

INDEPENDENT AUDITORS' REPORT

To the Members of LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED

Report on the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS Financial Statements of **LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, 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 a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("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 March 31, 2021, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing, as specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

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

The Company's Board of Directors are responsible for the other information. The other information comprises the Board's Report but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Board's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable in the applicable laws and regulations. We have nothing to report in this regard.



Responsibilities of Management and Those Charged with Governance for the Financial Statements:

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, statement of changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Board of Directors 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

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

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the '**ANNEXURE A**' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, the reporting under section 143(3)(i) read with notification No. G.S.R. 583(E) dated 13th June, 2017 of the Companies Act, 2013 is not applicable to the Company as the turnover of the Company as per latest audited financial statement is less than rupees fifty crores or the aggregate borrowings from banks or financial institutions or body corporate at any point of time during the financial year is less than rupees twenty five crores and hence auditor is not required to report under this clause.
 - (g) With respect to the other matters to be included in the Auditor's report in accordance with the requirements of the sub-section 16 of Section 197 of the Act, as amended:

The Company being a Private Limited Company, the provisions of Section 197 read with schedule 5 to the Act are not applicable to the Company and hence reporting under Section 197 (16) is not required.



(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations on its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts on which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For **SHAH GUPTA & Co.**
Chartered Accountants
Firm Registration No.: 109574W



Vedula Prabhakar Sharma
Partner
Membership No.: 123088
UDIN: 21123088AAAADD7796



Place: Mumbai
Date: June 23, 2021

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

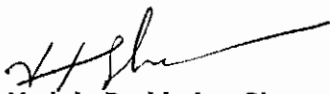
- i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were verified during the year by the Management. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us, Company does not have immovable property and hence Clause 3(i)(c) of the Order is not applicable to the Company.
- ii. The Company's nature of business does not require holding of any inventories. Accordingly, the Clause 3(ii) of the Order is not applicable to the Company.
- iii. According to the information and explanations given by the Management, the Company has granted an interest bearing unsecured to one Company covered in the register maintained under section 189 of the Companies Act, 2013.
- a. In our opinion, the rate of interest and the other terms and conditions of the grant of such loans were not, prima facie, prejudicial to the company's interest;
- b. The borrowers have been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of repayment of the principal amount;
- c. There are no overdue amounts in respect of such loans.
- iv. According to the information and explanations given to us, the Company has not granted any loan or given any guarantees or provided any security to the parties covered under Section 185 of the Act. Further, the Company has not made any investment or given any loan or given any guarantee or provided any security within the meaning of Section 186 of the Act. Accordingly, the paragraph 3(iv) of the Order is not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposit from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, Clause 3 (v) of the Order is not applicable to the Company.
- vi. To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, for the services rendered by the Company.
- vii. a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has generally been regular in depositing undisputed statutory dues including provident fund, Income-Tax, Cess, Goods and Service Tax and other material statutory dues applicable to it to the appropriate authorities.
- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, undisputed statutory dues including provident fund, Income-Tax, Cess, Goods and Service Tax and other material statutory dues, in arrears as at March 31, 2021 for a period of more than six months from the date they became payable are as follows:

Name of statute	Nature of dues	Amount in ₹	Period to which amount relates	Date of payment
Income Tax Act, 1961	Tax	29,490	AY 2018-19	Not paid
Income Tax Act, 1961	Tax	2,560	AY 2019-20	Not paid



- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of provident fund, Income tax, Cess, Goods and Service Tax and other material statutory dues which have not been deposited as at March 31, 2021 on account of any disputes.
- viii. According to the information and explanations give to us, the Company does not have any loans or borrowings from any financial institution, banks, and government or debenture holders during the year. Accordingly, Clause 3(viii) of the Order is not applicable to the Company.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, Clause 3(ix) of the Order is not applicable to the Company.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employee has been noticed or reported during the year.
- xi. The Company being a Private Limited Company, the provisions of section 197 read with Schedule V to the Companies Act, 2013 are not applicable to the Company and hence clause 3(xi) of the Order is not applicable to the Company.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, Clause 3 (xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, Clause 3(xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them and hence provisions of section 192 of the Act are not applicable. Accordingly, clause 3(xv) of the Order is not applicable to the Company.
- xvi. According to the information and explanations given to us the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **SHAH GUPTA & Co.**
Chartered Accountants
Firm Registration No.: 109574W


Vedula Prabhakar Sharma
Partner
Membership No.: 123088
UDIN: 21123088AAAADD7796



Place: Mumbai
Date: June 23, 2021

LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED
Balance Sheet

as at 31st March 2021

Particulars	Note No.	Amount in ₹	
		As at 31 March 2021	As at 31 March 2020
Assets			
Non-current assets			
Property, plant and equipment	2	3,39,867	4,01,691
Right to use assets	3	12,38,939	27,88,670
Goodwill	4	1,77,00,000	1,77,00,000
Financial assets			
- Other financial assets	5	1,22,500	22,500
Non-current tax assets (net)	6	97,090	5,79,425
Deferred tax asset (net)	7	9,77,077	15,07,913
Total non-current assets		2,04,75,472	2,30,00,200
Current assets			
Financial assets			
- Investments	8	59,18,266	51,54,843
- Trade receivables	9	91,17,331	66,50,226
- Cash and cash equivalents	10	1,75,30,425	96,03,482
- Loans	11	50,71,364	-
Other current assets	12	9,69,622	99,979
Total current assets		3,86,07,008	2,15,08,529
Total assets		5,90,82,480	4,45,08,730
Equity and liabilities			
Equity			
Equity share capital	13	20,00,000	20,00,000
Other equity	14	4,15,59,749	2,78,23,966
Total equity		4,35,59,749	2,98,23,966
Liabilities			
Non-current liabilities			
Provisions	15	19,90,979	21,23,250
Total non-current liabilities		19,90,979	21,23,250
Current liabilities			
Financial liabilities			
- Trade payables	16	-	-
Total outstanding dues to micro enterprises and small enterprises		24,51,987	33,67,705
- Other financial liabilities	17	47,22,319	66,27,687
Other current liabilities	18	41,79,767	22,83,994
Provisions	19	6,43,946	2,82,129
Current tax liabilities (net)	20	15,33,733	-
Total financial liabilities		1,35,31,751	1,25,61,514
Total equity and liabilities		5,90,82,480	4,45,08,730
Significant accounting policies, key accounting estimates and judgements	1		
See accompanying notes to the statements			

In terms of our report of even date attached

For Shah Gupta & Co.

