

Edelweiss Investment Advisors Private Limited

Financial Statement for the year ended March 31, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Edelweiss Investment Advisors Private Limited

Report on the Audit of the Special Purpose Financial Statements

Opinion

We have audited the accompanying Special Purpose Financial Statements of Edelweiss Investment Advisors Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Other Information

This being a foreign, the requirement regarding reporting on Other Information clause is not applicable to the Company.

Responsibility of Management for the Special Purpose Financial Statements

The Company's Board of Directors is responsible for the preparation of these Special Purpose Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records 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 the 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 Special Purpose Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

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

Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose 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 Special Purpose 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 Special Purpose 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. we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 Special Purpose Financial Statements, including the disclosures, and whether the Special Purpose Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

Other Matter

This report is issued at the request of the Company and is intended solely for the information and use of the Edelweiss Securities Limited ('Ultimate Holding Company' or 'ESL'), for the purpose of presentation of its consolidated audited financial statements for the year ended March 31, 2022 and for the use of S.R. Batliboi & Co. LLP (the current statutory auditor of ESL) in conjunction with the audit of consolidated financial statements and is not intended to be and should not be used for any other purpose.

Report on Other Legal and Regulatory Requirements

1. This report does not include a statement on the matters specified in Paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, since the Company is a foreign company, the reporting requirements are not applicable to it.
2. As required for the purpose of Special purpose financial statements, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement 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 special purpose financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these special purpose financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report;
 - (f) As informed to us, the Company being an foreign company, the requirement for provisions of section 197(16) of the Companies Act, 2013 are not applicable;
 - (g) With respect to the other matters to be included in the Auditor's Report in our opinion and to the best of our information and according to the explanations given to us:

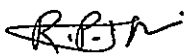


- i. The Company does not have any pending litigations which would impact its financial position;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. a) The management has represented to us that, to the best of its knowledge and belief, as disclosed in the note 2.35(v) to the Special Purpose financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented to us that, to the best of its knowledge and belief, as disclosed in the note 2.35(vi) to the Special Purpose financial statements, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- iv. No dividend has been declared or paid during the year by the Company.

For NGS & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 119850W


R.P.Soni
Partner
Membership No. 104796



UDIN: 22104796AJEVT7691

Place: Mumbai
Date: May 18, 2022

Annexure A
Report on the Internal Financial Controls

We have audited the internal financial controls with reference to special purpose financial statements of Edelweiss Investment Advisors Private Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the special purpose financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these special purpose financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these special purpose financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these special purpose financial statements.



Meaning of Internal Financial Controls with reference to these Special Purpose Financial Statements

A Company's internal financial controls with reference to special purpose financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to special purpose financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

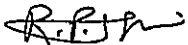
Inherent Limitations of Internal Financial Controls with reference to Special Purpose Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to special purpose financial statements and such internal financial controls with reference to special purpose financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For NGS & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 119850W


R.P. Soni
Partner
Membership No. 104796



UDIN: 22104796AJEVT7691

Place: Mumbai
Date: May 18, 2022

Edelweiss Investment Advisors Private Limited

Balance Sheet

(Currency : Indian rupees)

	Note	As at 31 March 2022	As at 31 March 2021
ASSETS			
Financial assets			
Cash and cash equivalents	2.1	5,22,20,538	5,21,18,893
Trade receivables	2.2	10,69,79,332	8,92,72,661
Other financial assets	2.3	56,20,085	54,68,369
		<u>16,48,29,955</u>	<u>14,68,59,923</u>
Non-financial assets			
Deferred tax assets (net)	2.4	1,11,313	23,700
Property, plant and equipment	2.5	59,33,897	2,60,553
Other intangible assets	2.6	-	1,854
Other non-financial assets	2.7	22,19,174	24,01,024
		<u>82,64,384</u>	<u>26,87,131</u>
TOTAL ASSETS		<u>17,30,94,339</u>	<u>14,95,47,054</u>
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Trade payables	2.8	41,14,124	43,98,907
Other financial liabilities	2.9	2,81,51,550	1,94,20,000
		<u>3,22,65,674</u>	<u>2,40,18,907</u>
Non-financial liabilities			
Current tax liabilities (net)	2.10	13,75,534	13,40,536
Provisions	2.11	7,09,182	4,02,242
Other non-financial liabilities	2.12	4,41,583	4,94,393
		<u>25,26,299</u>	<u>22,37,171</u>
EQUITY			
Equity share capital	2.13	8,44,53,336	8,44,53,336
Other equity	2.14	5,38,49,030	3,88,37,640
		<u>13,83,02,366</u>	<u>12,32,90,976</u>
TOTAL LIABILITIES AND EQUITY		<u>17,30,94,339</u>	<u>14,95,47,054</u>

Significant accounting policies and notes forming part of the financial statements

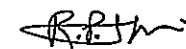
I & 2

This is the Balance Sheet referred to in our report of even date.

For NGS & Co. LLP

Chartered Accountants

Firm Registration No.: 119850W



R. P. Suni

Partner

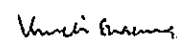
Membership No.: 104796

Mumbai

18 May 2022



For and on behalf of the Board of Directors



Vivek Sharma

Director



Mohit Batra

Director

18 May 2022



Edelweiss Investment Advisors Private Limited

Statement of Profit and Loss

(Currency : Indian rupees)

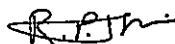
	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from operations			
Fee and commission income	2.15	13,08,09,658	10,65,45,642
Other income	2.16	16,02,608	19,02,458
Total income		13,24,12,266	10,84,48,100
Expenses			
Finance costs	2.17	59,463	43,382
Employee benefits expense	2.18	9,87,18,802	8,20,75,012
Depreciation, amortisation and impairment	2.5 & 2.6	3,90,948	2,12,647
Other expenses	2.19	2,37,35,656	1,65,05,117
Total expenses		12,29,04,869	9,88,36,158
Profit before tax		95,07,397	96,11,942
Tax expenses:			
Current tax		16,28,440	9,03,590
(1) Current tax		8,22,827	9,03,590
(2) Short / (Excess) provision for earlier years		8,05,613	-
Deferred tax		(86,402)	(62,224)
Profit for the year		79,65,359	87,70,576
Other comprehensive income			
Items that will be reclassified to profit or loss			
Foreign Exchange Translation Reserve - OCI		38,53,470	28,66,632
Other comprehensive income		38,53,470	28,66,632
Total comprehensive income		1,18,18,829	1,16,37,208
Earnings per equity share (Face value of SGD 1 each):			
Basic and diluted	2.20	4.43	4.87

Significant accounting policies and notes forming part of the financial statements.

