

Edelweiss Alternative Asset Advisors Limited

Corporate Identity Number: U67190MH2008PLC182205

Annual Report for the year ended March 31, 2021

Edelweiss Alternative Asset Advisors Limited

Financial Statement for the year ended March 31, 2021

Board of Directors

Mr. Hemant Daga

Mr. Kamala Kantharaj

Mr. Kanu Doshi

Mr. Sunil Phatarphekar

Chief Financial Officer

Mr. Hemal Mehta

Company Secretary

Mr. Deepak Mukhija

Statutory Auditors

GMJ & Co, Chartered Accountants

Registered Office

Edelweiss House,

Off C.S.T. Road, Kalina,

Mumbai - 400098.

Corporate Identity No.:

U67190MH2008PLC182205

Tel: +91 22 4009 4400

Fax: +91 22 4086 3759

BOARD'S REPORT

To the Members of Edelweiss Alternative Asset Advisors Limited,

The Directors present their 13th Annual Report on the business, operations and the state of affairs of the Company together with the audited financial statements for the year ended March 31, 2021:-

Financial Highlights

Particulars	(₹ in million)	
	2020-2021	2019-2020
Total income	1444.54	1374.52
Total Expenses	1296.02	1197.07
Profit/(Loss) Before Tax	148.52	177.45
Tax Expenses/ (Benefit)	-	(0.54)
Profit/(Loss) for the year	153.94	177.99
Other Comprehensive Income		
Re-measurement gain on defined benefit plans	6.74	0.78
Total Comprehensive Income	158.99	178.77
Opening Balance		
Loss carried forward	521.18	699.94
Surplus carried to Balance Sheet	362.19	521.18

Information on the state of affairs of the Company

During the year ended March 31, 2021, the Company earned the revenue of ₹1444.54 million as against ₹1,374.52million during the previous year. The Company incurred the profit of ₹ 153.94 million during the year ended March 31, 2021 as against the ₹ 177.99 million during the previous year.

Impact of Covid-19 pandemic

COVID-19 has been declared as a pandemic. It has restricted and disrupted regular function of work. Your company has put a framework for work from home for its employees. Regular client meeting as well as execution of assignments are been carried out through video conferencing and electronically. Your Company is fully functionally through the aforementioned means.

The Company's management has assessed the impact of the pandemic on its operations and its assets including the value of its investments, asset management rights and trade receivables as at March 31, 2021. Since the revenue of the Company is ultimately dependent on the value of the assets it manages, changes in market conditions and the trend of flows into alternate funds may have an impact on the operations of the Company. Basis the assessment, the management does not, at this juncture, believe that the impact on the value of the Company's assets or its operations is likely to be material.

Edelweiss Securities and Investments Private Limited - holding company

Edelweiss Securities and Investments Private Limited (ESIPL) had on March 12, 2021, completed the acquisition of 51% of the paid-up equity share capital of the Company from Edelweiss Securities Limited and consequently, the Company has become the subsidiary of ESIPL.

ESIPL is a subsidiary of Edelweiss Financial Services Limited (EFSL), and EFSL continues to be the ultimate holding company of the Company.

Issuance of new securities during the year

During the year ended March 31, 2021, the Company issued and allotted 1,00,00,000 equity shares of Rs. 10/- each at face value for aggregate amount of Rs. 10,00,00,000/- on right basis to the existing shareholders.

Additionally, during the year ended March 31, 2021, the Company issued 11,00,00,000 Compulsorily Convertible Debentures of Rs. 10/- each at face value for aggregate amount of Rs. 110,00,00,000/- under private placement to some of the Edelweiss Group Companies.

Loans, Investments and Guarantees

The particulars of loans given and investments made by the Company are provided in the financial statement. Further, during the year under review, the Company has not given any guarantee or provided any securities.

Related Party Transactions

All the Related Party Transactions entered by the Company are on arm's length basis and in the ordinary course of business. Particulars of contracts or arrangements with the related Parties as referred to in sub-section (1) of Section 188 and forming part of this report is provided in the financial statement. All the Related Party Transactions as required under Ind AS 24 are reported in the Notes to the financial statements.

The particulars of the material contracts/arrangements entered into by the Company with related parties on arm's length are disclosed in Form No. AOC -2 (Annexure - I).

Directors

i. Managing Director & CEO

During the year under review, Mr. Suresh Soni, the Executive Director was re-designated as the Managing Director & CEO of the Company.

ii. Directors

Mr. Hemant Daga was appointed as Additional Directors with effect from January 18, 2021. Subsequently, Mr. Hemant Daga was designated as the Executive Director of the Company.

Mr. Daga holds office upto the date of the forthcoming Annual General Meeting (AGM) of the Company. The approval of members for appointment of Mr. Daga as Director of the Company liable to retirement by rotation is being sought at the forthcoming AGM.

Ms. Kamala Kantharaj was appointed as Additional Directors with effect from February 05, 2021.

Ms. Kamala Kantharaj holds office upto the date of the forthcoming Annual General Meeting (AGM) of the Company. The approval of members for appointment of Ms. Kamala Kantharaj as Director of the Company liable to retirement by rotation is being sought at the forthcoming AGM.

iii. Non-Executive Independent Directors

Mr. Kanu Doshi and Mr. Sunil Phatarphekar were appointed as the Non-executive Independent Directors of the Company, with effect from August 13, 2021.

Being the Independent Directors of the Company, the term of Mr. Kanu Doshi and Mr. Sunil Phatarphekar is 5 years, subject to the approval of the Members. The approval of the members for appointment of Mr. Kanu Doshi and Mr. Sunil Phatarphekar as Non-Executive Independent Directors is being sought at the forthcoming AGM.

Number of Board Meetings held

During the year ended March 31, 2021, the Board met 8 times.

Internal Financial Controls and Risk Management

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

Nomination & Remuneration Policy

The Nomination and Remuneration Committee comprises of Mr. Kanu Doshi, Mr. Sunil Phatarphekar and Ms. Kamala Kantharaj. The Nomination and Remuneration Policy duly approved by the Board of Directors of the Company and is annexed to this Report.

Auditors

The Members at the 10th Annual General Meeting of the Company held in 2018 had appointed M/s. GMJ & Co., Chartered Accountants, as the Auditors of the Company till the conclusion of the 15th Annual General Meeting of the Company to be held in the year 2023.

Prevention of Sexual harassment of Women at Workplace

The Company has framed a Policy on Prevention of Sexual harassment at workplace (the Policy). During the year under review, no cases were reported 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 utilizing alternate source 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 equipment; 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;

(d) 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 EARNINGS AND OUTGO

Foreign exchange earnings and outgo during the year under review were ₹ 200.57 million (previous year ₹ 253.54 million) and ₹ 3.00 million (previous year ₹0.89 million) respectively.

Other 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 has complied with the Secretarial Standards issued by Institute of Company Secretaries of India.

Extract of the Annual Return

In accordance with the provisions of Section 92 of the Companies Act, 2013 and the Rules framed thereunder, the extract of the Annual Return in the prescribed Form MGT - 9 is placed at the Company's website at www.edelweissalternative.com.

Risk Management

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

Directors' Responsibility Statement

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

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) such accounting policies have been selected 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 of 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
- (v) proper systems had been devised 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 extended and guidance given by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Banks, government authorities and other stakeholders. The Board would like to acknowledge the support of its clients and members. 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
Edelweiss Alternative Asset Advisors Limited**

Suresh Soni
Managing Director & CEO
DIN: 02265993

Hemant Daga
Executive Director
DIN: 07783248

Date: May 20, 2021

Annexure I

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:

(Currency: Indian rupees in millions)

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

Sr. 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:

Sr. 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 (Rs. in million)	Date of approval by the Board	Amount paid as advances, if any
1.	Edelweiss Alternative Asset Advisors Pte Limited (Fellow subsidiary)	Fee income earned from	1 Year	197.51	-	Nil

2	Edelweiss Rural & Corporate Services Limited (Fellow subsidiary)	Fee income earned from	1 Year	15.7	-	Nil
3	ECL Finance Limited (Fellow subsidiary)	Fee income earned from	1 Year	127.87	-	Nil
4	Edelcap Securities Ltd (Fellow subsidiary)	Fee income earned from	1 Year	1.69	-	Nil
5	ECap Equities Limited (Fellow subsidiary)	Fee income earned from	1 Year	8.17	-	Nil
6	Edelweiss Finvest Private Limited (Fellow subsidiary)	Fee income earned from	1 Year	31.82	-	Nil
7	Edelweiss Value Growth Fund (Fellow subsidiary)	Fee income earned from	1 Year	2.20	-	Nil
8	Edelweiss Private Tech Equity Fund (Fellow subsidiary)	Fee income earned from	1 Year	0.64	-	Nil

**For and on behalf of the Board of Directors
Edelweiss Alternative Asset Advisors Limited**

Suresh Soni
Managing Director & CEO
DIN: 02265993

Hemant Daga
Executive Director
DIN: 07783248

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

I.	REGISTRATION AND OTHER DETAILS:	
i)	CIN	U67190MH2008PLC182205
ii)	Registration Date	14/05/2008
iii)	Name of the Company	Edelweiss Alternative Asset Advisors Limited
iv)	Category / Sub-Category of the Company	Public Company/Limited by Shares
v)	Address of the Registered office and contact details	Edelweiss House, Off CST Road, Kalina, Mumbai-400098 Email - pdcompliance@edelweissfin.com Tel No - +91 22 4009 4400 Fax No. - +91 22 4086 3759
vi)	Whether listed company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C-101,1 st Floor, 247 Park , Lal Bahadur Shastri Marg, Vikhroli West, Mumbai - 400083 Tel No.: +91 22 49186270 Fax No.: +91 22 49186060

II.	PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY All the business activities contributing 10% or more of the total turnover of the company	As per Attachment - A
III.	PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES	As per Attachment - B
IV.	SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)	
viii)	Category-wise Share Holding	As per Attachment - C
ix)	Shareholding of Promoters	As per Attachment - D
iii)	Change in Promoters' Shareholding	As per Attachment - E
iv)	Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment - F
v)	Shareholding of Directors and Key Managerial Personnel	As per Attachment - G
V.	INDEBTEDNESS	
	Indebtedness of the Company including interest outstanding/accrued but not due for payment	As per Attachment - H
VI.	Remuneration of Directors and Key Managerial Personnel	
A.	Remuneration to Managing Director, Whole-time Directors and/or Manager	As per Attachment - I
B.	Remuneration to other directors	As per Attachment - J
C.	Remuneration to Key Managerial Personnel other than MD/Manager/WTD	As per Attachment - K
VII.	PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:	As per Attachment - L

Attachment - A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service#	% to total turnover of the Company\$
1.	Advisory Services and Fund Management Activities	663	95%

As per National Industrial Classification - Ministry of Statistics and Programme Implementation

\$ On the basis of Gross Income

Attachment - B

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Edelweiss Securities And Investments Private Limited Edelweiss House, Off CST Road, Kalina, Mumbai-400098	U65990MH2009PTC344641	Holding	99%	Section 2(46)
2.	Edelweiss Financial Services Limited (Ultimate Holding Company) Edelweiss House, Off CST Road, Kalina, Mumbai-400098	L99999MH1995PLC094641	Holding	99%	Section 2(46)

Attachment - C

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year as on April 1, 2020				No. of Shares held at the end of the year as on March 31, 2021				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	22,56,000	-	22,56,000	95	1,22,56,000	-	1,22,56,000	99	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	22,56,000	-	22,56,000	95	1,22,56,000	-	1,22,56,000	99	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) =(A)(1)+(A)(2)	22,56,000	-	22,56,000	95	1,22,56,000	-	1,22,56,000	99	-
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII's	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corporate	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	1,18,737	1,18,737	1	-	1,18,737	1,18,737	1	-

b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	1,18,737	1,18,737	1	-	1,18,737	1,18,737	1	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	22,55,994	1,18,743	23,74,737*	100	1,22,56,000*	1,18,743	123,74,737*	100	-

**Including 6 shares held by 6 nominees of Edelweiss Securities Limited.*

Attachment - D

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year as on April 1, 2020			Share holding at the end of the year as on March 31, 2021			% change In share holding during the year
		No. of Shares	% of Total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of Total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Edelweiss Financial Services Limited (ESFL)*	22,56,000	95	-	0	0	-	-
2.	Edelweiss Securities And Investments Private Limited	-	-	-	11211116	90.60	-	-
3.	Edelweiss Securities Limited (ESL)	-	-	-	1044884	8.44	-	-
Total		22,56,000	95	-	12256000	99.04	-	-

* Including 6 shares held by 6 nominees of ESL

Attachment - E

(iii) Change in Promoters' Shareholding:

Particulars	Shareholding at the beginning of the year as on April 1, 2020		Cumulative Shareholding during the Year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	22,56,000	95	12256000	99.04
Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	1,00,00,000 equity shares were allotted under rights issue to one of the Promoter entities on March 24, 2021.			
At the End of the year (March 31, 2021)	12256000	99.04	12256000	99.04