Chartered Accountants

Firm Registration Number: 109574W

Vedula Prabhakar Sharma

Partner

Membership Number: 123088


For and on behalf of the Board of Directors
Sunil Goyal

Director

DIN : 00503570

Raghendra Nath

Managing Director

DIN : 03577330

Place: Mumbai

Date: June 23, 2021

Place: Mumbai

Date: June 23, 2021

LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED**Statement of Profit and Loss**

for the year ended 31st March 2021

Amount in ₹

Particulars	Note No.	Year ended 31 March 2021	Year ended 31 March 2020
Income			
Revenue from operations	21	5,69,37,909	5,31,19,712
Other income	22	38,56,635	20,74,658
Total income		6,07,94,545	5,51,94,371
Expenses			
Employee benefit expenses	23	2,73,67,259	2,83,47,520
Finance costs	24	6,74,773	8,09,467
Depreciation and amortization expenses	2 & 3	26,69,343	29,71,502
Other expenses	25	1,23,92,653	1,50,50,909
Total expenses		4,31,04,029	4,71,79,399
Profit before tax		1,76,90,516	80,14,972
Less : Tax expense			
- Current tax		31,28,899	5,18,799
- Minimum alternate tax credit (entitlement)/utilised		11,83,366	-
- Short MAT credit entitlement relating to previous year		(11,83,366)	-
- Deferred tax		4,82,129	4,35,683
- Taxation of earlier years		4,82,335	96,018
Net profit after tax		1,35,97,153	69,64,472
Other comprehensive income / (loss)			
Items that will not be reclassified subsequently to profit or loss (net of tax)			
- Remeasurement of post employment benefit obligation		1,38,631	(2,36,416)
Other comprehensive income / (loss)		1,38,631	(2,36,416)
Total comprehensive income		1,37,35,784	67,28,056
Earnings per equity share (face value ₹ 10 each)	26		
Basic (in ₹)		67.99	34.82
Diluted (in ₹)		67.99	34.82
Significant accounting policies, key accounting estimates and judgements	1		
See accompanying notes to the statements			

In terms of our report of even date attached

For Shah Gupta & Co.

Chartered Accountants

Firm Registration Number: 109574W

Vedula Prabhakar Sharma

Partner

Membership Number: 123088



For and on behalf of the Board of Directors

Sunil Goyal

Director

DIN : 00503570

Raghvendra Nath

Managing Director

DIN : 03577330

Place: Mumbai

Date: June 23, 2021

Place: Mumbai

Date: June 23, 2021

LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED**Statement of changes in equity**

for the period ended 31st March 2021

A) Equity share capital

Particulars	No.	Amount in ₹
Equity shares of ₹ 10 each issued, subscribed and fully paid		
Balance as at 1 April 2020	2,00,000	20,00,000
Changes in equity share capital for the year ended 31 March 2021	-	-
Balance as at 31 March 2021	2,00,000	20,00,000

B) Other equity

Amount in ₹

Particulars	Reserve & surplus		Other comprehensive income	Total equity
	Securities premium	Retained earnings	Remeasurement of post employment benefit obligation	
Balance as at 1 April 2019	60,00,000	1,72,14,608	99,076	2,33,13,684
Profit for the year	-	69,64,472	-	69,64,472
Other comprehensive loss for the year	-	-	(2,36,416)	(2,36,416)
Transaction adjustment on adoption of Ind AS 116	-	(22,17,774)	-	(22,17,774)
Balance as at 31 March 2020	60,00,000	2,19,61,306	(1,37,340)	2,78,23,966
Profit for the year	-	1,35,97,153	-	1,35,97,153
Other comprehensive income for the year	-	-	1,38,631	1,38,631
Balance as at 31 March 2021	60,00,000	3,55,58,458	1,291	4,15,59,749

Significant accounting policies, key accounting estimates and judgements

1

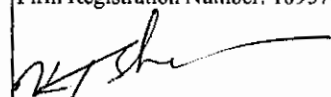
See accompanying notes to the statements

In terms of our report of even date attached

For Shah Gupta & Co.

Chartered Accountants

Firm Registration Number: 109574W



Vedula Prabhakar Sharma

Partner

Membership Number: 123088



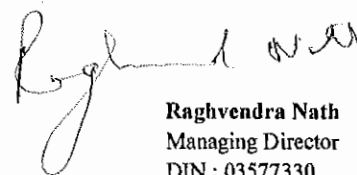
For and on behalf of the Board of Directors



Sunil Goyal

Director

DIN : 00503570



Raghvendra Nath

Managing Director

DIN : 03577330

Place: Mumbai

Date: June 23, 2021

Place: Mumbai

Date: June 23, 2021

LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED
Statement of Cash Flow

for the year ended 31st March 2021

Particulars	Amount in ₹	
	Year ended 31 March 2021	Year ended 31 March 2020
A. Cash flow from operating activities		
Net profit before Tax	1,76,90,516	80,14,972
Add / (less) : Adjustments for:		
Depreciation and amortization expenses	26,69,343	29,71,502
Provision for expected credit loss	11,50,488	16,56,794
Finance cost	6,63,887	8,09,467
Interest income	(2,35,321)	(1,21,060)
Dividend income	-	(2,89,756)
Notional (gain)/loss on value of current investments measured at FVTPL	(7,04,783)	3,30,777
Remeasurement of post employment benefit obligation	1,38,631	(2,36,416)
Operating profit before working capital changes	2,13,72,761	1,31,36,280
Adjustments for change in working capital :		
(Increase) / decrease in trade receivables	(36,17,593)	2,18,882
(Increase) / decrease in loan	(50,71,364)	-
(Increase) / decrease in other financial assets	(1,00,000)	-
(Increase) / decrease in other non financial assets	(8,69,643)	4,66,023
Increase / (decrease) in trade payables	(9,15,718)	(16,84,168)
Increase / (decrease) in provisions	2,29,546	6,33,426
Increase / (decrease) in other financial liabilities	(43,39,205)	(2,82,350)
Increase / (decrease) in other liabilities	18,95,774	6,83,804
Cash generated from operations	85,84,559	1,31,71,897
Income tax paid (net of refund)	(15,46,458)	(17,10,928)
Net cash inflow from operating activities	(A) 70,38,101	1,14,60,969
B. Cash flow from investing activities		
(Purchase)/proceeds of property, plant & equipment	(10,57,787)	(1,65,226)
(Purchase)/proceeds from investments valued at FVTPL	(58,641)	(21,78,227)
Dividend received	-	2,89,756
Interest income	2,35,321	1,21,060
Net cash onflow from investing activities	(B) (8,81,107)	(19,32,637)
C. Cash flow from financing activities		
Interest paid	(2,05,730)	(80,649)
Lease obligation	19,75,679	(41,12,390)
Net cash inflow from/ (outflow) from financing activities	(C) 17,69,949	(41,93,038)
Net increase in cash and cash equivalents	(A+B+C) 79,26,943	53,35,294
Cash and cash equivalents at the beginning of the year	96,03,482	42,68,188
Closing cash and cash equivalents (refer note 10)	1,75,30,425	96,03,482

Note :

1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard - 7 ('Ind AS 7') on Cash Flow Statement prescribed in Companies (Indian Accounting Standard) Rules, 2015, notified under section 133 of the Companies Act, 2013.