1 & 2

This is the Statement of Profit and Loss referred to in our report of even date

For NGS & Co. LLP
Chartered Accountants
Firm Registration No.: 119850W

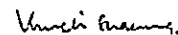


R. P. Soni
Partner
Membership No.: 104796



Mumbai
18 May 2022

For and on behalf of the Board of Directors


Vivek Sharma
Director


Mohit Batra
Director

18 May 2022



Edelweiss Investment Advisors Private Limited

Statement of Changes in Equity

(Currency : Indian rupees)

A. Equity share capital

	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	8,44,53,336	8,44,53,336
Changes in equity share capital (refer note 2.13)	-	-
Balance at the end of the year	8,44,53,336	8,44,53,336

B. Other equity

	Reserve and surplus		Other comprehensive income	Total
	ESOP Reserve	Retained earnings	Foreign Exchange Translation Reserve	
Balance at 31 March 2020 (Ind AS)	5,75,230	1,44,51,130	1,21,74,072	2,72,00,432
ESOP charges	-	-	-	-
Profit for the year	-	87,70,576	-	87,70,576
Other comprehensive income	-	-	28,66,632	28,66,632
Total Comprehensive Income for the year	-	87,70,576	28,66,632	1,16,37,208
Balance at 31 March 2021 (Ind AS)	5,75,230	2,32,21,706	1,50,40,704	3,88,37,640
ESOP charges	-	-	-	-
Profit for the year	-	79,65,359	-	79,65,359
Ind AS adjustments	(5,75,230)	37,67,791	-	31,92,561
Other comprehensive income	-	-	38,53,470	38,53,470
Total Comprehensive Income for the year	(5,75,230)	1,17,33,150	38,53,470	1,50,11,390
Balance at 31 March 2022 (Ind AS)	-	3,49,54,856	1,88,94,174	5,38,49,030

Retained earnings

Retained earnings comprises of the Company's undistributed earnings after taxes.

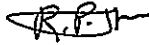
Foreign exchange translation reserve

The functional currency of the Company is Singapore Dollars. These financial statements are prepared and presented in INR which is the functional currency of the Holding Entity, for the purpose of consolidation. Foreign Exchange Translation reserve represents the exchange difference arising on translation difference arising on conversion of financial statements from functional currency to the presentation currency.

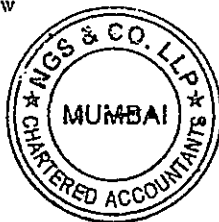
This is the Statement of changes in equity referred to in our report of even date.

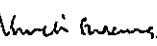
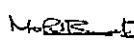
For NGS & Co. LLP
Chartered Accountants
Firm Registration No.: 119850W

For and on behalf of the Board of Directors


R. P. Sani
Partner
Membership No.: 104796

Mumbai
18 May 2022



 
Vivek Sharma
Director
Mohit Batra
Director

18 May 2022



Edelweiss Investment Advisors Private Limited


Cash Flow Statement

(Currency: Indian rupees)

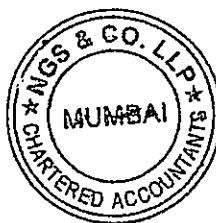
	For the year ended 31 March 2022	For the year ended 31 March 2021
A Cash flow from operating activities		
Profit before tax	95,07,397	96,11,942
Adjustments for:		
Depreciation and amortisation expenses	3,90,948	2,12,647
Expense on employee stock option plans	51,24,714	26,09,494
Provision for employee benefits	2,87,033	(94,311)
Operating cash flow before working capital changes	1,53,10,092	1,23,39,773
Adjustments for:		
Increase in trade receivables	(1,50,66,595)	(5,00,63,504)
Increase in Other financial assets	-	(13,589)
Decrease / (increase) in Other non-financial assets	2,52,890	(6,72,940)
Decrease in trade payables	(23,50,491)	(46,37,604)
Increase in other financial liabilities	79,51,332	1,06,19,996
(Decrease) / Increase in other non-financial liabilities	(67,470)	3,02,007
Cash generated / (used) in operations	60,29,758	(2,31,25,860)
Income taxes paid (net of refund)	(16,33,612)	(15,008)
Net cash generated / (used) in operating activities - A	43,96,146	(2,31,40,868)
B Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(60,57,356)	(1,92,152)
Proceeds from sale of property, plant and equipment and intangible assets	-	28,281
Net cash used in investing activities - B	(60,57,356)	(1,63,871)
C Cash flow from financing activities		
Net cash used in from financing activities - C	-	-
D Change in foreign exchange translation reserve - D	17,62,855	18,85,565
Net increase in cash and cash equivalents (A+B+C+D)	1,01,645	(2,14,19,173)
Cash and cash equivalents as at the beginning of the year	5,21,18,893	7,35,38,066
Cash and cash equivalents as at the end of the year (refer note 2.1)	5,22,20,538	5,21,18,893

Thus is the cash flow statement referred to in our report of even date

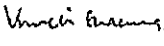

For NGS & Co. LLP
Chartered Accountants
Firm Registration No. 119850W


R. P. Soni
Partner
Membership No. 104796

Mumbai
18 May 2022



For and on behalf of the Board of Directors

 
Vivek Sharma
Director
Mohit Datta
Director

18 May 2022



Edelweiss Investment Advisors Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency : Indian rupees)

1. Significant accounting policies

1.1 Company background

Edelweiss Investment Advisors Private Limited ('the Company') was incorporated on 16 October 2008. The Company is a 100% subsidiary of Edelweiss Securities Limited.

1.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The Company's financial statements have been prepared on a historical cost basis, except for certain financial instruments such as financial asset measured at fair value through other comprehensive income (FVOCI) instruments, derivative financial instruments, and other financial assets held for trading, which have been measured at fair value through profit or loss. The Company's financial statements are presented in Indian Rupees (INR).

The entity being a foreign Company, the assets and liabilities for the purpose of preparation of these financial statements, are translated into Indian Rupees at the rate of exchange prevailing as at the Balance Sheet date. Further, revenue and expense are translated into Indian Rupees at the daily exchange rate prevailing during the year and the resulting net translation adjustment has been disclosed as "Foreign Exchange Translation Reserve" in "Statement of Changes in Equity". The same is in compliance with Indian Accounting Standard (Ind AS) 21 issued by the Institute of Chartered Accountants of India on "The Effects of Changes in Foreign Exchange Rates".

Estimation of uncertainties relating to the global health pandemic from COVID-19

The outbreak of COVID - 19 pandemic has affected several countries across the world, including India. The Government is undertaking several measures to restrict the spread of virus and provide financial support to some stressed sectors. Further, while the COVID-19 vaccination efforts have gained momentum, uncertainty due to the resurgence of COVID cases across many parts of India is rising. The extent to which COVID-19 pandemic will impact the Company, if any, depends on future spread of the virus and related developments, which are uncertain at this point of time. There has been no material change in the controls or processes followed in the closing of the financial statements of the Company.

In preparing the accompanying financial results, the Company's management has view that there is no material impact of the pandemic on its operations and its assets as at March 31, 2022.

1.3 Presentation of financial statements

These financial statements are Special Purpose Indian Accounting Standards (Ind-AS) Financial Statement prepared for the purpose of preparation of consolidated financial statements for the year ended 31 March 2022 for Edelweiss Securities Limited Reporting (Holding Company) for its reporting of Consolidated audited financial results under Ind-AS Division III of Schedule III of the Companies Act, 2013 ("the Act").

The Company presents its balance sheet in order of liquidity in compliance with the Division III of the Schedule III to the Companies Act, 2013. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in note 2.24



Edelweiss Investment Advisors Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency : Indian rupees)

1.3 Presentation of financial statements (Continued)

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

1. The normal course of business
2. The event of default
3. The event of insolvency or bankruptcy of the Company and/or its counterparties

1.4 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 ASs.

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 and services to a customer, excluding amounts collected on behalf of third parties.

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

Step 5: Recognise revenue when the Company satisfies a performance obligation.

- Research services fee income is accounted when there is reasonable certainty as to its receipts
- Fee income is accounted for, on an accrual basis in accordance with the terms and contracts entered into between the Company and the counterparty.
- Interest income is recognised on accrual basis of accounting.

