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Edel Investments Limited

Annual Report for the year ended March 31, 2021

Board of Directors

Mr. Deepak Mundra	Non- Executive Director
Ms. Punyashree Kanade	Non- Executive Director
Mr. Karan Raheja	Executive Director
Mr. Ravindra Ankam	Independent Director

Chief Financial Officer

Mr. Rajeev Khandal

Company Secretary

Ms. Bhargavi Halapeti

Statutory Auditors

Dhiraj & Dheeraj, Chartered Accountants

Registered Office

2nd Floor, MB Towers, Plot No. 5, Road No.
2, Banjara Hills, Hyderabad - 500 034
Tel: + 91 22 4093 3400
Fax: + 91 22 4093 3401

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NOTICE IS HEREBY GIVEN THAT THE 12TH ANNUAL GENERAL MEETING OF THE MEMBERS OF EDEL INVESTMENTS LIMITED WILL BE HELD ON WEDNESDAY, SEPTEMBER 22, 2021 AT 10:30 A.M. AT THE CORPORATE OFFICE OF THE COMPANY AT EDELWEISS HOUSE, OFF C.S.T. ROAD, KALINA, MUMBAI- 400098

ORDINARY BUSINESS:

1) To consider and adopt the audited Financial Statements of the Company for the financial year ended March 31, 2021, together with the Report of the Board and the Auditors thereon.

2) To appoint a Director in place of Ms. Punyashree Kanade (DIN: 08104699) who retires by rotation and, being eligible, offers herself for re-appointment.

3) Re-appointment of the Statutory Auditors of the Company for a second term of five years:

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"**RESOLVED** that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. Dhiraj & Dheeraj, Chartered Accountants, Auditors (Firm's Registration No : 102454W), be and are hereby re-appointed as Statutory Auditors of the Company for a second term of five years to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 17th AGM of the Company to be held in the year 2026 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

For Edel Investments Limited

EDEL INVESTMENTS LIMITED

Bhargavi Halapeti
Company Secretary
Membership No: A23955

Place: Mumbai,
Date: May 25, 2021

Registered Office:
2nd Floor, M.B. Towers, Plot No. 5,
Road No. 2, Banjara Hills,
Hyderabad – 500034
CIN No.: U65923TG2009PLC112586
Email: treasury.compliance@edelweissfin.com

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NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**

   A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. Pursuant to Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, information in respect of the Directors seeking re-appointment at the Annual General Meeting is given in the Annexure to the Notice.

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Details of Director seeking re-appointment at the Annual General Meeting pursuant to Secretarial Standard on General Meetings (SS-2)

Name of the Director	**Ms. Punyashree Kanade**
Date of Birth	August 14, 1985
Age	36
Date of first Appointment on the Board	May 30, 2018
Brief resume, qualification, experience and nature of expertise in specific functional areas	Bachelor of Management Studies
No. of Board Meetings attended during the financial year ended March 31, 2021	9
Directorships held in all other companies	Nil
Memberships / Chairmanships of Committees of other Boards	N. A
Number of Equity Shares held in the Company	Nil
Inter-se relationship with other Directors and Key Managerial Personnel	None
Details of Remuneration sought to be paid	N.A.
Remuneration last drawn by the Director	As approved by the Shareholders at the Annual General Meeting held on September 6, 2018.

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Corporate Identity No. (CIN) - U65923TG2009PLC112586

Registered office: 2nd Floor, MB Towers, Plot No.5, Road No. 2, Banjara Hills, Hyderabad - 500034

ATTENDANCE SLIP

ANNUAL GENERAL MEETING September 22, 2021, at 10.30 a.m.

Folio No. /Client ID No./DP Id No.	
No. of shares	

I/we certify that I/we am/are a Registered Member/Authorised Representative of Registered Member under Section 113 of the Companies Act, 2013 /Proxy for Registered Member of Edel Investments Limited.

I/we hereby record my/our presence at the Annual General Meeting of the Company to be held on Wednesday, September 22, 2021, at 10.30 a.m at the Corporate office of the Company at Edelweiss House, Off. CST Road, Kalina, Mumbai 400 098, and at any adjournment thereof.

*Member's/ Authorised

Representative's/ Proxy's full name in block letters

Member's/Authorised Representative/

Proxy's Signature

Note: Please fill in this attendance slip and hand it over at the venue of the meeting.

* Please strike off whichever is not applicable

Edel Investments Limited Corporate Identity No. (CIN) - U65923TG2009PLC112586 Registered office: 2nd Floor, MB Towers, Plot No. 5, Road No. 2, Banjara Hills, Hyderabad - 500 034, Tel No.: +91 40 4031 6900	**PROXY FORM** *[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the* Companies (Management and Administration) Rules, 2014*]*

Folio No./Depository A/c No. ____________________

I/We, being the member (s) of .... Shares of the above named company, hereby appoint:

1. Name	2. Name	3. Name
Address	Address	Address
E-mail Id	E-mail Id	E-mail Id
Signature ...., or failing him	Signature ...., or failing him	Signature ....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 12th Annual General Meeting will be held on Monday, September 20, 2021 at 10:30 a.m at the Corporate Office at Edelweiss House, Off. CST Road, Kalina, Mumbai – 400098 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

Sr. No.	Resolution	For	Against
Ordinary Business			
1.	To consider and adopt the Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Directors and Auditors thereon.		
2.	To appoint a Director in place of Ms. Punyashree Kanade (DIN: 08104699) who retires by rotation and, being eligible, offers herself for re-appointment		
3.	Re-appointment of the Statutory Auditors of the Company for a second term of five years		

Signed this........................... day of.............................. 2021. Affix Revenue Stamp

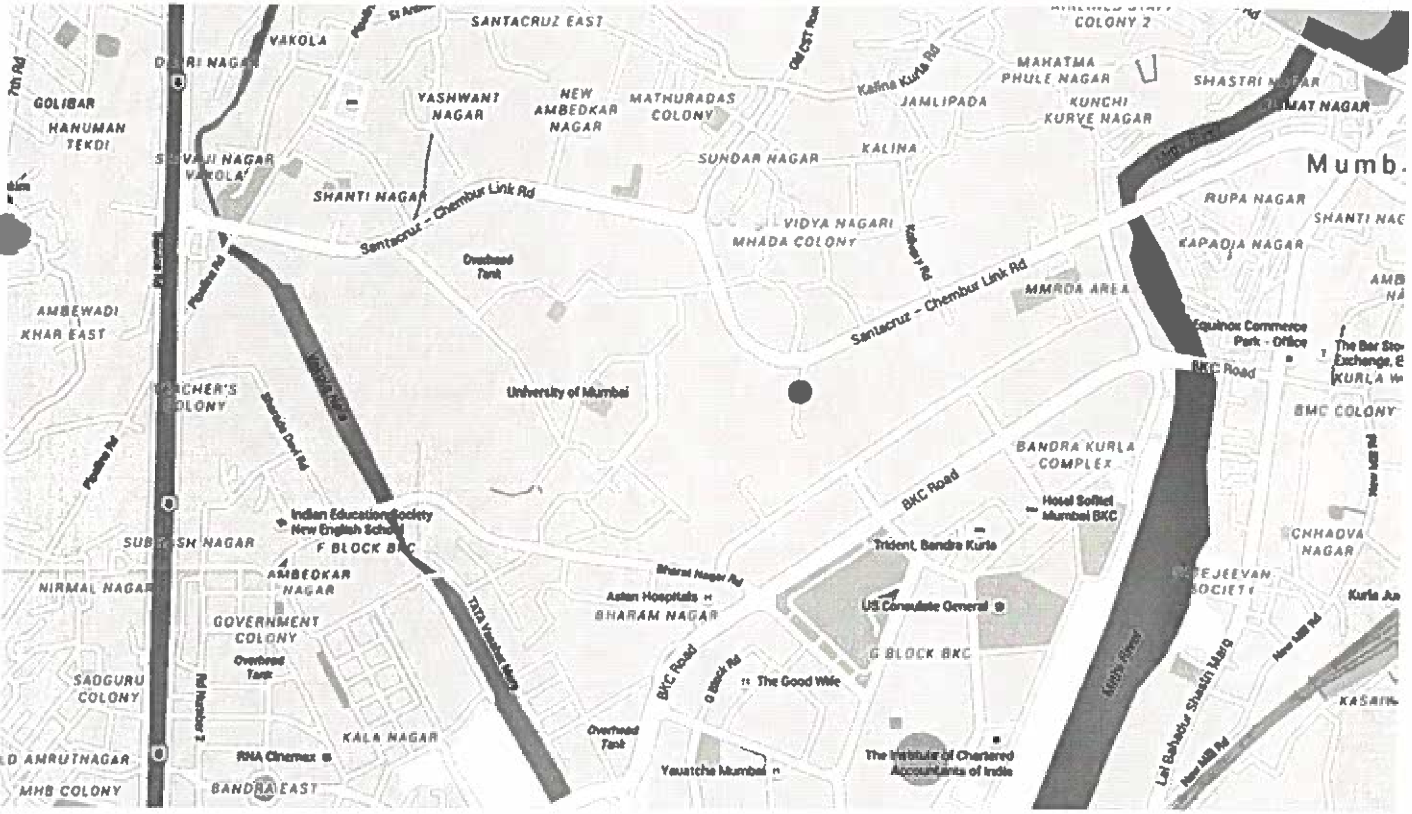
of Re. 0.15

Signature of shareholder:________________

Signature of Proxy holder(s):___________________

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Route Map:



Edel Investments Limited
Corporate Identity Number: U65923TG2009PLC112586
Registered Office : 2nd Floor, MB Towers, Plot No. 5, Road No. 2, Banjara Hills, Hyderabad 500034 ✆ +91 40 4031 6900
Corporate Office : Edelweiss House, Off. C.S.T. Road, Kalina, Mumbai 400098 ✆ +91 22 4009 4400

BOARD'S REPORT

To the Members of **Edel Investments Limited,**

Your Directors hereby present the 12th Board's Report on the business, operations and state of affairs of the Company together with the audited financial statements for the year ended March 31, 2021:

Financial Highlights

(₹ in million)

Particulars	2020-21	2019-20
Total Income	116.91	(312.09)
Total Expenses	96.62	120.61
Profit/ (Loss) before Tax	20.29	(432.70)
Tax Expenses	14.10	(120.13)
Profit/ (Loss) for the year	6.19	(312.57)
Other Comprehensive Income	0.2	0.05
Total Comprehensive Income/ (Expenses)	5.99	(312.52)
Earnings Per Share Rs. (Face Value of Rs. 10/- each)	0.18	(41.91)
Basic & Diluted	0.18	(41.91)

Information on the state of affairs of the Company

During the year ended March 31, 2021, the Company earned revenue of ₹ 116.91 million as against (₹ 312.09) million during the previous year. The Company has earned a profit of ₹ 6.19 million for the year ended March 31, 2021, as against the loss of ₹ 312.57 million during the previous year.

The COVID-19 pandemic outbreak across the world including India has resulted in most countries announcing lockdowns and quarantine measures that have sharply stalled economic activities across the world. The Indian Government too has imposed lockdowns starting from March 24, 2020. Subsequently, the national lockdown was lifted by the government for certain activities in a phased manner outside specified containment zones, but regional lockdowns/restrictions continued to be implemented in areas with a significant number of COVID-19 cases. The Indian economy is impacted and would continue to be impacted by this pandemic and the resultant lockdown, due to the contraction in industrial and services output across small and large businesses. The impact of the COVID-19 pandemic, including the current "second wave" on financial statement, including credit quality and provisions, gain/loss on fair value changes, investment, remains uncertain and dependent on the current and further spread of COVID-19, steps taken by the government and other regulators to mitigate the

EDEL INVESTMENTS LIMITED

economic impact and also the time it takes for economic activities to resume and reach the normal levels. Further, the Company has assessed the impact of the COVID-19 pandemic on its liquidity and ability to pay its obligations as and when they are due. With the second wave of COVID-19 and the vaccination drive, FY22 comes with both uncertainty and hope. Robust equity, comfortable liquidity and agile operating platforms will give us a solid foundation as we look towards economic revival and growth in the years ahead. The Company will continue to closely monitor material changes in markets and future economic conditions.

Share Capital

During the year under review, the Authorised Share Capital of the Company was reclassified and consequent to the reclassification, the Authorised Share Capital of the Company is Rs. 40,00,00,000/- (Rupees Forty crores) divided into 3,60,00,000 (Three Crores Sixty Lakhs) equity Shares of the face value of Rs. 10/- each and 40,00,000 (Forty Lakhs) Preference Shares of the face value of Rs. 10/- each.

During the year under review, the Company has issued and allotted 30,00,000 (Thirty Lakhs) - 12% Non-cumulative Non-convertible Redeemable Preference Shares of Rs. 10 /- (Rupees Ten Only) for cash at a premium of Rs. 990/- (Rupees Nine Hundred and Ninety only) per Preference Share to Ecap Equities Limited, the holding company of the Company on a right basis.

Further during the year under review, the Company has redeemed 3,00,000 (Three Lakhs) - 12% Non-cumulative Non-convertible Redeemable Preference Shares of Rs. 10/- out of the proceeds of the fresh issue of 30,00,000 (Thirty Lakhs) – 12% Non- cumulative Non- convertible Redeemable Preference Shares of Rs. 10/- each (Rupees Ten only) allotted to ECap Equities Limited, the holding company of the Company on a rights basis.

Dividend

During the year under review your Company did not declare any dividend.

Subsidiaries, Associate Company and Joint Venture

Edelweiss International (Singapore) Pte. Ltd. continues to be wholly owned subsidiary of the Company.Your Company does not have any Associate and have not entered into any Joint Venture Agreement

The salient features of the financial statement of the subsidiary of the Company as required under the Companies Act, 2013 is provided in the financial statements in Form AOC-1 and also attached as **Annexure I** of this report.

Loans, Investments and Guarantees

The particulars of Loans and Investments made by the Company are provided in the notes to the financial statement.

Further, during the year under review, the Company has neither given any guarantee nor provided any securities.

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Related Party Transactions

The particulars of contract or arrangements with the related parties as referred to in Section 188(1) of the Companies Act, 2013 and forming part of this Report is provided in Form AOC 2 and attached as **Annexure II** to this Report.

All the Related Party Transactions as required under Ind AS -24 are reported in the Notes to the financial statement.

Directors and Key Managerial Personnel

(a) **Independent Director**

Mr. Ravindra Ankam (DIN : 03210147) continues to be an independent director.

In accordance with the provisions of Section 149 of the Companies Act, 2013, Mr. Ravindra Ankam has given a declaration that he meet the criteria of independence as provided in the said Section and there has been no change in the circumstances which may affect his status as an Independent Director during the year under review.

(b) **Executive Director**

Mr. Karan Raheja (DIN: 08140008) has been appointed as an Executive Director of the Company for a period of 3 years w.e.f. April 01, 2021. Subject to the approval of the Members at a forthcoming General Meeting.

(c) **Retirement by Rotation of a Director**

Ms. Punyashree Kanade (DIN: 08104699) retires by rotation at the ensuing Annual General Meeting.

(d) **Key Managerial Personnel**

During the year under review, Ms. Siddiqa Raeen resigned as the Company Secretary of the Company w.e.f November 11, 2020 and Ms. Bhargavi Halapeti has been appointed as the Company Secretary of the Company w.e.f April 09, 2021. Mr. Rajeev Khandal continues to be the Chief Financial Officer of the Company.