Attachment - F

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No	Name	Shareholding at the beginning of the year as on April 1, 2020		Increase / Decrease in shareholding during the year			Date of change	Cumulative shareholding during the financial year April 1, 2020 to March 31, 2021	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company	Reason		No of shares	% of total shares of the Company
1.	Gamla Livforsakringsaktiebolaget SEB Trygg Liv (publ)	1,18,737	5	-	-	-	-	1,18,737	1

Attachment - G

(v) Shareholding of Directors and Key Managerial Personnel: NIL

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):				
	At the End of the year	Nil	Nil	Nil	Nil

Attachment - H

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment: (₹ in million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits from group co	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	-	1121117662	0	1121117662
ii) Interest due but not paid	-	4470137	0	4470137
iii) Interest accrued but not due	-	0	0	-
Total (i+ii+iii)	-	1125587799	0	1125587799
Change in Indebtedness during the financial year	-	0	0	
Addition during the year	-	2787077740	1012565321	3799643061
Reduction	-	3906961386	1012565321	4919526707
Net Change	-			
Indebtedness at the end of the financial year	-			
i) Principal Amount	-	1,193,467.0	0	1193467
ii) Interest due but not paid		4,510,686.0	0	4510686
iii) Interest accrued but not due				0
Total (i+ii+iii)	-	5,704,153.0	-	5,704,153.0

Attachment - I

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Suresh Soni	Hemant Daga		Total Amount
		Managing Director	Whole time Director	Manager	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	1,76,65,348	13,23,816		1,89,89,164
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	8,34,367	0		8,34,367
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				0
2.	Stock Option				0
3.	Sweat Equity				0
4.	Commission				
	- as % of profit				
	- others, specify...				
5.	Others, please specify				
	Total (A)	1,84,99,715	13,23,816	0	1,98,23,531
	Ceiling as per the Act	As per schedule V of the Companies Act, 2013	As per schedule V of the Companies Act, 2013		

Attachment - I

B. Remuneration to other Directors:

Particulars of Remuneration	1	2
1. Independent Directors	Sunil Phatarphekar	Kanu Doshi

Fees for attending board/ committee of meetings	2,00,000	2,00,000
Commission	-	-
Others	-	-
Total (1)	2,00,000	2,00,000
2. Other Non- Executive Directors		
Fees for attending board/committee of meetings	-	-
Commission	-	-
Others	-	-
Total (2)	-	-
Total B (1+2)	2,00,000	2,00,000
Total Managerial Remuneration (A+B)	20,223,531.0	
Overall Ceiling as per the Act	As per schedule V of the Companies Act, 2013	As per schedule V of the Companies Act, 2013

Attachment - K

A. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Sl. No.	Particulars of Remuneration	1	2	3
		Chief Financial Officer (Hemal Mehta)	Company Secretary (Deepak Mukhija)	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	95,11,334	50,99,984	1,46,11,318
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39,600	32,400	72,000
	(c) -Profits in lieu of salary under section 17(3) Income-tax Act, 1961			0
2	Stock Option (perquisite value)			0
3	Sweat Equity			0
4	Commission - as % of profit - others			
5	Others: Bonus			
	Total	95,50,934	51,32,384	1,46,83,318

Attachment - L

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			None		
Punishment					
Compounding					
B. DIRECTORS					

Penalty	None
Punishment	
Compounding	
C. OTHER OFFICERS IN DEFAULT	
Penalty	None
Punishment	
Compounding	

**For and on behalf of the Board of Directors
Edelweiss Alternative Asset Advisors Limited**

Suresh Soni
Managing Director & CEO
DIN: 02265993

Hemant Daga
Director
DIN: 07783248

Date: May 20, 2021

Remuneration Policy

Edelweiss Alternative Asset Advisors Limited

Objective

The Companies Act, 2013 ('the Act') and the Rules framed there under requires a Company to frame policy for determining the remuneration payable to the Directors, Key Managerial Personnel (KMPs) and other employees. While appointing the Directors, the Nomination and Remuneration Committee ('the Committee') considers qualification, positive attributes, areas of expertise, , gender diversity and number of Directorships in other companies and such other factors as it may deem fit. The Board considers the Committee's recommendation and takes appropriate action.

The objective of the Remuneration Policy (the Policy) of the Company is to provide a framework for the remuneration of the Independent Directors, Non-executive Directors, Managing Director/Executive Directors, KMPs, and other Senior level employees of the Company.

The primary objective of the Policy is to ensure that:

- i. the level and composition of remuneration is reasonable and sufficient to attract and retain talent required to run the Company successfully;
- ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- iii. remuneration to the Directors, KMPs and senior management comprises a balance fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Remuneration of the Independent Directors & Non- executive Directors

- The Independent Directors & Non-executive Directors will be eligible for sitting fees for attending the meetings of the Board and the Committees thereof.
- The Independent Directors & Non-executive Directors may also be eligible for commission, subject to limits prescribed under the Act and the Rules framed thereunder.
- The Independent Directors are not eligible for stock options of the Company or a holding company.
- The Non-executive Directors shall be eligible for stock options of the Company or a holding company.

Remuneration of the Managing Director and Executive Directors

- The remuneration of the Managing Director/Executive Directors is recommended by the Nomination and Remuneration Committee ('the NRC') to the Board. Based on the recommendations of the NRC, the Board determines and approves the remuneration of the Managing Director/Executive Directors, subject to necessary approvals, if any.
- The remuneration paid to the Managing Director/Executive Directors is within the limits prescribed under the Act and approved by the shareholders of the Company. The remuneration structure includes fixed salary, perquisites, bonus, other benefits and allowances and contribution to Funds, etc.
- The Managing Director/Executive Directors shall be eligible for stock options of the Company or a holding company.

Remuneration of the KMP (other than Managing Director/Executive Director) and Senior level employees

- The key components of remuneration package of the KMP (other than Managing Director & Executive Director) and Senior level employees shall comprise of fixed salary, perquisites, annual bonus, other benefits and allowances and contribution to Funds, etc.
- They shall be eligible for stock options of the Company or the Holding Company.

Performance Management Process

The Company has a Performance Management & Review process commensurate to the size and operations of the Company, which forms the basis of Compensation Review. The formal Performance Review Process is undertaken once in a year and Performance evaluation for the employees is largely based on their overall performance for last financial year along with their competency displayed and their potential.

Edelweiss Code of Conduct and the Guiding Principles

- The employees must conduct themselves according to the Edelweiss Code of Conduct and the Guiding Principles.
- Any such breach will attract appropriate disciplinary action and may have a direct bearing on their performance appraisal and rewards.

Policy Review

- The Policy may be amended as may be necessary.
- The NRC shall implement the Policy, and may issue such guidelines, procedures etc. as it may deem fit.

INDEPENDENT AUDITOR'S REPORT

To the Members of **Edelweiss Alternative Asset Advisors Limited**

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **Edelweiss Alternative Asset Advisors 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Annual report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read 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.

Responsibilities of Management for the Ind AS 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 Ind AS 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 Ind AS financial statements, including the disclosures, and whether the Ind AS 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, 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 Ind AS 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 Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" 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;

(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; and
- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For GMJ & Co.
Chartered Accountants
Firm Registration No. 103429W

Haridas Bhat
Partner
Membership No.:039070

UDIN: 21039070AAAAIT7826

Place: Mumbai
Date: May 20, 2021

Annexure A to the Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of Edelweiss Alternative Asset Advisors Limited ('the Company') on the financial statements for the year ended March 31, 2021, we report that:

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As explained to us, the Company has a regular programme of physical verification of its fixed assets by which all the fixed assets are verified in a phased manner over a period of three years. In our opinion this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the Company does not own immovable properties, accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) Based on our examination of documents and records, the Company does not own any inventory during the year. Therefore, the provisions of clause 3(ii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans to directors including entities in which they are interested in respect of which the provisions of section 185 of the Companies Act 2013 are applicable and hence not commented upon. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of investment made and loan given.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act, 2013 for any activities conducted and services rendered by the Company.
- (vii)
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, services tax, sales tax, value added tax, goods and service tax, cess and other material statutory dues, applicable to it, have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, Company did not have any dues on account of employees' state insurance, duty of excise and duty of custom.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, services tax, sales tax, value added tax, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, there are no dues of income tax, service tax, goods and service tax and cess which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of borrowing due to debenture holders. The Company did not have any outstanding loan or borrowing dues in respect of a financial institution, or government or banks.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations provided by the management, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the private placement of shares during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For GMJ & Co.
Chartered Accountants
Firm Registration No. 103429W

Haridas Bhat
Partner
Membership No.:039070

UDIN: 21039070AAAAIT7826
Place: Mumbai
Date: May 20, 2021

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 **Edelweiss Alternative Asset Advisors Limited** (“the Company”) as of March 31, 2021 in conjunction with our audit of the Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these Ind AS 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 Ind AS 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 Ind AS 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 Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Ind AS 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 Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these Ind AS financial statements and such internal financial controls over financial reporting with reference to these Ind AS 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 GMJ & Co.
Chartered Accountants
Firm Registration No. 103429W

Haridas Bhat
Partner
Membership No.:039070

UDIN: 21039070AAAAIT7826

Place: Mumbai
Date: May 20, 2021

Balance Sheet

(Currency : Indian rupees)

	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Financial assets			
Cash and cash equivalents	7	15,10,34,340	90,83,134
Trade receivables	8	6,07,49,977	28,11,86,096
Loans	9	25,27,22,506	9,13,879
Investments	10	19,59,03,468	2,35,15,151
Other financial assets	11	3,85,71,033	4,62,49,819
		<u>69,89,81,324</u>	<u>36,09,48,079</u>
Non-financial assets			
Current tax assets (net)	12	11,27,98,133	12,82,17,923
Deferred tax assets (net)	13	93,50,193	56,18,300
Property, plant and equipment	14	76,79,972	40,43,587
Intangible assets under development		13,20,000	-
Other intangible assets	14	1,13,89,597	2,76,02,022
Other non- financial assets	15	42,47,26,137	43,86,41,823
		<u>56,72,64,032</u>	<u>60,41,23,655</u>
TOTAL ASSETS		<u><u>1,26,62,45,356</u></u>	<u><u>96,50,71,734</u></u>
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Trade payables			
(i) Total outstanding due of micro enterprises and small enterprises	41	60,774	-
(ii) Total outstanding due of creditors other than micro enterprises and small enterprises		2,88,96,643	6,35,74,954
Borrowings (other than debt securities)	16	57,04,153	1,12,55,87,799
Other financial liabilities	17	14,79,26,278	2,45,95,858
		<u>18,25,87,848</u>	<u>1,21,37,58,611</u>
Non-financial liabilities			
Provisions	18	1,61,04,873	1,11,41,000
Other non-financial liabilities	19	5,59,91,116	8,75,98,480
		<u>7,20,95,989</u>	<u>9,87,39,480</u>
Equity			
Equity share capital	20.1	12,37,47,370	2,37,47,370
Instruments entirely equity in nature	20.2	1,10,00,00,000	-
Other equity		(21,21,85,851)	(37,11,73,727)
		<u>1,01,15,61,519</u>	<u>(34,74,26,357)</u>
TOTAL LIABILITIES AND EQUITY		<u><u>1,26,62,45,356</u></u>	<u><u>96,50,71,734</u></u>

Significant accounting policies and notes forming part of the financial statements 1-46

This is the balance sheet referred to in our report of even date.

For GMJ & Co.

Chartered Accountants
Firm's Registration No.: 103429W

For and on behalf of the Board of Directors

Haridas Bhat
Partner
Membership No: 039070Hemant Daga
Executive Director
DIN.: 07783248Suresh Chandra Soni
Managing Director & CEO
DIN.: 02265993Hemal Mehta
Chief Financial OfficerDeepak Mukhija
Company SecretaryMumbai
20 May 2021Mumbai
20 May 2021

Edelweiss Alternative Asset Advisors Limited

Statement of Profit and Loss

(Currency : Indian rupees)

	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from operations			
Interest income	21	1,55,44,682	1,84,675
Revenue from contract with customers	22	1,41,84,37,074	1,30,77,25,850
Net gain on fair value changes	23	46,39,632	20,41,399
Other income	24	59,16,334	6,45,65,932
Total Revenue		1,44,45,37,722	1,37,45,17,856
Expenses			
Finance costs	25	11,34,80,635	12,55,70,912
Impairment on financial instruments	26	45,022	-
Employee benefits expense	27	67,19,86,255	55,71,93,741
Depreciation, amortisation and impairment	14	2,51,21,076	3,16,37,824
Other expenses	28	48,53,88,751	48,26,70,639
Total expenses		1,29,60,21,739	1,19,70,73,116
Profit before tax		14,85,15,983	17,74,44,740
Tax expenses	29		
Current tax		-	(1,88,111)
Deferred tax		(54,28,393)	(3,53,787)
Profit for the year		15,39,44,376	17,79,86,638
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement gain on defined benefit plans		67,40,000	7,79,000
Tax effect on measurement gain on defined benefit plans (OCI)		16,96,500	-
Other Comprehensive Income		50,43,500	7,79,000
Total Comprehensive Income		15,89,87,876	17,87,65,638
Earnings per equity share (face value Rs.10 each):			
Basic	30	48.16	74.95
Diluted	30	48.33	74.95

Significant accounting policies and notes forming part of the financial statements 1-46

This is the Statement of profit and loss referred to in our report of even date

For GMJ & Co.