1.5 Financial Instruments

Date of recognition

Financial assets and financial liabilities are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades; purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.



Edelweiss Investment Advisors Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency : Indian rupees)

1.5 Financial Instruments (Continued)

Initial measurement of financial instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of profit or loss.

Classification of financial instruments

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost
- Fair value through other comprehensive income [FVOCI]
- Fair value through profit and loss [FVTPL]

The Company measures debt financial assets that meet the following conditions at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial 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.

Sale that occur for below reason are considered as consistent with business model whose objective is to hold financial assets in order to collect contractual cash flows

- if those sales are infrequent (even if significant in value) or insignificant in value both individually and in aggregate (even if frequent).
- If such sales are made close to maturity of financial asset and proceeds for sale approximate the collection of the remaining contractual cashflow
- Selling a financial asset because of significant increase in credit risk.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the financial asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the 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. By default, all other financial assets are subsequently measured at FVTPL.

Amortized cost and Effective interest rate (EIR)

The effective interest rate is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.



Edelweiss Investment Advisors Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency : Indian rupees)

1.5 Financial Instruments (Continued)

Amortized cost and Effective interest rate (EIR) (Continued)

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

For purchased or originated credit impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Financial assets held for trading

The Company classifies financial assets as held for trading when they have been purchased or issued primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there evidence of a recent pattern of short-term profit is taking. Held-for-trading assets and liabilities are recorded and measured in the balance sheet at fair value.

Financial assets at fair value through profit or loss

Financial assets in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109.

Disclosure requirement of Ind AS 107-Financial Instruments: Disclosure

Investment in equity instruments

The Company subsequently measures all equity investments (other than subsidiaries) at fair value through profit and loss, unless the management has elected to classify irrevocably some of its strategic equity investments to be measured at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis. Investments in subsidiaries are carried at cost as permitted under Ind AS 27.

Financial liabilities

All financial liabilities are measured at amortised cost except loan commitments, financial guarantees, and derivative financial liabilities.

Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR.



Edelweiss Investment Advisors Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency : Indian rupees)

1.5 Financial Instruments (Continued)

Debt securities and other borrowed funds (Continued)

As per Ind AS 23, The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings

Financial liabilities and equity instruments

Financial instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line.

Derecognition of financial assets and financial liabilities

A transfer only qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset; or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where 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 a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.



Edelweiss Investment Advisors Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency : Indian rupees)

1.5 Financial Instruments (Continued)

Impairment of financial assets

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its receivables. The provision matrix is based on its historically observed default rates over the expected life of the receivables and is adjusted for forward-looking estimates.

Business model assessment

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

Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

Determination of fair value

The Company measures financial instruments, such as, derivatives 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. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.



Edelweiss Investment Advisors Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency : Indian rupees)

1.5 Financial Instruments (Continued)

Determination of fair value (Continued)

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

- Level 1 financial instruments –Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.
- Level 2 financial instruments–Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.
- Level 3 financial instruments –Those that include one or more unobservable input that is significant to the measurement as whole. For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company periodically reviews its valuation techniques including the adopted methodologies and model calibrations.

Therefore, the Company applies various techniques to estimate the credit risk associated with its financial instruments measured at fair value, which include a portfolio-based approach that estimates for the expected net exposure per counterparty over the full lifetime of the individual assets, in order to reflect the credit risk of the individual counterparties for non-collateralised financial instruments.

The Company evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary based on the facts at the end of the reporting period.

1.6 Property, plant and equipment and capital work in progress

Property, plant and equipment is stated at cost excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortization period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent cost incurred on an item of property, plant and equipment is recognized in the carrying amount thereof when those cost meet the recognition criteria as mentioned above. Repairs and maintenance are recognized in statement profit or loss as incurred.

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives. Depreciation is provided on a written down value basis from the date the asset is ready for its intended use or put to use whichever is earlier. In respect of assets sold, depreciation is provided upto the date of disposal.

Property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in other income / expense in the statement of profit and loss in the year the asset is derecognised.



Edelweiss Investment Advisors Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency : Indian rupees)

1.6 Property, Plant and Equipment and Capital work in progress (Continued)

The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

As per the requirement of Schedule II of the Companies Act, 2013, the Company has evaluated the estimated useful lives of the respective fixed assets which are as per the provisions of Part C of Schedule II of the Act for calculating the depreciation.

The estimated useful lives of the fixed assets are as follows:

Class of asset	Useful life
Office equipment	5 years
Computers and data processing units - Servers and networks	6 years
Computers and data processing units – End user devices, such as desktops, laptops etc.	3 years

Leasehold improvements are amortised on a straight-line basis over the estimated useful lives of the assets or the period of lease whichever is earlier.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1 April 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

1.7 Intangible assets

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible fixed assets are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

Intangible such as software is amortised over a period of 3 years based on its estimated useful life.

1.8 Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of cash generating unit which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.



Edelweiss Investment Advisors Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency : Indian rupees)

1.9 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at Banks, on hand and short-term deposits with original maturities of three months or less, which are subject to an insignificant risk of changes in value.

1.10 Foreign currency transactions

The financial statements are presented in Indian Rupees and functional currency is in SGD. Transactions in currencies other than Indian Rupees (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated 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 not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

1.11 Income tax expenses

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

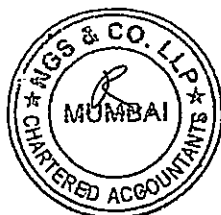
Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax assets are also recognised with respect to carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

It is probable that taxable profit will be available against which a deductible temporary difference, unused tax loss or unused tax credit can be utilised when there are sufficient taxable temporary differences which are expected to reverse in the period of reversal of deductible temporary difference or in periods in which a tax loss can be carried forward or back. When this is not the case, deferred tax asset is recognised to the extent it is probable that:

- the entity will have sufficient taxable profit in the same period as reversal of deductible temporary difference or periods in which a tax loss can be carried forward or back; or
- tax planning opportunities are available that will create taxable profit in appropriate periods.



Edelweiss Investment Advisors Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency : Indian rupees)

1.11 Income tax expenses (Continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax (Continued)

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

MAT credit asset is recognized where there is convincing evidence that the asset can be realized in future. MAT credit assets are reviewed as at the balance sheet date and written down or written up to reflect the amount that is reasonably certain to be realised.

1.12 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Indian Accounting Standard 33 - Earnings Per Share. Basic earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

1.13 Provisions and other contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where

the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.



Edelweiss Investment Advisors Private Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency : Indian rupees)

1.14 Retirement and other employee benefit:

Provident fund and national pension scheme

The Company contributes to a recognised provident fund and national pension scheme which is a defined contribution scheme. The contributions are accounted for on an accrual basis and recognised in the statement of profit and loss.

Compensated Absences

The eligible employees of the Company are permitted to carry forward certain number of their annual leave entitlement to subsequent years, subject to a ceiling. The Company recognises the charge in the statement of profit and loss and corresponding liability on such non-vesting accumulated leave entitlement based on a valuation by an independent actuary. The cost of providing annual leave benefits is determined using the projected unit credit method.

1.15 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services that are granted by the Edelweiss Financial Services Limited and Edelweiss Securities Limited are measured by reference to the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the 'Share Option Reserve'. In cases where the share options granted vest in instalments over the vesting period, the Company treats each instalment as a separate grant, because each instalment has a different vesting period, and hence the fair value of each instalment differs.