2. Previous year's figures have been regrouped wherever necessary.

In terms of our report of even date attached

For Shah Gupta & Co.

Chartered Accountants

Firm Registration Number: 109574W

Vedula Prabhakar Sharma

Partner

Membership Number: 123088


For and on behalf of the Board of Directors
Sunil Goyal

Director

DIN : 00503570

Place: Mumbai

Date: June 23, 2021

Raghendra Nath
 Managing Director
 DIN : 03577330

Place: Mumbai

Date: June 23, 2021

LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED

Notes forming part of the financial statements

Note 1.1 Corporate information

Ladderup Wealth Management Private Limited (CIN U74140MH2008PTC177491) ("the Company") is domiciled in India and is incorporated under the provisions of the Companies Act applicable in India.

Note 1.2 Significant accounting policies

i Basis of preparation

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015 (as amended from time to time).

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting.

All the assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in as per the guidance set out in Schedule III to the Act. Based on nature of services, the Company ascertained its operating cycle as 12 months for the purpose of current and non-current classification of asset and liabilities.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency.

ii Accounting estimates

The preparation of the financial statements, in conformity with the Ind AS, requires the management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognized in the period in which they are determined.

iii Historical cost convention

These financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities which are measured at fair value (refer accounting policy regarding financial instruments).

1. Financial instruments measured at fair value through profit or loss, if applicable
2. Financial instruments measured at fair value through other comprehensive income, if applicable

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Deferred tax assets

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

iv Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognized in the Statement of Profit and Loss.



v Depreciation/ amortization

Depreciation on property plant and equipments is provided on 'Straight Line Method' considering the useful lives and their residual value as provided in Schedule II of Companies Act, 2013.

vi Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

A financial asset is

(i) a contractual right to receive cash or another financial asset; to exchange financial assets or financial liabilities under potentially favourable conditions;

(ii) or a contract that will or may be settled in the entity's own equity instruments and a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Initial recognition

In the case of financial assets, not recorded at fair value through profit or loss (FVTPL), financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the Effective Interest Rate (EIR) method. Impairment gains or losses arising on these assets are recognized in the Statement of Profit and Loss.

Financial assets measured at fair value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the Statement of Profit and Loss.

Financial asset not measured at amortized cost or at fair value through OCI is carried at FVTPL.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies the Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. 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 a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss.



De-recognition of financial assets

The Company de-recognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

b) Equity instruments and financial liabilities

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

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

Financial liabilities

A financial liability is

(i) a contractual obligation to deliver cash or another financial asset to another entity; or to exchange financial instruments under potentially unfavourable conditions;

(ii) or a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be obliged to deliver a variable number of its own equity instruments; or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Initial recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings and payables as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization. Amortization is recognized as finance income in the Statement of Profit and Loss.

Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in the Statement of Profit and Loss.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

De-recognition of financial liabilities

Financial liabilities are de-recognized when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.



c) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis to realize the assets and settle the liabilities simultaneously.

vii Employee benefits

a Defined contribution plan

Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

b Defined benefit plan

The company provides for retirement benefits in the form of Gratuity. Benefits payable to eligible employees of the company with respect to gratuity is accounted for on the basis of an actuarial valuation as at the Balance Sheet date. The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the balance sheet date through which the obligations are to be settled.

Remeasurements, comprising of actuarial gains and losses and the return on plan assets (excluding net interest) is reflected immediately in the balance sheet with a charge/credit recognised in Other Comprehensive Income ("OCI") in the period in which they occur.

Remeasurements recognised in OCI is reflected immediately in retained earnings and is not reclassified to profit or loss in subsequent periods.

Leave entitlement and compensated absences

The employees of the company are entitled to compensated absences for which the company records the liability based on actuarial valuation computed using Projected Unit Credit method. These benefits are unfunded. Leaves under defined benefit plan can be encashed only on discontinuation of service by employee.

Short-term obligations

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognized as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognized in the period in which the absences occur.

viii Cash and cash equivalents

Cash and cash equivalents include cash in hand and cash at bank.

x Revenue recognition

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

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

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

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

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

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

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

Brokerage/commission from each Mutual Fund House is recognized by the Company on the basis of the statements generated by the main registrar on periodic basis.

Distribution income is earned by selling of services and products of other entities under distribution arrangements. The income so earned is recognised on successful sales on behalf of other entities subject to there being no significant uncertainty of its recovery.



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Financial assets are subsequently measured at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI), as applicable. The Company recognises gains/losses on fair value change of financial assets measured as FVTPL and realised gains/losses on derecognition of financial asset measured at FVTPL and FVOCI.

In respect of other operational income, the Company follows the practice of accounting on accrual basis.

xi Income tax

Income tax comprises of current and deferred income tax. Income tax is recognized as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognized in equity or in OCI.

a Current income tax

Current income tax is recognized based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

b Deferred income tax

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognized for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date. Deferred tax assets are only recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Such assets are reviewed at each Balance Sheet date to reassess realization.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Minimum Alternative Tax (MAT)

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent it is probable that the Company will pay normal income tax during the specified period. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as 'MAT Credit Entitlement'. The Company reviews the 'MAT Credit Entitlement' asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will be able to utilize the MAT Credit Entitlement within the period specified under the Income-tax Act, 1961.

xii Leases

The company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The company

has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). The company's lease asset classes primarily consist of leases for Premises. The company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether:

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

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



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

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

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the

lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

xiii Impairment of non-financial assets

As at each Balance Sheet date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In case of an individual asset, at the higher of the assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation.

When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through the Statement of Profit and Loss.

xvi Earnings per share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

xvii Provisions, contingent liabilities and contingent assets

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be accompanied by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognized because it cannot be measured reliably.



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Contingent assets are disclosed in the financial statements.

xviii Borrowing costs

Borrowing costs consist of interest and other ancillary costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All borrowing costs are charged to the Statement of Profit and Loss except:

a) Borrowing costs directly attributable to the acquisition or construction of assets that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of such assets.

b) Expenses incurred on raising long term borrowings are amortised using effective interest rate method over the period of borrowings.

Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

xix Functional currency and foreign currency transactions

(a) Functional and presentation currency

The financial statements are presented in Indian rupee (INR/₹), which is the company's functional and presentation currency. Foreign currency transactions are recorded and presented in the functional currency by applying the exchange rate between the functional currency and the foreign currency prevailing at the dates of the transactions.

(b) Translations

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

All monetary items in foreign currencies are restated at the end of each reporting period at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Foreign exchange differences arising between the transaction date and the settlement/reporting date are recognised in the Statement of Profit and Loss.