Number of Board Meetings held

During the Financial Year ended March 31, 2021, the Board met Nine times.

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Evaluation of the Performance of the Board

A Board Evaluation Policy (the "Policy") for evaluating the performance of the Board, Non-executive Directors, Independent Director and its Committee has been adopted by the Company. The Policy inter alia provides the criteria for performance evaluation such as Board effectiveness, quality of discussion, contribution at the meetings, business acumen, strategic thinking, time commitment, relationship with the stakeholders, contribution of the Committees to the Board in discharging its functions, etc.

Internal Financial Controls and Risk Management

The Company has in place adequate internal financial control with reference to financial statements.

The Company has operations in India. While risk is inherent in the Company's activities, it is managed through an integrated risk management framework including ongoing identification, measurement is critical to the Company's continuing profitability.

The Board of Directors of the Company has framed and implemented a Risk Management Policy.

Whistle Blower Policy/Vigil Mechanism

The Company has voluntarily adopted Whistle Blower Policy of Edelweiss Financial Services Limited, the ultimate Holding Company, for the employees and the Directors to report genuine concerns/grievances. The Policy provides for the adequate safeguards against the victimization of the directors and employees who use vigil mechanism.

The vigil mechanism is monitored by the Board of Directors of the Company.

Corporate Social Responsibility Committee

In accordance with the provisions of Section 135 of the Companies Act, 2013 (the Act), the Board of Directors of the Company has constituted the Corporate Social Responsibility Committee (CSR Committee) comprising the following Directors as its members:

Mr. Karan Raheja
Mr. Deepak Mundra
Mr. Ravindra Ankam

The CSR Report on the activities undertaken during the year is annexed as an **Annexure III** to this Report.

The CSR Committee and the Board of Directors of the Company are exploring/examining various options/projects for an amount to be spent for CSR activities.

EDEL INVESTMENTS LIMITED

Auditors

At the 9th Annual General Meeting (AGM) of the Company held on September 06, 2018, the Members had appointed M/s. Dhiraj & Dheeraj, Chartered Accountants as the Auditors of the Company to hold office, until the conclusion of 12th AGM to be held in the year 2021. Therefore, the Board has recommended to the Members the ratification of appointment of M/s. Dhiraj & Dheeraj as the Auditors of the Company. M/s. Dhiraj & Dheeraj, Chartered Accountants has confirmed their eligibility to act as the Auditors of the Company.

The Auditor's Report annexed to the financial statement for the year under review does not contain any qualification, reservation, adverse remark or disclaimer.

Prevention of Sexual harassment of Women at workplace

Your Company has zero tolerance for sexual harassment at its workplace and has adopted a policy on Prevention, prohibition and redressal of sexual harassment at workplace. There was no case reported during the year ended March 31, 2021 under the Policy.

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings / Outgo

A. Conservation of energy

i) The steps taken or impact on conservation of energy - The operations of your Company are not energy-intensive. However, adequate measures have been initiated for conservation of energy.

ii) The steps taken by the Company for utilising alternate sources of energy though the operations of the Company are not energy intensive, the Company shall explore alternative source of energy, as and when the necessity arises.

iii) The capital investment on energy conservation equipments - Nil.

B. Technology absorption

(i) the efforts made towards technology absorption; The minimum technology required for the business has been absorbed.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution; Not Applicable

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year); Not Applicable

(a) the details of technology imported;
(b) the year of import;
(c) whether the technology been fully absorbed;

EDEL INVESTMENTS LIMITED

(e) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

(iv) the expenditure incurred on Research and Development: Not Applicable

C. Foreign Exchange Earning And Outgo:

There were no foreign exchange earnings during the year under review (previous year: NIL).

Others Disclosures

No disclosure is required in respect of the details relating to the deposits covered under Chapter V of the Companies Act, 2013, issue of Equity Shares with differential rights as to dividend, voting or otherwise, sweat equity shares, as there were no transactions on these matters during the year ended March 31, 2021. There were no significant or material order passed by any regulator or court or tribunal which would impact the status of the Company as a going concern and the operations in future. No material changes have occurred between the end of financial year i.e. March 31, 2021 and the date of the Report affecting the financial position of your Company. The Company is in compliance with applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Disclosure under Section 197 of the Companies Act, 2013

The information as required under Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 as amended, forms part of this Annual Report.

In terms of the provisions of Section 136 of the Act, any member interested in obtaining a copy of information under Rule 5(2) of the aforesaid Rules, may write to the Company at the Registered Office of the Company.

Directors' Responsibility Statement

Pursuant to Section 134 of the Companies Act, 2013 (the Act), your Directors confirm that:

(i) in the preparation of the annual accounts, the applicable accounting standards have been followed;

(ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and the profit of the Company for the financial year ended on that date;

(iii) proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the annual accounts have been prepared on a going concern basis; and

EDEL INVESTMENTS LIMITED

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

Acknowledgments

The Board of Directors wish to acknowledge the continued support and co-operation extended by the Stock Exchanges, Ministry of Corporate Affairs, Depositories, Depository Participants, other government authorities, Banks and other stakeholders. Your Directors would also like to take this opportunity to express their appreciation for the dedicated efforts of the employees of the Company.

For and on behalf of the Board of Directors
Edel Investments Limited

EDEL INVESTMENTS LIMITED

Punyashree Kanade
Director
DIN: 08104699

Deepak Mundra

Deepak Mundra
Director
DIN: 06733120

Date: May 25, 2021
Place: Mumbai

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Form AOC – 1 **Annexure I**

Statement containing salient features of the financial statement of Subsidiaries or associate companies or joint ventures.

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A" Subsidiaries **(Currency : Indian rupees in millions)**

Name of the Subsidiary Company	**Edelweiss International(Singapore) Pte Ltd**
Date of incorporation/acquisition	**02-May-2008**
Reporting currency	USD
Exchange rate	73.5047
Paid-up Equity Share Capital	2063.31
Paid-up Preference Share Capital	-
Reserves of the Subsidiary	(184.33)
Total Assets of the Subsidiary	2643.15
Total Liabilities of the Subsidiary	765.17
Investments	74.34
Total Turnover	673.04
Profit/(Loss) before taxation	350.93
Provision for taxation	4.58
Profit/(Loss) after taxation	346.35
Proposed dividend	-
% of shareholding	100%

For and on behalf of the Board of Directors
Edel Investments Limited

Deepak Mundra

Punyashree Kanade
Director
DIN: 08104699

Deepak Mundra
Director
DIN: 06733120

EDEL INVESTMENTS LIMITED

Rajeev Khandal
Chief Financial Officer

Bhargavi Halapeti
Company Secretary

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Annexure II

Form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

Details of contracts or arrangements or transactions not at arm's length basis: Nil

(Currency : Rs. in million)

S. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188

II. Details of material contracts or arrangement or transactions at arm's length basis:

(Currency : Rs. in million)

S. No.	Name(s) of the related party	Nature of relationship	Nature of contracts/arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date of approval by the Board	Amount paid as advances, if any
1	Edelweiss International (Singapore) Private Limited	Wholly owned Subsidiary Company	Investment in Subsidiary company	--	2,348.12	January 22, 2019	Nil
2	Edelweiss Custodial Services Limited	Associate Company of ultimate Holding Company i.e. Edelweiss Financial Services Limited	Placing of Margins	One year	1,165.14	January 22, 2019	Nil
3	Edelweiss Custodial Services Limited	Associate Company of ultimate Holding Company i.e. Edelweiss Financial Services Limited	Withdrawal of Margins	One year	1079.64	January 22, 2019	Nil
4	Ecap Equities Limited	Holding Company	Sale of Debt securities	--	56.04	January 22, 2019	Nil
5	Edel Land Limited	Fellow Subsidiary	Sale of Debt Securities	--	57.81	January 22, 2019	Nil

For and on behalf of the Board
Edel Investments Limited

EDEL INVESTMENTS LIMITED

Punyashree Kanade	**Deepak Mundra**
Director	**Director**
DIN: 08104699	**DIN: 06733120**

Date:- May 25, 2021
Place:- Mumbai

Annexure III

Corporate Social Responsibility (CSR)

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

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

   To leverage the capacity and capital to equip and enable the social sector achieve the greatest impact on the lives of the poor in India.

2. The Composition of the CSR Committee is as under:-

Mr. Deepak Mundra	- Non-Executive Director
Mr. Karan Raheja	- Executive Director
Mr. Ravindra Ankam	- Independent Director.

3. Average net loss of the Company for last three financial years: **Rs.3.62** crores

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): **Nil**

5. Details of CSR spent during the financial year: **NA**
   a) Total amount to be spent for the financial year:
   b) Amount unspent, if any:

EDEL INVESTMENTS LIMITED

(c) **Manner in which the amount spent during the financial year is detailed below:**

(Rs. in million)

1	2	3	4	5	6		7	8
S. No.	**CSR project or activity identified**	**Sector in which the project is covered**	**Projects or programs**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects or programs**		**Cumulative expenditure up to the reporting period**	**Amount spent : Direct or through implementing agency***
			(1) Local area or other		**Sub – heads:**			
			(2) Specify the State and district where projects or programs was undertaken		**(1) Direct expenditure on projects or programs**	**(2) Overheads:**		
NA								

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.
The Company is a wholly owned subsidiary of Edelweiss Financial Services Limited through ECap Equities Limited. Edelweiss group is conscious of its Corporate Social Responsibility and, had accordingly established a CSR arm "EdelGive Foundation" in the year 2008. As an amount of Rs 29.78 crore (Previous year: 30.18 crore) (representing more than 2% of the consolidated profit of the group) was spent towards CSR activities during the year ended March 31, 2021, the Company has not incurred the prescribed CSR expenditure on a standalone basis during the year ended March 31, 2021.

7. A responsibility statement of the CSR Committee:
The implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

For and on behalf of Edel Investments Limited

Deepak Mundra

Deepak Mundra
Chairman - CSR Committee
DIN: 06733120

Punyashree Kanade
Director
DIN: 08104699

EDEL INVESTMENTS LIMITED

Date: May 25, 2021

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DHIRAJ & DHEERAJ
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of **Edel Investments Limited**

Report on the Audit of the Special Purpose Financial Statements

Opinion

We have audited the accompanying Special Purpose Financial Statements of **Edel Investments Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2021, 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, 2021, 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), as specified under section 143(10) of the Act. 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 Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of 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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors report, but does not include the special purpose financial statements and our auditor's report thereon.

Our opinion on the Special Purpose Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Special Purpose Financial Statements, our responsibility is to read

DHIRAJ & DHEERAJ ★ MUMBAI ★ CHARTERED ACCOUNTANTS the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Special Purpose Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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 in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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

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CHARTERED ACCOUNTANTS

one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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

The Company has prepared a separate set of financial statements for the year ended March 31, 2021 which is prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended, on which we issued a separate auditor's report to the members of the Company dated 25/05/ 2021. The separate auditor's report can be used by S.R. Batliboi & Co. LLP (the current statutory auditor of EFSL) in conjunction with the audit of consolidated financial statements.

This report is issued at the request of the Company and is intended solely for the information and use of the Edelweiss Financial Services Limited ('Ultimate Holding Company' or 'EFSL'), for the purpose of presentation of its consolidated audited financial statements for the year ended March 31, 2021 and for the use of S.R. Batliboi & Co. LLP (the current statutory auditor of EFSL) in conjunction with the audit of consolidated financial statements and is not intended to be and should

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CHARTERED ACCOUNTANTS

not be used for any other purpose.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, 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) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company 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;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

DHIRAJ & DHEERAJ
MUMBAI
CHARTERED ACCOUNTANTS

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

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

For **Dhiraj & Dheeraj**
Chartered Accountants
ICAI Firm Registration Number: 102454W

DHIRAJ & DHEERAJ ★ MUMBAI ★ CHARTERED ACCOUNTANTS

Shailendra

Shailendra Dadhich
Partner
Membership Number: 425098
UDIN: 21425098AAAADQ4136
Place of Signature:
Date:25-05-2021

Annexure A

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Edel Investments Limited** ("the Company") as of March 31, 2021 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. 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, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 over financial reporting with reference to these special purpose financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting 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.

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

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these 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 control over financial reporting with reference to these 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Special purpose Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting 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 over financial reporting with reference to these special purpose financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these 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.

DHIRAJ & DHEERAJ ★ MUMBAI CHARTERED ACCOUNTANTS ★

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these special purpose financial statements and such internal financial controls over financial reporting with reference to these special purpose financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Dhiraj & Dheeraj**
Chartered Accountants
ICAI Firm Registration Number: 102454W

Shailendra Dadhich
Partner
Membership Number: 425098
UDIN: 21425098AAAADQ4136

DHIRAJ & DHEERAJ
MUMBAI
CHARTERED ACCOUNTANTS

Place of Signature:
Date: 25-05-2021

Edel Investments Limited

Balance Sheet

(Currency: Indian rupees)

	Note	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
ASSETS			
Financial assets			
(a) Cash and cash equivalents	7	**4,11,33,154**	1,09,82,928
(b) Bank balances other than cash and cash equivalents	8	**1,05,10,342**	11,12,26,409
(c) Derivative financial instruments	9	**29,87,985**	2,53,20,253
(d) Trade receivables	10	**86,92,783**	29,14,855
(e) Stock in trade	11	**1,07,16,158**	10,24,58,098
(f) Loans	12	**14,07,15,767**	-
(g) Investments	13	**2,34,81,21,194**	2,34,81,21,194
(h) Other financial assets	14	**21,40,29,926**	6,82,72,329
		2,77,69,07,309	2,66,92,96,066
Non-financial assets			
(a) Current tax assets (net)	15	**15,57,229**	2,77,93,634
(b) Deferred tax assets (net)	16	**18,56,79,874**	19,10,36,387
(c) Property, Plant and Equipment	17	**31,82,252**	33,98,561
(d) Other Intangible assets	17	**15,92,208**	29,16,445
(e) Other non- financial assets	18	**80,03,410**	15,73,120
		20,00,14,973	22,67,18,147
TOTAL ASSETS		**2,97,69,22,282**	2,89,60,14,213
LIABILITIES AND EQUITY			
Financial liabilities			
(a) Payables			
(I) Trade payables	19		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		**6,07,18,812**	1,59,35,711
(b) Borrowings (other than debt securities)	20	-	1,48,28,941
(c) Subordinated Liabilities	21	**30,00,00,000**	26,61,43,782
(d) Other financial liabilities	22	**27,95,431**	16,11,777
		36,35,14,243	29,85,20,211
Non-financial liabilities			
(a) Current tax liabilities (net)	23	**86,64,663**	-
(b) Provisions	24	**45,68,451**	15,73,673
(c) Other non-financial liabilities	25	**8,23,861**	25,60,901
		1,40,56,975	41,34,574
Equity			
(a) Equity share capital	26	**35,02,20,000**	35,02,20,000
(b) Other equity	27	**2,24,91,31,064**	2,24,31,39,428
		2,59,93,51,064	2,59,33,59,428
TOTAL LIABILITIES AND EQUITY		**2,97,69,22,282**	2,89,60,14,213