1.16 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

- (a) Actuarial assumptions used in calculation of defined benefit plans
- (b) Assumptions used on discounted cash flows, growth rate and discount rate to justify the value of management rights reported under intangible assets.
- (c) Assumptions used in estimating the useful lives of tangible assets reported under property, plant and equipment.

1.17 Standards issued but not yet effective

There are no new standard or amendment issued but not effective.



Edelweiss Investment Advisors Private Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at 31 March 2022	As at 31 March 2021
2.1 Cash and cash equivalents		
Balances with banks		
- in current accounts	5,22,20,538	5,21,18,893
	<u>5,22,20,538</u>	<u>5,21,18,893</u>
2.2 Trade receivables		
Receivables - Unsecured and considered good	10,69,79,332	8,92,72,661
	<u>10,69,79,332</u>	<u>8,92,72,661</u>



2.2 Trade receivables (Continued)

Particulars	31 March 2022	31 March 2021
Receivables considered good - Unsecured	10,69,79,332	8,92,72,661
	10,69,79,332	8,92,72,661
Less : Allowance for expected credit losses	-	-
	10,69,79,332	8,92,72,661

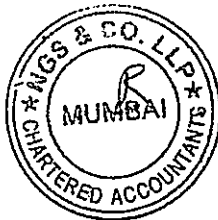
Provision matrix for trade receivables

Trade receivables days past due	Current	1-90 days	91-180 days	181-360 days	more than 360 days	Total
31 March 2022						
Estimated total gross carrying amount at default	-	3,85,44,878	3,77,04,403	3,07,30,031	-	10,69,79,332
Net carrying amount	-	3,85,44,878	3,77,04,403	3,07,30,031	-	10,69,79,332
31 March 2021						
Estimated total gross carrying amount at default	-	7,79,01,747	-	1,13,70,914	-	8,92,72,661
Net carrying amount	-	7,79,01,747	-	1,13,70,914	-	8,92,72,661

Trade Receivables aging schedule

Particulars	Outstanding for following periods from date of transaction					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
March 31, 2022						
Undisputed Trade receivables - considered good	7,62,49,281	3,07,30,031	-	-	-	10,69,79,332
Gross receivables (A)	7,62,49,281	3,07,30,031	-	-	-	10,69,79,332
Undisputed Trade receivables - considered good	-	-	-	-	-	-
Total ECL Provision on receivables (B)	-	-	-	-	-	-
Total receivables net of provision = (A)-(B)	7,62,49,281	3,07,30,031	-	-	-	10,69,79,332

Particulars	Outstanding for following periods from date of transaction					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
March 31, 2021						
Undisputed Trade receivables - considered good	7,79,01,747	1,13,70,914	-	-	-	8,92,72,661
Gross receivables (A)	7,79,01,747	1,13,70,914	-	-	-	8,92,72,661
Undisputed Trade receivables - considered good	-	-	-	-	-	-
Total ECL Provision on receivables (B)	-	-	-	-	-	-
Total receivables net of provision = (A)-(B)	7,79,01,747	1,13,70,914	-	-	-	8,92,72,661



Edelweiss Investment Advisors Private Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at 31 March 2022	As at 31 March 2021
2.3 Other financial assets		
Deposits- others	56,30,085	54,68,369
	<u>56,30,085</u>	<u>54,68,369</u>
2.4 Deferred tax assets (net)		
Deferred tax assets		
<u>Property, plant and equipment and intangibles</u>		
Difference between book and tax depreciation (including intangibles)	1,11,313	23,700
	<u>1,11,313</u>	<u>23,700</u>



Notes to the financial statements (Continued)

(Currency: Indian rupees)

2.5 Property, plant and equipment

Description of Assets	Gross block				Accumulated depreciation and impairment				Net block
	As at 01 April 2021	Additions during the year	Deductions/ Adjustments	As at 31 March 2022	As at 01 April 2021	Charge for the year	Deductions/ Adjustments	As at 31 March 2022	As at 31 March 2022
Office equipment	31,989	-	946	32,935	29,923	3,115	897	32,935	-
Computers	7,07,596	1,73,944	24,299	9,05,839	4,50,109	1,83,682	16,234	6,50,025	2,55,814
Leasehold	-	53,39,541	40,498	53,80,039	-	2,02,270	(314)	2,01,956	56,78,083
Total	7,39,585	60,13,485	65,743	65,18,813	4,79,032	3,89,067	16,317	8,84,916	59,33,897

2.6 Other intangible assets

Description of Assets	Gross block				Accumulated depreciation and impairment				Net block
	As at 01 April 2021	Additions during the year	Deductions/ Adjustments	As at 31 March 2022	As at 01 April 2021	Charge for the year	Deductions/ Adjustments	As at 31 March 2022	As at 31 March 2022
Software	16,867	-	499	17,366	15,013	1,881	472	17,366	-
Total	16,867	-	499	17,366	15,013	1,881	472	17,366	-

2.5 Property, plant and equipment

Description of Assets	Gross block				Accumulated depreciation and impairment				Net block
	As at 01 April 2020	Additions during the year	Deductions/ Adjustments	As at 31 March 2021	As at 01 April 2020	Charge for the year	Deductions/ Adjustments	As at 31 March 2021	As at 31 March 2021
Office equipment	31,203	-	784	31,989	17,763	10,723	437	28,923	3,066
Computers	6,33,017	1,94,118	(1,19,539)	7,07,596	3,50,284	1,96,364	(96,539)	4,50,109	2,57,487
Total	6,64,220	1,94,118	(1,18,755)	7,39,585	3,68,047	2,07,087	-96,102	4,79,032	2,60,553

2.6 Other intangible assets

Description of Assets	Gross block				Accumulated depreciation and impairment				Net block
	As at 01 April 2020	Additions during the year	Deductions/ Adjustments	As at 31 March 2021	As at 01 April 2020	Charge for the year	Deductions/ Adjustments	As at 31 March 2021	As at 31 March 2021
Software	16,454	-	413	16,867	9,226	5,560	227	15,013	1,854
Total	16,454	-	413	16,867	9,226	5,560	227	15,013	1,854



Edelweiss Investment Advisors Private Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

As at 31 March 2022	As at 31 March 2021
------------------------	------------------------

2.7 Other non-financial assets

Input tax credit	2,94,217	3,49,380
Prepaid expenses	11,85,303	11,89,796
Vendor advances	7,39,654	8,61,848
	<u>22,19,174</u>	<u>24,01,024</u>



Edelweiss Investment Advisors Private Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

2.8 Trade payables

	As at 31 March 2022	As at 31 March 2021
Trade payables to non-related parties	21,78,493	13,17,849
Trade payables to related parties	19,35,631	30,81,058
	41,14,124	43,98,907

Trade payables due for payment

Particulars	Outstanding for following periods from date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
March 31, 2022					
(i) MSME	-	-	-	-	-
(ii) Others	41,14,124	-	-	-	41,14,124
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-
Total	41,14,124	-	-	-	41,14,124

Trade payables due for payment

Particulars	Outstanding for following periods from date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
March 31, 2021					
(i) MSME	-	-	-	-	-
(ii) Others	43,98,907	-	-	-	43,98,907
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-
Total	43,98,907	-	-	-	43,98,907