Chartered Accountants
Firm's Registration No.: 103429W

For and on behalf of the Board of Directors

Haridas Bhat
Partner
Membership No: 039070

Hemant Daga
Executive Director
DIN.: 07783248

Suresh Chandra Soni
Managing Director & CEO
DIN.: 02265993

Hemal Mehta
Chief Financial Officer

Deepak Mukhija
Company Secretary

Mumbai
20 May 2021

Mumbai
20 May 2021

Edelweiss Alternative Asset Advisors Limited

Cash Flow Statement

(Currency : Indian rupees)

	For the year ended March 31, 2021	For the year ended March 31, 2020
A. Cash flow from operating activities		
Profit before taxation	14,85,15,983	17,74,44,740
Adjustments for		
Depreciation and ammortisation expenses	2,51,21,076	3,16,37,824
Impairment of financial instruments	45,022	-
Provision for compensated absences	(12,92,127)	1,39,000
Profit on sale of fixed assets	(4,966)	(17,40,439)
Finance cost on lease liability	2,25,086	-
Net gain on fair value changes	(46,39,632)	(20,41,399)
Interest income	(1,51,27,370)	-
Interest expense	11,31,71,045	12,54,94,350
Operating cash flow before working capital changes	26,60,14,117	33,09,34,076
Add / (less): Adjustments for working capital changes		
Decrease in trade receivables	22,04,36,119	46,58,43,253
Decrease/(increase) in loans and advances	(25,16,92,978)	29,86,701
Decrease in other financial assets	76,78,786	54,90,215
(Increase)/decrease in other non financial assets	1,39,15,684	(18,48,62,455)
(Decrease)/increase in trade payables	(3,46,17,537)	26,85,335
Increase in provisions	1,29,96,000	24,89,000
Increase/(decrease) in other financial liabilities	11,95,69,635	(18,78,20,365)
Decrease in other non financial liabilities	(3,16,07,364)	(57,63,949)
Cash generated from operations	5,66,78,345	10,10,47,735
Income tax paid/refund	1,54,19,790	(7,13,40,160)
Net cash generated from operating activity - A	33,81,12,252	36,06,41,651
B. Cash flow from investing activities		
Amount received on capital redemption & Sale of investments	65,28,39,431	13,90,957
Purchase of Investment	(82,47,93,219)	-
Purchase of Property, plant & equipment and intangible assets	(88,72,485)	(1,73,91,088)
Capital expenditure towards development of intangible assets	(13,20,000)	-
Sale of Property, plant & equipment and intangible assets	2,07,439	37,21,789
Income received on investments	42,05,104	34,55,591
Net cash (used in) investing activities - B	(17,77,33,730)	(88,22,751)
C. Cash flow from financing activities		
Repayment of unsecured short term borrowings (refer note 2 below)	(1,11,99,24,195)	(21,87,30,189)
Proceeds from inter corporate deposit	95,43,00,000	50,00,00,000
Repayment of inter corporate deposit	(95,43,00,000)	(50,00,00,000)
Proceeds from Issue of compulsory convertible debentures	1,10,00,00,000	-
Proceeds from fresh issue of equity shares	10,00,00,000	-
Interest paid (including interest paid on inter corporate deposits)	(11,25,88,030)	(13,08,85,382)
Principal repayment of leases (Ind AS 116)	(6,56,704)	-
Finance cost paid (IND AS 116)	(2,25,086)	-
Interest received	1,49,66,699	-
Net cash (used in) financing activities - C	(1,84,27,316)	(34,96,15,571)
Net increase in cash and cash equivalents (A+B+C)	14,19,51,206	22,03,329

Note :

1.Cash and cash equivalents as at the beginning of the year 90,83,134
Cash and cash equivalents as at the end of the year 15,10,34,340

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 GMJ & Co.

Chartered Accountants
Firm's Registration No.: 103429W

Haridas Bhat

Partner
Membership No: 039070

Mumbai
20 May 2021

For and on behalf of the Board of Directors

Hemant Daga
Executive Director
DIN.: 07783248

Suresh Chandra Soni
Managing Director & CEO
DIN.: 02265993

Hemal Mehta
Chief Financial Officer
Mumbai
20 May 2021

Deepak Mukhija
Company Secretary

Edelweiss Alternative Asset Advisors Limited

(Currency : Indian rupees)

Statement of Changes in Equity

(A) Equity share capital

Balance at the beginning of the reporting period (1 April 2019)	Changes in equity share capital (refer note 20.1)	Balance at the end of the reporting period (31 March 2020)	Changes in equity share capital (refer note 20.1)	Balance at the end of the reporting period (31 March 2021)
2,37,47,370	-	2,37,47,370	10,00,00,000	12,37,47,370

(B) Instruments entirely equity in nature

Balance at the beginning of the reporting period	Changes during the year	Balance at the end of the reporting period (31 March 2020)	Changes during the year (refer note 20.2)	Balance at the end of the reporting period (31 March 2021)
-	-	-	1,10,00,00,000	1,10,00,00,000

(C) Other Equity

	Reserves and Surplus			
	Securities premium	Share Option Reserve	Retained earnings	Total
Balance at 31 March 2019 (Ind AS)	11,91,11,620	3,08,95,039	(69,99,46,024)	(54,99,39,365)
Profit for the year	-	-	17,79,86,638	17,79,86,638
Remeasurement gain / loss on defined benefit plans (OCI)	-	-	7,79,000	7,79,000
Balance at 31 March 2020 (Ind AS)	11,91,11,620	3,08,95,039	(52,11,80,386)	(37,11,73,727)
Profit for the year	-	-	15,39,44,376	15,39,44,376
Other comprehensive income for the year	-	-	50,43,500	50,43,500
Balance at 31 March 2021 (Ind AS)	11,91,11,620	3,08,95,039	(36,21,92,510)	(21,21,85,851)

(i) Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(ii) Share Option Reserve

The share option reserve comprises the cumulative value of employee services received for the issue of the options under the share plans of the ultimate holding company.

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

For GMJ & Co.
Chartered Accountants
Firm's Registration No.: 103429W

For and on behalf of the Board of Directors

Haridas Bhat
Partner
Membership No: 039070

Hemant Daga
Executive Director
DIN.: 07783248

Suresh Chandra Soni
Managing Director & CEO
DIN.: 02265993

Mumbai
20 May 2021

Hemal Mehta
Chief Financial Officer
Mumbai
20 May 2021

Deepak Mukhija
Company Secretary

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

Currency : (Indian Rupees)

1. Background

Edelweiss Alternative Asset Advisors Limited ('the Company') is registered a Company incorporated in India on 14 May 2008. Its is a subsidiary of Edelweiss Securities And Investments Private Limited, a Company incorporated in India.

The ultimate holding company is Edelweiss Financial Services Limited, which is incorporated in India

The Company is an Investment Manager to Alternative Investment Funds and also provides non-binding advisory services to certain offshore funds under Edelweiss Group.

2. Basis of preparation of financial statements

These financial statements are Special Purpose Indian Accounting Standards (Ind-AS) Financial Statement prepared for the purpose of preparation of consolidated financial statements for the year ended March 31, 2021 for Edelweiss Financial Service Limited (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 March 31, 2020 which is prepared in accordance with Division II 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.

The financial statements of the Company has 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).

These financial statements have been prepared on a historical cost basis, except for certain financial instruments such as financial asset measured at fair value through other comprehensive income (FVOCI) instruments which have been measured at fair value. The financial statements are presented in Indian Rupees (INR)

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

In preparing the accompanying financial results, the Company's management has assessed the impact of the pandemic on its operations and its assets including the value of its investments, asset management rights and trade receivables as at March 31, 2021. Since the revenue of the Company is ultimately dependent on the value of the assets it manages, changes in market conditions and the trend of flows into alternate funds may have an impact on the operations of the Company. Basis the assessment, the management does not, at this juncture, believe that the impact on the value of the Company's assets or its operations is likely to be material.

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

Currency : (Indian Rupees)

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 33.

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 recognized 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

4. Significant accounting policies

4.1 Financial Instruments

4.1.1 Date of recognition

Financial assets and financial liabilities, with the exception of borrowings are initially recognized 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.

4.1.2 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 recognized immediately in profit or loss.

4.1.3 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

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

Currency : (Indian Rupees)

transaction price and the fair value is deferred and is only recognized in profit or loss when the inputs become observable, or when the instrument is derecognized.

4.2 Classification of financial instruments

4.2.1 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 [FVOCI]
- 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.

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

- the financial asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at FVTPL.

4.2.1.1 Amortized cost and Effective interest method

The effective interest 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 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.

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

Currency : (Indian Rupees)

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.

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.

4.2.2 Financial liabilities

All financial liabilities are measured at amortised cost

4.2.2.1 Debt securities and other borrowed funds

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

4.2.2.2 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 are mandatorily required to be measured at fair value under Ind AS 109.

- The liabilities are part of a Company 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
- Financial assets and financial liabilities at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in 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.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes.

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

Currency : (Indian Rupees)

4.2.3 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 Company after deducting all of its liabilities. Equity instruments issued by a Company are recognized at the proceeds received, net of direct issue costs.

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

4.3 Reclassification of financial assets and financial 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.

4.4 Derecognition of financial assets and financial liabilities

4.4.1 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 recognized as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded.

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.

4.4.2 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 Company of similar financial assets) is derecognized 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

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

Currency : (Indian Rupees)

- 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.

A transfer only qualifies for derecognition if either:

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

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

4.4.3 Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid, including modified contractual cash flow recognized as new financial liability, would be recognized in profit or loss.

4.5 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. 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.

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

Currency : (Indian Rupees)

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 recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of an 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 expected credit loss (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 recognized together with the loss allowance for the financial asset. To the extent that the combined expected credit losses exceed the gross carrying amount of the financial asset, the expected credit losses have been recognized as a provision. Also, for other loan commitments and all financial guarantee contracts, the loss allowance has been recognized as a provision.

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

Currency : (Indian Rupees)

4.6 Write off

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

4.7 Determination of fair value

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

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. 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 to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.
- Level 2 financial instruments—Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life.
- Level 3 financial instruments –Those that include one or more unobservable input that is significant to the measurement as whole. For assets and liabilities that are recognized in the

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

Currency : (Indian Rupees)

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.

4.8 Revenue from contract with customer

Revenue is measured at transaction price i.e. the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to the customer, excluding amounts collected on behalf of third parties. The Company consider the terms of the contract and its customary business practices to determine the transaction price. Where the consideration promised is variable, the Company excludes the estimates of variable consideration that are constrained.

- a. Revenue from fund management services is recognized over the tenure in accordance with the terms and conditions of the investment management agreement between the Company and the Fund for which the Company acts as a fund manager.
- b. Fee income including advisory fees is accounted over the period as the customer simultaneously receives and consumes the benefits, as the services are rendered.
- c. The company recognises incremental costs of obtaining a contract with a customer as an asset if it expects to recover those costs. This asset is amortised to profit or loss on a systematic basis consistent with the transfer to the customer of the goods or services to which the asset relates.
- d. Recognition of Interest income
 - Under Ind AS 109 interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost and debt instrument measured at FVOCI. 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.

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

Currency : (Indian Rupees)

- 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).
- Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.
- In case of staff loans interest income is recognised on accrual basis

4.9 Operating leases

As described in Note 35.4, the Company has applied Ind AS 116 while recognising lease cost.

Company as a lessee:

For contracts entered into, the Company considers whether a contract is, or contains a lease. A lease is defined as ‘a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration’. To apply this definition the Company assesses whether the contract is or contains lease

Measurement and recognition

At lease commencement date, the Company recognises a right-of-use (ROU) asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or at the incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

Currency : (Indian Rupees)

there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero

Short term lease

The Company has elected not to recognise right of use asset and lease liabilities for short term leases of property that has lease term of 12 months or less. The Company recognises lease payment associated with these leases as an expense on a straight line basis over lease term.

In the comparative period, as a lessee the Company classified leases that transfer substantially all the risk and reward of ownership as finance leases. Assets held under other leases are classified as operating lease and were not recognised in Company Balance sheet. Payments made under operating lease are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, in which case lease payments are recognised based on contractual terms. Contingent rental payable is recognised as an expense in the period in which it is incurred

4.10 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.

4.11 Foreign currency transactions

The Financial Statements are presented in Indian Rupees which is also functional currency of the company. Transactions in currencies other than Indian Rupees (i.e. foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated

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

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

Currency : (Indian Rupees)

4.12 Retirement and other employee benefit

Provident fund and national pension scheme

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

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. Benefits in respect of gratuity are funded with an Insurance company approved by Insurance Regulatory and Development Authority (IRDA).

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 recognized 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 profit or loss in subsequent periods

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.

4.13 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 recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the 'Share Option Reserve'. In cases where the share options granted vest in instalments over

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

Currency : (Indian Rupees)

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 installment differs.

4.14 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 recognized in the carrying amount thereof when those costs meet the recognition criteria as mentioned above. Repairs and maintenance are recognized in profit or loss as incurred.

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

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	Estimated useful life
Motor Vehicle	8 years
Office Equipment	5 years
Computers - Servers and networks	6 years
Computers - End user devices, such as desktops, laptops, etc.	3 years

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The carrying amount of those components which have been separately recognized as assets is derecognized at the time of replacement thereof. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

Currency : (Indian Rupees)

4.15 Intangible assets

The Company's intangible assets mainly include the value of computer software and Investment Management Rights.