Note 1.3 Applicability of new Indian Accounting Standards ('Ind AS'), amendments and interpretations:

The Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2020, has notified the following major amendments, which became applicable with effect from 1 April, 2020.

Amendments to Ind AS 103- Business combinations

The Company has adopted the amendments to Ind AS 103 for the first time in the current year. The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after 1st April, 2020.

The adoption of these amendments has not had any impact on the disclosures or reported amounts in these financial statements.

Amendments to Ind AS 116 – Leases

The Company has adopted the amendments to Ind AS 116 for the first time in the current year. The amendments provide practical relief, subject to certain conditions, to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying Ind AS 116 if the change were not a lease modification.

The adoption of these amendments has not had any impact on the disclosures or reported amounts in these financial statements.



Amendment to Ind AS 1 and Ind AS 8 – Definition of “Material”

The Company has adopted the amendments to Ind AS 1 and Ind AS 8 for the first time in the current year. The amendments make the definition of material in Ind AS 1 easier to understand and are not intended to alter the underlying concept of materiality in Ind ASs. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition.

The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in Ind AS 8 has been replaced by a reference to the definition of material in Ind AS 1. In addition, the MCA amended other Standards that contain the definition of 'material' or refer to the term 'material' to ensure consistency.

The adoption of these amendments did not have any material impact on its evaluation of materiality in relation to the financial statements.

Note 1.4 Recent accounting pronouncements which are not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2021.

Note 1.5 Amendment to Schedule III of the Companies Act, 2013:

On 24 March 2021, MCA through a notification, amended Schedule III of the Companies Act, 2013, with effect from 1 April, 2021. Key amendments relevant for the Company are:

- a. Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- b. Current maturities of long-term borrowings should be disclosed separately within borrowings instead of earlier disclosure requirement under Other Financial Liabilities.
- c. Specified format for disclosure of shareholding of promoters
- d. Additional disclosures relating to Corporate Social Responsibility, undisclosed income and crypto or virtual currency.
- e. Disclosure of specified ratios along with explanation for items included in numerator and denominator and explanation for change in any ratio is excess of 25% compared to preceding year.
- f. If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- g. Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel and related parties and details of benami property held.
- h. Certain additional disclosures in the statement of changes in equity due to prior period errors and restated balances at the beginning of the current reporting period.
- i. Specified format for ageing schedule of trade receivables, trade payables, capital work-in progress and intangible asset under development.

The Company is evaluating the impact of these amendments.



LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED
Notes forming part of the financial statements

Note 2 : Property, plant and equipment

Amount in ₹

Particulars	Office equipment	Computers	Total
Gross carrying value			
Balance as at 1 April 2020	79,144	6,96,101	7,75,245
Additions	-	1,29,641	1,29,641
Deletions	-	-	-
Balance as at 31 March 2021	79,144	8,25,742	9,04,886
Accumulated amortisation			
Balance as at 1 April 2020	18,425	3,55,129	3,73,554
Additions	14,925	1,76,540	1,91,465
Deletions	-	-	-
Balance as at 31 March 2021	33,350	5,31,669	5,65,019
Net carrying value			
Balance as at 1 April 2020	60,719	3,40,972	4,01,691
Balance as at 31 March 2021	45,794	2,94,073	3,39,867

Note 3 : Right to use assets

Amount in ₹

Particulars	Leasehold premises
Gross carrying value	
Balance as at 1 April 2020	1,67,32,023
Additions	9,28,146
Deletions	-
Balance as at 31 March 2021	1,76,60,169
Accumulated amortisation	
Balance as at 1 April 2020	1,39,43,352
Additions	24,77,878
Deletions	-
Balance as at 31 March 2021	1,64,21,230
Net carrying value	
Balance as at 1 April 2020	27,88,670
Balance as at 31 March 2021	12,38,939



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LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED
Notes forming part of the financial statements

Note 4 : Goodwill

Amount in ₹

Particulars	Goodwill	Total
Gross carrying value (at deemed cost)		
Balance as at 1 April 2020	1,77,00,000	1,77,00,000
Additions	-	-
Deletions	-	-
Balance as at 31 March 2021	1,77,00,000	1,77,00,000
Accumulated amortisation and impairment		
Balance as at 1 April 2020	-	-
Additions	-	-
Deletions	-	-
Balance as at 31 March 2021	-	-
Net carrying value		
Balance as at 1 April 2020	1,77,00,000	1,77,00,000
Balance as at 31 March 2021	1,77,00,000	1,77,00,000

Note - Impairment Charges - Goodwill is tested for impairment and accordingly no impairment charges were identified for FY 2020 - 2021 (Nil for FY 2019-2020).



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LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED

Notes forming part of the financial statements

Note 5 : - Other financial assets

Amount in ₹

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good - Security Deposit	1,22,500	22,500
Total other financial assets	1,22,500	22,500

Note 6 : Non-current tax assets (net)

Amount in ₹

Particulars	As at 31 March 2021	As at 31 March 2020
Advance tax & TDS receivable (net of provision for tax)	97,090	5,79,425
Total current tax asset (net)	97,090	5,79,425

Note 7 : Deferred tax asset (net)

Amount in ₹

Particulars	As at 31 March 2021	As at 31 March 2020
Deferred tax asset :		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis.	6,85,081	6,25,399
On account of fair value of financial instruments	-	85,949
On expected credit loss of financial assets	2,559	3,01,686
Adjustment on account of Ind AS 116 transition	-	4,35,051
Adjustment on lease modification	1,91,552	-
Minimum alternate tax credit entitlement	2,05,129	2,05,129
Deferred tax liability		
Fixed assets : Impact of difference between tax depreciation and depreciation charged for the financial reporting	(9,949)	(1,45,300)
On account of fair value of financial instruments	(97,295)	-
Total deferred tax asset (net)	9,77,077	15,07,913

Note 8 : - Investments

Amount in ₹

Particulars	As at 31 March 2021	As at 31 March 2020
Investments carried at fair value through profit and loss		
Investment in mutual funds		
Aditya Birla Sunlife Midcap Fund - Direct 4,647,487 (31.03.2020 : 3,788,401) units	17,58,749	48,47,985
Investments carried at amortised cost		
Investments in bonds	41,59,518	3,06,858
Total investments	59,18,266	51,54,843

Aggregate of current investments:

Amount in ₹

Particulars	As at 31 March 2021	As at 31 March 2020
Book value of investments	59,18,266	51,54,843
Cost of investments	54,90,502	54,85,414
Investments carried at fair value through profit and loss	17,58,749	48,47,985

Note 9 : - Trade receivables

Amount in ₹

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good	91,27,172	78,10,555
Less : Expected credit loss	(9,841)	(11,60,330)
Total trade receivables	91,17,331	66,50,226



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LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED

Notes forming part of the financial statements

Note 10 : - Cash and cash equivalents

Amount in ₹

Particulars	As at 31 March 2021	As at 31 March 2020
Balances with banks		
- In current accounts	1,74,28,925	95,02,467
Cash on hand	1,01,500	1,01,016
Total cash and cash equivalents	1,75,30,425	96,03,482

Note 11 : - Loans

Amount in ₹

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good		
- To related parties (refer note 30)	50,71,364	-
Total loans	50,71,364	-

Note 12 : Other current assets

Amount in ₹

Particulars	As at 31 March 2021	As at 31 March 2020
Prepaid expenses	2,80,878	87,902
Advance recoverable in cash or in kind	6,88,744	12,077
Total other current assets	9,69,622	99,979



Note 13 : Equity share capital

Particulars	Amount in ₹	
	As at 31 March 2021	As at 31 March 2020
Authorised share capital 2,00,000 (31 March 2020: 2,00,000) equity shares of ₹ 10/- each	20,00,000	20,00,000
Total authorised share capital	20,00,000	20,00,000
Issued, subscribed and fully paid 2,00,000 (31 March 2020: 2,00,000) equity shares of	20,00,000	20,00,000
Total issued, subscribed and paid-up equity share capital	20,00,000	20,00,000

a. Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2021		As at 31 March 2020	
	No.	Amount in ₹	No.	Amount in ₹
Equity shares				
At the beginning of the year	2,00,000	20,00,000	2,00,000	20,00,000
Shares issued during the year	-	-	-	-
Outstanding at the end of the year	2,00,000	20,00,000	2,00,000	20,00,000

b. Terms/rights attached to equity shares:

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by holding company :

Name of the Shareholder	As at 31 March 2021		As at 31 March 2020	
	No of Shares	Amount in ₹	No of Shares	Amount in ₹
Ladderup Finance Limited	1,02,000	10,20,000	1,02,000	10,20,000

d. The details of shareholders holding more than 5% of the equity shares of the company as at year end are as below :

Name of the equity shareholder	As at 31 March 2021		As at 31 March 2020	
	Number of equity shares held	% of holding	Number of equity shares held	% of holding
Ladderup Finance Limited	1,02,000	51%	1,02,000	51%
Raghvendra Nath	66,000	33%	66,000	33%
Ladderup Venture LLP	32,000	16%	32,000	16%

Note 14 : Other equity

Particulars	Amount in ₹	
	As at 31 March 2021	As at 31 March 2020
(i) Securities premium reserve		
Opening balance	60,00,000	60,00,000
Closing balance	60,00,000	60,00,000
(ii) Retained earnings		
Opening balance	2,19,61,306	1,72,14,608
Profit for the year	1,35,97,153	69,64,472
Transaction adjustment on adoption of IND AS 116	-	(22,17,774)
Closing balance	3,55,58,458	2,19,61,306
(iii) Other comprehensive income/(loss)		
Opening balance	(1,37,340)	99,076
Add: Income/(loss) on fair value of defined benefit plans	1,38,631	(2,36,416)
	1,291	(1,37,340)
Total other equity	4,15,59,749	2,78,23,966

Nature and purpose of reserves:

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.



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LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED
Notes forming part of the financial statements

Note 15 : Provisions

Particulars	Amount in ₹	
	As at 31 March 2021	As at 31 March 2020
Provision for employee benefits:		
Provision for gratuity (refer note 27)	19,90,979	21,23,250
Total provisions	19,90,979	21,23,250

Note 16 : - Trade payables

Particulars	Amount in ₹	
	As at 31 March 2021	As at 31 March 2020
- Total outstanding dues of micro enterprises and small enterprises (refer note below)	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	24,51,987	33,67,705
Total trade payables	24,51,987	33,67,705

The Company had sought confirmation from the vendors whether they fall in the category of Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') which came into force from 2 October 2006. On the basis of the information and records available with the management, the required disclosure for Micro, Small and Medium Enterprises under the above Act is given below :

Particulars	As at 31 March 2021	As at 31 March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year.	-	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the due date during each accounting year;	-	-
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
The amount of further interest due and payable even in the succeeding year, 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 section 23.	-	-

Note 17 : - Other financial liabilities

Particulars	Amount in ₹	
	As at 31 March 2021	As at 31 March 2020
Employee benefit payable	27,46,640	21,65,744
Lease obligation	19,75,679	44,61,943
Total other financial liabilities	47,22,319	66,27,687

Note 18 : Other current liabilities

Particulars	Amount in ₹	
	As at 31 March 2021	As at 31 March 2020
Statutory liabilities	21,24,643	22,83,994
Advance from customers	20,55,124	-
Total other current liabilities	41,79,767	22,83,994

Note 19 : Provisions

Particulars	Amount in ₹	
	As at 31 March 2021	As at 31 March 2020
Provision for bonus	1,76,270	1,85,274
Provision for gratuity	4,67,676	96,855
Total provisions	6,43,946	2,82,129

Note 20 : Current tax liabilities (net)

Particulars	Amount in ₹	
	As at 31 March 2021	As at 31 March 2020
Provision for taxation (net of advance tax)	15,33,733	-
Total current tax liabilities (net)	15,33,733	-



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LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED

Notes forming part of the financial statements

Note 21 : Revenue from operations

Amount in ₹

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Brokerage & commission and investment advisory services	5,69,37,909	5,31,19,712
Total revenue from operations	5,69,37,909	5,31,19,712

Note 22 : Other income

Amount in ₹

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Gain on bond transaction	12,54,433	-
Short term capital gain on mutual fund	2,86,511	7,246
Interest received on bond	2,35,321	1,21,060
Interest received on loan	77,150	-
Miscellaneous income	33,311	-
Reversal of provision for expected credit loss	11,50,488	16,56,794
Dividend income	-	2,89,756
Business promotion	1,14,639	-
Net gain on fair value changes	7,04,783	(198)
Total other income	38,56,635	20,74,658

Note 23 : Employee benefit expenses

Amount in ₹

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Salaries & wages	2,64,04,913	2,67,99,848
Contribution to provident fund and other fund	9,00,832	11,80,877
Office staff welfare expense	61,515	6,03,211
Total employee benefit expense	2,73,67,259	2,85,83,936

Note 24 : Finance costs

Amount in ₹

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Interest expenses on borrowings	2,05,730	70,216
Bank charges	10,886	10,433
Finance cost on lease obligation	4,58,158	7,28,818
Total finance costs	6,74,773	8,09,467

Note 25 : Other expenses

Amount in ₹

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Professional fees	40,97,761	29,75,817
Sub-commission & brokerage	23,50,709	12,64,764
Travelling & conveyance	14,97,050	30,83,254
Vehicle maintenance	6,48,485	6,68,897
Business promotion expenses	-	19,53,098
Communication cost	5,25,735	4,42,960
Electricity	1,23,842	3,70,388
Provision for expected credit loss	-	-
Net loss on financial instruments at fair value through profit or loss	-	3,30,578
Office expenses	6,70,429	14,21,546
Payment to auditors (refer note below 25(a))	80,000	80,000
Printing & stationery	51,006	2,18,977
Rent	-	2,88,000
Repair & maintenance (others)	33,070	52,022
Miscellaneous expenses	23,14,566	19,00,608
Total other expenses	1,23,92,653	1,50,50,909



LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED

Notes forming part of the financial statements

Note 25(a) : Payment to auditors

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
-Statutory audit	60,000	60,000
-Tax audit fees	20,000	20,000
Total	80,000	80,000

Note 26 : Earnings per equity share (face value ₹ 10 each)

A reconciliation of profit for the year and equity shares used in the computation of basic and diluted earnings per equity share is set out below:

Basic: Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the year, excluding equity shares purchased by the company and held as treasury shares.