2.9 Other financial liabilities

Accrued salaries and benefits	2,81,51,550	1,96,20,000
	2,81,51,550	1,96,20,000

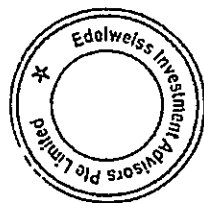


Edelweiss Investment Advisors Private Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at 31 March 2022	As at 31 March 2021
2.10 Current tax liabilities (net)		
Provision for taxation	13,75,534	13,40,536
	<u>13,75,534</u>	<u>13,40,536</u>
2.11 Provisions		
Provision for employee benefits		
Compensated leave absences	7,09,182	4,02,242
	<u>7,09,182</u>	<u>4,02,242</u>
2.12 Other non-financial liabilities		
Others		
Withholding taxes, goods & service tax and other taxes payable	4,41,583	4,94,393
	<u>4,41,583</u>	<u>4,94,393</u>



	As at 31 March 2022	As at 31 March 2021
2.13 Equity share capital		
a. Issued, subscribed and paid up: 1,800,000 (Previous year: 1,800,000) Ordinary shares of SGD 1 each, fully paid up	8,44,53,336	8,44,53,336
	<u>8,44,53,336</u>	<u>8,44,53,336</u>

(The entire capital is held by Edelweiss Securities Limited w.e.f 11th May 2020 (earlier it was Edelweiss Capital Singapore Pte. Limited), the holding company, which in turn is a wholly owned subsidiary of Edelweiss Global Wealth Management Limited.)

b. Movement in share capital :

	31 March 2022		31 March 2021	
	No of shares	Amount	No of shares	Amount
Outstanding at the beginning of the year	18,00,000	8,44,53,336	18,00,000	8,44,53,336
Shares issued during the year	-	-	-	-
Outstanding at the end of the year	<u>18,00,000</u>	<u>8,44,53,336</u>	<u>18,00,000</u>	<u>8,44,53,336</u>

c. Terms/rights attached to equity shares :

The Company has only one class of ordinary shares having a par value of SGD 1. Each holder of ordinary shares is entitled to one vote per share held. The Company declares and pays dividend in SGD.

In the event of liquidation of the Company, the holders of ordinary shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.

d. Shares held by promoters at the end of the year

Promoter Name	31 March 2022			31 March 2021		
	No of shares	% of total shares	% Change during the year	No of shares	% of total shares	% Change during the year
Edelweiss Securities Limited	18,00,000	100%	-	18,00,000	100%	-
	<u>18,00,000</u>	<u>100%</u>	<u>-</u>	<u>18,00,000</u>	<u>100%</u>	<u>-</u>

	As at 31 March 2022	As at 31 March 2021
2.14 Other equity		
Foreign Exchange Translation Reserves	1,50,40,704	1,21,74,072
Add Additions during the year	<u>38,53,470</u>	<u>28,66,632</u>
	1,88,94,174	1,50,40,704
Deemed capital contribution - BSOIP	5,75,230	5,75,230
Add Additions during the year	<u>(5,75,230)</u>	<u>-</u>
	-	5,75,230
Opening Balance	2,32,21,706	1,44,51,130
INDAS Adj.	37,67,791	
Add Profit for the year	<u>79,65,359</u>	<u>87,70,576</u>
Amount available for appropriation	<u>3,49,54,856</u>	<u>2,32,21,706</u>
	<u>5,38,49,030</u>	<u>3,88,37,640</u>



Edelweiss Investment Advisors Private Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	For the year ended 31 March 2022	For the year ended 31 March 2021
2.15 Fee income		
Advisory and other fees (refer note 2.34)	13,08,09,658	10,65,45,642
	<u>13,08,09,658</u>	<u>10,65,45,642</u>
2.16 Other income		
Foreign exchange gain	15,690	14,513
Miscellaneous income	15,86,918	18,87,945
	<u>16,02,608</u>	<u>19,02,458</u>



Notes to the financial statements (Continued)

(Currency : Indian rupees)

	For the year ended 31 March 2022	For the year ended 31 March 2021
2.17 Finance costs		
Financial and bank charges	58,468	43,382
Interest - others	995	-
	<u>59,463</u>	<u>43,382</u>

2.18 Employee benefit expenses

Salaries and wages	8,92,29,324	7,61,76,263
Contribution to provident and other funds (refer note 2.29)	27,87,781	14,37,294
Expense on share based payments - (Refer note below)	51,24,714	26,09,494
Staff welfare expenses	15,76,983	18,51,961
	<u>9,87,18,802</u>	<u>8,20,75,012</u>

Note:-

Edelweiss Securities Limited has granted Employee Stock Option Plans ("ESOP") to the Group's employees on an equity-settled basis. The Company has recognised share based payment expenses of Rs 12,85,941 for the year ended March 31, 2022 based on fair value as on the grant date calculated as per option pricing model.

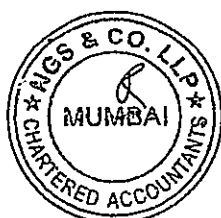
Edelweiss Financial Services Limited ("EFSL") the company exercising significant influence over the Company, has granted an ESOP/ESAR option to acquire equity shares of EFSL that would vest in a graded manner to Company's employees. Based on policy / arrangement, EFSL has charged the fair value of such stock options, Company has accepted such cross charge and recognised the same under the employee cost.

2.19 Other expenses

Advertisement and business promotion	2,55,641	5,11,548
Auditors' remuneration (refer note below)	10,79,852	7,66,999
Communication	5,73,916	3,54,326
Legal and professional fees	51,86,101	38,46,630
Printing and stationery	82,497	37,364
Rent (refer note 2.26)	72,86,347	50,56,735
Repairs and maintenance	35,781	-
Electricity charges (refer note 2.26)	3,47,302	3,38,113
Computer expenses	35,631	1,28,595
Membership and subscription	50,14,676	49,83,096
Office expenses	28,48,325	3,29,705
Postage and courier	87,557	69,448
Seminar and conference	26,921	-
Travelling and conveyance	8,75,111	82,558
Miscellaneous expenses	(2)	-
	<u>2,37,35,656</u>	<u>1,65,05,117</u>

Auditors' remuneration:

As Auditors	10,79,852	7,66,999
	<u>10,79,852</u>	<u>7,66,999</u>



Edelweiss Investment Advisors Private Limited

Notes to the financial statements (Continued)

For the year ended 31 March 2022

(Currency : Indian rupees)

2.20 Earnings per share

Sr No	Particulars	31 March 2022	31 March 2021
a)	Net profit attributable to ordinary share holders (as per statement of profit and loss)	79,65,359	87,70,576
b)	Calculation of weighted average number of ordinary shares of SGD 1/- each:		
	- Number of shares at the beginning of the year	18,00,000	18,00,000
	- shares issued during the year (number of shares issued)	-	-
	Total number of ordinary shares outstanding at the end of the year	18,00,000	18,00,000
	Weighted average number of ordinary shares outstanding during the year (based on the date of issue of shares)	18,00,000	18,00,000
	Nominal value per share in SGD	1	1
c)	Basic and diluted earnings per share (in rupees) (a/b)	4.43	4.87

The basic and diluted earning per share are the same as there are no dilutive potential ordinary shares.