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

Intangibles such as Investments Management Rights, representing premium paid to acquire Investment Management rights of new funds are amortised over the tenure of the fund.

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

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Intangible assets with finite lives are amortized over the useful economic life.

Projects under which Intangible assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest and are disclosed as "Intangible asset under development".

4.16 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.

4.17 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.

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

Currency : (Indian Rupees)

4.18 Provisions and other contingent liabilities

Provisions are recognized 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 recognized 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 recognized.

4.19 Income tax expenses

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

4.19.1 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.

4.19.2 Deferred tax

Deferred tax is recognized 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 recognized for all taxable temporary differences. Deferred tax assets are generally recognized 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.

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

Currency : (Indian Rupees)

Deferred tax assets are also recognized with respect to carryforward 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 recognized to the extent it is probable that:

- the company 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 for the year

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

5 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 4, the management is required to make judgements, 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 recognized in the period in which the estimate is revised if the

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

Currency : (Indian Rupees)

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, 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 recognized in the Financial Statements.

5.1.1 Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how Company's 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 derecognized 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.

5.1.2 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. Ind AS 109 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

5.1.3 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 comprises 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. For disclosures of unconsolidated structured entities, refer Note 40.

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

Currency : (Indian Rupees)

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 Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

- Fair value of financial instruments

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

- 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:

- Probabilities of defaults (PDs) the calculation of which 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 model basis 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

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

Currency : (Indian Rupees)

- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, exposure at defaults and loss given defaults (LGDs)
- 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

- 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.

6 Standards issued but not yet effective

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

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at March 31, 2021	As at March 31, 2020
7 Cash and cash equivalents		
Cash in hand	-	360
Balances with banks		
- in current accounts	15,10,34,340	90,82,774
	<u>15,10,34,340</u>	<u>90,83,134</u>
8 Trade receivables		
Unsecured		
Receivables considered good	6,07,49,977	28,11,86,096
Less : Allowance for expected credit losses	-	-
	<u>6,07,49,977</u>	<u>28,11,86,096</u>

Ageing of Trade receivables

Trade receivables days past due	0-90days	91-180 days	More than 180 days	Total
As at March 31, 2021				
Estimated total gross carrying amount	6,03,02,731	1,13,153	3,34,093	6,07,49,977
ECL provision	-	-	-	-
Net carrying amount	6,03,02,731	1,13,153	3,34,093	6,07,49,977
As at March 31, 2020				
Estimated total gross carrying amount	24,89,23,861	1,24,38,235	1,98,24,000	28,11,86,096
ECL provision	-	-	-	-
Net carrying amount	24,89,23,861	1,24,38,235	1,98,24,000	28,11,86,096

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at March 31, 2021	As at March 31, 2020
9 Loans		
(Unsecured, At ammortised cost)		
Loan to holding company (Variable interest rate loan, weighted average borrowing cost plus 1 percent (previous year:N.A), repayable on demand)	25,01,15,649	-
Loan to employees	26,06,857	9,13,879
	<u>25,27,22,506</u>	<u>9,13,879</u>
10 Investments		
<u>Quoted</u>		
Investments in units of Mutual Fund	17,51,86,034	-
Investments in equity instruments	1,30,28,238	-
<u>Unquoted</u>		
Investments in units of Alternative Investment Funds (AIF)	76,89,196	2,35,15,151
	<u>19,59,03,468</u>	<u>2,35,15,151</u>
The above investments are held in India and are designated as Investments at Fair Value Through Profit or loss.		
11 Other financial assets		
Advances recoverable in cash or in kind or for value to be received	3,69,41,281	4,62,49,819
Rental deposits	16,29,752	-
	<u>3,85,71,033</u>	<u>4,62,49,819</u>
12 Current tax assets (net)		
Advance income taxes (refer note 29)	11,27,98,133	12,82,17,923
	<u>11,27,98,133</u>	<u>12,82,17,923</u>
13 Deferred tax assets (net)		
<u>Deferred tax assets (refer note 29)</u>		
<u>Employee benefit obligations</u>		
Disallowances under section 43B of the Income Tax Act, 1961 & provision for leave accumulation	34,11,300	4,65,400
<u>Property, plant and equipment and intangibles</u>		
Difference between book and tax depreciation	70,05,100	51,52,900
<u>Loans</u>		
Provision for expected credit losses	11,300	-
<u>Others</u>		
ROU Assets less lease liabilities (net)	23,541	-
<u>Deferred tax liabilities</u>		
<u>Investments and other financial instruments</u>		
Fair valuation of investments	11,01,048	-
	<u>93,50,193</u>	<u>56,18,300</u>

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

14 Property, plant and equipment and other intangibles

Description of assets	Gross block				Depreciation and amortization				Net block	
	As at 1 April 2020	Additions during the year	Deductions during the year	As at 31 March 2021	As at 1 April 2020	Additions during the year	Deductions during the year	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020
(A) Property, plant and equipment										
Furniture & Fixtures	1,09,000	1,44,334	-	2,53,334	6,161	29,589	-	35,750	2,17,584	1,02,839
Office equipment	25,74,692	1,18,049	-	26,92,741	18,91,964	3,50,785	-	22,42,749	4,49,992	6,82,728
Motor vehicle	40,57,139	-	-	40,57,139	26,94,475	4,47,202	-	31,41,677	9,15,462	13,62,664
Computers	75,63,823	29,14,463	10,34,841	94,43,445	56,68,467	16,35,203	8,32,369	64,71,301	29,72,144	18,95,356
Right to use asset	-	38,75,023	-	38,75,023	-	7,50,233	-	7,50,233	31,24,790	-
Total : A	1,43,04,654	70,51,869	10,34,841	2,03,21,682	1,02,61,067	32,13,012.00	8,32,369	1,26,41,710	76,79,972	40,43,587
(B) Intangible assets										
Computer software	1,87,83,045	56,95,639	-	2,44,78,684	56,26,228	74,62,859	-	1,30,89,087	1,13,89,597	1,31,56,817
Investment Management Rights	4,75,00,000	-	-	4,75,00,000	3,30,54,795	1,44,45,205	-	4,75,00,000	-	1,44,45,205
Total : B	6,62,83,045	56,95,639	-	7,19,78,684	3,86,81,023	2,19,08,064	-	6,05,89,087	1,13,89,597	2,76,02,022

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

14 Property, plant and equipment and other intangibles

Description of assets	Gross block				Depreciation and ammortization				Net block	
	As at 1 April 2019	Additions during the year	Deductions during the year	As at 31 March 2020	As at 1 April 2019	Additions during the year	Deductions during the year	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
(A) Property, plant and equipment										
Furniture & Fixtures	-	1,09,000	-	1,09,000	-	6,161	-	6,161	1,02,839	-
Office equipment	21,33,623	5,00,792	59,723	25,74,692	14,27,721	5,19,576	55,333	18,91,964	6,82,728	7,05,902
Motor vehicle	81,84,652	-	41,27,513	40,57,139	40,97,590	11,28,450	25,31,565	26,94,475	13,62,664	40,87,062
Computers	85,14,201	5,75,526	15,25,904	75,63,823	42,79,806	25,33,508	11,44,847	56,68,467	18,95,356	42,34,395
Total : A	1,88,32,476	11,85,318	57,13,140	1,43,04,654	98,05,117	41,87,695	37,31,745	1,02,61,067	40,43,587	90,27,359
(B) Intangible assets										
Computer software	25,77,230	1,62,05,815	-	1,87,83,045	19,26,099	37,00,129	-	56,26,228	1,31,56,817	6,51,131
Investment Management Rights	4,75,00,000	-	-	4,75,00,000	93,04,795	2,37,50,000	-	3,30,54,795	1,44,45,205	3,81,95,204
Total : B	5,00,77,230	1,62,05,815	-	6,62,83,045	1,12,30,894	2,74,50,129	-	3,86,81,023	2,76,02,022	3,88,46,335

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at March 31, 2021	As at March 31, 2020
15 Other non-financial assets		
Prepaid expenses	41,15,05,362	43,01,83,278
Vendor Advances	1,16,13,081	51,21,203
Advances to employees	16,07,694	32,67,938
Advances recoverable in cash or in kind or for value to be received	-	69,404
	42,47,26,137	43,86,41,823
16 Borrowings (other than debt securities)		
<u>Unsecured at amortised cost, within India</u>		
Loan from fellow subsidiary (Variable interest rate loan, at prevailing market rate ranging from 11.40% to 12.34 % (previous year: 11.60% to 11.75 %) repayable on demand)	57,04,153	1,12,55,87,799
	57,04,153	1,12,55,87,799
17 Other financial liabilities		
Accrued salaries and benefits	12,21,11,251	4,14,015
Lease liability	32,18,318	-
Interest accrued & not due on compulsory convertible debentures	5,01,781	-
Other liability	2,20,94,928	2,41,81,843
	14,79,26,278	2,45,95,858
18 Provisions		
Provision for employee benefits		
Gratuity	1,06,76,000	44,20,000
Compensated leave absences	54,28,873	67,21,000
	1,61,04,873	1,11,41,000
19 Other non-financial liabilities		
Income received in advance	1,19,05,736	1,37,00,591
Withholding taxes, Goods & service tax and other taxes payable	4,14,64,092	5,99,47,913
Others	26,21,288	1,39,49,976
	5,59,91,116	8,75,98,480

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at March 31, 2021	As at March 31, 2020
20.1 Equity share capital		
a. Authorised :		
2,30,00,000 (Previous year: 30,00,000) equity shares of Rs. 10/- each	<u>23,00,00,000</u>	3,00,00,000
b. Issued, subscribed and paid up:		
1,23,74,737 (Previous year: 23,74,737) equity shares of Rs. 10/- each, fully paid-up	<u>12,37,47,370</u>	2,37,47,370
	<u>12,37,47,370</u>	<u>2,37,47,370</u>

c. The movement in share capital during the year :

<i>Equity shares</i>	As at March 31, 2021		As at March 31, 2020	
	No of shares	Amount	No of shares	Amount
Number of shares outstanding at the beginning of the year	23,74,737	2,37,47,370	23,74,737	2,37,47,370
Shares issued during the year	1,00,00,000	10,00,00,000	-	-
Number of shares at the end of the year	<u>1,23,74,737</u>	<u>12,37,47,370</u>	<u>23,74,737</u>	<u>2,37,47,370</u>

d. Details of shareholders holding more than 5% shares in the company:

	As at March 31, 2021		As at March 31, 2020	
	No of shares	Percentage of share holding	No of shares	Percentage of share holding
Edelweiss Financial Services Limited and its nominees.	-	-	22,56,000	95%
Edelweiss Securities Limited and its nominees.	10,44,884	8.44%	-	-
Edelweiss Securities And Investments Private Limited	1,12,11,116	90.60%	-	-
	<u>1,22,56,000</u>	<u>99.04%</u>	<u>22,56,000</u>	<u>95%</u>

e. Terms/rights attached to equity shares

The Company has only one class of shares, referred to as 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.

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

20.2 Instruments entirely equity in nature

	As at March 31, 2021	As at March 31, 2020
a 11,00,00,000 (31 March 2020: NIL) compulsory convertible debentures of Rs 10 each fully paid	1,10,00,00,000	-
	<u>1,10,00,00,000</u>	<u>-</u>

b The movement in instruments during the year :

9 % compulsory convertible debentures (CCDs)	As at March 31, 2021		As at March 31, 2020	
	No of CCDs	Amount	No of CCDs	Amount
Outstanding at the beginning of the year	-	-	-	-
Issued during the year	11,00,00,000	1,10,00,00,000	-	-
Outstanding at the end of the year	<u>11,00,00,000</u>	<u>1,10,00,00,000</u>	<u>-</u>	<u>-</u>

c Details of holders holding more than 5%

Edelweiss Financial Services Limited	2,50,00,000	25,00,00,000	-	-
Edelweiss Securities And Investments Private Limited	8,50,00,000	85,00,00,000	-	-
	<u>11,00,00,000</u>	<u>1,10,00,00,000</u>	<u>-</u>	<u>-</u>

d Terms/rights attached to Instruments entirely equity in nature

The interest rate is 9 % per annum and CCDs will be converted into equity shares at the end of the term.