Diluted: Diluted earnings per share is calculated by adjusting the weighted average number of equity shares outstanding during the year for assumed conversion of all dilutive potential equity shares. Employee share options are dilutive potential equity shares for the company.

Particulars	31 March 2021	31 March 2020
Weighted average number of equity shares of ₹ 10 each		
Number of shares at the beginning and end of the year	2,00,000	2,00,000
Weighted average number of shares outstanding during the year	2,00,000	2,00,000
Weighted average number of potential equity shares outstanding during the year	-	-
Total number of potential equity share for calculating diluted earning per share	2,00,000	2,00,000
Net profit after tax available for equity shareholders	1,35,97,153	69,64,472
Basic earning per share (in ₹)	67.99	34.82
Diluted earning per share (in ₹)	67.99	34.82



Note 27: Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'

Defined benefit obligation

Gratuity

The company provides for the gratuity, a defined benefit retirement plan covering qualifying employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated period mentioned under The Payment of Gratuity Act, 1972.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Details of defined benefit plans as per actuarial valuation are as follows:

Particulars	Amount in ₹	
	Unfunded plan	
	31 March 2021	31 March 2020
Expenses recognized in the statement of profit and loss		
Current service cost	3,87,689	2,98,028
Net interest cost	1,48,760	1,20,211
Components of defined benefit costs recognized in profit or loss	5,36,449	4,18,239

Included in other comprehensive income	Amount in ₹	
	31 March 2021	31 March 2020
Components of actuarial gain/losses on obligations:		
- financial assumptions	-	1,74,863
- demographic assumptions	-	(3,219)
- experience adjustments	(1,87,339)	64,772
Actuarial (gain) / loss recognized in OCI	(1,87,339)	2,36,416

Changes in the defined benefit obligation	Amount in ₹	
	31 March 2021	31 March 2020
Opening defined benefit obligation	22,20,105	15,96,932
Transfer in/(out) obligation	-	-
Current service cost	3,87,689	2,98,028
Interest expense	1,48,760	1,20,211
Components of actuarial gain/losses on obligations:		
- financial assumptions	-	1,74,863
- demographic assumptions	-	(3,219)
- experience adjustments	(1,87,339)	64,772
Benefits paid	(1,10,560)	(31,482)
Present value of obligation as at the end of the year	24,58,655	22,20,105

Reconciliation of net defined benefit liability	Amount in ₹	
	31 March 2021	31 March 2020
Net opening provision in books of accounts	22,20,105	15,96,932
Expense charged to statement of profit and loss	5,36,449	4,18,239
Amount recognised in other comprehensive income	(1,87,339)	2,36,416
Benefits paid	(1,10,560)	(31,482)
Closing provision in books of accounts	24,58,655	22,20,105

Bifurcation of liability as per schedule III	Amount in ₹	
	31 March 2021	31 March 2020
Current liability*	4,67,676	96,855
Non-current liability	19,90,979	21,23,250
Net liability	24,58,655	22,20,105

* The current liability is calculated as expected contribution for the next 12 months.

Maturity analysis of defined benefit obligation

Particulars	Amount in ₹	
	31 March 2021	31 March 2020
Expected benefits for year 1	4,67,676	96,855
Distribution (%)	8.30%	1.80%
Expected benefits for year 2	90,910	4,25,817
Distribution (%)	1.60%	8.00%
Expected benefits for year 3	96,539	86,259
Distribution (%)	1.70%	1.60%
Expected benefits for year 4	86,289	92,433
Distribution (%)	1.50%	1.70%
Expected benefits for year 5	89,498	82,632
Distribution (%)	1.60%	1.60%
Sum of year 6 to 10 year	17,95,436	16,27,591
Distribution (%)	32.00%	30.70%



LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED
Notes forming part of the financial statements

Expected contribution to fund in the next year

Amount in ₹

Particulars	31 March 2021	31 March 2020
Expected contribution to fund in the next year	4,67,676	96,855

The following table summarizes the principal assumptions used for defined benefit obligation :

Particulars	31 March 2021	31 March 2020
Actuarial assumptions		
Discount rate (p.a.)	6.85%	6.85%
Salary growth rate (p.a.)	6.00%	6.00%
Withdrawal rates	5.00% p.a at younger ages reducing to 1.00%p.a % at older ages	5.00% p.a at younger ages reducing to 1.00%p.a % at older ages
Rate of return on plan assets	NA	NA

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amount in ₹

Particulars	Gratuity	
	31 March 2021	31 March 2020
	0.5% increase	
i. Discount rate	23,48,003	21,14,201
ii. Salary escalation rate - over a long-term	25,03,718	22,74,097
	10% increase	
iii. Withdrawal rate (W.R.)	24,83,246	22,44,626
	0.5% decrease	
i. Discount rate	25,79,180	23,35,620
ii. Salary escalation rate - over a long-term	24,17,974	21,73,408
	10% decrease	
iii. Withdrawal rate (W.R.)	24,32,997	21,94,517

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant.

B Defined contribution plans

Provident fund

The company has recognized Rs 5,13,143 (31.03.2020; Rs 5,62,222) in the statement of Profit & Loss towards contribution to provident fund in respect of company employees.

Supreme Court (SC) passed a judgement dated 28th February 2019, related to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are numerous interpretative issues relating to the Supreme Court (SC) judgement including the effective date of application. The Company continues to assess any further developments in this matter for the implications on financial statements, if any.

Note 28 : Contingent liabilities disclosures as required under Ind AS 37, "provisions, contingent liabilities and contingent assets" are given below:

Amount in ₹

Particulars	31 March 2021	31 March 2020
Claims not acknowledged as debts :		
Disputed liability in respect of income-tax	32,050	32,050

Note 29: Segment reporting

Segment reporting as required under Indian Accounting Standard 108, "Operating Segments" :

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing director of the company. The company operates only in one Business Segment i.e. "Investment advisory services", hence does not have any reportable segments as per Ind AS 108 "Operating Segments".