2.21a Income Tax

The components of income tax expense for the period ended 31 March 2022 and 2021 are:

Particulars	31 March 2022	31 March 2021
Current tax	8,22,827	8,63,994
Adjustment in respect of current income tax of prior years	8,05,613	39,596
Deferred tax relating to origination and reversal of temporary differences	(86,402)	(61,667)
Deferred tax recognised on unused tax credit or unused tax losses	-	(557)
Total tax charge	15,42,038	8,41,366
Current tax	16,28,440	9,03,590
Deferred tax	(86,402)	(62,224)

2.21b Reconciliation of total tax charge

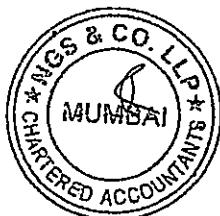
Particulars	31 March 2022	31 March 2021
Accounting profit before tax as per financial statements	95,07,397	96,11,942
Tax rate (in percentage)	17.00%	17.00%
Income tax expense calculated based on this tax rate	16,16,257	16,34,030
Adjustment in respect of current income tax of prior years	8,05,613	39,596
Others	(8,91,506)	(7,21,827)
Effect of non-deductible expenses	-	-
Others	(87,614)	-
Effect of non recognition of deferred tax asset on timing differences	-	(62,780)
Others (Exchange rate difference)	99,288	2,347
Tax charge for the year recorded in Statement of profit and loss	15,42,038	8,41,366

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

	Opening deferred tax asset / (liability) as per Ind AS	Recognised in Statement of profit or loss	Recognised in other comprehensive income	Recognised directly in equity	Reclassified from equity to statement of profit or loss	Others	Total movement	Closing deferred tax asset / (liability) as per Ind AS
Deferred taxes in relation to								
Property, plant and equipment	(44,615)	36,553	-	-	-	(1,319)	35,234	(9,382)
Employee benefits obligations	68,315	49,849	-	-	-	2,530	52,380	1,20,694
Total	23,700	86,402	-	-	-	1,212	87,614	1,11,313

	Opening deferred tax asset / (liability) as per Ind AS	Recognised in Statement of profit or loss	Recognised in other comprehensive income	Recognised directly in equity	Reclassified from equity to statement of profit or loss	Others	Total movement	Closing deferred tax asset / (liability) as per Ind AS
Deferred taxes in relation to								
Property, plant and equipment	(1,21,911)	78,859	-	-	-	(1,563)	77,296	(44,615)
Employee benefits obligations	82,831	(16,635)	-	-	-	2,119	(14,516)	68,315
Total	(39,080)	62,224	-	-	-	557	62,780	23,700

Break-up of recognition of current tax	31 March 2022	31 March 2021
In P&L	16,28,440	9,03,590



Edelweiss Investment Advisors Private Limited

Notes to the financial statements (Continued)

For the year ended 31 March 2022

(Currency : Indian rupees)

2.22 Segment reporting

The Company has operated in only one business segment during the year. Therefore, the Company has only one reportable business segment, the results of which are disclosed in the financial statements. Further, there are no geographical segments. Hence, no disclosures are required under Indian Accounting Standard (Ind AS) 108 on Segment Reporting.

2.23 Disclosure as required by Indian Accounting Standard (Ind AS) 24 – "Related Party Disclosure", as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 :

(A) Names of related parties by whom control is exercised

PAGAC Escstasy Pte Limited (W.e.f. 27th March 2021)
Edelweiss Financial Services Limited (Upto 26th March 2021)

(B) Holding company

Edelweiss Capital (Singapore) Pte Limited (Upto 11th May 2020)
Edelweiss Securities Limited (W.e.f. 11th May 2020)

(C) Names of related parties who exercise significant influence over the holding Company

Edelweiss Financial Services Limited (W.e.f. 27th March 2021)

(D) Fellow subsidiaries with whom the Company has transactions:

Upto 26 March 2021

Edelweiss Alternative Asset Advisors Pte Limited
Edelweiss International (Singapore) Pte Limited
Upto 31 March 2021

Edelweiss Custodial Services limited

(E) Subsidiaries of Entity exercising significant influence with whom the Company has transactions

W.e.f. 27 March 2021

Edelweiss Alternative Asset Advisors Pte Limited
Edelweiss International (Singapore) Pte Limited
Edelweiss Custodial Services limited

(F) Names of key managerial personnel (KMP)

Mohit Datta
Suchi Srivastava
Vivek Sharma
Atul Bagga



2.23 Disclosure as required by Indian Accounting Standard (Ind AS) 24 – "Related Party Disclosure", as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 : (Continued)

(G) Transactions and balances with related parties:

		31-March-2022					31-March-2021						
Sr No	Particulars	Ultimate holding company	Holding Company	Entities who exercises significant influence over holding company	Follow Subsidiaries	Subsidiaries/ Associate/ JV of Entity exercising significant influence	KMP	Ultimate holding company	Holding Company	Entities who exercises significant influence over holding company	Follow Subsidiaries	Subsidiaries/ Associate/ JV of Entity exercising significant influence	KMP
(I)	Current account transactions during the year												
	Fee income earned from												
	Edehweis Securities Limited	-	1,65,58,804	-	-	-	-	-	4,64,79,264	-	-	-	-
	Edehweis Custodial Services Limited	-	-	-	-	9,42,50,954	-	-	-	-	6,00,66,377	-	-
	Cost reimbursements paid to												
	Edehweis International (Singapore) Pte Limited	-	-	-	-	1,72,72,111	-	-	-	-	67,55,281	-	-
	Edehweis Alternative Asset Advisors Pte Limited	-	-	-	-	-	-	-	-	-	-	-	-
	Edehweis Financial Services Limited	-	-	58,58,777	-	-	-	79,970	-	-	-	-	-
	Edehweis Securities Limited	-	12,85,941	-	-	-	-	-	8,631	-	-	-	-
	Reimbursement paid to												
	Edehweis Alternative Asset Advisors Pte Limited	-	-	-	-	1,02,583	-	-	-	-	29,00,754	-	-
	Purchase of fixed assets												
	Edehweis Alternative Asset Advisors Pte Limited	-	-	-	-	-	-	-	-	-	1,10,910	-	-
	Reimbursements received from												
	Edehweis Alternative Asset Advisors Pte Limited	-	-	-	-	-	-	-	-	-	67,231	-	-
	Reversal of share based payments recovered from												
	Edehweis Financial Services Limited	-	-	31,92,561	-	-	-	-	-	-	-	-	-
	Remuneration paid to (refer note below)												
	Mohit Bora	-	-	-	-	-	1,93,76,160	-	-	-	-	-	1,67,71,219
	Sudha Srivastava	-	-	-	-	-	1,54,69,121	-	-	-	-	-	1,45,35,347
	Vivek Sharma	-	-	-	-	-	2,34,79,215	-	-	-	-	-	-
(II)	Balances with related parties												
	Trade receivable from												
	Edehweis Securities Limited	-	3,40,35,538	-	-	-	-	-	4,08,64,303	-	-	-	-
	Edehweis Custodial Services Limited	-	-	-	-	7,29,43,794	-	-	-	-	4,84,04,000	-	-
	Trade payable to												
	Edehweis Financial Services Limited	-	-	6,51,372	-	-	-	-	-	16,78,025	-	-	-
	Edehweis International (Singapore) Pte Limited	-	-	-	-	-	-	-	-	-	-	3,84,402	-
	Edehweis Securities Limited	-	12,84,259	-	-	-	-	-	8,631	-	-	-	-

Note :-

Information relating to remuneration paid to key managerial person mentioned above excludes provision made for gratuity and leave encashment which are provided for group of employees on an overall basis. These are included on cash basis. The variable compensation included herein is on cash basis.