The accompanying notes are an integral part of the financial statements 1-52

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

For Dhiraj & Dheeraj
Chartered Accountants
Firms' Registration No. 102454W

For and on behalf of Board of Directors

Shailendra Dadhich
Partner
Membership No: 425098

DHIRAJ & DHEERAJ MUMBAI CHARTERED ACCOUNTANTS

Punyashree Kanade
Director
DIN: 08104699

Deepak Mundra
Director
DIN: 06733120

Rajeev Khandal
Chief Financial Officer

Bhargavi Hulapeti
Company Secretary

EDEL INVESTMENT LIMITED

Mumbai
25 May 2021

Mumbai
25 May 2021

Edel Investments Limited

Statement of Profit and Loss

(Currency: Indian rupees)

	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue from operations			
Interest income	28	**2,75,99,323**	1,30,19,984
Fee and commission income	29	**1,64,84,270**	1,04,89,726
Net gain on fair value changes	30	**7,02,05,793**	(33,55,97,157)
Total Revenue from operations		11,42,89,386	(31,20,87,447)
Other Income	31	**26,22,124**	-
Total Revenue		11,69,11,510	(31,20,87,447)
Expenses			
Impairment on financial instruments	32	**72,574**	-
Finance costs	33	**3,39,23,288**	3,12,69,307
Employee benefit expenses	34	**3,45,89,960**	3,06,86,384
Depreciation, amortisation and impairment	17	**28,14,267**	19,67,916
Other expenses	35	**2,52,19,607**	5,66,90,436
Total expenses		9,66,19,696	12,06,14,043
Profit / (Loss) before tax		**2,02,91,814**	(43,27,01,490)
Tax expense:			
Current tax		**86,64,663**	34,410
Deferred tax		**54,34,133**	(12,01,63,833)
Profit / (Loss) for the year		61,93,018	(31,25,72,067)
Other Comprehensive Income			
(a) Items that will not be reclassified to profit or loss			
Remeasurement gain / loss on defined benefit plans (OCI)		**(2,79,000)**	70,514
Tax effect on Remeasurement gain / loss on defined benefit plans (OCI)		**77,618**	(19,617)
Total other comprehensive income		(2,01,382)	50,897
Total comprehensive income		59,91,636	(31,25,21,170)
Earnings per equity share (Face value of Rs 10 each): Basic and diluted (in Rs.)	36	**0.18**	(41.91)
The accompanying notes are an integral part of the financial statements	1-52		

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

For Dhiraj & Dheeraj
Chartered Accountants
Firms' Registration No. 102454W

Shailendra Dadhich
Partner
Membership No: 425098

DHIRAJ & DHEERAJ ★ MUMBAI ★ CHARTERED ACCOUNTANTS

Mumbai
25 May 2021

For and on behalf of the Board of Directors

Punyashree Kanade
Director
DIN: 08104699

Deepak Mundra
Director
DIN: 06733120

Rajeev Khandal
Chief Financial Officer

Bhargavi Halapeti
Company Secretary

Mumbai
25 May 2021

EDEL INVESTMENT LIMITED ★

Edel Investments Limited

Cash Flow Statement

(Currency: Indian rupees)

		For the year ended 31 March 2021	For the year ended 31 March 2020
A	**Cash flow from operating activities**		
	Profit / (Loss) before taxation	2,02,91,814	(43,27,01,490)
	Adjustments for		
	Interest income	(1,57,41,156)	(20,09,857)
	Depreciation	28,14,267	19,67,916
	Interest expense	61,43,877	3,10,69,630
	Interest expense on Subordinated Liabilities	3,38,56,218	92,979
	Provision for gratuity and compensated leave absences (incl Actuarial gain/loss)	27,15,778	(2,47,268)
	Operating cash flow before working capital changes	5,00,80,798	(40,18,28,090)
	Adjustments for working capital changes		
	Increase /(Decrease) in financial liabilities (incl trade payables)	4,59,66,754	(1,66,83,283)
	(Decrease) / Increase in non-financial liabilities	(17,37,040)	8,56,204
	Increase in fixed deposit accrued interest	(2,83,933)	(3,97,761)
	Decrease / (Increase) in derivative financial instruments (Assets)	2,23,32,268	(2,53,20,253)
	Decrease/(increase) in bank balances other than cash and cash equivalents	10,10,00,000	(10,83,00,000)
	Decrease in Stock-in-trade	9,17,41,940	18,45,41,698
	Increase in trade receivables	(57,77,928)	(25,54,855)
	(Increase) / Decrease in other financial assets	(14,57,57,597)	5,47,75,916
	(Increase) / Decrease in other non-financial assets	(64,30,290)	13,07,926
	Cash generated from / (used in) operations	15,11,34,972	(31,36,02,498)
	Income tax (refund) / paid	2,62,36,405	(5,06,623)
	Net cash generated from / (used in) operating activities - A	17,73,71,377	(31,41,09,121)
B	**Cash flow from investing activities**		
	Purchase of fixed assets	(12,73,722)	(74,33,500)
	Investment in Equity Shares of group company	-	(2,34,81,21,194)
	Interest received	1,57,41,156	20,09,857
	Net cash generated from / (used in) investing activities - B	1,44,67,434	(2,35,35,44,837)
C	**Cash flow from financing activities**		
	Proceeds from issue of shares including premium and share application money	-	2,59,54,64,000
	Proceeds from issue of preference shares	30,00,00,000	30,00,00,000
	Payment on redemption of preference shares	(30,00,00,000)	-
	Borrowings (other than debt securities) (Refer Note 2)	(1,48,28,941)	(18,53,28,114)
	Interest paid	(61,43,877)	(3,26,23,499)
	Loan given	(14,07,15,767)	-
	Net cash (used in) / generated from financing activities - C	(16,16,88,585)	2,67,75,12,387
	Net increase in cash and cash equivalents (A+B+C)	3,01,50,226	98,58,429
	Cash and cash equivalents as at the beginning of the year	1,09,82,928	11,24,499
	Cash and cash equivalents as at the end of the year	4,11,33,154	1,09,82,928

Notes:

1	Cash and cash equivalents include the following:		
	Balances with bank		
	In current account	4,11,33,154	1,09,82,928
		4,11,33,154	1,09,82,928

2 Net figures have been reported on account of volume of transactions.

This is the Cash flow statement referred to in our report of even date.

For Dhiraj & Dheeraj
Chartered Accountants
Firms' Registration No. 102454W

Shailendra Dadhich
Partner
Membership No: 425098

DHIRAJ & DHEERAJ
MUMBAI
CHARTERED ACCOUNTANTS

Mumbai
25 May 2021

For and on behalf of the Board of Directors

Punyashree Kanade
Director
DIN: 08104699

Deepak Mundra
Director
DIN: 06733120

Rajeev Khandal
Chief Financial Officer

Bhargavi Halapeti
Company Secretary

Mumbai
25 May 2021

EDEL INVESTMENT LIMITED

Edel Investments Limited

Statement of changes in Equity

(Currency: Indian rupees)

(a) Equity share capital	**As at 31 March 2021**	As at 31 March 2020
Balance at the beginning of the year	**35,02,20,000**	3,37,00,000
Changes in equity share capital	-	31,65,20,000
Balance at the end of the year	**35,02,20,000**	35,02,20,000

(b) Other equity

	Capital Redemption Reserve	Securities Premium	ESOP reserve	Retained earnings	Total
Balance at 31 March 2020 (Ind AS)	45,00,000	2,29,12,44,000	6,73,094	(5,32,77,666)	2,24,31,39,428
Profit for the year	-	-	-	61,93,018	61,93,018
Other comprehensive income	-	-	-	(2,01,382)	(2,01,382)
Total Comprehensive Income for the year	-	-	-	59,91,636	59,91,636
Balance at 31 March 2021 (Ind AS)	45,00,000	2,29,12,44,000	6,73,094	(4,72,86,030)	2,24,91,31,064

Capital redemption reserve:

As per Companies Act, 2013, capital redemption reserve is created when Company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

Securities premium:

Securities premium is used to record the premium on issue of shares and the reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

ESOP reserve:

Certain employees of the Company have been granted options to acquire equity shares of the Ultimate Parent Company (Edelweiss Financial Services Limited). This reserve represents the cost of these options based on their fair value at the grant dates as recognised over the vesting period of such options, to the extent that the Ultimate Parent Company has not recovered such cost from the

This is the Statement of changes in Equity referrred to in our report of even date.

For **Dhiraj & Dheeraj**
Chartered Accountants
Firms' Registration No. 102454W

For and on behalf of the Board of Directors

DHIRAJ & DHEERAJ MUMBAI CHARTERED ACCOUNTANTS

Shailendra Dadhich
Partner
Membership No: 425098

Mumbai
25 May 2021

Punyashree Kanade
Director
DIN: 08104699

Deepak Mundra
Director
DIN: 06733120

Rajeev Khandal
Chief Financial Officer

Bhargavi Halapeti
Company Secretary

Mumbai
25 May 2021

EDEL INVESTMENT LIMITED

Edel Investments Limited
Notes to the financial statements
for the year ended 31 March 2021

1. Background

Edel Investment Limited ('the Company') was incorporated on 24-Nov-2009 as a public limited company.

The Company is a subsidiary of ECap Equities Limited and is registered as a trading member in Equity segment, Derivatives segment and Currency derivatives Segment with National Stock Exchange of India Limited (NSE) and BSE Limited ('BSE').

2. Basis of preparation of financial statements

The Company's 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 (FVTOCI) instruments, derivative financial instruments, fair value through profit and loss account and other financial assets held for trading, which have been measured at fair value. The Company's financial statements are presented in Indian Rupees (INR).

The outbreak of COVID–19 virus continues to spread across the globe including India, resulting in significant volatility in financial markets and a significant decrease in global and India's economic activities. The pandemic and its consequent adverse effect on the economy also adversely impacted the financial markets.
In preparing these financial statements, the Company's management has assessed the impact of the pandemic on its operations and its assets including the value of its investments as at March 31, 2021 based on estimate of the future results and various internal and external information available up to the date of approval of these financial statements. The estimates as at the date of approval of these financial results may differ based on the ongoing impact of the pandemic and the timing of the improvement in the economy and the financial markets.

DHIRAJ & DHEERAJ MUMBAI CHARTERED ACCOUNTANTS

EDEL INVESTMENT LIMITED

3. Presentation of financial statements

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 50.

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:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the company and or its counterparties

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 2021 for Edelweiss Financial Services Limited Reporting (Ultimate 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 has prepared a separate set of financial statements for the year ended 31 March 2020 in Indian Rupees which is prepared in accordance with Division III of Schedule III and Ind-AS prescribed under Section 133 of the Act read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

DHIRAJ & DHEERAJ MUMBAI CHARTERED ACCOUNTANTS

EDEL INVESTMENT LIMITED

Edel Investments Limited
Notes to the financial statements
for the year ended 31 March 2021

4. Significant accounting policies

4.1 Revenue recognition

4.1.1 Fee income including advisory fees for services rendered is accounted over the period as the customer simultaneously receives and consumes the benefits, as the services are rendered.

4.1.2 Interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost and debt instrument measured at FVTOCI. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the financial asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

For purchased or originated credit-impaired (POCI) financial assets, the Company calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortised cost of the asset. The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortised cost of the POCI assets.

4.1.3 Dividend income is recognised in profit or loss when the Company's right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity, and the amount of the dividend can be measured reliably.

4.1.4 Brokerage income on currency derivatives broking business is recognised as per contracted rates at the time of execution of transactions on behalf of the customers on the trade date and is reflected net of related sub-brokerage expenses, goods and service tax ("GST"), transaction charges and stock exchange expenses.

4.1.5 Profit/loss on sale of investments is recognised on trade date basis.

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4.2 Financial Instruments

4.2.1 Date of recognition

Financial assets and financial liabilities, with the exception of borrowings 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. The Company recognises borrowings when funds are available for utilisation to the Company.

4.2.2 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 and loss.

4.2.3 Day 1 profit or loss

When the transaction price of the financial instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in statement of profit and loss when the inputs become observable, or when the instrument is derecognised.

4.3 Classification of financial instruments

4.3.1 Financial assets:

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 [FVTOCI]
- Fair value through profit or 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).

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- If such sales are made close to maturity of financial asset and proceeds from 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.

Other than above classification of amortised cost and FVOCI, all other financial assets are initially measured at fair value and subsequently measured at FVTPL.

4.3.1.1 Amortized cost and Effective interest rate method (EIR)

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

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 credit 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.

4.3.1.2 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.

4.3.1.3 Financial asset measured at FVOCI

Unrealised gains or losses on debt instruments measured at FVOCI are recognised in other comprehensive income, and on derecognition of such instrument accumulated gains or losses are recycled to statement of profit and loss. Interest income on such instrument is recognised in statement of profit and loss as per EIR method.

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4.3.1.4 Investment in equity instruments

The Company subsequently measures all equity investments at fair value through profit or loss, unless the management has elected to classify irrevocably some of its strategic equity investments to be measured at FVTOCI, when such instruments meet the definition of Equity under Ind AS and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

4.3.2 Financial liabilities

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

4.3.2.1 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 instrument.

4.3.2.2 Financial assets and financial liabilities at fair value through profit or loss

Financial assets and financial liabilities 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. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis:

- The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis; or
- The liabilities are part of a group of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy; or
- The liabilities containing one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited.

Financial assets and financial liabilities at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in statement of profit and loss with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Company's own credit risk. Such changes in fair value are recorded in the own credit reserve through OCI and do not get recycled to the profit or loss. Interest earned or incurred on instruments designated at FVTPL is accrued in interest income or finance cost, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.

4.3.2.3 Financial guarantee:

Financial guarantees are contracts that require the Company to make specified payments to reimburse to holder for loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of a debt instrument.

Financial guarantee issued or commitments to provide a loan at below market interest rate are initially measured at fair value and the initial fair value is amortised over the life of the

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guarantee or the commitment. Subsequently they are measured at higher of this amortised amount and the amount of loss allowance.

4.3.2.4 Loan commitment

Undrawn loan commitments are commitments under which, the Company is required to provide a loan with pre-specified terms to the customer during the duration of commitment.

4.3.3 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 are recognised at the proceeds received.

4.3.4 Derivatives

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and interest rate swaps.

Derivatives are initially recognised at fair value and are subsequently re-measured at fair value through profit or loss. The resulting gain or loss is recognised in statement of profit and loss immediately.

4.4 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. Financial liabilities are never reclassified.

4.5 Derecognition of financial assets and financial liabilities

4.5.1 Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised financial assets are classified as Stage 1 for ECL measurement purposes, unless the new financial asset is deemed to be POCI.

When assessing whether or not to derecognise a financial asset, amongst others, the Company considers the following factors:

- Change in currency of the loan
- Introduction of an equity feature
- Change in counterparty

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

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4.5.2 Derecognition of financial assets other than due to substantial modification

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if, and only if, either:

- The Company has transferred its contractual rights to receive cash flows from the financial asset; or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following conditions are met:

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates
- The Company cannot sell or pledge the original asset other than as security to the eventual recipients

The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer 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.

4.5.3 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 financial liability and the consideration paid, including modified contractual cash flow recognised as new financial liability, is recognised in the statement of profit and loss.