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LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED

Notes forming part of the financial statements

Note 30: Related party disclosures as required under Ind AS 24, "Related party disclosures" are given below :

a) Names of related parties and nature of relationship (to the extent of transactions entered into during the year except for control relationships where all parties are disclosed)

For the year ended 31 March 2021

Name of related party	Nature of relationship
Key managerial personnel	
Mr. Raghvendra Nath	Managing director
Mr. Sunil Goyal	Director
Mr. Manoj Singrodia	Director
Mr. Aditya Pathak (from 11/11/2020)	Director
Others	
Ladderup Finance Limited	Holding company
Ladderup Corporate Advisory Private Limited	Entities where directors/relative of directors have control/significant influence
Annapurna Pet Private Limited	Relative of key managerial personnel
Mrs. Santosh Singrodia	
Mrs. Usha Goyal	

b) Transactions carried out with related parties referred to above, in ordinary course of business and balances outstanding:

Name of party	Relationship	Nature of transaction	Amount in ₹	
			Transactions during the year with related parties	
			Year ended 31 March 2021	Year ended 31 March 2020
Mr Raghvendra Nath	Key managerial personnel	Director remuneration	75,49,014	62,51,067
Mr. Aditya Pathak (from 11/11/2020)			13,59,726	-
Ladderup Finance Limited	Holding company	Loan taken	1,62,00,000	-
		Repayment of loan	1,62,56,970	-
		Interest expenses	56,970	-
			50,42,597	-
Ladderup Corporate Advisory Private Limited	Entities where directors/relative of directors have control/significant influence	Allocation of expenses		68,61,756
Annapurna Pet Private Limited		Loan given	50,00,000	-
		Interest income	71,364	-

Name of party	Relationship	Receivable/Payable	Amount in ₹	
			Year end balances	
			As at 31 March 2021	As at 31 March 2020
Ladderup Corporate Advisory Private Limited	Entities where directors/relative of directors have control/significant influence	Payable	-	7,04,163
Annapurna Pet Private Limited		Receivable	50,71,364	-
Mr. Raghvendra Nath	Key managerial personnel	Payable	14,14,229	10,20,843
Mr Aditya Pathak (from 11/11/2020)		Payable	1,55,080	-

Note: Related parties as disclosed by management and relied upon by auditors.



LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED

Notes forming part of the financial statements

Note 31 : Fair value measurement

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

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

The 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.

(i) Financial instruments by category

Particulars	Refer note	31 March 2021			31 March 2020		
		FVTPL	FVTOCI	Amortized cost	FVTPL	FVOCI	Amortized cost
Financial Assets:							
Other financial assets - non current	5	-	-	1,22,500	-	-	22,500
Investments	8	17,58,749	-	41,59,518	48,47,985	-	3,06,858
Trade receivable	9	-	-	91,17,331	-	-	66,50,226
Cash and cash equivalents	10	-	-	1,75,30,425	-	-	96,03,482
Loans	11	-	-	50,71,364	-	-	-
Other current assets	12	-	-	9,69,622	-	-	99,979
Total financial assets		17,58,749	-	3,69,70,759	48,47,985	-	1,66,83,045
Financial liabilities:							
Trade payables	16	-	-	24,51,987	-	-	33,67,705
Other financial liabilities	17	-	-	47,22,319	-	-	66,27,687
Total financial liabilities		-	-	71,74,306	-	-	99,95,392

The company has not disclosed the fair values for financial instruments for other non current financial assets, trade receivables, loans, cash and cash equivalents, trade payables and other current financial liabilities because their carrying amounts are reasonable approximation of their fair values.

(ii) Fair value hierarchy

Fair value hierarchy explains the judgement and estimates made in determining the fair values of the financial instruments that are -

- recognized and measured at fair value
- measured at amortized cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED
Notes forming part of the financial statements
Assets and liabilities that are disclosed at fair values through Profit & Loss

Amount in ₹

Particulars	Refer note	31 March 2021		31 March 2020	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:					
Investments	8	17,58,749	17,58,749	48,47,985	48,47,985

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investments in mutual funds	The fair values of investments in mutual fund units is based on the net asset value ("NAV") as stated by the issuer of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which the issuers will redeem such units from the investor.	Not applicable	Not applicable

Assets and liabilities that are disclosed at amortized cost for which fair values are disclosed are classified as Level 3.

If one or more of the significant inputs is not based on observable market data, the respective assets and liabilities are considered under Level 3.

(iii) Fair value of financial assets and liabilities measured at amortized cost

Amount in ₹

Particulars	Refer note	31 March 2021		31 March 2020	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:					
Other financial assets - non current	5	1,22,500	1,22,500	22,500	22,500
Investments	8	41,59,518	41,59,518	3,06,858	3,06,858
Trade receivable	9	91,17,331	91,17,331	66,50,226	66,50,226
Cash and cash equivalents	10	1,75,30,425	1,75,30,425	96,03,482	96,03,482
Loans	11	50,71,364	50,71,364	-	-
Other current assets	12	9,69,622	9,69,622	99,979	99,979
Total financial assets		3,69,70,759	3,69,70,759	1,66,83,045	1,66,83,045
Financial liabilities:					
Trade payables	16	24,51,987	24,51,987	33,67,705	33,67,705
Other financial liabilities	17	47,22,319	47,22,319	66,27,687	66,27,687
Total financial liabilities		71,74,306	71,74,306	99,95,392	99,95,392



LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED**Notes forming part of the financial statements****Note 32 : Financial risk management objectives and policies**

The company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

a) 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 risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and bank deposits. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The company is not exposed to any interest risk.

Commodity and other price risk

The company is not exposed to the commodity and other price risk.

b) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers and investment securities. The carrying amounts of financial assets represent the maximum credit exposure.

Trade receivables

The company extends credit to customers in normal course of business. The company considers factors such as credit track record in the market and past dealings for extension of credit to customers. To manage credit risk, the company periodically assesses the financial reliability of the customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivables. Outstanding customer receivables are regularly monitored to make an assessment of recoverability. Receivables are provided as doubtful / written off, when there is no reasonable expectation of recovery. Where receivables have been provided / written off, the company continues regular follow up and any other remedies available with the objective of recovering these outstandings. The company is not exposed to concentration of credit risk to any one single customer since services are provided to vast spectrum.

Exposure to credit risk

The allowance for impairment in respect of trade receivables during the year was Rs 9,841 (31.03.2020: 11,60,320)

The movement in the allowance for impairment in respect of trade receivables during the year was as follows.