Edelweiss Investment Advisors Private Limited

Notes to the financial statements (Continued)

For the year ended 31 March 2022

(Currency : Indian rupees)

2.24 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	31 March 2022			31 March 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	5,22,20,538	-	5,22,20,538	5,21,18,893	-	5,21,18,893
Trade receivables	10,69,79,332	-	10,69,79,332	8,92,72,661	-	8,92,72,661
Other financial assets	-	56,30,085	56,30,085	-	54,68,369	54,68,369
	15,91,99,870	56,30,085	16,48,29,955	14,13,91,554	54,68,369	14,68,59,923
Non-financial assets						
Deferred tax assets (net)	-	1,11,313	1,11,313	-	23,700	23,700
Property, plant and equipment	-	59,33,897	59,33,897	-	2,60,553	2,60,553
Other intangible assets	-	-	-	-	1,854	1,854
Other non-financial assets	22,19,174	-	22,19,174	24,01,024	-	24,01,024
	22,19,174	60,45,210	82,64,384	24,01,024	2,86,107	26,87,131
Total assets (A)	16,14,19,044	1,16,75,295	17,30,94,339	14,37,92,578	57,54,476	14,95,47,054

Particulars	31 March 2022			31 March 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial liabilities						
Trade payables	41,14,124	-	41,14,124	43,98,907	-	43,98,907
Other financial liabilities	2,81,51,550	-	2,81,51,550	1,96,20,000	-	1,96,20,000
	3,22,65,674	-	3,22,65,674	2,40,18,907	-	2,40,18,907
Non-financial liabilities						
Current tax liabilities (net)	13,75,534	-	13,75,534	13,40,536	-	13,40,536
Provisions	-	7,09,182	7,09,182	-	4,02,242	4,02,242
Deferred tax liabilities (net)	-	-	-	-	-	-
Other non-financial liabilities	4,41,583	-	4,41,583	4,94,393	-	4,94,393
	18,17,117	7,09,182	25,26,299	18,34,929	4,02,242	22,37,171
Total liabilities (B)	3,40,82,791	7,09,182	3,47,91,973	2,58,53,836	4,02,242	2,62,56,078
Net assets (A-B)	12,73,36,253	1,09,66,113	13,83,02,366	11,79,38,742	53,52,234	12,32,90,976



2.25 Capital commitments and contingent liabilities

The Company has Rs. Nil (previous year: Nil) capital commitments and contingent liabilities as at the balance sheet date

2.26 Cost Sharing

Edelweiss International (Singapore) Pte Limited, being the group company incurs common rent and other amenities expenditures which is for the benefit of the Company. This cost so expended is reimbursed by the Company on the basis of area occupied. Accordingly, and as identified by the management, the expenditure heads in Note 2.19 in the statement of the profit and loss are inclusive of the reimbursements

2.27 Financial risk management

Overview

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

Risk management framework

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

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss

At the reporting date, there was no significant concentration of credit risk. The maximum credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

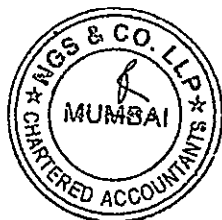
Cash at bank are held with reputable financial institutions

Liquidity risk

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value

Market risk

Price risk is the risk that the value of a financial instrument will fluctuate due to change in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market



Notes to the financial statements (Continued)

For the year ended 31 March 2022

(Currency : Indian rupees)

2.27 Financial risk management (Continued)

Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates

The company invests in financial instruments and enters into transactions that are denominated in currencies other than its functional currency, primarily in USD. Consequently, the investments are exposed to risk that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the fair value of future cash flows of that portion of the financial assets or liabilities denominated in currencies other than the United States dollars.

The currency risk is managed on a daily basis by the business and risk team in accordance with policies and procedures in place, and some investment transactions have been hedged by a forward currency exchange contract. The risk monitors the movement and highlights the same to the business. The measurement of the forward currency exchange contract would be calculated by broker based on actively quoted forward exchange rates. Further, the middle office sends a report on a daily basis to business and risk teams which contains currency position and exposure. Based on these reports, the business monitors risk and takes necessary action.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

2.28 Financial instruments not measured at fair value

Fair value information of financial assets and financial liabilities not measured at fair value has not been presented as the carrying amount is a reasonable approximation of the fair value due to their short term nature.

2.29 Retirement benefit plan

A) Defined contribution plan (Provident fund and National Pension Scheme):

Amount of INR 2,787,781 (Previous year: INR 1,437,294) is recognised as expenses and included in "Employee benefit expense" in the statement of profit and loss.

The Supreme Court has recently, delivered its ruling on the composition of basic wages for the purposes of deduction and contribution to the Employees Provident and Pension funds. The Group, in the interest of its employees, awaits clarity on the complexities revolving around the application of the said order, the ambiguity reflected by the divergent views of legal experts and the response/direction from the authorities, including on representations made by an industry association in this regard.



2.30 (A) Analysis of non-derivative financial liabilities by remaining contractual maturities

Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Company expects that the counterparties will not request repayment on the earliest date it could be required to pay. The table below summarises the maturity profile of the undiscounted cash flows of the Company's non-derivative financial liabilities:

31 March 2022	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Trade payables	-	-	-	-	6,49,518	-	34,64,605.00	-	-	-	41,14,124
Other financial liabilities	-	-	-	-	2,81,51,550	-	-	-	-	-	2,81,51,550
Total undiscounted non-derivative financial liabilities	-	-	-	-	2,88,01,068	-	34,64,605.00	-	-	-	3,22,65,674

31 March 2021	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Trade payables	-	-	-	-	43,98,907	-	-	-	-	-	43,98,907
Other financial liabilities	-	-	-	-	1,96,20,000	-	-	-	-	-	1,96,20,000
Total undiscounted non-derivative financial liabilities	-	-	-	-	2,40,18,907	-	-	-	-	-	2,40,18,907

2.30 (B) Analysis of non-derivative financial assets by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's non-derivative financial assets:

31 March 2022	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Cash and cash equivalents and other bank balances	5,22,10,538	-	-	-	-	-	-	-	-	-	5,22,10,538
Trade receivables	-	6,84,34,454	-	-	3,83,44,878	-	-	-	-	-	10,69,79,332
Other financial assets	-	-	-	-	-	-	-	56,30,085	-	-	56,30,085
Total	5,22,10,538	6,84,34,454	-	-	3,83,44,878	-	-	56,30,085	-	-	16,48,29,955

31 March 2021	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Cash and cash equivalents and other bank balances	5,21,18,893	-	-	-	-	-	-	-	-	-	5,21,18,893
Trade receivables	-	-	-	-	-	8,92,72,661	-	-	-	-	8,92,72,661
Other financial assets	-	-	-	-	-	-	-	54,68,369	-	-	54,68,369
Total	5,21,18,893	-	-	-	-	8,92,72,661	-	54,68,369	-	-	14,68,59,923



Edelweiss Investment Advisors Private Limited

Notes to the financial statements (Continued)

For the year ended 31 March 2022

(Currency : Indian rupees)