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4.6 Impairment of financial assets

The Company records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with loan commitment and financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and lease 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. However, if receivables contain a significant financing component, the Company chooses as its accounting policy to measure the loss allowance by applying general approach to measure ECL.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk (SICR) since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses (12m ECL). The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default (EAD), for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

If a financial instrument includes both a loan (i.e. financial asset) and an undrawn commitment (i.e. loan commitment) component and the Company cannot separately identify the ECL on the loan commitment component from those on the financial asset component, the ECL on the loan commitment have been recognised together with the loss allowance for the financial asset. To the extent that the combined ECL exceed the gross carrying amount of the financial asset, the ECL have been recognised as a provision. Also, for other loan commitments and all financial guarantee contracts, the loss allowance has been recognised as a provision.

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4.7 Collateral valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the balance sheet. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a periodical basis. However, some collateral, for example, cash or securities relating to margining requirements, is valued daily.

To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models.

4.8 Collateral repossessed

The Company's policy is to determine whether a repossessed asset can be best used for its internal operations or should be sold. Assets determined to be useful for the internal operations are transferred to their relevant asset category at the lower of their repossessed value or the carrying value of the original secured asset. Assets for which selling is determined to be a better option are transferred to assets held for sale at their fair value (if financial assets) and fair value less cost to sell for non-financial assets at the repossession date in, line with the Company's policy.

In its normal course of business, the Company does not physically repossess properties or other assets in its retail portfolio, but engages external agents to recover funds, generally at auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors.

4.9 Write off

Financial assets are written off either partially or in their entirety only when the Company has no reasonable expectation of recovery.

4.10 Forborne and modified loan

The Company sometimes makes concessions or modifications to the original terms of loans as a response to the borrower's financial difficulties, rather than taking possession or to otherwise enforce collection of collateral. The Company considers a loan forborne when such concessions or modifications are provided as a result of the borrower's present or expected financial difficulties and the Company would not have agreed to them if the borrower had been financially healthy. Indicators of financial difficulties include defaults on covenants, or significant concerns raised by the Credit Risk Department. Forbearance may involve extending the payment arrangements and the agreement of new loan conditions. Once the terms have been renegotiated, any impairment is measured using the original EIR as calculated before the modification of terms. It is the Company's policy to monitor forborne loans to help ensure that future payments continue to be likely to occur. Derecognition decisions and classification between Stage 2 and Stage 3 are determined on a case-by-case basis. If these procedures identify a loss in relation to a loan, it is disclosed and managed as an impaired Stage 3 forborne asset, until it is collected or written off.

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4.11 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. 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 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 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.

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4.12 Earnings per share

Basic 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 outstanding for 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 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.

4.13 Foreign currency transactions

The financial statements are presented in Indian Rupees. 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 translated.

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

4.14 Retirement and other employee benefit

4.14.1 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.

4.14.2 Gratuity

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted. The present value of the obligation under such benefit plan is determined based on independent actuarial valuation using the Projected Unit Credit Method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

4.14.3 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.

4.14.4 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services that are granted by the ultimate parent Company 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 statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the 'ESOP 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.

4.15 Property, plant and equipment

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 amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

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

Depreciation is recognised 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.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its tangible assets 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.

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

Estimated useful lives of the assets are as follows:

Nature of assets	Useful Life
Computers and data processing units - End user devices, such as desktops, laptops, etc.	3 years
Motor Vehicles	8 years

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4.16 Intangible assets

Intangible 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.

Intangibles such as software are amortised over a period of 3 years based on its estimated useful life. For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets 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.

4.17 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.

4.18 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

4.19 Provisions and Contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

4.20 Income tax expenses

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

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4.20.1 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.

4.20.2 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.

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 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.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

4.20.3 Minimum Alternative Tax (MAT) credit

MAT paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes unused MAT credit as a deferred tax asset only to the extent that it is probable that the Company will be able to utilise during the specified period, i.e., the period

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for which MAT credit is allowed to be carried forward. In the year in which the Company recognises deferred tax asset (MAT credit) as an asset, the said asset is created by way of credit to the statement of profit and loss. The Company reviews the MAT asset at each reporting date and writes down the asset to the extent that it is not probable that the Company will be able to utilise it during the specified period.

5. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the management is required to make judgments', estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

5.1 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

a. Business model assessment

Classification and measurement of financial assets depends on the results of the solely payments of principal and interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance is measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the quantum, the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

b. Significant increase in credit risk

ECL is measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. In assessing whether the credit risk of an asset has

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significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

c. Consolidation of structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. In the context of the Company, structured entities comprise securitisation trusts in asset reconstruction business, mutual fund schemes and alternative investment funds / schemes thereof. The Company consolidates the structured entities that it controls. When making this judgement, the Company also considers voting and similar rights available to itself and other parties, who may limit the Company's ability to control, including rights to appoint, reassign or remove members of the structured entity's key management personnel who have the ability to direct the relevant activities, the exposure to variability of returns and whether the Company has the ability to use its power to affect the amount of the Company's returns i.e. the variability of returns in relation to the total returns of the investee entity.

d. Determining lease term for lease contracts with renewal and termination option:

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain, whether or not, to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control that affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation of the leased asset).

5.2 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, as described below. The Company based its assumptions and estimates on parameters available when the stand-alone financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a. 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)

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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.

For Investments made into Security receipts (SRs), Company uses discounted cash flow model, given that the SRs are less liquid instruments. Expected cash flow levels including timing of cash flows are estimated by using quantitative and qualitative measures regarding the characteristics of the underlying assets including default rates, nature and value of collaterals, manner of resolution and other economic drivers. For any valuation which are based on models, Judgements and estimates are applied, which include considerations of liquidity, credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

b. Impairment of financial assets

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

The Company's ECL calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- PD calculation includes historical data, assumptions and expectations of future conditions.
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life-time expected credit loss and the qualitative assessment.
- The segmentation of financial assets when their ECL is assessed on a collective basis.
- Development of ECL models, including the various formulas and the choice of inputs.
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EAD and LGD.
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

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

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c. Effective interest rate method

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

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes fee income/expense that are integral parts of the instrument.

d. Accounting for deferred taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has recognised deferred tax assets on carried forward tax losses where the Company believes that the said deferred tax assets shall be recoverable based on the estimated future taxable income which in turn is based on approved business plans and budgets. The losses are allowed to be carried forward to the years in which the Company expects that there will be sufficient taxable profits to offset these losses.

e. Estimating the incremental borrowing rate:

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. Incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

6. Standards issued but not yet effective

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

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Notes to the financial statements *(Continued)*

(Currency: Indian rupees)

		As at 31 March 2021	As at 31 March 2020
7	**Cash and cash equivalents**		
	Balances with banks		
	- in current accounts	**4,11,33,154**	1,09,82,928
		4,11,33,154	1,09,82,928
8	**Bank balances other than cash and cash equivalents**		
	Fixed deposits, held as margin money	**96,75,000**	11,06,75,000
	Accrued interest on fixed deposits	**8,35,342**	5,51,409
		1,05,10,342	11,12,26,409

8.1 Encumbrances' on fixed deposit held by company

The company has pledged fixed deposits aggegating to Rs.96,75,000 with stock exchange for meeting margin requirements. (Previous year Rs.11,06,75,000)

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Notes to the financial statements *(Continued)*

(Currency:Indian rupees)

9 Derivative financial instruments

The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

	31 March 2021					
	Notional			Notional		
Particulars	Unit	Notional amount*	Fair value of asset (INR)	Unit	Notional amount*	Fair value of liability (INR)
(i) Currency derivatives						
-Currency Futures	Number of currency units	-	-	Number of currency units	9,72,000	2,848
-Options purchased	Number of currency units	11,80,000	29,87,985	Number of currency units	-	-
-Options sold (written)	Number of currency units	-	-	Number of currency units	11,80,000	66,618
Less: amounts offset (refer Note in offsetting disclosure)			-			(69,465)
Total derivative financial instruments			**29,87,985**			-

	31 March 2020					
	Notional			Notional		
Particulars	Unit	Notional amount*	Fair value of asset	Unit	Notional amount*	Fair value of liability
(i) Currency derivatives						
-Currency Futures	Number of currency units	-	-	Number of currency units	1,98,12,000	2,17,58,467
-Options purchased	Number of currency units	1,20,65,000	2,53,20,253	Number of currency units	-	-
-Options sold (written)	Number of currency units	-	-	Number of currency units	1,20,65,000	22,10,853
Less: amounts offset (refer Note in offsetting disclosure)			-			(2,39,69,319)
Total derivative financial instruments			**2,53,20,253**			-

*** Notional amount represents quantity in case of equity linked and index linked derivatives**

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Notes to the financial statements *(Continued)*

(Currency:Indian rupees)

9 Derivative financial instruments

(a) Offsetting of financial assets and liabilities

Financial assets subject to offsetting 31 March 2021

At 31 March 2021	Offsetting recognised in balance sheet		Total assets
Particulars	**Gross asset before offset**	**Amount offset***	**Recognised in the balance sheet**
Derivative financial assets	29,87,985	-	29,87,985

Financial liabilities subject to offsetting 31 March 2021

At 31 March 2021	Offsetting recognised in balance sheet		Total liabilities
Particulars	**Gross liability before offset**	**Amount offset***	**Recognised in the balance sheet**
Derivative financial liabilities	69,465	69,465	-

As at the reporting date, the amount of gross derivative assets and liabilities that has been offset against the cash margin is Rs. Nil and Rs 69,465 respectively.

Financial assets subject to offsetting 31 March 2020

At 31 March 2020	Offsetting recognised in balance sheet		Total assets
Particulars	**Gross asset before offset**	**Amount offset***	**Recognised in the balance sheet**
Derivative financial assets	2,53,20,253	-	2,53,20,253

Financial liabilities subject to offsetting 31 March 2020

At 31 March 2020	Offsetting recognised in balance sheet		Total liabilities
Particulars	**Gross liability before offset**	**Amount offset***	**Recognised in the balance sheet**
Derivative financial liabilities	2,39,69,319	2,39,69,319	-

As at the reporting date, the amount of gross derivative assets and liabilities that has been offset against the cash margin is Rs. Nil and Rs 2,39,69,319 respectively.

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Notes to the financial statements (Continued)

(Currency : Indian rupees)

10 Trade receivables:

Particulars	31 March 2021	31 March 2020
Receivables considered good - Unsecured	64,23,756	13,47,164
Receivables considered good - Unsecured - Group	22,69,027	15,67,691
Receivables - Credit impaired	44,406	-
	87,37,189	**29,14,855**
Less : Allowance for expected credit losses	(44,406)	-
	86,92,783	**29,14,855**

Reconciliation of impairment allowance on trade receivables:

Particulars **Impairment allowance measured as per simplified approach**	INR
Impairment allowance as on 31 March 2020	-
Add/ (less): asset originated or acquired (net)	44,406
Impairment allowance as on 31 March 2021	44,406

Provision matrix for Trade receivables

ECL rate	Trade receivables days past due	1-90days	181-360 days	Total
	ECL Rate	-	100%	-
	Estimated total gross carrying amount at default	86,92,783	44,406	87,37,189
31 March 2021	ECL - Simplified approach	-	(44,406)	(44,406)
	Net carrying amount	**86,92,783**	-	**86,92,783**
	ECL Rate	-	-	-
	Estimated total gross carrying amount at default	29,14,855	-	29,14,855
31 March 2020	ECL - Simplified approach	-	-	-
	Net carrying amount	**29,14,855**	-	**29,14,855**

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Notes to the financial statements (Continued)

(Currency : Indian rupees)

11 Stock in trade
At fair value through profit & Loss

	As at 31 March 2021	As at 31 March 2020
Particulars		
(i) Equity instruments	40,062	-
(ii) Debentures and Bonds (Quoted)	1,06,76,096	10,24,58,098
Total - Gross	**1,07,16,158**	**10,24,58,098**
(i) Investments outside India	-	-
(ii) Investment in India	1,07,16,158	10,24,58,098
Total	**1,07,16,158**	**10,24,58,098**
Less: Allowance for impairment	-	-
Total net	**1,07,16,158**	**10,24,58,098**

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Notes to the financial statements *(Continued)*

(Currency: Indian rupees)

11 Stock-in-trade

Carried at fair valued through profit & loss account

	As at 31 March 2021			As at 31 March 2020		
	Face value	**Quantity**	**Amount**	Face value	Quantity	Amount
(A) Equity shares (Quoted)						
Reliance Industries Limited	10	20	40,062	-	-	-
			40,062			-
(B) Debt Instruments						
10.65% EDELWEISS RURAL & CORPORATE SERVICES LIMITED 07.04.2022 BONDS			1,06,76,096			10,24,58,098
			1,06,76,096			10,24,58,098
Grand Total (A+B)			1,07,16,158			10,24,58,098

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Notes to the financial statements (Continued)
(Currency : Indian rupees)

12 Loans
at amortised cost:

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured - Group	14,07,43,935	-
Unsecured	-	-
Total Gross	**14,07,43,935**	-
Less: Impairment loss allowance	(28,168)	-
Total (Net)	**14,07,15,767**	-
Loans in India		
Public Sectors	-	-
Others	14,07,43,935	-
Total Gross	**14,07,43,935**	-
Less: Impairment loss allowance	(28,168)	-
Total (Net)	**14,07,15,767**	-

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Notes to the financial statements (continued)

(Currency : Indian Rupees)

13 Investments

As at 31 March 2021

Particulars	At cost (subsidiaries, associates, and joint ventures)	Total
Investment in subsidiaries		
Equity	2,34,81,21,194	2,34,81,21,194
Total - Gross (A)	**2,34,81,21,194**	**2,34,81,21,194**
(i) Investment outside India	2,34,81,21,194	2,34,81,21,194
(ii) Investment in India	-	-
Total (B)	**2,34,81,21,194**	**2,34,81,21,194**
Less: Allowance for impairment (C)	-	-
Total Net (A-C)	**2,34,81,21,194**	**2,34,81,21,194**

As at 31 March 2020

Particulars	At cost (subsidiaries, associates, and joint ventures)	Total
Investment in subsidiaries		
Equity	2,34,81,21,194	2,34,81,21,194
Total - Gross (A)	**2,34,81,21,194**	**2,34,81,21,194**
(i) Investment outside India	2,34,81,21,194	2,34,81,21,194
(ii) Investment in India	-	-
Total (B)	**2,34,81,21,194**	**2,34,81,21,194**
Less: Allowance for impairment (C)	-	-
Total Net (A-C)	**2,34,81,21,194**	**2,34,81,21,194**

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Notes to the financial statements (continued)
(Currency : Indian Rupees)

	As at 31 Mar 2021			As at 31 March 2020		
	Face Value	**Quantity**	**Amount**	Face Value	Quantity	Amount
13.1 Investments						
Investements in equity instruments of subsidiaries- Carried at Cost						
Edelweiss International (Singapore) Pvt. Ltd. (Foreign Subsidairy Company)	**10**	**44,27,97,907**	**2,34,81,21,194**	10	44,27,97,907	2,34,81,21,194
			2,34,81,21,194			2,34,81,21,194

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Notes to the financial statements *(Continued)*

(Currency: Indian rupees)

