio (CRAR)	36.69%	32.75%	42.66%	32.75%
Operating Margin (%)	-	29.10%	15.44%	16.18%
Earning per equity shares (Not annualised) (Face Value ₹10 per share (previous year ₹10))				
Basic (₹)	(0.8)	1.9	0.5	2.6
Diluted (₹)	(0.8)	1.9	0.5	2.6
Net Profit / (Loss) after tax (In ₹ million)	(303.9)	623.2	167.9	852.2

Foot notes for the above ratios:

- The following ratios are not applicable to the Company as it is a Standalone Primary Dealer (NBFC):
Current ratio, Current liability ratio, Debt service coverage ratio, Interest service coverage ratio, Long-term debt to working capital ratio, Bad debts to Account receivables ratio, Debtors turnover ratio and Inventory turnover ratio.
- Debenture redemption reserve is not applicable to the Company.
- Formula for computation of ratios:
 - Debt = Borrowings including Debt Securities + Lease liabilities + Interest accrued on borrowings
 - Equity / Shareholders Fund / Net worth = Equity Share Capital + Other Equity
 - Debt-equity ratio (%) = Total Debt / Shareholders Fund * 100
 - Total Debts / Total Assets (%) = Total Debt / Total Assets * 100
 - Net profit margin (%) = Profit after Tax / Revenue from operations (net) * 100
 - Operating profit margin (%) = Operating Profit / Revenue from operations (net) * 100
 - The Company reports Capital to risk weighted assets ratio ("CRAR") to Reserve Bank of India as per Master Direction - Standalone Primary Dealers (Reserve Bank) Directions, 2016 (as amended from time to time)



Nomura Fixed Income Securities Limited

(formerly known as Nomura Fixed Income Securities Private Limited)

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Listing & Compliance
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra East, Mumbai 400 051

Dear Sir/Madam,

Subject: Disclosure under Regulation 52(7) and 52(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 52(7) and 52(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the statement of utilisation of issue proceeds of Non-Convertible Debentures ("NCD") and the statement of deviation/variation, if any, in use of proceeds of issue of NCDs for the quarter ended June 30, 2024, in the format prescribed under SEBI Circular No. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated July 29, 2022.

This is for your information and records.

For **Nomura Fixed Income Securities Limited**

(Formerly known as Nomura Fixed Income Securities Private Limited)



Ujjwal Kumar
Director

Place: Mumbai

Date: August 12, 2024



Annexure

Statement indication utilisation and deviation/variation in the use of proceeds of issue of listed Non-convertible Debentures

Securities for quarter ended June 30, 2024

[Regulation 52(7) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated July 29, 2022]

A. Statement of utilization of issue proceeds:

Name of the issuer	ISIN	Mode of Fund Raising (Public issues/ Private)	Type of instrument	Date of raising funds	Amount raised (In ₹ million)	Funds utilised (In ₹ million)	Any deviation (Yes/No)	If 8 is yes, then specify the purpose of for	Remarks, if any
1	2	3	4	5	6	7	8	9	10
Nomura Fixed Income Securities Limited	INE127K08017	Private Placement	Debentures	June 25, 2024	2,000.0	2,000.0	No		Not Applicable

B. Statement of deviation/ variation in use of issue proceeds:

Particulars	Remarks
Name of Listed entity	Nomura Fixed Income Securities Limited
Mode of Fund raising	Private Placement
Type of Instrument	Non-Convertible Debentures
Date of raising funds	June 25, 2024
Amount raised	INR 2,000 million
Report filed for year ended	June 30, 2024
Is there a deviation/variation in use of funds raised?	No
Whether any approval is required to vary the objects of the issue stated in the prospectus / offer document?	Not Applicable
If yes, details of the approval so required?	Not Applicable
Date of approval	Not Applicable
Explanation for the deviation /variation	Not Applicable
Comments of audit committee after review	Not Applicable
Comments of Auditors, if any	Not Applicable
Objects for which funds have been raised and where there has been a deviation/variation, in the following table:	Not Applicable

ISIN	Original object	Modified object, if any	Original allocation (In ₹ million)	Modified allocation, if any	Funds utilised (In ₹ million)	Amount of deviation/variation for the	Remarks, if any
INE127K08017	General Corporate Purposes	Not Applicable	2,000.0	Not Applicable	2,000.0	NIL and 0%	Not Applicable

Deviation could mean:

- Deviation in the objects or purposes for which the funds have been raised.
- Deviation in the amount of funds actually utilized as against what was originally disclosed.

For Nomura Fixed Income Securities Limited

(Formerly known as Nomura Fixed Income Securities Private Limited)

Ujjwal Kr.
Name of Signatory: Ujjwal Kumar
Designation: Director
Date: August 12, 2024