Particulars	Amount in Rs.
Balance as at 1 April 2019	28,17,124
Impairment loss recognised	(16,56,794)
Balance as at 31 March 2020	11,60,330
Impairment loss recognised	(11,50,488)
Balance as at 31 March 2021	9,841



LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED

Notes forming part of the financial statements

c) Liquidity risk

Liquidity is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the contractual maturities of significant financial liabilities:

Particulars	Amount in ₹				
	on demand	Less than 1 year	1 year to 5 years	More than 5 years	Total
As at 31 March 2021					
Trade payables	24,51,987	-	-	-	24,51,987
Other financial liabilities	-	47,22,319	-	-	47,22,319
	24,51,987	47,22,319	-	-	71,74,306
As at 1 April 2020					
Trade payables	33,67,705	-	-	-	33,67,705
Other financial liabilities	-	66,27,687	-	-	66,27,687
	33,67,705	66,27,687	-	-	99,95,392

d) Foreign currency risk

The company is not exposed to any foreign currency risk

The company is exposed to currency risk on account of its operating activities. The functional currency of the company is Indian Rupee. Our exposure are mainly denominated in Dirhams. The company's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The company has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks.

Expenditure in foreign currency on payment basis:

Particulars	Amount in ₹	
	Year ended 31 March 2021	Year ended 31 March 2020
Expenditure in foreign currency		
-Reimbursement of expenses	20,34,270	8,90,000
-Foreign travelling expenses	4,29,425	10,95,810

Note 33: Capital Management

The company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets in order to maintain or adjust the capital structure.

The company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.



LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED**Notes forming part of the financial statements****Note 34 : Leases**

The company has entered into long term lease agreements for premises. The company does not have an option to purchase the leased asset at the expiry of the lease period. These are generally cancellable and are renewable by mutual consent on mutually agreed terms. Future lease rentals are determined on the basis of agreed terms. There are no restrictions imposed by lease arrangements. There are no subleases.

Following are the changes in the carrying value of right of use assets for the year ended 31 March 2021:

Particulars	Amount in ₹	
	31 March 2021	31 March 2020
Balance as at 1 April 2020	27,88,671	-
Transition impact on account of adoption of Ind As 116 - Leases	-	55,77,341
Addition /adjustments	9,28,146	-
Deletion	24,77,878	27,88,670
Balance as at 31 March 2021	12,38,939	27,88,671

The following is the break-up of current and non-current lease liabilities as at 31 March 2021 :

Particulars	Amount in ₹	
	31 March 2021	31 March 2020
Current lease liabilities	19,75,679	44,61,943
Non-current lease liabilities	-	-
	19,75,679	44,61,943

The following is the movement in lease liabilities during the year ended 31 March 2021:

Particulars	Amount in ₹	
	31 March 2021	31 March 2020
Balance as at 1 April 2020	44,61,943	-
Transition impact on account of adoption of Ind As 116 - Leases	-	1,67,32,023
Addition /adjustments	9,28,146	-
Finance cost accrued during the period	4,58,158	7,28,818
Payment of lease liabilities	38,72,568	1,29,98,898
Balance as at 31 March 2021	19,75,679	44,61,943

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2021 on an undiscounted basis

Particulars	Amount in ₹	
	31 March 2021	31 March 2020
- Less than one year	20,57,514	38,72,970
- Later than one year but not later than five years	-	20,57,514
- Later than five years	-	-
	20,57,514	59,30,484



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LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED

Notes forming part of the financial statements

Note 35 : Tax expense
(a) Amount recognized in Statement of Profit and Loss

		Amount in ₹	
Particulars	2020-21	2019-20	
Current tax expense (A)			
Current tax	31,28,899	5,18,799	
Minimum alternate tax credit (entitlement)/utilised	11,83,366	-	
Short MAT credit entitlement relating to previous year	(11,83,366)	-	
Taxation of earlier years	4,82,335	96,018	
	36,11,234	6,14,817	
Deferred tax expense (B)			
Origination and reversal of temporary differences	4,82,129	4,35,683	
Tax expense recognized in the income statement (A+B)	40,93,363	10,50,500	

(c) Reconciliation of effective tax rate

		Amount in ₹	
Particulars	2020-21	2019-20	
Profit before tax	1,76,90,516	80,14,972	
Tax using the company domestic tax rate (Current year 27.82% and Previous Year 27.82%)	49,21,501	22,29,765	
Tax effect of:			
Others	3,45,804	10,83,247	
Adjustment recognized in current year in relation to the current tax of prior years	4,82,335	96,018	
Tax expense as per Statement of the Profit and loss	40,93,363	10,50,500	
Effective tax rate	23.14%	13.11%	

(d) Movement in deferred tax balances

		Amount in ₹					
Particulars	Net balance as at 1 April 2020	Recognized in profit or loss	Recognized in OCI	Recognized directly in equity	Net balance as at 31 March 2021	Deferred tax liability	Deferred tax asset
Deferred tax asset/(liabilities)							
Fixed assets : Impact of difference between tax depreciation and depreciation charged for the financial reporting	(1,45,300)	(1,35,350)	-	-	(9,949)	(9,949)	-
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis.	6,25,399	(59,682)	-	-	6,85,081	-	6,85,081
On expected credit loss of financial assets	3,01,686	2,99,127	-	-	2,559	-	2,559
On account of Fair Value of Financial Instruments	85,949	1,34,535	-	-	(97,295)	(97,295)	-
Adjustment on account of Ind AS 116 transition	4,35,051	4,35,051	-	1,91,552	-	-	-
Adjustment on lease modification	-	(1,91,552)	-	-	1,91,552	-	1,91,552
Minimum alternate tax credit entitlement	2,05,129	-	-	-	2,05,129	-	2,05,129
Deferred tax asset/(liabilities)	15,07,913	4,82,129	-	1,91,552	9,77,077	(1,07,244)	10,84,321



LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED**Notes forming part of the financial statements**

Note 36 : The novel coronavirus (COVID-19) pandemic continues to spread across the globe including India. COVID-19 has taken its toll on not just human life, but business and financial markets too. With substantial increase in COVID-19 cases across different parts of country, government have introduced a various measures to contain the spread of virus, including lockdown and restrictions on movement of people and goods across different geographies. The Company's operations, revenue and consequently profit during the current quarter were not materially impacted due to COVID -19. Based on the current assessment of the potential impact of the COVID-19 on the Company, management is of the view that the balance sheet of the Company has adequate liquidity to service its obligations and sustain its operations. The Management and Directors are actively engaged and will continue to closely monitor the future developments during this pandemic.

Note 37 : The Code on Social Security, 2020 (Code) relating to employee benefits during employment and post- employment benefits has received Presidential assent on in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code comes into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period of the Code becomes effective.

Note 38 : Other additional information's as per Schedule III part II is either nil or not applicable to the company.

Note 39 : Previous year figures have been regrouped / reclassified wherever necessary to conform to current year figures.

Note 40 : The Financial Statements were approved by the Audit Committee and Board of Directors on 23 June 2021.

For and on behalf of the Board of Directors



Sunil Goyal
Director
DIN : 00503570

Raghvendra Nath
Managing Director
DIN : 03577330

Place: Mumbai
Date: June 23, 2021