		As at 31 March 2021	As at 31 March 2020
14	**Other financial assets**		
	Deposits placed with/ for exchange/ depositories	**1,71,00,000**	1,62,00,000
	Deposits placed with/exchange/depositories	**2,25,000**	2,25,000
	Margin placed with broker	**19,58,64,542**	5,31,35,225
	Premium received on outstanding exchange traded options	**(66,618)**	(22,10,853)
	Advances recoverable in cash or in kind or for value to be received	**9,07,002**	9,22,957
		21,40,29,926	6,82,72,329
15	**Current tax assets (net)**		
	Advance income taxes (net of provision for tax)	**15,57,229**	2,77,93,634
		15,57,229	2,77,93,634
16	**Deferred tax assets (net)**		
	Deferred tax assets		
	Investments and other financial instruments		
	Unrealised loss / (gain) on derivatives	**(1,08,990)**	26,07,388
	Fair valuation of investments - loss in valuation	**39,11,376**	-
	Employee benefit obligations		
	Provision for leave accumulation	**24,767**	(30,954)
	Disallowances under section 43B of the Income Tax Act, 1961	**10,12,741**	6,11,317
	Unused tax credit		
	MAT credit entitlement	**2,06,67,542**	1,20,02,879
	Unused tax losses		
	Accumulated Losses	**16,42,30,369**	17,59,13,853
		18,97,37,805	19,11,04,483
	Deferred tax liabilities		
	Property, plant and equipment and intangibles		
	Difference between book and tax depreciation (including intangibles)	**1,36,621**	2,50,039
	Investments and other financial instruments		
	Fair valuation of investments and stock-in-trade	**39,21,310**	(1,81,943)
		40,57,931	68,096
		18,56,79,874	19,10,36,387

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Notes to the financial statements (Continued)

(Currency:Indian rupees)

16.1 Income tax disclosure

(a) The components of income tax expense for the years ended 31 March 2021 and 31 March 2020 are:

Particulars	31 March 2021	31 March 2020
Current tax	86,64,663	34,410
Adjustment in respect of current income tax of prior years	-	-
Deferred tax asset recognised on unused tax credit or unused tax losses	54,34,133	(12,01,63,833)
Total tax charge	**1,40,98,796**	**(12,01,29,423)**
Current tax	86,64,663	34,410
Deferred tax	54,34,133	(12,01,63,833)

(b) Reconciliation of total tax charge

Particulars	31 March 2021	31 March 2020
Accounting profit before tax as per financial statements	**2,02,91,814**	(43,27,01,490)
Tax rate (in percentage)	**27.82%**	27.82%
Income tax expense calculated based on this tax rate	**56,45,183**	(12,03,77,555)
Effect of income not subject to tax:		
Others - Interest expenses on preference share- Group	**94,18,800**	-
Effect of deferred tax on penalties	**27,571**	-
Effect of utilisation of tax losses or deferred tax assets on losses earlier recognised now considered not recoverable	**(13,14,130)**	-
Others	**3,21,372**	2,48,132
Tax charge for the year recorded in statement of profit and loss	1,40,98,796	(12,01,29,423)

16.1 Income tax disclosure (continued)

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

		Movement for the period (2020-21)			
	Opening deferred tax asset / (liability) as per Ind AS	**Recognised in profit or loss**	**Recognised in other comprehensive income**	**Total movement**	**Closing deferred tax asset / (liability) as per Ind AS**
Deferred taxes in relation to:					
Property, Plant and Equipment	(2,50,039)	1,13,418	-	1,13,418	(1,36,621)
Stock-in-trade	1,81,943	(1,91,877)	-	(1,91,877)	(09,934)
Employee benefits obligations	5,80,363	3,79,527	77,618	4,57,145	10,37,508
Fair valuation of Derivatives	26,07,388	(27,16,378)	-	(27,16,378)	(1,08,990)
Unused tax losses	17,59,13,853	(1,16,83,484)	-	(1,16,83,484)	16,42,30,369
Unused tax credits	1,20,02,879	86,64,663	-	86,64,663	2,06,67,542
Total	**19,10,36,387**	**(54,34,131)**	**77,618**	**(53,56,513)**	**18,56,79,874**

		Movement for the period (2019-20)			
	Opening deferred tax asset / (liability) as per Ind AS	**Recognised in profit or loss**	**Recognised in other comprehensive income**	**Total movement**	**Closing deferred tax asset / (liability) as per Ind AS**
Deferred taxes in relation to:					
Property, Plant and Equipment	(16,638)	(2,33,401)	-	(2,33,401)	(2,50,039)
Stock-in-trade	(37,29,433)	39,11,376	-	39,11,376	1,81,943
Employee benefits obligations	5,76,279	23,701	(19,617)	4,084	5,80,363
Fair valuation of Derivatives	2,66,467	23,40,921	-	23,40,921	26,07,388
Unused tax losses	6,18,27,027	11,40,86,826	-	11,40,86,826	17,59,13,853
Unused tax credits	1,19,68,469	34,410	-	34,410	1,20,02,879
Total	**7,08,92,171**	**12,01,63,833**	**(19,617)**	**12,01,44,216**	**19,10,36,387**

(Currency: Indian rupees)

17 (a) Property, Plant and Equipment

	Gross Block				Accumulated Depreciation				Net Block
Description of Assets	As at 1 April 2020	Additions during the year	Disposals during the year	As at 31 Mar 2021	As at April 1, 2020	Charge for the year	Disposals during the year	As at 31 Mar 2021	As at 31 Mar 2021
Computers	47,85,948	14,14,489	5,53,629	**56,46,808**	13,87,387	14,90,030	4,12,861	**24,64,556**	**31,82,252**
Total	**47,85,948**	14,14,489	5,53,629	**56,46,808**	**13,87,387**	14,90,030	4,12,861	**24,64,556**	**31,82,252**

(b) Other Intangible Assets

	Gross Block				Accumulated Amortisation				Net Block
Description of Assets	As at 1 April 2020	Additions during the year	Disposals during the year	As at 31 Mar 2021	As at April 1, 2020	Charge for the year	Disposals during the year	As at 31 Mar 2021	As at 31 Mar 2021
Software	40,76,106	-	-	**40,76,106**	11,59,661	13,24,237	-	**24,83,898**	**15,92,208**
Total	**40,76,106**	-	-	**40,76,106**	**11,59,661**	**13,24,237**	-	**24,83,898**	**15,92,208**

DHIRAJ & DHEERAJ
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EDEL INVESTMENT LIMITED

Edel Investments Limited

Notes to the financial statements *(Continued)*

(Currency: Indian rupees)

17 (a) Property, Plant and Equipment

	Gross Block				Accumulated Depreciation				Net Block
Description of Assets	As at 1 April 2019	Additions during the year	Disposals during the year	As at 31 Mar 2020	As at April 1, 2019	Charge for the year	Disposals during the year	As at 31 Mar 2020	As at 31 Mar 2020
Computers	9,83,688	38,02,260	-	**47,85,948**	4,13,611	9,73,776		**13,87,387**	**33,98,561**
Total	**9,83,688**	38,02,260	-	**47,85,948**	**4,13,611**	9,73,776	-	**13,87,387**	**33,98,561**

(b) Other Intangible Assets

	Gross Block				Accumulated Amortisation				Net Block
Description of Assets	As at 1 April 2019	Additions during the year	Disposals during the year	As at 31 Mar 2020	As at April 1, 2019	Charge for the year	Disposals during the year	As at 31 Mar 2020	As at 31 Mar 2020
Software	4,44,866	36,31,240	-	**40,76,106**	1,65,521	9,94,140	-	**11,59,661**	**29,16,445**
Total	**4,44,866**	36,31,240	-	**40,76,106**	**1,65,521**	**9,94,140**	-	**11,59,661**	**29,16,445**

DHIRAJ & DHEERAJ MUMBAI CHARTERED ACCOUNTANTS

EDEL INVESTMENT LIMITED

Edel Investments Limited

Notes to the financial statements *(Continued)*

(Currency: Indian rupees)

		As at 31 March 2021	As at 31 March 2020
18	**Other non-financial assets**		
	(Unsecured Considered good, unless stated otherwise)		
	Input tax credit	**68,53,316**	8,01,819
	Other deposits	**45,000**	45,000
	Prepaid expenses	**4,81,963**	4,78,135
	Vendor Advances	**1,79,598**	2,48,166
	Advances to employees	**4,43,533**	-
		80,03,410	15,73,120
19	**Trade Payables**		
	Trade payables from non-related parties	**57,63,957**	1,08,51,470
	Trade payables from related parties	**5,49,54,855**	50,84,241
		6,07,18,812	1,59,35,711

19.1 Details of dues to micro and small enterprises

Trade Payables includes Rs. Nil (previous year: Rs. Nil) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Company during the year to "Suppliers" registered under this act. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said act.

20	**Borrowings (other than debt securities)**		
	At amortised cost		
	Short-term : unsecured loan		
	Loan from related parties	-	87,46,542
	Interest accrued and due on borrowings	-	60,82,399
	Total - Gross	-	1,48,28,941
	Borrowings in India	-	1,48,28,941
	Total	-	1,48,28,941
21	**Subordinated Liabilities**		
	Preference Shares Capital	**30,00,00,000**	26,61,43,782
	Total - Gross	**30,00,00,000**	26,61,43,782
	Borrowings outside India	-	-
	Borrowings in India	**30,00,00,000**	26,61,43,782
	Total	**30,00,00,000**	26,61,43,782

21.1 Subordinated Liabilities

Terms and conditions related to subordinated liabilities

Subordinated Liabilities - 31 March 2021

Maturities	<1 years	Total
Rate of Interest		
11.00 - 12.00% (12 %)	30,00,00,000	30,00,00,000
Total	30,00,00,000	30,00,00,000

Terms and conditions related to subordinated liabilities

Subordinated Liabilities - 31 March 2020

Maturities	<1 years	Total
Rate of Interest		
11.00 - 12.00% (12 %)	26,61,43,782	26,61,43,782
Total	26,61,43,782	26,61,43,782

DHIRAJ & DHEERAJ MUMBAI CHARTERED ACCOUNTANTS

EDEL INVESTMENT LIMITED

Edel Investments Limited

Notes to the financial statements ***(Continued)***

(Currency: Indian rupees)

		As at 31 March 2021	As at 31 March 2020
22	**Other financial liabilities**		
	Other payables	90,629	14,46,312
	Accrued salaries and benefits	27,04,802	1,65,465
		27,95,431	16,11,777
23	**Current tax liabilities (net)**		
	Provision for taxation	86,64,663	-
		86,64,663	-
24	**Provisions**		
	Provision for employee benefits		
	Gratuity	28,49,862	12,84,975
	Compensated leave absences	3,77,721	2,88,698
	Provision for capex	13,40,868	-
		45,68,451	15,73,673
25	**Other non-financial liabilities**		
	Statutory dues	8,23,861	25,60,902
		8,23,861	25,60,902

DHIRAJ & DHEERAJ MUMBAI CHARTERED ACCOUNTANTS

EDEL INVESTMENT LIMITED

Edel Investments Limited

Notes to the financial statements *(Continued)*

(Currency: Indian rupees)

	As at 31 March 2021	As at 31 March 2020
26 Equity share capital		
Authorised :		
3,60,00,000 (Previous year 3,95,00,000) Equity shares of Rs. 10/- each	36,00,00,000	39,50,00,000
40,00,000 (Previous year: 500,000) Preference shares of Rs. 10/- each	4,00,00,000	50,00,000
	40,00,00,000	40,00,00,000
Issued, Subscribed and Paid up:		
3,50,22,000 (Previous year: 3,50,22,000) Equity shares of Rs. 10/- each, fully paid-up*	35,02,20,000	35,02,20,000
	35,02,20,000	35,02,20,000

Note:

* 33,70,000 (Previous year: 33,70,000) equity shares of Rs. 10 each fully paid up are held by Edelweiss Financial Services Limited, the holding company and its nominees
* 3,16,52,000 (Previous year - 3,16,52,000) equity shares of Rs.10 each fully paid up are held by Ecap Equities Limited.

a. Movement in share capital :

	31 March 2021		31 March 2020	
	No of shares	Amount	No of shares	Amount
Outstanding at the beginning of the year	3,50,22,000	35,02,20,000	33,70,000	3,37,00,000
Shares issued during the year	-	-	3,16,52,000	31,65,20,000
Outstanding at the end of the year	3,50,22,000	35,02,20,000	3,50,22,000	35,02,20,000

b. Terms/rights attached to equity shares :

The Company has only one class of equity shares having a par value of Rs 10. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

27 Other equity

	As at 31 March 2021	As at 31 March 2020
Capital Redemption Reserve		
Opening balance	45,00,000	45,00,000
Add : Additions during the year	-	-
	45,00,000	45,00,000
Securities Premium		
Opening balance	2,29,12,44,000	1,23,00,000
Add : Additions during on issue of Equity Shares	-	2,27,89,44,000
	2,29,12,44,000	2,29,12,44,000
ESOP Reserve		
Opening balance	6,73,094	6,73,094
Add : Additions during the year	-	-
	6,73,094	6,73,094
Retained earnings		
Opening Balance	(5,32,77,666)	22,52,94,308
Deferred tax on ESOP	-	
Add: Profit for the year	61,93,018	(31,25,72,067)
Add: Other comprehensive income for the year	(2,01,382)	50,897
Add: Transaction with shareholders in capacity as such	-	3,39,49,196
Amount available for appropriation	(4,72,86,030)	(5,32,77,666)
Appropriations:	-	-
Closing Balance	(4,72,86,030)	(5,32,77,666)
	2,24,91,31,064	2,24,31,39,428

DHIRAJ & DHEERAJ CHARTERED ACCOUNTANTS MUMBAI

EDEL INVESTMENT LIMITED

Edel Investments Limited

Notes to the financial statements *(Continued)*

(Currency: Indian rupees)

		For the year ended 31 March 2021	For the year ended 31 March 2020
	Revenue from operations		
28	**Interest Income**		
	On financial assets measured at amortised cost		
	Interest income on Loans	1,81,55,989	20,09,857
	Interest income on deposits with Banks	14,18,684	22,02,315
	Interest Income on Margin with brokers	10,90,813	86,62,321
	Interest Income - Others	14,144	-
	On financial assets classified at fair value through profit or loss		
	Interest income on debt instrument	69,19,693	1,45,491
		2,75,99,323	1,30,19,984
29	**Fee and Commission income**		
	Advisory and other fees	1,64,84,270	1,04,89,726
		1,64,84,270	1,04,89,726
29.1	**Particulars**		
	Service transferred at a point in time	1,64,84,270	1,04,89,726
	Service transferred over time	-	-
	Total revenue from contract with customers	1,64,84,270	1,04,89,726
30	**Net gain on fair value changes**		
	Net gain/ (loss) on financial instruments at fair value through profit or loss		
	On trading portfolio		
	(Loss) / Profit on trading of securities (net)	51,63,762	1,34,37,853
	Fair value gain - P&L - equity	(6,18,290)	(1,27,61,926)
	Profit on equity derivative instruments (net)	-	14,29,011
	Profit/(Loss) on trading in currency derivative instruments (net)	6,35,64,681	(13,53,66,462)
	Profit/(Loss) on interest rate derivative instruments (net)	20,95,640	(20,23,35,633)
	Total Net gain/(loss) on fair value changes	7,02,05,793	(33,55,97,157)
	Fair value changes:		
	- Realised (loss) / gain	7,04,32,745	(31,34,73,130)
	- Unrealised gain / (loss)	(2,26,952)	(2,21,24,027)
	Total Net gain/loss on fair value changes	7,02,05,793	(33,55,97,157)
31	**Other income**		
	Profit on sale of fixed assets (net)	3,641	-
	Interest Income - On Tax Refund	25,80,851	-
	Miscellaneous income	37,632	-
		26,22,124	-