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	For the year ended March 31, 2021	For the year ended March 31, 2020
21 Interest Income		
On Financial assets measured at amortised cost		
Interest income on loan to Holding Company	1,73,699	-
Interest Income - on loan given to employees	4,17,312	1,84,675
Interest income on debt instrument (for non-finance company)	1,49,53,671	-
	<u>1,55,44,682</u>	<u>1,84,675</u>
22 Revenue from contract with customers		
Advisory and other fees	1,41,84,37,074	1,30,77,25,850
	<u>1,41,84,37,074</u>	<u>1,30,77,25,850</u>
Disaggregation of the revenue from contracts with customers and its reconciliation to amounts reported in statement of profit and loss:		
Service transferred at a point in time	-	-
Service transferred over time	1,41,84,37,074	1,30,77,25,850
Total revenue from contract with customers	<u>1,41,84,37,074</u>	<u>1,30,77,25,850</u>
23 Net gain on fair value changes		
Fair value gain on financial instruments at fair value through profit or loss (unrealised)	(3,05,802)	(12,03,469)
Profit on sale of investments	7,40,330	-
Income distribution from fund	42,05,104	32,44,868
	<u>46,39,632</u>	<u>20,41,399</u>
24 Other income		
Profit on sale of fixed assets (net)	4,966	17,40,439
Foreign exchange gain (net)	-	37,53,127
Miscellaneous income and other reimbursements	8,043	5,90,72,366
Interest on Income Tax Refund	59,03,325	-
	<u>59,16,334</u>	<u>6,45,65,932</u>

Edelweiss Alternative Asset Advisors Limited**Notes to the financial statements (Continued)**

(Currency : Indian rupees)

	For the year ended March 31, 2021	For the year ended March 31, 2020
25 Finance costs		
On financial liabilities measured at amortised cost		
Interest on loan from fellow subsidiaries	5,43,63,258	11,46,52,807
Interest on Inter-corporate deposits	5,82,65,321	1,08,40,164
Interest on compulsorily convertible debentures	5,42,466	-
Interest on Lease Liability	2,25,086	-
Other interest expense measured at amortised cost		
Interest - others	8,349	1,379
Financial and bank charges	76,155	76,562
	<u>11,34,80,635</u>	<u>12,55,70,912</u>
26 Impairment on financial Instruments		
ECL provision on loans advanced to holding company	45,022	-
	<u>45,022</u>	<u>-</u>
27 Employee benefit expenses		
Salaries,wages and Bonus	61,47,37,851	49,86,32,963
Contribution to provident and other funds	3,05,79,538	3,04,81,195
Expense on Employee Stock Option Scheme (refer note 45)	90,66,030	1,35,87,433
Staff welfare expenses	52,30,446	54,59,934
Expense on Employee Stock Appreciation Rights	1,23,72,390	90,32,216
	<u>67,19,86,255</u>	<u>55,71,93,741</u>

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	For the year ended March 31, 2021	For the year ended March 31, 2020
28 Other expenses		
Advertisement and business promotion	5,20,907	22,10,026
Auditors' remuneration (refer note below)	6,50,000	4,00,000
Communication	42,68,208	41,66,654
Computer expenses	20,26,303	20,58,826
Computer software	41,16,346	30,62,549
Clearing & custodian charges	7,051	-
Donation	60,000	-
Electricity charges	60,000	-
Foreign exchange loss	26,22,244	-
Insurance	2,76,356	40,114
Legal and professional fees	10,89,33,116	6,45,42,002
Membership and subscription	49,18,116	55,37,246
Office expenses	2,63,78,840	5,79,61,040
Postage and courier	20,378	3,100
Printing and stationery	5,65,563	9,44,536
Rates and taxes	34,250	19,733
Rating Support Fees	9,52,381	-
Rent	5,98,67,896	5,71,76,588
Repairs and maintenance	2,24,120	2,06,528
ROC expenses	19,57,500	2,07,172
Seminar and conference	1,96,000	4,47,270
Goods & Service tax expenses	(1,37,655)	11,87,218
Directors' Sitting Fees	4,00,000	-
Stamp paper charges	96,524	77,274
Stock exchange expenses	2,51,230	6,75,140
Travelling and conveyance	1,13,16,600	3,37,88,127
Transportation Charges	6,000	4,100
Miscellaneous expenses	76,652	53,132
Site related expenses	-	40,653
Usage of Assets	7,36,333	2,63,336
Outside Services Cost	9,40,878	3,14,418
Selling and Distribution expenses	25,30,46,614	24,72,83,857
	48,53,88,751	48,26,70,639

Note:

Auditors' remuneration:

As auditor	5,00,000	4,00,000
For others	1,50,000	-
	6,50,000	4,00,000

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

29 Deferred Tax assets

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

Particulars	2020-21	2019-20
Current tax		
Adjustment in respect of current income tax of prior years	-	(1,88,111)
Mat credit entitlement	-	8,67,013
Deferred tax relating to origination and reversal of temporary differences	(54,28,393)	(12,20,800)
Total tax charge	(54,28,393)	(5,41,898)
Current tax	-	(1,88,111)
Deferred tax	(54,28,393)	(3,53,787)

29.2 Reconciliation of total tax charge

Particulars	2020-21	2019-20
Accounting profit before tax as per financial statements	14,85,15,983	17,74,44,740
Tax rate (in percentage)	25.17%	25.17%
Income tax expense calculated based on this tax rate	3,73,81,473	4,46,62,841
Adjustment in respect of current income tax of prior years	-	(1,88,111)
Others	(5,45,079)	(9,51,889)
Impact of tax rate changes (between two accounting periods)	-	(1,40,404)
Write-down of available tax credits which are not considered recoverable (for example, Minimum Alternate Tax credit)	-	8,67,013
Effect of utilisation of tax losses on which deferred tax asset earlier not recognised	(4,22,64,787)	(4,47,91,348)
Tax charge for the year recorded in P&L	(54,28,393)	(5,41,898)

Break-up of income tax recorded in OCI	31-Mar-21	31-Mar-20
Deferred tax		
Employee benefit obligations	16,96,500	-
Total	16,96,500	-

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

29 Deferred Tax assets (continued)

29.3 Details of temporary differences where deferred tax assets have not been recognised in the balance sheet

As at 31 March 2021		Unused tax losses			
Financial Year to which the loss relates to*	Unused business losses**		Unabsorbed depreciation**		Total
	Amount	Expiry year - financial year	Amount	Expiry year - financial year	Amount
A.Y 2017-2018	22,64,48,940	2024-2025	8,46,312	N.A	22,72,95,252
A.Y 2018-2019	28,36,19,437	2025-2026	39,35,606	N.A	28,75,55,043
A.Y 2019-2020	17,98,38,696	2026-2027	1,09,08,739	N.A	19,07,47,435
Total	68,99,07,073		1,56,90,657		70,55,97,730

As at 31 March 2020		Unused tax losses			
Financial Year to which the loss relates to*	Unused business losses**		Unabsorbed depreciation**		Total
	Amount	Expiry year - financial year	Amount	Expiry year - financial year	Amount
A.Y 2015-2016	-	2022-2023	17,88,286	N.A	17,88,286
A.Y 2016-2017	10,64,25,515	2023-2024	42,82,659	N.A	11,07,08,174
A.Y 2017-2018	28,12,00,570	2024-2025	39,13,368	N.A	28,51,13,938
A.Y 2018-2019	28,36,19,437	2025-2026	39,35,606	N.A	28,75,55,043
A.Y 2019-2020	19,07,47,435	2026-2027	1,09,08,739	N.A	20,16,56,174
Total	86,19,92,957		2,48,28,658		88,68,21,615

(Currency : Indian rupees)

29.4 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 OCI	Closing deferred tax asset / (liability) as per Ind AS
Deferred taxes in relation to:				
Property, Plant and Equipment including intangibles	51,52,900	18,52,200	-	70,05,100
Employee benefits obligations	4,65,400	46,42,400	(16,96,500)	34,11,300
ROU Assets less lease liabilities (net)	-	23,541	-	23,541
Fair valuation of investments	-	(11,01,048)	-	(11,01,048)
Provision for expected credit losses	-	11,300	-	11,300
Total	56,18,300	54,28,393	(16,96,500)	93,50,193

	Movement for the period (2019-20)			
	Opening deferred tax asset / (liability) as per Ind AS	Recognised in profit or loss	Recognised in OCI	Closing deferred tax asset / (liability) as per Ind AS
Deferred taxes in relation to:				
Property, Plant and Equipment	17,11,300	34,41,600	-	51,52,900
Employee benefits obligations	26,86,200	(22,20,800)	-	4,65,400
Unused tax credits (Minimum Alternate Tax credit)	8,67,013	(8,67,013)	-	-
Total	52,64,513	3,53,787	-	56,18,300

30 Earnings per share

	For the year ended March 31, 2021	For the year ended March 31, 2020
a) Net amount attributable to the equity shareholders (as per statement of profit and loss)	15,39,44,376	17,79,86,638
Add: Interest expense on potential equity shares	5,42,466	-
b) Adjusted net profit for current year	15,44,86,842	-
c) Calculation of weighted average number of equity Shares of Rs 10 each:		
- Number of shares at the beginning of the year	23,74,737	23,74,737
- Shares issued during the year	1,00,00,000	-
Total number of equity shares outstanding at the end of the year	1,23,74,737	23,74,737
Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	25,93,915	23,74,737
(d) Number of dilutive potential equity shares	6,02,740	-
Basic earnings per share (in rupees) (a/(c+d))	48.16	74.95
Diluted earnings per share (in rupees) (b/(c+d))	48.33	74.95

31 Segment reporting.

Company has three operating segments. Capital based business, Agency business and treasury business

Capital based business comprises of Income from income from investments.

Agency business generates Fee income.

Treasury business comprises of income earned from treasury operations and interest income on temporary investments.

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

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

Segment Results	For the year ended 31 March 2021	For the year ended 31 March 2020
I Segment revenue		
a) Capital based business	1,83,44,241	20,41,399
b) Agency business	1,42,47,70,720	1,37,24,76,457
c) Treasury	14,22,761	-
d) Unallocated	-	-
Total	1,44,45,37,722	1,37,45,17,856
Less : Inter segment revenue		
Total Income	1,44,45,37,722	1,37,45,17,856
II Segment results		
a) Capital based business	1,83,44,241	20,41,399
b) Agency business	12,87,94,003	17,54,03,341
c) Treasury	13,77,739	-
d) Unallocated	-	-
Total	14,85,15,983	17,74,44,740
Profit before taxation	14,85,15,983	17,74,44,740
Less : Provision for taxation	(54,28,393)	(5,41,898)
Profit after taxation	15,39,44,376	17,79,86,638
III Segment assets		
a) Capital based business	2,07,17,434	2,35,15,151
b) Agency business	81,08,76,046	94,15,56,583
c) Treasury	42,53,01,683	-
d) Unallocated	93,50,193	-
Total	1,26,62,45,356	96,50,71,734
IV Segment liabilities		
a) Capital based business	-	-
b) Agency business	25,46,83,837	1,31,24,98,091
c) Treasury	-	-
d) Unallocated	-	-
Total	25,46,83,837	1,31,24,98,091
V Capital expenditure (Including capital work-in-progress)		
a) Capital based business	-	-
b) Agency business	1,01,92,485	1,73,91,133
c) Treasury	-	-
d) Unallocated	-	-
Total	1,01,92,485	1,73,91,133
VI Depreciation and amortisation		
a) Capital based business	-	-
b) Agency business	2,51,21,076	3,16,37,824
c) Treasury	-	-
d) Unallocated	-	-
Total	2,51,21,076	3,16,37,824
Significant non-cash expenses other than depreciation and		
VII amortisation		
a) Capital based business	-	-
b) Agency business	(12,92,127)	1,39,000
c) Unallocated	-	-
Total	(12,92,127)	1,39,000

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

32. Retirement Benefit Plan

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

Amount of 20,328,365 (Previous year: 21,581,539) is recognised as expenses and included in “Employee benefit expense” – Note 27 in the statement of Profit and loss.

B) Defined benefit plan (Gratuity):

The following tables summarize the components of the net benefit expenses recognised in the statement of profit and loss and the funded status and amount recognised in the balance sheet for the gratuity benefit plan.

a) Present value of defined benefit obligation

Particulars	As at 31 March 2021	As at 31 March 2020
Present value of DBO at the beginning of the year	38,844,000	32,870,000
Current service cost		
(a) Current service cost	7,578,000	6,159,000
(b) Past Service Cost		2,093,000
(c) Loss/ (Gain) from Settlement	-	-
Interest cost	2,722,000	2,554,000
Benefits paid	(2,570,000)	(5,812,000)
Re-measurements		
a. Actuarial Loss/ (Gain) from changes in demographic assumptions	(2,968,000)	-
b. Actuarial Loss/ (Gain) from changes in financial assumptions	3,081,000	2,579,000
c. Actuarial Loss/ (Gain) from experience over the past year	(962,000)	(5,215,000)
Transfer (out)/in	7,291,000	3,616,000
Effect of Acquisition/(divestiture)	-	-
Present value of DBO at the end of the year	5,3016,000	38,844,000

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

B) Defined benefit plan (Gratuity): (continued)

b) Reconciliation of fair value of plan assets

Particulars	As at 31 March 2021	As at 31 March 2020
Fair value of plan assets at the beginning of the year	34,424,000	30,160,000
Contributions by Employer	2,570,000	10,025,000
Benefits paid	(2,570,000)	(5,812,000)
Interest income on plan asset	2,025,000	1,908,000
Re-measurements		
Return on plan assets excluding amount included in interest on the net defined benefit liability/(asset)	5,891,000	(1,857,000)
Fair value of plan assets at the end of the year	42,340,000	34,424,000
Actual Return on Plan Assets	7,916,000	51,000

Statement of profit and loss

c) Expenses recognised in the Statement of Profit and Loss:

	For the year ended 31 March 2021	For the year ended 31 March 2020
Current service cost	7,578,000	6,159,000
Net Interest on net defined benefit liability/(asset)	697,000	646,000
Past service cost		2,093,000
Total included in 'Employee benefits expense'	8,275,000	8,898,000

d) Net asset / (liability) recognised in the balance sheet

	As at 31 March 2021	As at 31 March 2020
Present value of defined benefit obligation	53,016,000	38,844,000
Fair value of plan assets at the end of the year	42,340,000	34,424,000
Amount recognized in Balance sheet (assets)/liabilities	(10,676,000)	(4,420,000)
Experience Adjustment on Plan Liabilities (gain)/loss	(962,000)	(5,215,000)

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

B) Defined benefit plan (Gratuity): (continued)

e) Principle actuarial assumptions at the balance sheet date:

	As at 31 March 2021	As at 31 March 2020
Discount rate current	5%	5.90%
Salary escalation rate	7.00%	7.00%
Employees attrition rate	25%	13%-25%
Interest Rate on Net DBO/ (Asset) (% p.a.)	5.9% p.a.	7%
Expected weighted average remaining work life (years)	3 years	5 years
Mortality	IALM 2012-14 (Ultimate)	IALM 2012-14 (Ultimate)

f) Movement in other comprehensive income

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Balance at start of year (Loss)/Gain	785,000	6,000
Re- measurements on DBO		
a) Actuarial (Loss)/ Gain from changes in demographic assumptions	2,968,000	-
b) Actuarial (Loss)/ Gain from changes in financial assumptions	(3,081,000)	(2,579,000)
c) Actuarial (Loss)/ Gain from experience over the past year	962,000	5,215,000
Re- measurements on Plan assets		
Return on plan assets excluding amount included in net interest on the net defined benefit liability/ (asset)	5,891,000	(1,857,000)
Balance at end of year (Loss)/Gain	7,525,000	785,000

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

33 Maturity analysis of assets and liabilities

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

Particulars	31-Mar-21			31-Mar-20		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	15,10,34,340	-	15,10,34,340	90,83,134	-	90,83,134
Trade receivables	6,07,49,977	-	6,07,49,977	28,11,86,096	-	28,11,86,096
Loans	25,01,15,649	26,06,857	25,27,22,506	-	9,13,879	9,13,879
Investments	17,51,86,034	2,07,17,434	19,59,03,468	-	2,35,15,151	2,35,15,151
Other financial assets	3,74,41,281	11,29,752	3,85,71,033	4,62,49,819	-	4,62,49,819
Non-financial assets						
Current tax assets (net)	6,76,50,568	4,51,47,565	11,27,98,133	5,66,11,395	7,16,06,528	12,82,17,923
Deferred tax assets (net)	-	93,50,193	93,50,193	-	56,18,300	56,18,300
Property, plant and equipment	-	76,79,972	76,79,972	-	40,43,587	40,43,587
Intangible assets under development	13,20,000	-	13,20,000	-	-	-
Other intangible assets	-	1,13,89,597	1,13,89,597	-	2,76,02,022	2,76,02,022
Other non-financial assets	7,43,28,796	35,03,97,341	42,47,26,137	6,17,81,400	37,68,60,423	43,86,41,823
Total assets (A)	81,78,26,645	44,84,18,711	1,26,62,45,356	45,49,11,844	51,01,59,890	96,50,71,734

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

33 Maturity analysis of assets and liabilities (Continued)

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

Particulars	31 March 2021			31-Mar-20		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial liabilities						
Derivative financial instruments			-			-
Trade payable	2,89,57,417	-	2,89,57,417	6,35,74,954	-	6,35,74,954
Borrowing (other than debt securities)	57,04,153	-	57,04,153	1,12,55,87,799	-	1,12,55,87,799
Other financial liabilities	14,58,28,529	20,97,749	14,79,26,278	2,45,95,858	-	2,45,95,858
Non-financial liabilities						
Provisions	13,29,000	1,47,75,873	1,61,04,873	10,37,000	1,01,04,000	1,11,41,000
Other non-financial liabilities	4,48,28,458	1,11,62,658	5,59,91,116	7,49,85,662	1,26,12,818	8,75,98,480
Total liabilities (B)	22,66,47,557	2,80,36,280	25,46,83,837	1,28,97,81,273	2,27,16,818	1,31,24,98,091
Net (A-B)	59,11,79,088	42,03,82,431	1,01,15,61,519	(83,48,69,429)	48,74,43,072	(34,74,26,357)

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

34 Change in liabilities arising from financing activities

Particulars	1-Apr-20	Cash flows	Changes in fair values	Exchange differences	Others*	31-Mar-21
Borrowings other than debt securities	1,12,55,87,799	(1,17,42,46,904)	-	-	5,43,63,258	57,04,153
Deposits	-	(5,82,65,321)			5,82,65,321	-
Total liabilities from financing activities	1,12,55,87,799	(1,23,25,12,225)	-	-	11,26,28,579	57,04,153

Particulars	1-Apr-19	Cash flows	Changes in fair values	Exchange differences	Others*	31-Mar-20
Borrowings other than debt securities	1,34,97,09,020	(34,96,15,571)	-	-	12,54,94,350	1,12,55,87,799
Deposits		(1,08,40,164)			1,08,40,164	-
Total liabilities from financing activities	1,34,97,09,020	(36,04,55,735)	-	-	13,63,34,514	1,12,55,87,799

* Represents Interest expense for the year.

35 Contingent liabilities, commitments and lease arrangements

35.2 Legal claims

There are no legal claims outstanding against the Company as at 31 March 2021 (previous year Nil)

35.3 Contingent liabilities and assets

The company does'nt have contingent liabilities as at 31 March 2021.(previous year: Nil)

35.4 Capital commitments

A. Uncalled liabilities

Uncalled liability as at 31 March 2021 is 45,372,500 March 2021. (previous year Nil)

B. Estimated amounts of contracts

Estimated amounts of contracts remaining to be executed on capital account and not provided for 880,000 (Previous year Nil)

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

35.5 Operating lease commitments

The company has taken 3 premises on lease during the current year

i) Right of use asset

Opening As at 1st April 2020	-
Addition	38,75,023
Depreciation expense	7,50,233
Closing as at 31 March 2021	31,24,790

ii) Lease Liability

Opening As at 1st April 2020	-
Addition	38,75,023
Accretion of interest	2,25,086
Payment	8,81,790
Closing	32,18,319

iii)

Particulars	
Depreciation and ammortisation expense	7,50,233
Finance cost on lease liability	2,25,086
Expense relating to short term lease (included in other expenses)	2,23,258
Total amount recognised in profit and loss	11,98,577

iv) Short term lease payments under opertaing lease for the year ended 31 March 2021 is as below.

Particulars	Amount
Within one year	18,60,482

v) Other disclosure

Particulars	% / Years/Amount
Incremental borrowing rate of company (in %)	11.75
The leases have an average life of between (in years)	3
The total lease payament for the year (in amt)	11,05,048

Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (Continued)

36 Disclosure as required by Ind AS 24– “Related Party Disclosure”:

A Name of related party by whom control is exercised:

Edelweiss Financial Services Limited -Ultimate Holding company
Edelweiss Securities And Investments Private Limited- Holding company

B Fellow subsidiaries with whom transactions have taken place:

Edelweiss Rural & Corporate Services Limited
Edelweiss Alternative Asset Advisors Pte Limited
Edelweiss Asset Management limited
ECL Finance Limited
Edelweiss Asset Reconstruction Company Limited
Edelcap Securities Limited
Edelweiss Fininvest Limited
ECap Equities Limited
Edelweiss Housing Finance Limited
Edelweiss Investment Advisors Limited
EdelGive Foundation
Edelweiss Value Growth Fund
Edelweiss Private Tech Equity Fund
Edelweiss Multi Strategy Fund Advisors LLP

C. Associate companies with whom transactions have taken place:

Edelweiss Finance & Investments Limited
Edelweiss Custodial Services Limited
Edelweiss Broking Limited
Edelweiss Global Wealth Management Limited
ESL Securities Limited
Edelweiss Securities Limited

D. Key Management Personnel

Hemant Daga (Executive Director)
Suresh Chandra Soni (Managing Director & Chief Executing Officer)
Hemal Mehta (Chief Financial Officer)
Deepak Mukhija (Company Secretary)

Edelweiss Alternative Asset Advisors Limited

(Currency: Indian rupees)

36 Disclosure as required by Ind AS 24- "Related Party Disclosure":

Transactions and balances with related parties for the year ended 31 March 2021

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			
	Equity shares issued	Edelweiss Securities And Investments Private Limited	10,00,00,000	-
	9 % Compulsory Convertible Debentures Issued	Edelweiss Financial Services Limited	25,00,00,000	-
		Edelweiss Securities And Investments Private Limited	85,00,00,000	-
(1)	Current account transactions during the year			
	Short term loans taken from (refer note 1)	Edelweiss Rural & Corporate Services Limited	1,01,69,61,663	52,05,21,200
		ECap Equities Limited	-	3,01,21,200
		Edelweiss Finvest Limited	50,00,00,000	-
		Edelweiss Securities And Investments Private Limited	45,00,00,000	-
	Short term deposits taken from	Edelweiss Custodial Services Limited	-	50,00,00,000
		Edelweiss Securities Limited	95,43,00,000	-
	Repayment of short term loans to (refer note 1)	Edelweiss Rural & Corporate Services Limited	1,01,69,61,663	51,93,00,000
		ECap Equities Limited	-	1,67,00,000
		Edelweiss Finvest Limited	40,00,00,000	-
		Edelweiss Securities And Investments Private Limited	45,00,00,000	-
	Short term loans taken from (refer note 2)	Edelweiss Rural & Corporate Services Limited	1,74,02,67,499	2,37,92,00,984
		ECap Equities Limited	-	5,02,21,200
		Edelweiss Finvest Limited	50,00,00,000	-
		Edelweiss Securities And Investments Private Limited	49,29,50,600	-
	Repayment of short term loans to (refer note 2)	Edelweiss Rural & Corporate Services Limited	2,86,01,91,694	2,59,79,31,173
		ECap Equities Limited	-	5,02,21,200
		Edelweiss Finvest Limited	50,00,00,000	-
		Edelweiss Securities And Investments Private Limited	49,29,50,600	-
	Loan given (refer note 1)	Edelweiss Securities And Investments Private Limited	25,00,00,000	-
	Loan given (refer note 2)	Edelweiss Securities And Investments Private Limited	25,00,00,000	-
	Short term deposits repayed to	Edelweiss Custodial Services Limited	-	50,00,00,000
		Edelweiss Securities Limited	95,43,00,000	-
	Interest expense on loans taken from	Edelweiss Rural & Corporate Services Limited	4,61,96,760	11,43,29,798
		ECap Equities Limited	-	3,23,009
		Edelweiss Securities And Investments Private Limited	13,37,238	-
		Edelweiss Finvest Limited	68,29,260	-
	Interest expense on deposits taken from	Edelweiss Custodial Services Limited	-	1,08,40,164
		Edelweiss Securities Limited	5,82,65,321	-
	Interest expense on CCD	Edelweiss Financial Services Limited	1,23,288	-
		Edelweiss Securities And Investments Private Limited	4,19,178	-
	Interest income on loan given	Edelweiss Securities And Investments Private Limited	1,73,699	-
	Sale of NCD	ECL Finance Limited	17,84,33,000	-

Edelweiss Alternative Asset Advisors Limited

(Currency: Indian rupees)

Edelweiss Alternative Asset Advisors Limited

(Currency: Indian rupees)

36 Disclosure as required by Ind AS 24- "Related Party Disclosure":

Transactions and balances with related parties for the year ended 31 March 2021

Sr. No.	Nature of transaction	Related party name	For the year ended 31 March 2021	For the year ended 31 March 2020
	Purchase of Fixed Assets	Edelweiss Housing Finance Limited	-	41,127
		Edelweiss Broking Limited	-	93,179
		Edelweiss Asset Reconstruction Company Limited	-	47,576
		Edelweiss Financial Services Limited	857	21,345
		EdelGive Foundation	-	28,324
		Edelweiss Asset Management Limited	2,345	1,06,922
		Edelweiss Investment Advisors Limited	-	15,491
		ECL Finance Limited	2,837	30,154
		ECap Equities Limited	6,633	-
		Edelweiss Global Wealth Management Limited	4,656	-
		Edelweiss Investment Adviser Limited	144	-
		Edelweiss Rural & Corporate Services Limited	18,241	-
		Edelweiss Securities Limited	1,55,579	-
		Proceeds from sale of fixed assets	Edelweiss Asset Reconstruction Company Limited	-
	ECL Finance Limited		-	13,668
	Edelweiss Broking Limited		36,396	71,943
	Edelcap Securities Ltd		-	269
	Edelweiss Asset Management Limited		-	62,080
	Edelweiss Financial Services Limited		-	14,639
	Edelweiss Finvest Private Limited		-	41,277
	Edelweiss Custodial Services Limited		-	1,907
	Edelweiss Housing Finance Limited		-	33,341
	Edelweiss Securities Limited		1,07,859	18,765
	ESL Securities Limited		33,982	-
	Edelweiss Rural & Corporate Services Limited		6,440	-
	Edelweiss Financial Services Limited		5,105	-
	Edelweiss General Insurance Company Limited		475	-
	Edelweiss Global Wealth Management Limited	17,182	-	
	Fund raising Distributor's expenses	Edelweiss Global Wealth Management Limited	35,65,818	1,41,85,019
		Edelweiss Global Wealth Management Limited (As appearing under prepaid expenses)	2,56,20,724	2,91,86,541
		Edelweiss Broking Limited	23,60,14,152	21,54,00,937
		Edelweiss Broking Limited (As appearing under prepaid expenses)	31,69,43,241	32,44,31,128
	Reimbursements paid to	Edelweiss Rural & Corporate Services Limited	3,35,111	3,000
	Reimbursements received from	Edelweiss Alternative Asset Advisors Pte Limited	4,13,35,100	1,91,07,897
		Edelweiss Rural & Corporate Services Limited	7,49,448	10,18,899
		ECL Finance Limited	33,44,115	39,68,786
		Edelcap Securities Ltd	60,466	70,808
		Edelweiss Asset Reconstruction Company Limited	21,66,330	9,45,862
		Edelweiss Finvest Private Limited	8,06,372	8,23,306
		ECap Equities Limited	6,39,942	14,23,751
		Edelweiss Investment Advisors Limited	2,27,071	-
		Edelweiss Value Growth Fund	-	7,50,000
	Advisory fee expense	ECL Finance Limited	9,85,27,133	5,83,33,524
	Donation paid to	EdelGive Foundation	60,000	-
	Insurance expenses	Edelweiss General Insurance Company Limited	26,60,372	-
	Office expenses	Edelweiss Financial Services Limited	52,09,485	1,41,43,928
		Edelweiss Rural & Corporate Services Limited	2,02,06,796	4,35,71,272