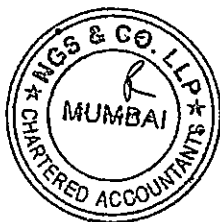
2.31 Analysis of risk concentration

Industry analysis - Risk concentration for 31 March 2022

Particulars	Financial services	Others	Total
Financial assets			
Cash and cash equivalent and other bank balances	5,22,20,538	-	5,22,20,538
Trade receivable	10,69,79,332	-	10,69,79,332
Other financial assets	-	56,30,085	56,30,085
	15,91,99,870	56,30,085	16,48,29,955
Other Commitments	-	-	-
Total	15,91,99,870	56,30,085	16,48,29,955

Industry analysis - Risk concentration for 31 March 2021

Particulars	Financial services	Others	Total
Financial assets			
Cash and cash equivalent and other bank balances	5,21,18,893	-	5,21,18,893
Trade receivable	8,92,72,661	-	8,92,72,661
Other financial assets	-	54,68,369	54,68,369
	14,13,91,554	54,68,369	14,68,59,923
Other Commitments	-	-	-
Total	14,13,91,554	54,68,369	14,68,59,923



Edelweiss Investment Advisors Private Limited

Notes to the financial statements (Continued)

For the year ended 31 March 2022

(Currency : Indian rupees)

2.32 Total market risk exposure

Fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The company classifies exposures to market risk into either trading or non-trading portfolios and manages each of those portfolios separately. Such risks the market risk for the trading portfolio is managed and monitored based on a VaR methodology that reflects the interdependency between risk variables. Non-trading positions are managed and monitored using other sensitivity analyses.

Particulars	31 March 2022			31 March 2021		
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk
Assets						
Cash and cash equivalent and other bank balances	5,22,20,538	-	5,22,20,538	5,21,18,893	-	5,21,18,893
Trade receivables	10,69,79,332	-	10,69,79,332	8,92,72,661	-	8,92,72,661
Other financial assets	56,30,085	-	56,30,085	54,68,369	-	54,68,369
Total	16,48,29,955	-	16,48,29,955	14,68,59,923	-	14,68,59,923
Liability						
Trade payables	41,14,124	-	41,14,124	43,98,907	-	43,98,907
Other financial liabilities	2,81,51,550	-	2,81,51,550	1,96,20,000	-	1,96,20,000
Total	3,22,65,674	-	3,22,65,674	2,40,18,907	-	2,40,18,907



2.33 Disclosure related to collateral

Following table sets out availability of financial assets to support funding:

31 March 2022	Pledge as collateral	others 1	Available as collateral	others 2	Total carrying amount
Cash and cash equivalent including bank balance	-	-	-	5,22,20,538	5,22,20,538
Trade receivables	-	-	10,69,79,332	-	10,69,79,332
Other financial assets	-	56,30,085	-	-	56,30,085
Property, plant and equipment	-	-	-	59,33,897	59,33,897
Intangible assets	-	-	-	-	-
Total assets	-	56,30,085	10,69,79,332	5,81,54,435	17,07,63,852

31 March 2021	Pledge as collateral	others 1	Available as collateral	others 2	Total carrying amount
Cash and cash equivalent including bank balance	-	-	-	5,21,18,893	5,21,18,893
Trade receivables	-	-	8,92,72,661	-	8,92,72,661
Other financial assets	-	54,68,369	-	-	54,68,369
Property, plant and equipment	-	-	-	2,60,553	2,60,553
Intangible assets	-	-	-	1,854	1,854
Total assets	-	54,68,369	8,92,72,661	5,23,81,300	14,71,22,330

1 Represents assets which are not pledged and Company believes it is restricted from using to secure funding for legal or contractual or other reason

2 Represents assets which are not restricted for use as collateral, but that the Company would not consider readily available to secure funding in the normal course of business



Notes to the financial statements (Continued)

For the year ended 31 March 2022

(Currency : Indian rupees)

2.34 Revenue from contract with customers

Below is the disaggregation of the revenue from contracts with customers and its reconciliation to amounts reported in statement of profit and loss:

For the year ended 31 March 2022

Particulars	Fees and commission income
Service transferred at a point in time	13,08,09,658
Service transferred over time	-
Total revenue from contract with customers	13,08,09,658

For the year ended 31 March 2021

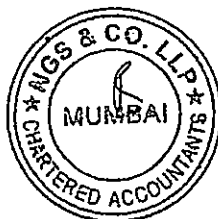
Particulars	Fees and commission income
Service transferred at a point in time	10,65,45,642
Service transferred over time	-
Total revenue from contract with customers	10,65,45,642

2.35 Others disclosures

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

2.36 Corporate Social Responsibility (CSR)

CSR provisions are not applicable for current year and previous year as the turnover, Net Worth are below the prescribed limits of 1000 Crs & 500 Crs each. Also, the Company has profits less than 5 crore.



Notes to the financial statements (Continued)

For the year ended 31 March 2022

(Currency : Indian rupees)

2.37 Details of Ratio

Particular	March 31, 2022	March 31, 2021
Current ratio (refer note 1)	4.74	5.56
Debt-equity Ratio (Refer note 4)	-	-
Debt Service Coverage Ratio (Refer note 4)	-	-
Return on Equity ratio (refer note 2)	0.02	0.03
Inventory turnover ratio (refer note 5)	-	-
Trade receivable turnover ratio (refer note 5)	-	-
Trade payable turnover ratio (refer note 5)	-	-
Net Capital turnover ratio (refer note 5)	-	-
Net profit ratio (refer note 5)	-	-
Return on Capital Employed (refer note 3)	0.07	0.08
Return on Investment (refer note 4)	-	-

Note

1. Current ratio = Current assets / Current liabilities
2. Return on Equity ratio = Net profit after tax - preference dividend / Average shareholder's equity
3. Return on Capital Employed = Earnings before interest and taxes / Capital Employed = Tangible networth (Net-worth - intangible assets) + Total Debt + Deferred Tax Liability
4. Debt equity ratio, Debt Service Coverage ratio, Interest Service Coverage ratios and Total Debts/ Total Assets and Return on Investment are nil since there is no debt and investment during the current year and previous year.
5. Inventory turnover ratio, Trade receivable ratio, Trade payable turnover, Net capital turnover and Net profit ratio are not applicable owing to the business model of the company.



Edelweiss Investment Advisors Private Limited

Notes to the financial statements (Continued)

For the year ended 31 March 2022

(Currency : Indian rupees)

2.38 Capital management

The Company's objective when managing capital is to ensure that the Company is adequately capitalised. This is achieved by obtaining funding from its holding corporation when necessary.

The Company defines "capital" as including all components of equity. The Company's capital structure is regularly reviewed and managed with due regard to the capital management practices of the group to which the Company belongs.

There were no changes in the Company's approach to capital management during the year.

The Company is required to maintain a base capital of \$ 1000,000 with respect to the licensing requirement imposed by the Monetary Authority of Singapore, pursuant to the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licenses) Regulations 2002.

2.39 Rounded off

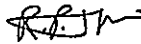
All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees as per the requirements of Schedule III, unless otherwise stated.

2.40 Previous period comparatives

Previous year figures have been regrouped and rearranged whenever necessary to confirm to current year's presentation / classification.

As per our report of even date attached.

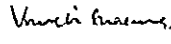
For NGS & Co. LLP
Chartered Accountants
Firm Registration No.: 119850W



R. P. Soni
Partner
Membership No.: 104796



For and on behalf of the Board of Directors



Vivek Sharma
Director



Mohit Batra
Director

Mumbai
18 May 2022

18 May 2022