DHIRAJ & DHEERAJ ★ MUMBAI ★ CHARTERED ACCOUNTANTS

EDEL INVESTMENT LIMITED ★

Edel Investments Limited

Notes to the financial statements *(Continued)*

(Currency: Indian rupees)

		For the period ended 31 March 2021	For the year ended 31 March 2020
32	**Impairment on financial instruments**		
	Bad- debts and advances written off	**44,406**	-
	Provision on loans	**28,168**	-
		72,574	-
33	**Finance costs**		
	On financial liabilities measured at amortised cost		
	Interest on borrowings	**66,184**	3,10,69,630
	Interest on shortfall in payment of Advance Income Tax	**758**	-
	Interest / dividend on preference shares	**3,38,56,218**	92,979
	Financial and Bank Charges	**128**	1,06,698
		3,39,23,288	3,12,69,307
34	**Employee benefit expenses**		
	Salaries and wages	**3,18,83,082**	2,80,47,209
	Contribution to provident and other funds	**18,99,071**	17,31,589
	Staff welfare expenses	**8,07,807**	9,07,586
		3,45,89,960	3,06,86,384

DHIRAJ & DHEERAJ MUMBAI CHARTERED ACCOUNTANTS

EDEL INVESTMENT LIMITED

Edel Investments Limited

Notes to the financial statements *(Continued)*

(Currency: Indian rupees)

		For the year ended 31 March 2021	For the year ended 31 March 2020
35	**Other expenses**		
	Auditors' remuneration *(refer note below)*	**1,50,000**	1,32,500
	Commission and brokerage	**12,94,813**	-
	Communication	**51,33,827**	18,75,466
	Directors' sitting fees	**-**	60,000
	Insurance	**74,957**	33,147
	Legal and professional fees	**20,21,233**	28,85,012
	Printing and stationery	**72,457**	48,813
	Rates and taxes	**2,606**	12,895
	Rent	**49,92,097**	59,19,801
	Repairs and maintenance	**20,76,933**	12,33,409
	Foreign exchange loss (net)	**-**	9,892
	Computer expenses	**6,95,400**	6,46,093
	Computer software	**5,26,205**	1,26,312
	Clearing & custodian charges	**43,36,717**	69,00,024
	Dematerialisation charges	**3,740**	2,810
	Membership and subscription	**1,81,784**	20,07,436
	Office expenses	**48,11,337**	2,36,74,900
	ROC Expenses	**42,511**	26,27,412
	Securities transaction tax	**-**	1,69,778
	Goods & Service tax expenses	**(36,10,264)**	58,63,964
	Stamp duty	**41,450**	5,40,820
	Stock exchange expenses	**16,15,135**	12,35,568
	Travelling and conveyance	**7,41,990**	6,27,088
	Housekeeping and security charges	**14,679**	57,296
		2,52,19,607	5,66,90,436

	Auditors' remuneration:		
	As Auditors	**1,45,000**	1,01,000
	For taxation matters	**-**	25,000
	Towards reimbursement of expenses	**5,000**	6,500
		1,50,000	1,32,500

DHIRAJ & DHEERAJ MUMBAI CHARTERED ACCOUNTANTS

EDEL INVESTMENT LIMITED

Edel Investments Limited

Notes to the financial statements (Continued)

(Currency:Indian rupees)

36 Earnings per share

	Particulars	**2020-21**	2019-20
(a)	Profit/(loss) after tax	**61,93,018**	-31,25,72,067
	Less:- Dividend on preference share capital		
	Net profit/(loss) for the year attributable to equity shareholders	**61,93,018**	-31,25,72,067
(b)	Calculation of weighted average number of equity shares of Rs 10 each		
	Number of equity shares outstanding at the beginning of the year	**3,50,22,000**	33,70,000
	Number of shares issued during the year	-	3,16,52,000
	Total number of equity shares outstanding at the end of the year	**3,50,22,000**	3,50,22,000
	Weighted average number of equity shares outstanding during the year (based on date of issue of shares)	**3,50,22,000**	74,58,604
(c)	Basic and diluted earnings per share (in rupees) (a/b)	**0.18**	(41.91)

The basic and dilutive earnings per share are the same as there are no dilutive potential equity shares.

DHIRAJ & DHEERAJ MUMBAI CHARTERED ACCOUNTANTS

EDEL INVESTMENT LIMITED

Edel Investments Limited

Notes to the financial statements *(Continued)*

(Currency:Indian rupees)

37 Segment reporting

The Company's business is organised and management reviews the performance based on the business segments as mentioned below:

Segment	Activities covered
Capital based business	Interest Income on loans and other capital based activities
Treasury	Income from treasury operations, income from investments, interest income on debt instruments and dividend income.
Agency business	Broking, advisory and product distribution services

Income for each segment has been specifically identified. Expenditures, assets and liabilities are either specifically identified with individual segments or have been allocated to segments on a systematic/resonable basis.

Based on such allocations, segment disclosures relating to revenue, results, assets and liabilities have been prepared.

Since the business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

The following table gives information as required under the Ind AS -108 - Operating Segment Reporting:

	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
I	**Segment revenue**		
	a) Capital based business	1,95,88,817	42,12,172
	b) Agency business	1,64,84,270	1,04,89,726
	c) Treasury	7,82,16,299	(32,67,89,345)
	d) Unallocated	26,22,124	-
	Total	11,69,11,510	(31,20,87,447)
	Less : Inter segment revenue	-	-
	Total income	11,69,11,510	(31,20,87,447)
II	**Segment results**		
	a) Capital based business	(2,38,59,067)	5,34,438
	b) Agency business	85,09,591	78,74,071
	c) Treasury	3,30,19,166	(44,11,09,999)
	d) Unallocated	26,22,124	-
	Total	2,02,91,814	(43,27,01,490)
	(Loss)/ Profit before taxation	2,02,91,814	(43,27,01,490)
	Less : Provision for taxation	(1,40,98,796)	(12,01,29,423)
	(Loss)/ Profit after taxation	61,93,018	(31,25,72,067)
III	**Segment assets**		
	a) Capital based business	2,49,00,00,154	2,34,82,28,686
	b) Agency business	9,78,843	2,67,691
	c) Treasury	25,07,19,712	31,69,03,068
	d) Unallocated	23,52,23,573	23,06,14,768
	Total	2,97,69,22,282	2,89,60,14,213
IV	**Segment liabilities**		
	a) Capital based business	31,17,44,241	26,78,28,647
	b) Agency business	98,06,681	5,94,078
	c) Treasury	4,65,31,772	3,16,71,159
	d) Unallocated	94,88,524	25,60,901
	Total	37,75,71,218	30,26,54,785
V	**Capital expenditure (Including capital work-in-progress)**		
	a) Capital based business	2,42,439	1,00,328
	b) Agency business	2,04,016	2,49,851
	c) Treasury	9,68,035	70,83,321
	d) Unallocated	-	-
	Total	14,14,490	74,33,500
VI	**Depreciation and amortisation**		
	a) Capital based business	4,82,356	26,561
	b) Agency business	4,05,909	66,145
	c) Treasury	19,26,002	18,75,211
	d) Unallocated	-	-
	Total	28,14,267	19,67,917
VII	**Significant non-cash expenses other than depreciation and amortisation**		
	a) Capital based business	1,63,947	4,687
	b) Agency business	2,10,538	11,671
	c) Treasury	6,54,626	3,30,888
	d) Unallocated	-	-
	Total	10,29,111	3,47,246

DHIRAJ & DHEERAJ MUMBAI CHARTERED ACCOUNTANTS

EDEL INVESTMENT LIMITED

Edel Investments Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

38 Related Parties

In accordance with Indian Accounting Standard 24 on Related party transactions notified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

i. List of related parties and relationship:

Name of related parties by whom control is exercised	Ecap Equities Limited (Holding company) Edelweiss Financial Services Limited (Ultimate Holding company)
Name of related parties over whom control is exercised	Edelweiss International (Singapore) Pvt. Ltd.
Fellow Subsidiaries (with whom transactions have taken place)	Edelweiss Rural & Corporate Services Limited (Formerly Edelweiss Commodities Services Ltd) Edelweiss Finance and Investments Limited Edelweiss Securities Limited ECap Equities Limited ECL Finance Limited Edelweiss Asset Management Limited Edelweiss Broking Limited Edelweiss Custodial Services Limited Edelweiss Alternative Asset Advisors Limited Edelweiss Investment Adviser Limited Edelweiss Securities And Investments Private Limited (Formerly Magnolia Commodities Services Private Limited) EC Commodity Limited Edelweiss Multi Strategy Fund Advisors LLP Edel Land Limited Edelweiss Asset Reconstruction Co. Limited Edelcap Securities Limited
Key Management Personnel	Mrs. Punyashree Kanade (Resigned as on July 01, 2019)

ii. Transactions with related parties :

Sr. No.	Nature of Transaction	Related Party Name	For the year ended 31 March 2021	For the year ended 31 March 2020
	Capital account transactions during the Year			
1	Issue of Preference Share capital to	Ecap Equities Limited	30,00,00,000	30,00,00,000
2	Redemption of Preference Share capital to	Ecap Equities Limited	30,00,00,000	-
3	Issue of Equity Share capital to	Ecap Equities Limited	-	2,59,54,64,000
		Edelweiss Financial Services Limited	-	4,66,73,094

DHIRAJ & DHEERAJ MUMBAI CHARTERED ACCOUNTANTS

EDEL INVESTMENT LIMITED

Sr. No.	Nature of Transaction	Related Party Name	For the year ended 31 March 2021	For the year ended 31 March 2020
	Current account transactions during the year			
4	Short term loans taken from (Max. Debit /	Edelweiss Rural & Corporate Services Limited	2,26,00,000	55,34,00,000
		Ecap Equities Limited	-	61,00,00,000
5	Short term loans repaid to (Max. Debit / Credit)	Edelweiss Rural & Corporate Services Limited	1,75,00,000	25,00,00,000
		Ecap Equities Limited	-	91,50,00,000
6	Short term loans taken from (Total transaction)	Edelweiss Rural & Corporate Services Limited	6,76,74,743	3,14,87,39,883
		Ecap Equities Limited	-	91,60,00,000
7	Short term loans repaid to (Total transaction)	Edelweiss Rural & Corporate Services Limited	5,89,28,201	2,96,27,43,573
		Ecap Equities Limited	-	91,60,00,000
8	Short term loans given to (Max. Debit / Credit)	Edelweiss Rural & Corporate Services Limited	10,73,98,000	13,72,00,000
9	Short term loans repaid by (Max. Debit / Credit)	Edelweiss Rural & Corporate Services Limited	10,65,00,000	14,23,62,455
10	Short term loans given to (Total Transaction)	Edelweiss Rural & Corporate Services Limited	97,55,78,992	40,50,50,000
11	Short term loans repaid by (Total Transaction)	Edelweiss Rural & Corporate Services Limited	83,72,45,184	40,57,18,196
12	Margins placed with (refer note below)	Edelweiss Securities Limited	-	1,998
		Edelweiss Custodial Services Limited	1,16,51,42,132	28,31,01,560
13	Margins withdrawn by (refer note below)	Edelweiss Securities Limited	-	43,029
		Edelweiss Custodial Services Limited	1,07,96,46,141	35,00,27,124
14	Margin received from	ECL Finance Limited	1,68,830	22,58,257
		Edelweiss Finance and Investments Limited	1,45,537	11,16,457
		Edelweiss Financial Services Limited	68,829	67,869
		Ecap Equities Limited	(28,343)	-
		Edel Land Limited	1,02,394	-
		Edelweiss Rural and Corporate Services Limited	68,363	-
		Edelweiss Securities And Investments Private Limited	4	-
15	Margin repaid to	ECL Finance Limited	1,72,303	22,61,731
		Edelweiss Finance and Investments Limited	1,41,071	11,84,326
		ECap Equities Limited	-	28,343
		Edel Land Limited	1,10,759	8,462
		Edelweiss Financial Services Limited	69,149	320
		Edelweiss Securities And Investments Private Limited	4	-
16	Interest income on margins placed with	Edelweiss Securities Limited	-	87
		Edelweiss Custodial Services Limited	10,90,813	86,62,234
17	Interest expense on loans taken from	Edelweiss Rural & Corporate Services Limited	66,184	2,41,69,629
		Ecap Equities Limited	-	16,80,000
18	Interest income on loans given to	Edelweiss Rural & Corporate Services Limited	1,81,55,989	20,19,660

DHIRAJ & DHEERAJ MUMBAI CHARTERED ACCOUNTANTS

EDEL INVESTMENT LIMITED

Sr. No.	Nature of Transaction	Related Party Name	For the year ended 31 March 2021	For the year ended 31 March 2020
19	Interest income on Debt instruments	Edelweiss Rural & Corporate Services Limited	69,19,693	1,45,491
20	Interest expense on margin received from	Edelweiss Finance and Investments Limited	-	408
		ECL Finance Limited	-	75
		Edelweiss Securities And Investments Private Limited	-	245
21	Reimbursements paid to	Edelweiss Rural & Corporate Services Limited	-	4,400
		Edelweiss Financial Services Limited	-	8,76,363
22	Clearing, Demat & Trade exposure charges	Edelweiss Custodial Services Limited	41,63,279	62,24,459
23	Brokerage Paid	Edelweiss Securities Limited	10,97,299	2,67,217
24	Brokerage received	ECap Equities Limited	1,76,464	72,759
		Edelweiss Rural and Corporate Services Limited	4,05,054	60,000
		Edel Land Limited	29,13,202	87,605
		ECL Finance Limited	38,46,684	1,01,74,629
		Edelweiss Finance and Investments Limited	75,867	27,213
		Edelweiss Financial Services Limited	2,86,947	19,009
		Edelweiss Securities And Investments Private Limited	98,314	48,510
		Edelweiss Investments Advisors Limited	321	-
25	Cost reimbursements recovered from	Edelweiss Rural & Corporate Services Limited	-	4,31,943
		Edelweiss Securities Limited	-	1,033
		Edelweiss Financial Services Limited	-	886
		Ecap Equities Limited	-	334
26	Cost reimbursements paid to	Edelweiss Rural & Corporate Services Limited	84,64,950	2,38,44,289
		Edelweiss Financial Services Limited	4,28,446	69,28,098
		ECap Equities Limited	10,715	1,411
		Edelweiss General Insurance Company Limited	3,51,200	-
		Edelweiss Broking Limited	11,413	-
		ECL Finance Limited	482	-
		Edelweiss Securities Limited	78,115	61,696
		Edelweiss Custodial Services Limited	1,361	
27	Advisory Fees Income received from	Edel Land Limited	18,18,769	-
		Ecap Equities Limited	17,07,611	-
28	Fixed asset purchased from	Edelweiss Rural & Corporate Services Limited	8,763	1,327
		Edelweiss Securities Limited	3,119	68,275
		Edelweiss Broking Limited	431	1,773
		ECap Equities Limited	-	1,76,289
		Edelweiss Asset Reconstruction Company Limited	-	2,917
		ECL Finance Limited	-	11,061
		Edelweiss Retail Finance Limited	33,935	-
		Edelweiss Finance & Investments Limited	6,168	-
		Edelcap Securities Limited	12,541	-
29	Fixed asset Sold to	ECL Finance Limited	50,918	-
		Edelweiss Rural & Corporate Services Limited	6,409	-
		Edelweiss Securities Limited	87,082	-