Edelweiss Alternative Asset Advisors Limited

(Currency: Indian rupees)

Edelweiss Alternative Asset Advisors Limited

(Currency: Indian rupees)

36 Disclosure as required by Ind AS 24- "Related Party Disclosure":

Transactions and balances with related parties for the year ended 31 March 2021

	Nature of transaction	Related party name	For the year ended 31 March 2021	For the year ended 31 March 2020
	Cost reimbursements paid to	Edelweiss Financial Services Limited	32,54,584	51,73,688
		Edelweiss Rural & Corporate Services Limited	4,50,72,982	4,14,73,697
		ECap Equities Limited	23,55,778	26,06,133
		Edelweiss Securities Limited	12,05,374	13,84,126
		Edel Land Limited - Fountain Head	-	2,10,468
		Edelweiss Custodial Services Limited	(19,032)	11,177
		Edelweiss Broking Limited	-	1,63,022
		ECL Finance Limited	39,03,708	39,94,062
		Edelweiss Asset Management Limited	11,47,319	36,87,665
		Edelweiss Finance and Investments Limited	(15,314)	-
	Fee income earned from	Edelweiss Alternative Asset Advisors Pte Limited	19,75,14,461	21,37,25,285
		Edelweiss Rural & Corporate Services Limited	1,57,00,761	3,86,69,377
		ECL Finance Limited	12,78,73,370	13,62,69,347
		Edelcap Securities Ltd	16,87,517	17,81,811
		ECap Equities Limited	81,70,101	16,72,67,394
		Edelweiss Finvest Private Limited	3,18,19,827	11,55,36,823
		Edelweiss Asset Management Limited	-	(20,59,600)
		Edelweiss Value Growth Fund	22,05,358	22,08,721
		Edelweiss Investment Advisors Limited	92,81,398	-
		Edelweiss Private Tech Equity Fund	6,41,829	6,41,357
	Reimbursement income earned from	Edelweiss Alternative Asset Advisors Pte Limited	-	3,98,18,250
		Edelweiss Custodial Services Limited	1,904	-
		Edelweiss Finance and Investments Limited	1,532	-
		Edelweiss Securities Limited	4,595	-
	Remuneration paid to (refer note 2)	Key Management personnel	3,45,06,849	-
(II)	Balances with related parties			
	Short-term borrowings	Edelweiss Rural & Corporate Services Limited	11,93,467	1,12,11,17,662
	Trade payable to	Edelweiss Financial Services Limited	2,97,836	19,71,433
		Edelweiss Asset Management Limited	2,767	4,16,020
		Edelweiss Securities Limited	1,92,680	9,279
		Edelweiss Rural & Corporate Services Limited	45,42,812	81,02,913
		Edelweiss Global Wealth Management Limited	5,121	-
		Edelweiss Broking Limited	1,13,40,180	-
		Edelweiss General Insurance Company Limited	11,76,773	-
		ECL Finance Limited	-	3,69,76,022
		Edelweiss Multi Strategy Fund Advisors LLP	-	12,98,000
	Nomination deposit payable to	Edelweiss Financial Services Limited	-	1,00,000
	Interest accrued and due on borrowings from	Edelweiss Rural & Corporate Services Limited	(4,71,834)	44,70,137
		Edelweiss Finvest Limited	39,28,780	-
		Edelweiss Securities And Investments Private Limited	10,53,740	-
	Loans given	Edelweiss Securities And Investments Private Limited	24,99,54,978	-
	Interest accrued on loans given	Edelweiss Securities And Investments Private Limited	1,60,671	-

Edelweiss Alternative Asset Advisors Limited

(Currency: Indian rupees)

Edelweiss Alternative Asset Advisors Limited

(Currency: Indian rupees)

36 Disclosure as required by Ind AS 24- "Related Party Disclosure":

Transactions and balances with related parties for the year ended 31 March 2021

Nature of transaction	Related party name	For the year ended 31 March 2021	For the year ended 31 March 2020
Other financial liabilities			
Interest accrued & not due on compulsory convertible debentures	Edelweiss Financial Services Limited	1,14,041	-
	Edelweiss Securities And Investments Private Limited	3,87,740	-
Other payables	Edelweiss Financial Services Limited	2,13,78,651	2,32,69,244
	Edelweiss Asset Reconstruction Company Limited	-	1,36,000
	Edelweiss Asset Management Limited	-	3,98,673
	Edelweiss Global Wealth Management Limited	-	4,000
	Edelweiss Securities Limited	2,61,000	1,53,000
	Edelcap Securities Ltd	1,43,000	-
	Edelweiss Broking Limited	1,000	-
	Edelweiss Rural & Corporate Services Limited	1,26,000	-
	Edelweiss Custodial Services Limited	63,000	-
Trade receivables	Edelweiss Alternative Asset Advisors Pte Limited	4,18,61,550	2,28,74,646
	Ecap Equities Limited	4,07,127	1,40,96,883
	Edelcap Securities Ltd	1,57,323	1,61,702
	Edelweiss Asset Reconstruction Company Limited	15,88,561	10,97,201
	Edelweiss Finvest Private Limited	17,94,973	1,86,95,318
	ECL Finance Ltd	1,00,22,025	-
	Edelweiss Value Growth Fund	19,54,285	26,06,293
	Edelweiss Private Tech Equity Fund	2,75,351	7,56,803
	ESL Securities Limited	40,098	-
	Edelweiss Investment Advisors Limited	8,81,082	-
	Edelweiss General Insurance Company Limited	561	-
	Edelweiss Broking Ltd	-	1,76,615
	Edelweiss Global Wealth Management Limited	-	13,69,468
Other financial assets			
Advances recoverable from	ECL Finance Ltd	68,01,000	17,55,803
	Edelweiss Broking Ltd	-	11,35,608
	Edelweiss Finvest Private Limited	-	12,97,857
	Edelweiss Rural & Corporate Services Limited	10,81,000	7,68,000
	Edelweiss Securities Limited	2,21,000	-
	Edelweiss Financial Services Limited	13,95,000	-
	Edelweiss Asset Management Limited	1,95,000	-
	Edelweiss Asset Reconstruction Company Limited	65,000	-
	Edelweiss Housing Finance Limited	9,04,000	-
	Edelweiss Finance and Investments Limited	4,35,000	-

Note :

1) Loan taken from related parties are disclosed based on maximum of debit/credit during the reporting period.

2) Loan taken from related parties are disclosed based on total debit/credit taken during the reporting period.

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

Edelweiss Alternative Asset Advisors Limited

(Currency: Indian rupees)

36 Disclosure as required by Ind AS 24- "Related Party Disclosure":

Transactions and balances with related parties for the year ended 31 March 2021

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			
	Equity shares issued	Edelweiss Securities And Investments Private Limited	10,00,00,000	-
	9 % Compulsory Convertible Debentures Issued	Edelweiss Financial Services Limited	25,00,00,000	-
		Edelweiss Securities And Investments Private Limited	85,00,00,000	-
(1)	Current account transactions during the year			
	Short term loans taken from (refer note 1)	Edelweiss Rural & Corporate Services Limited	1,01,69,61,663	52,05,21,200
		ECap Equities Limited	-	3,01,21,200
		Edelweiss Finvest Limited	50,00,00,000	-
		Edelweiss Securities And Investments Private Limited	45,00,00,000	-
	Short term deposits taken from	Edelweiss Custodial Services Limited	-	50,00,00,000
		Edelweiss Securities Limited	95,43,00,000	-
	Repayment of short term loans to (refer note 1)	Edelweiss Rural & Corporate Services Limited	1,01,69,61,663	51,93,00,000
		ECap Equities Limited	-	1,67,00,000
		Edelweiss Finvest Limited	40,00,00,000	-
		Edelweiss Securities And Investments Private Limited	45,00,00,000	-
	Short term loans taken from (refer note 2)	Edelweiss Rural & Corporate Services Limited	1,74,02,67,499	2,37,92,00,984
		ECap Equities Limited	-	5,02,21,200
		Edelweiss Finvest Limited	50,00,00,000	-
		Edelweiss Securities And Investments Private Limited	49,29,50,600	-
	Repayment of short term loans to (refer note 2)	Edelweiss Rural & Corporate Services Limited	2,86,01,91,694	2,59,79,31,173
		ECap Equities Limited	-	5,02,21,200
		Edelweiss Finvest Limited	50,00,00,000	-
		Edelweiss Securities And Investments Private Limited	49,29,50,600	-
	Loan given (refer note 1)	Edelweiss Securities And Investments Private Limited	25,00,00,000	-
	Loan given (refer note 2)	Edelweiss Securities And Investments Private Limited	25,00,00,000	-
	Short term deposits repayed to	Edelweiss Custodial Services Limited	-	50,00,00,000
		Edelweiss Securities Limited	95,43,00,000	-
	Interest expense on loans taken from	Edelweiss Rural & Corporate Services Limited	4,61,96,760	11,43,29,798
		ECap Equities Limited	-	3,23,009
		Edelweiss Securities And Investments Private Limited	13,37,238	-
		Edelweiss Finvest Limited	68,29,260	-
	Interest expense on deposits taken from	Edelweiss Custodial Services Limited	-	1,08,40,164
		Edelweiss Securities Limited	5,82,65,321	-
	Interest expense on CCD	Edelweiss Financial Services Limited	1,23,288	-
		Edelweiss Securities And Investments Private Limited	4,19,178	-
	Interest income on loan given	Edelweiss Securities And Investments Private Limited	1,73,699	-
	Sale of NCD	ECL Finance Limited	17,84,33,000	-

Edelweiss Alternative Asset Advisors Limited

(Currency: Indian rupees)

Edelweiss Alternative Asset Advisors Limited

(Currency: Indian rupees)

36 Disclosure as required by Ind AS 24- "Related Party Disclosure":

Transactions and balances with related parties for the year ended 31 March 2021

Sr. No.	Nature of transaction	Related party name	For the year ended 31 March 2021	For the year ended 31 March 2020
	Purchase of Fixed Assets	Edelweiss Housing Finance Limited	-	41,127
		Edelweiss Broking Limited	-	93,179
		Edelweiss Asset Reconstruction Company Limited	-	47,576
		Edelweiss Financial Services Limited	857	21,345
		EdelGive Foundation	-	28,324
		Edelweiss Asset Management Limited	2,345	1,06,922
		Edelweiss Investment Advisors Limited	-	15,491
		ECL Finance Limited	2,837	30,154
		ECap Equities Limited	6,633	-
		Edelweiss Global Wealth Management Limited	4,656	-
		Edelweiss Investment Adviser Limited	144	-
		Edelweiss Rural & Corporate Services Limited	18,241	-
		Edelweiss Securities Limited	1,55,579	-
	Proceeds from sale of fixed assets	Edelweiss Asset Reconstruction Company Limited	-	1,43,033
		ECL Finance Limited	-	13,668
		Edelweiss Broking Limited	36,396	71,943
		Edelcap Securities Ltd	-	269
		Edelweiss Asset Management Limited	-	62,080
		Edelweiss Financial Services Limited	-	14,639
		Edelweiss Finvest Private Limited	-	41,277
		Edelweiss Custodial Services Limited	-	1,907
		Edelweiss Housing Finance Limited	-	33,341
		Edelweiss Securities Limited	1,07,859	18,765
		ESL Securities Limited	33,982	-
		Edelweiss Rural & Corporate Services Limited	6,440	-
		Edelweiss Financial Services Limited	5,105	-
		Edelweiss General Insurance Company Limited	475	-
		Edelweiss Global Wealth Management Limited	17,182	-
	Fund raising Distributor's expenses	Edelweiss Global Wealth Management Limited	35,65,818	1,41,85,019
		Edelweiss Global Wealth Management Limited (As appearing under prepaid expenses)	2,56,20,724	2,91,86,541
		Edelweiss Broking Limited	23,60,14,152	21,54,00,937
		Edelweiss Broking Limited (As appearing under prepaid expenses)	31,69,43,241	32,44,31,128
	Reimbursements paid to	Edelweiss Rural & Corporate Services Limited	3,35,111	3,000
	Reimbursements received from	Edelweiss Alternative Asset Advisors Pte Limited	4,13,35,100	1,91,07,897
		Edelweiss Rural & Corporate Services Limited	7,49,448	10,18,899
		ECL Finance Limited	33,44,115	39,68,786
		Edelcap Securities Ltd	60,466	70,808
		Edelweiss Asset Reconstruction Company Limited	21,66,330	9,45,862
		Edelweiss Finvest Private Limited	8,06,372	8,23,306
		ECap Equities Limited	6,39,942	14,23,751
		Edelweiss Investment Advisors Limited	2,27,071	-
		Edelweiss Value Growth Fund	-	7,50,000
	Advisory fee expense	ECL Finance Limited	9,85,27,133	5,83,33,524
	Donation paid to	EdelGive Foundation	60,000	-
	Insurance expenses	Edelweiss General Insurance Company Limited	26,60,372	-
	Office expenses	Edelweiss Financial Services Limited	52,09,485	1,41,43,928
		Edelweiss Rural & Corporate Services Limited	2,02,06,796	4,35,71,272