DHIRAJ & DHEERAJ MUMBAI CHARTERED ACCOUNTANTS

EDEL INVESTMENT LIMITED

Sr. No.	Nature of Transaction	Related Party Name	For the year ended 31 March 2021	For the year ended 31 March 2020
30	Amount paid to broker for Cash segment	Edelweiss Securities Limited	1,03,641	17,95,99,372
31	Amount received to broker for Cash segment	Edelweiss Securities Limited	68,630	34,80,95,822
32	Purchase of Debt securities from	Ecap Equities Limited	1,06,02,455	10,00,00,000
33	Sale of Debt securities to	Edel Land Limited	5,78,07,965	-
		ECap Equities Limited	5,60,36,612	-
34	Key managerial remuneration paid to	Ms. Punyashree Kanade	-	78,40,613
	Balances with related parties			
35	Short term loans taken from	Edelweiss Rural & Corporate Services Limited	-	87,46,542
36	Short Term loans given to	Edelweiss Rural & Corporate Services Limited	13,83,33,808	-
37	Trade payables to	Edelweiss Rural & Corporate Services Limited	6,79,528	45,30,323
		Edelweiss Financial Services Limited	27,798	5,51,557
		Edelweiss Securities Limited	-	1,332
		Edelweiss Finance and Investments Limited	49,95,535	40
		Edelcap Securities Limited	-	5,38,312
		Edelweiss Securities And Investments Private Limited	-	24
		ECL Finance Limited	105	-
		Edelweiss Broking Limited	12,484	-
		ECap Equities Limited	4,92,39,406	-
38	Trade receivable from	Edelweiss Securities Limited	1,90,988	-
		ECap Equities Limited	-	28,261
		Edel Land Limited	20,78,039	8,462
		ECL Finance Limited	-	31,452
		Edelweiss Custodial Services Limited	-	17,12,153
39	Interest payable on loans taken from	Edelweiss Rural & Corporate Services Limited	-	60,77,644
40	Margin receivable from	ECL Finance Limited	-	3,474
		ECap Equities Limited	-	28,343
		Edel Land Limited	96	8,462
		Edelweiss Financial Services Limited	-	320
41	Other payable to	ECL Finance Limited	-	1,25,000
		Edelweiss Financial Services Limited	3,38,051	-
		Edelweiss Finance and Investments Limited	90,629	-
42	Other receivable from	Ecap Equities Limited	7,187	41,000
		Edelweiss Rural & Corporate Services Limited	8,69,291	1,19,000
		EC Commodities Limited	-	32,000
		Edelweiss Securities Limited	-	1,92,000
		Edel Land Limited	30,524	-

DHIRAJ & DHEERAJ MUMBAI CHARTERED ACCOUNTANTS

EDEL INVESTMENT LIMITED

Sr. No.	Nature of Transaction	Related Party Name	For the year ended 31 March 2021	For the year ended 31 March 2020
43	Investment in Debt Securities	Edelweiss Rural & Corporate Services Limited	1,06,76,096	10,24,58,098
44	Investment in Subsidiary company	Edelweiss International (Singapore) Private Limited	2,34,81,21,194	2,34,81,21,194
45	Interest receivable on Loan Income	Edelweiss Rural & Corporate Services Limited	24,10,127	4,755
46	Margin placed with	Edelweiss Custodial Services Limited	13,96,64,251	5,31,34,934
		Edelweiss Securities Limited	291	291

Note: Loan given/taken to/from related parties and margin money placed / refund received with/ from related parties are disclosed based on the maximum of debit and credit of transactions and total of debit and credit of transactions amount given/taken and placed / refund received during the reporting period.

Disclosure under section 186(4)of the Companies Act, 2013 for loans and guarantee : Loans have been given for general business purpose.

DHIRAJ & DHEERAJ MUMBAI CHARTERED ACCOUNTANTS

EDELWEISS INVESTMENT LIMITED

Edel Investments Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

39 Disclosure pursuant to IND AS 19 - Employee benefits

(a) Defined contribution plan (provident fund)

Amount of Rs. 13,09,981/- (Previous year: Rs. 17,31,589/-) is recognised as expenses and included in "Employee benefit expenses".

(b) Defined benefit plan (gratuity):

The following tables summarise the components of the net employee benefit expenses recognised in the statement of profit and loss and amounts recognised in the balance sheet for the gratuity benefit plan.

Statement of profit and loss of the year:

Net employee benefit expenses (recognised in employee cost):

	31 March 2021	31 March 2020
Current service cost	**4,72,000**	3,20,000
Interest on defined benefit obligation	**1,17,000**	68,000
Past service cost	**-**	-
Actuarial loss/(gain)	**-**	-
Total included in employee benefit expenses	**5,89,000**	3,88,000

Balance sheet:

Details of provision for gratuity:

	31 March 2021	31 March 2020
Liability at the end of the year	**28,50,000**	12,85,000
Amount in balance sheet	**28,50,000**	12,85,000

Changes in the present value of the defined benefit obligation are as follows:

	31 March 2021	31 March 2020
Liability at the beginning of the year	**12,85,000**	14,92,000
Transfer in/(out)	**6,97,000**	(5,24,000)
Interest cost	**1,17,000**	68,000
Current service cost	**4,72,000**	3,20,000
Past service cost	**-**	-
Actuarial (gain)/loss on obligations	**2,79,000**	(71,000)
Liability at the end of the year	**28,50,000**	12,85,000

Non-current liability at the end of the year	23,66,000
Current liability at the end of the year	4,84,000

DHIRAJ & DHEERAJ MUMBAI CHARTERED ACCOUNTANTS

EDEL INVESTMENT LIMITED

Edel Investments Limited
Notes to the financial statements (continued)
(Currency: Indian Rupees)

Edel Investments Limited
Notes to the financial statements (continued)
(Currency: Indian Rupees)

39 Disclosure pursuant to IND AS 19 - Employee benefits

Amount recognised in the balance sheet:

	For the year ended 31 March 2021	For the year ended 31 March 2020
Liability at the end of the year	28,50,000	12,85,000
Fair value of plan assets at the end of year	-	-
Amount recognized in balance sheet	28,50,000	12,85,000

Experience adjustment:

	For the year ended 31 March 2021	For the year ended 31 March 2020
On plan liabilities (gain)/loss	2,78,000	(1,51,000)
On plan assets (gain)/loss	-	-
Estimated contribution for next year	2,78,000	(1,51,000)

Principle actuarial assumptions at the balance sheet date:

	31 March 2021	31 March 2020
Discount rate current	5.00%	5.90%
Salary escalation current	7.00%	7.00%
Employees attrition rate	25%	13%-25%

Sensitivity analysis:

DBO increases/ (decreases) by	31 March 2021	31 March 2020
1% Increase in Salary Growth Rate	1,24,000	80,000
1% Decrease in Salary Growth Rate	(1,17,000)	(74,000)
1% Increase in Discount Rate	(1,18,000)	(74,000)
1% Decrease in Discount Rate	1,28,000	82,000
1% Increase in Withdrawal Rate	(9,000)	(4,000)
1% Decrease in Withdrawal Rate	10,000	5,000
Mortality (increase in expected lifetime by 1 year)	Negligible change	Negligible change
Mortality (increase in expected lifetime by 3 years)	Negligible change	Negligible change

Edel Investments Limited
Notes to the financial statements (continued)
(Currency: Indian Rupees)

40 Earnings and expenditure in foregin currency:

The company does not have any foreign currency exposure as on the date of balance sheet.

41 Capital commitments, contingent liabilities and litigations:

The company has no capital commitments, contingent liabilities and pending litigations as at balance sheet date. (Previous year : Nil).

42 Cost Sharing:

Edelweiss Financial Services Limited, being the holding company alongwith its fellow subsidiaries incurs expenditure like processing fees, rent , electricity charges etc. which is for the comon benefit of itself and its certain subsidiaries, fellow subsidiaries including the company. This cost so expended is reimbursed by the company on the basis of number of employees, time spent by the employees of other companies, actual identifications etc. Accordingly, and as identified by the management, the expenditure heads in note 35 includes reimbursements paid based on the management's best estimate.

43 Corporate Social Reponsibility

As per provsions of Section 135 of Companies Act, 2013,
a) Gross amount required to be spent by the company during the year was Rs. Nil.
b) Amount spent during the year on:

Sr. No.	Particulars	In cash	Yet to be paid in cash	Total
(i)	Construction / acquisition of any asset	Nil	Nil	Nil
(ii)	On purpose other than (i) above	Nil	Nil	Nil

DHIRAJ & DHEERAJ MUMBAI CHARTERED ACCOUNTANTS

EDEL INVESTMENT LIMITED

Edel Investments Limited

Notes to the financial statements (continued)

(Currency: Indian Rupees)

44 Approach to capital management

Company objectives, when managing capital, are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

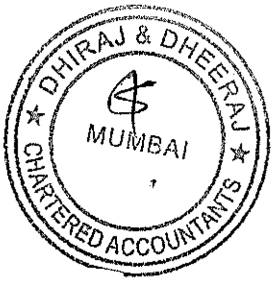
For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

Company monitors capital using debt-equity ratio, which is total debt divided by total equity.

Particulars	31 March 2021	31 March 2020
Total Debt	30,00,00,000	28,09,72,723
Equity	2,59,93,51,064	2,59,33,59,428
Net Debt to Equity	**0.12**	**0.11**

45 Employee Stock Option Plans

The Holding Company (Edelweiss Financial Services Limited ("EFSL")) has Employee Stock Option Plans in force. Based on such ESOP schemes, parent entity has granted an ESOP option to acquire equity shares of EFSL that would vest in a graded manner to company's employees. Based on group 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.



Edel Investments Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

46 Contractual maturity analysis:

A. Analysis of non-derivative financial liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Group's non-derivative financial liabilities as at 31 March 2021. Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Group expects that the counterparties will not request repayment on the earliest date it could be required to pay.

As at 31 March 2021	1 month to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Total
Trade payables	6,07,18,812	-	-	-	6,07,18,812
Subordinated financial liabilities	-	30,00,00,000	-	-	30,00,00,000
Other financial liabilities	27,95,431	-	-	-	27,95,431
Total undiscounted non-derivative financial liabilities	**6,35,14,243**	**30,00,00,000**	**-**	**-**	**36,35,14,243**

As at 31 March 2020	1 month to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Total
Trade payables	1,59,35,711	-	-	-	1,59,35,711
Borrowings	60,82,399	-	-	-	60,82,399
Borrowing (other than debt securities)	87,46,542	-	-	-	87,46,542
Subordinated financial liabilities	-	26,61,43,782	-	-	26,61,43,782
Other financial liabilities	16,11,777	-	-	-	16,11,777
Total undiscounted non-derivative financial liabilities	**3,23,76,429**	**26,61,43,782**	**-**	**-**	**29,85,20,211**

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 Group's non-derivative financial assets as at 31 March.

As at 31 March 2021	1 month to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Total
Cash and cash equivalent and other bank balances	5,16,43,496	-	-	-	5,16,43,496
Stock-in-trade	-	1,07,16,158	-	-	1,07,16,158
Trade receivables	86,92,783	-	-	-	86,92,783
Loans	14,07,15,767	-	-	-	14,07,15,767
Investments	-	-	-	2,34,81,21,194	2,34,81,21,194
Other financial assets	19,67,04,926	-	1,73,25,000	-	21,40,29,926
Total	**39,77,56,972**	**1,07,16,158**	**1,73,25,000**	**2,34,81,21,194**	**2,77,39,19,324**

As at 31 March 2020	1 month to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Total
Cash and cash equivalent and other bank balances	12,22,09,337	-	-	-	12,22,09,337
Stock-in-trade	-	10,24,58,098	-	-	10,24,58,098
Trade receivables	29,14,855	-	-	-	29,14,855
Investments				2,34,81,21,194	2,34,81,21,194
Other financial assets	5,18,47,329	-	1,64,25,000	-	6,82,72,329
Total	**17,69,71,521**	**10,24,58,098**	**1,64,25,000**	**2,34,81,21,194**	**2,64,39,75,813**

C. Maturity analysis for derivatives:

As at 31 March 2021	1 month to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Total
Other net settled derivatives (other than those entered into for trading purposes)	29,87,985	-	-	-	29,87,985
Total	**29,87,985**	**-**	**-**	**-**	**29,87,985**

As at 31 March 2020	1 month to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Total
Other net settled derivatives (other than those entered into for trading purposes)	2,53,20,253	-	-	-	2,53,20,253
Total	**2,53,20,253**	**-**	**-**	**-**	**2,53,20,253**

DHIRAJ & DHEERAJ MUMBAI CHARTERED ACCOUNTANTS

EDEL INVESTMENT LIMITED

(Currency:Indian rupees in millions)

47 Sensitivity analysis on derivative instruments

(i) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arise majorly on account of foreign currency borrowings.

The table below indicates the currencies to which the Group had significant exposure at the end of the reported periods. The analysis calculates the effect of a reasonably possible movement of the currency rate against the INR (all other variables being constant) on the statement of profit and loss (due to the fair value of currency sensitive non–trading monetary assets and liabilities) and equity (due to the change in fair value of currency swaps and forward foreign exchange contracts used as cash flow hedges).

	2020-21					
Currency	Increase in currency rate (%)	Effect on profit before tax	Effect on Equity	Decrease in currency rate (%)	Effect on profit before tax	Effect on Equity
USD	5	(34,20,932)	-	5	34,20,932	-

	2019-20					
Currency	Increase in currency rate (%)	Effect on profit before tax	Effect on Equity	Decrease in currency rate (%)	Effect on profit before tax	Effect on Equity
USD	5	(7,39,49,346)	-	5	7,39,49,346	-

(ii) Equity price risk

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the level of individual investment in equity share prices.

	2020-21					
Impact on	Increase in equity price (%)	Effect on profit before tax	Effect on Equity	Decrease in equity price (%)	Effect on profit before tax	Effect on Equity
Debt instruments	5	5,24,906		5	(5,24,906)	

	2019-20					
Impact on	Increase in equity price (%)	Effect on profit before tax	Effect on Equity	Decrease in equity price (%)	Effect on profit before tax	Effect on Equity
Debt instruments	5	51,22,905	-	5	(51,22,905)	-

EDEL INVESTMENT LIMITED

DHIRAJ & DHEERAJ MUMBAI CHARTERED ACCOUNTANTS

Edel Investments Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

48 Total Market risk exposure

	31-Mar-21			31-Mar-20		
Particulars	**Carrying amount**	**Traded risk**	**Non-traded risk**	**Carrying amount**	**Traded risk**	**Non-traded risk**
Assets						
Cash and cash equivalent and other bank balances	**5,16,43,496**	-	**5,16,43,496**	12,22,09,337	-	12,22,09,337
Derivative financial instruments	**29,87,985**	**29,87,985**	-	2,53,20,253	2,53,20,253	-
Stock-in-trade	**1,07,16,158**	**1,07,16,158**	-	10,24,58,098	10,24,58,098	-
Loans	**14,07,15,767**	-	**14,07,15,767**	-	-	-
Trade receivables	**86,92,783**	-	**86,92,783**	29,14,855	-	29,14,855
Investments	**2,34,81,21,194**	-	**2,34,81,21,194**	2,34,81,21,194	-	2,34,81,21,194
Other financial assets	**21,40,29,926**	**19,57,97,924**	**1,82,32,002**	6,82,72,329	5,09,24,372	1,73,47,957
Total	**2,77,69,07,309**	**20,95,02,067**	**2,56,74,05,242**	**2,66,92,96,066**	**17,87,02,723**	**2,49,05,93,343**
Liability						
Borrowings (other than Debt Securities)	-	-	-	1,48,28,941	-	1,48,28,941
Subordinated liabilities	**30,00,00,000**	-	**30,00,00,000**	26,61,43,782	-	26,61,43,782
Trade payables	**6,07,18,812**	-	**6,07,18,812**	1,08,51,470	-	1,59,35,711
Other financial liabilities	**27,95,431**	-	**27,95,431**	16,11,777	-	16,11,777
Total	**36,35,14,243**	-	**36,35,14,243**	**29,34,35,970**	-	**29,85,20,211**

EDEL INVESTMENT LIMITED

DHIRAJ & DHEERAJ CHARTERED ACCOUNTANTS MUMBAI

Edel Investments Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

49 (a) Fair Values of Financial Instruments

	March 31, 2021	
Particulars	**Level 1**	**Total**
Assets measured at fair value on a recurring basis		
Derivative financial instruments (assets):		
Exchange-traded derivatives	29,87,985	29,87,985
Total derivative financial instruments (assets)	**29,87,985**	**29,87,985**
Stock-in-trade		
Debt securities	1,06,76,096	1,06,76,096
Equity instruments	40,062	40,062
Total stock-in-trade	**1,07,16,158**	**1,07,16,158**
Total financial assets measured at fair value on a recurring basis	**1,37,04,143**	**1,37,04,143**

	March 31, 2021	
Particulars	**Level 1**	**Total**
Liabilities measured at fair value on a recurring basis -		
Derivative financial instruments (Liabilities):		
Exchange-traded derivatives	69,465	69,465
Total derivative financial instruments (liabilities)	**69,465**	**69,465**
Total financial liabilities measured at fair value on a recurring basis	**69,465**	**69,465**

	March 31, 2020	
Particulars	**Level 1**	**Total**
Assets measured at fair value on a recurring basis		
Derivative financial instruments (assets):		
Exchange-traded derivatives	2,53,20,253	2,53,20,253
Total derivative financial instruments (assets)	**2,53,20,253**	**2,53,20,253**
Stock-in-trade		
Debt securities	10,24,58,098	10,24,58,098
Equity instruments	-	-
Total stock-in-trade	**10,24,58,098**	**10,24,58,098**
Total financial assets measured at fair value on a recurring basis	**12,77,78,351**	**12,77,78,351**

	March 31, 2020	
Particulars	**Level 1**	**Total**
Liabilities measured at fair value on a recurring basis -		
Derivative financial instruments (Liabilities):		
Exchange-traded derivatives	2,39,69,319	2,39,69,319
Total derivative financial instruments (liabilities)	**2,39,69,319**	**2,39,69,319**
Total financial liabilities measured at fair value on a recurring basis	**2,39,69,319**	**2,39,69,319**

Fair valuation techniques:

(i) Equity instruments and units of Alternative Investment Funds

The majority of equity instruments are actively traded on recognized stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1. Units held in funds are measured based on fund net asset value (NAV), taking into account redemption and/or other restrictions. Such NAV Such instruments are generally Level 3. Equity instruments in non-listed entities are initially recognised at transaction price and re-measured at each reporting date at valuation provided by external valuer at instrument level. Unlisted equity securities are classified at Level 3.

(ii) Derivatives

The Company enters into derivative financial instruments with various counter-parties, primarily banks with investment grade credit ratings. Derivatives valued using valuation techniques with market observable inputs are exchange traded futures and options contracts. The most frequently applied valuation techniques include quoted price for exchange traded derivatives and Black Scholes models (for option valuation).

DHIRAJ & DHEERAJ ★ MUMBAI ★ CHARTERED ACCOUNTANTS

EDEL INVESTMENT LIMITED

(Currency : Indian rupees)

49 (b) Disclosure related to collateral:

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

31 March 2021	Pledge as collateral	others 1*	Available as collateral	others 2**	Total carrying amount
Cash and cash equivalent including bank balance	-	96,75,000	-	4,19,68,496	5,16,43,496
Derivative financial instruments	-	-	-	29,87,985	29,87,985
Stock in trade	-	-	1,07,16,158	-	1,07,16,158
Investments	-	-	-	2,34,81,21,194	2,34,81,21,194
Loans	-	-	-	14,07,15,767	14,07,15,767
Trade receivables	-	-	-	86,92,783	86,92,783
Other financial assets	19,57,97,924	-	-	1,82,32,002	21,40,29,926
Property, plant and equipment	-	-	31,82,252	-	31,82,252
Other Intangible assets	-	-	-	15,92,208	15,92,208
Current tax assets (net)	-	-	-	15,57,229	15,57,229
Deferred tax assets (net)	-	-	-	18,56,79,874	18,56,79,874
Other non financial assets	-	-	-	80,03,410	80,03,410
Total assets	**19,57,97,924**	**96,75,000**	**1,38,98,410**	**2,75,75,50,948**	**2,97,69,22,282**

31 March 2020	Pledge as collateral	others 1*	Available as collateral	others 2**	Total carrying amount
Cash and cash equivalent including bank balance	-	11,06,75,000	-	1,15,34,337	12,22,09,337
Derivative financial instruments	-	-	-	2,53,20,253	2,53,20,253
Stock in trade	-	-	10,24,58,098	-	10,24,58,098
Investments	-	-	-	2,34,81,21,194	2,34,81,21,194
Trade receivables	-	-	-	29,14,855	29,14,855
Other financial assets	5,33,60,225	-	-	1,49,12,104	6,82,72,329
Property, plant and equipment	-	-	33,98,560	-	33,98,560
Other Intangible assets	-	-	-	29,16,445	29,16,445
Current tax assets (net)	-	-	-	2,77,93,634	2,77,93,634
Deferred tax assets (net)	-	-	-	19,10,36,387	19,10,36,387
Other non financial assets	-	-	-	15,73,120	15,73,120
Total assets	**5,33,60,225**	**11,06,75,000**	**10,58,56,658**	**2,62,61,22,329**	**2,89,60,14,212**

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

** (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)

Edel Investments Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

49 (c) Analysis of risk concentration

Industry analysis - Risk concentration for 31 March 2021

Particulars	Financial services	Services	Total
Financial assets			
Cash and cash equivalent and other bank balances	5,16,43,496	-	5,16,43,496
Derivative financial instruments	29,87,985	-	29,87,985
Stock in trade	1,07,16,158	-	1,07,16,158
Trade and other receivables	86,92,783	-	86,92,783
Loans	14,07,15,767	-	14,07,15,767
Investments	2,34,81,21,194	-	2,34,81,21,194
Other financial assets	21,40,29,926	-	21,40,29,926
	2,77,69,07,309	-	**2,77,69,07,309**
Other Commitments	-	-	-
Total	**2,77,69,07,309**	-	**2,77,69,07,309**

Industry analysis - Risk concentration for 31 March 2020

Particulars	Financial services	Services	Total
Financial assets			
Cash and cash equivalent and other bank balances	12,22,09,337	-	12,22,09,337
Derivative financial instruments	2,53,20,253	-	2,53,20,253
Stock in trade	10,24,58,098	-	10,24,58,098
Trade and other receivables	29,14,855	-	29,14,855
Investments	2,34,81,21,194	-	2,34,81,21,194
Other financial assets	6,82,72,329	-	6,82,72,329
	2,66,92,96,066	-	**2,66,92,96,066**
Other Commitments	-	-	-
Total	**2,66,92,96,066**	-	**2,66,92,96,066**

Edel Investments Limited

Notes to the financial statements (Continued)
(Currency : Indian rupees)

49 (d) Fair values of financial instruments (continued)

Financial instruments not measured at fair value

The following table sets out the fair values of financial instruments not measured at fair value and analysing them by the level in the fair value hierarchy into which each fair value measurement is categorised.

	31 March 2021			
Particulars	**Total carrying amount**	**Total fair value**	**Level 1**	**Level 2**
Financial assets:				
Cash and cash equivalent	4,11,33,154	4,11,33,154	4,11,33,154	-
Bank balances other than cash and cash equivalent	1,05,10,342	1,05,10,342	1,05,10,342	-
Trade receivables	86,92,783	86,92,783	-	86,92,783
Loans	14,07,15,767	14,07,15,767	-	14,07,15,767
Investments at cost	2,34,81,21,194	2,34,81,21,194	-	2,34,81,21,194
Other financial assets	21,40,29,926	21,40,29,926	19,57,97,924	1,82,32,002
Total	**2,76,32,03,166**	**2,76,32,03,166**	**24,74,41,420**	**2,51,57,61,746**
Financial liabilities:				
Trade payables	6,07,18,812	6,07,18,812	-	6,07,18,812
Subordinated liabilities	30,00,00,000	30,00,00,000	-	30,00,00,000
Other financial liabilities	27,95,431	27,95,431	-	27,95,431
Total	**36,35,14,243**	**36,35,14,243**	-	**36,35,14,243**

	31 March 2020			
Particulars	**Total carrying amount**	**Total fair value**	**Level 1**	**Level 2**
Financial assets:				
Cash and cash equivalent	1,09,82,928	1,09,82,928	1,09,82,928	-
Bank balances other than cash and cash equivalent	11,12,26,409	11,12,26,409	11,12,26,409	-
Trade receivables	29,14,855	29,14,855	-	29,14,855
Investments at cost	2,34,81,21,194	2,34,81,21,194	-	2,34,81,21,194
Other financial assets	6,82,72,329	6,82,72,329	5,09,24,372	1,73,47,957
Total	**2,54,15,17,715**	**2,54,15,17,715**	**17,31,33,709**	**2,36,83,84,006**
Financial liabilities:				
Trade payables	1,59,35,711	1,59,35,711	-	1,59,35,711
Borrowing (other than debt securities)	1,48,28,941	1,48,28,941	-	1,48,28,941
Subordinated liabilities	26,61,43,782	26,61,43,782	-	26,61,43,782
Other financial liabilities	16,11,777	16,11,777	-	16,11,777
Total	**29,85,20,211**	**29,85,20,211**	-	**29,85,20,211**

DHIRAJ & DHEERAJ ★ MUMBAI ★ CHARTERED ACCOUNTANTS

EDEL INVESTMENT LIMITED ★

(Currency : Indian rupees)

50 Maturity analysis of assets and liabilities

	31 March 2021			31 March 2020		
Particulars	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	4,11,33,154	-	4,11,33,154	1,09,82,928	-	1,09,82,928
Other bank balances	95,10,342	10,00,000	1,05,10,342	11,12,26,409	-	11,12,26,409
Derivative financial instruments	29,87,985	-	29,87,985	2,53,20,253	-	2,53,20,253
Stock-in-trade	1,07,16,158	-	1,07,16,158	10,24,58,098	-	10,24,58,098
Loans	14,07,15,767	-	14,07,15,767	-	-	-
Trade Receivables	86,92,783	-	86,92,783	29,14,855	-	29,14,855
Investments	-	2,34,81,21,194	2,34,81,21,194		2,34,81,21,194	2,34,81,21,194
Other financial assets	19,67,04,926	1,73,25,000	21,40,29,926	5,18,47,329	1,64,25,000	6,82,72,329
	41,04,61,115	**2,36,64,46,194**	**2,77,69,07,309**	**30,47,49,872**	**2,36,45,46,194**	**2,66,92,96,066**
Non-financial assets						
Current tax assets (net)	4,96,061	10,61,168	15,57,229	41,80,279	2,36,13,355	2,77,93,634
Deferred tax assets (net)		18,56,79,874	18,56,79,874	-	19,10,36,387	19,10,36,387
Property, plant and equipment	-	31,82,252	31,82,252	-	33,98,561	33,98,561
Other intangible assets		15,92,208	15,92,208	-	29,16,445	29,16,445
Other non-financial assets	11,05,094	68,98,316	80,03,410	15,28,120	45,000	15,73,120
	16,01,155	**19,84,13,818**	**20,00,14,973**	**57,08,399**	**22,10,09,748**	**22,67,18,147**
Total assets	**41,20,62,270**	**2,56,48,60,012**	**2,97,69,22,282**	**31,04,58,271**	**2,58,55,55,942**	**2,89,60,14,213**

	31 March 2021			31 March 2020		
Particulars	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial liabilities						
Trade Payables	6,07,18,812	-	6,07,18,812	1,59,35,711	-	1,59,35,711
Borrowing (other than debt securities)	-	-	-	1,48,28,941	-	1,48,28,941
Subordinated Liabilities	30,00,00,000	-	30,00,00,000	26,61,43,782	-	26,61,43,782
Other financial liabilities	27,95,431	-	27,95,431	16,11,777	-	16,11,777
	36,35,14,243	-	**36,35,14,243**	**29,85,20,211**	-	**29,85,20,211**
Non-financial liabilities						
Current tax liabilities	86,64,663	-	86,64,663	-	-	-
Provisions	5,75,000	39,93,451	45,68,451	1,72,000	14,01,673	15,73,673
Other non-financial liabilities	8,23,861	-	8,23,861	25,60,901	-	25,60,901
	1,00,63,524	**39,93,451**	**1,40,56,975**	**27,32,901**	**14,01,673**	**41,34,574**
Total liabilities	**37,35,77,767**	**39,93,451**	**37,75,71,218**	**30,12,53,112**	**14,01,673**	**30,26,54,785**

DHIRAJ & DHEERAJ ★ CHARTERED ACCOUNTANTS ★ MUMBAI

EDEL INVESTMENT LIMITED ★

(Currency : Indian rupees)

51 Cash flow disclosure

Change in liabilities arising from financing activities

Particulars	1-Apr-20	Cash flows	Changes in fair values	Others*	31-Mar-21
Borrowings other than debt securities	1,48,28,941	-1,48,28,941	-	-	-
Total liabilities from financing activities	1,48,28,941	-1,48,28,941	-	-	-

* Includes the effect of interest accrued but not paid on borrowings

Particulars	1-Apr-19	Cash flows	Changes in fair values	Others*	31-Mar-20
Debt securities	-				-
Borrowings other than debt securities	20,17,10,921	-18,53,28,114	-	-15,53,866	1,48,28,941
Total liabilities from financing activities	20,17,10,921	-18,53,28,114	-	-15,53,866	1,48,28,941

* Includes the effect of interest accrued but not paid on borrowings

DHIRAJ & DHEERAJ ★ CHARTERED ACCOUNTANTS ★ MUMBAI

EDEL INVESTMENT LIMITED ★

Edel Investments Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

52 Previous year comparatives

Previous year figures have been regrouped and reclassified wherever necessary to confirm to the current year classification.

As per our report of even date attached.

For Dhiraj & Dheeraj
Chartered Accountants
Firms' Registration No. 102454W

Shailendra Dadhich
Partner
Membership No: 425098

Mumbai
25 May 2021

DHIRAJ & DHEERAJ MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Punyashree Kanade
Director
DIN: 08104699

Deepak Mundra
Director
DIN: 06733120

Rajeev Khandal
Chief Financial Officer

Bhargavi Halapeti
Company Secretary

Mumbai
25 May 2021

EDEL INVESTMENT LIMITED