Edelweiss Alternative Asset Advisors Limited

(Currency: Indian rupees)

Edelweiss Alternative Asset Advisors Limited

(Currency: Indian rupees)

36 Disclosure as required by Ind AS 24- "Related Party Disclosure":

Transactions and balances with related parties for the year ended 31 March 2021

	Nature of transaction	Related party name	For the year ended 31 March 2021	For the year ended 31 March 2020
	Cost reimbursements paid to	Edelweiss Financial Services Limited	32,54,584	51,73,688
		Edelweiss Rural & Corporate Services Limited	4,50,72,982	4,14,73,697
		ECap Equities Limited	23,55,778	26,06,133
		Edelweiss Securities Limited	12,05,374	13,84,126
		Edel Land Limited - Fountain Head	-	2,10,468
		Edelweiss Custodial Services Limited	(19,032)	11,177
		Edelweiss Broking Limited	-	1,63,022
		ECL Finance Limited	39,03,708	39,94,062
		Edelweiss Asset Management Limited	11,47,319	36,87,665
		Edelweiss Finance and Investments Limited	(15,314)	-
	Fee income earned from	Edelweiss Alternative Asset Advisors Pte Limited	19,75,14,461	21,37,25,285
		Edelweiss Rural & Corporate Services Limited	1,57,00,761	3,86,69,377
		ECL Finance Limited	12,78,73,370	13,62,69,347
		Edelcap Securities Ltd	16,87,517	17,81,811
		ECap Equities Limited	81,70,101	16,72,67,394
		Edelweiss Finvest Private Limited	3,18,19,827	11,55,36,823
		Edelweiss Asset Management Limited	-	(20,59,600)
		Edelweiss Value Growth Fund	22,05,358	22,08,721
		Edelweiss Investment Advisors Limited	92,81,398	-
		Edelweiss Private Tech Equity Fund	6,41,829	6,41,357
	Reimbursement income earned from	Edelweiss Alternative Asset Advisors Pte Limited	-	3,98,18,250
		Edelweiss Custodial Services Limited	1,904	-
		Edelweiss Finance and Investments Limited	1,532	-
		Edelweiss Securities Limited	4,595	-
	Remuneration paid to (refer note 2)	Key Management personnel	3,45,06,849	-
(II)	Balances with related parties			
	Short-term borrowings	Edelweiss Rural & Corporate Services Limited	11,93,467	1,12,11,17,662
	Trade payable to	Edelweiss Financial Services Limited	2,97,836	19,71,433
		Edelweiss Asset Management Limited	2,767	4,16,020
		Edelweiss Securities Limited	1,92,680	9,279
		Edelweiss Rural & Corporate Services Limited	45,42,812	81,02,913
		Edelweiss Global Wealth Management Limited	5,121	-
		Edelweiss Broking Limited	1,13,40,180	-
		Edelweiss General Insurance Company Limited	11,76,773	-
		ECL Finance Limited	-	3,69,76,022
		Edelweiss Multi Strategy Fund Advisors LLP	-	12,98,000
	Nomination deposit payable to	Edelweiss Financial Services Limited	-	1,00,000
	Interest accrued and due on borrowings from	Edelweiss Rural & Corporate Services Limited	(4,71,834)	44,70,137
		Edelweiss Finvest Limited	39,28,780	-
		Edelweiss Securities And Investments Private Limited	10,53,740	-
	Loans given	Edelweiss Securities And Investments Private Limited	24,99,54,978	-
	Interest accrued on loans given	Edelweiss Securities And Investments Private Limited	1,60,671	-

Edelweiss Alternative Asset Advisors Limited

(Currency: Indian rupees)

Edelweiss Alternative Asset Advisors Limited

(Currency: Indian rupees)

36 Disclosure as required by Ind AS 24- "Related Party Disclosure":

Transactions and balances with related parties for the year ended 31 March 2021

Nature of transaction	Related party name	For the year ended 31 March 2021	For the year ended 31 March 2020
Other financial liabilities			
Interest accrued & not due on compulsory convertible debentures	Edelweiss Financial Services Limited	1,14,041	-
	Edelweiss Securities And Investments Private Limited	3,87,740	-
Other payables	Edelweiss Financial Services Limited	2,13,78,651	2,32,69,244
	Edelweiss Asset Reconstruction Company Limited	-	1,36,000
	Edelweiss Asset Management Limited	-	3,98,673
	Edelweiss Global Wealth Management Limited	-	4,000
	Edelweiss Securities Limited	2,61,000	1,53,000
	Edelcap Securities Ltd	1,43,000	-
	Edelweiss Broking Limited	1,000	-
	Edelweiss Rural & Corporate Services Limited	1,26,000	-
	Edelweiss Custodial Services Limited	63,000	-
Trade receivables	Edelweiss Alternative Asset Advisors Pte Limited	4,18,61,550	2,28,74,646
	Ecap Equities Limited	4,07,127	1,40,96,883
	Edelcap Securities Ltd	1,57,323	1,61,702
	Edelweiss Asset Reconstruction Company Limited	15,88,561	10,97,201
	Edelweiss Finvest Private Limited	17,94,973	1,86,95,318
	ECL Finance Ltd	1,00,22,025	-
	Edelweiss Value Growth Fund	19,54,285	26,06,293
	Edelweiss Private Tech Equity Fund	2,75,351	7,56,803
	ESL Securities Limited	40,098	-
	Edelweiss Investment Advisors Limited	8,81,082	-
	Edelweiss General Insurance Company Limited	561	-
	Edelweiss Broking Ltd	-	1,76,615
	Edelweiss Global Wealth Management Limited	-	13,69,468
Other financial assets			
Advances recoverable from	ECL Finance Ltd	68,01,000	17,55,803
	Edelweiss Broking Ltd	-	11,35,608
	Edelweiss Finvest Private Limited	-	12,97,857
	Edelweiss Rural & Corporate Services Limited	10,81,000	7,68,000
	Edelweiss Securities Limited	2,21,000	-
	Edelweiss Financial Services Limited	13,95,000	-
	Edelweiss Asset Management Limited	1,95,000	-
	Edelweiss Asset Reconstruction Company Limited	65,000	-
	Edelweiss Housing Finance Limited	9,04,000	-
	Edelweiss Finance and Investments Limited	4,35,000	-

Note :

1) Loan taken from related parties are disclosed based on maximum of debit/credit during the reporting period.

2) Loan taken from related parties are disclosed based on total debit/credit taken during the reporting period.

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

37 Capital management :

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board

The Company is not subject to any regulatory capital requirements.

38 Fair Values of Financial Instruments:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

38.1 Assets and liabilities by fair value hierarchy

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy

Particulars	31 March 2021			
	Level 1	Level 2	Level 3	Total
Investments in Units of AIF	-	-	76,89,196	76,89,196
Investments in Units of Mutual Fund	17,51,86,034			17,51,86,034
Investments in Listed Equity shares	1,30,28,238			1,30,28,238
Total financial assets measured at fair value on a recurring basis	18,82,14,272	-	76,89,196	19,59,03,468

Particulars	31 March 2020			
	Level 1	Level 2	Level 3	Total
Investments in Units of AIF	-	-	2,35,15,151	2,35,15,151
Total financial assets measured at fair value on a recurring basis	-	-	2,35,15,151	2,35,15,151

Fair valuation Technique

The equity instrument is traded actively traded on recognised stock exchange with readily available active prices on a regular basis. Such instruments are classified as level 1. Units held in funds are measured based on net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are generally level 3. (refer note 38.4)

38.2 Movement in level 3 financial instrument measured at fair value

The following table shows a reconciliation of the opening balances and the closing balances for fair value measurements in Level 3 of the fair value hierarchy.

Particulars	Financial assets	
	March 31, 2021	March 31, 2020
Investments in units of AIF		
At 1 April	2,35,15,151	2,63,20,300
Purchase	46,37,500	-
Redemption	(1,93,11,636)	(48,46,548)
Gains / (losses) for the period recognised in profit or loss	(11,51,819)	20,41,399
At 31 March	76,89,196	2,35,15,151
Unrealised gains / (losses) related to balances held at the end of the period	(53,56,923)	(12,03,469)

38.3 Financial instruments not measured at fair value

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

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Notes to the financial statements (Continued)

(Currency : Indian rupees)

38.4 Fair values of financial instruments (continued)

Unobservable inputs used in measuring fair value categorised within Level 3 :

Following tables set out information about significant unobservable inputs used at respective balance sheet dates in measuring financial instruments categorised as Level 3 in the fair value hierarchy:

Type of financial instruments	Fair value of asset as on 31 March 2021	Fair value of liability as on 31 March 2021	Valuation techniques	Significant unobservable input	Range of estimates (weighted-average) for unobservable input	Increase in the unobservable input (% or as the case may be)	Change in fair value	Decrease in the unobservable input (% or as the case may be)	Change in fair value
Investments in units of AIF	76,89,196	-	Net assets approach	Fair value of underlying investments	NAV per unit Rs. 1,307.98 - 10,015	5%	3,83,382	5%	(3,83,382)
Total	76,89,196	-					3,83,382		(3,83,382)

Type of financial instruments	Fair value of asset as on 31 March 2020	Fair value of liability as on 31 March 2020	Valuation techniques	Significant unobservable input	Range of estimates (weighted-average) for unobservable input	Increase in the unobservable input (% or as the case may be)	Change in fair value	Decrease in the unobservable input (% or as the case may be)	Change in fair value
Investments in units of AIF	2,35,15,151	-	Net assets approach	Fair value of underlying investments	NAV per unit Rs. 4,698.72	5%	11,74,680	5%	(11,74,680)
Total	2,35,15,151	-					11,74,680		(11,74,680)

39 Risk Management

The company has operations in India. Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks.

A Risk management structure

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles.

B Analysis of risk concentration

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

The carrying amounts of financial assets in the statement of financial position represent the Company's maximum exposure to credit risk, before taking into account any collateral held. The Company does not hold any collateral in respect of their financial assets.

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

The Company's cash and cash equivalents are held with regulated financial institutions. Trade receivables largely comprise of receivables from Group Companies.

C Industry analysis - Risk concentration for 31 March 2021

The company operates in financial services industry. Following table shows the risk concentration by the industry for the components of the balance sheet

Particulars	As at 31 March 2021		
	Financial services	Others	Total
Financial assets			
Cash and cash equivalent and other bank balances	15,10,34,340	-	15,10,34,340
Investments	18,28,75,230	1,30,28,238	19,59,03,468
Other financial assets	3,69,41,281	16,29,752	3,85,71,033
Trade receivables	6,07,49,977	-	6,07,49,977
Loans	25,01,15,649	26,06,857	25,27,22,506
Total	68,17,16,477.0	1,72,64,847.0	69,89,81,324

Particulars	As at 31 March 2020		
	Financial services	Others	Total
Financial assets			
Cash and cash equivalent and other bank balances	90,83,134	-	90,83,134
Investments	2,35,15,151	-	2,35,15,151
Other financial assets	4,62,49,819	-	4,62,49,819
Trade receivables	28,11,86,096	-	28,11,86,096
Loans	-	9,13,879	9,13,879
Total	36,00,34,200	9,13,879	36,09,48,079

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Notes to the financial statements (Continued)

(Currency : Indian rupees)

39 Risk Management (Continued)

D Liquidity risk and funding management

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The table below summarise the maturity profile of the Company's financial liabilities at the end of the reporting period based on contractual undiscounted payments.

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

As at 31 March 2021	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Total
Trade payables	-	-	-	-	2,89,57,417	-	-	-	-	2,89,57,417
Other financial liabilities	-	-	-	97,604	14,43,03,759	2,99,232	11,27,934	20,97,749	-	14,79,26,278
Borrowings (other than debt securities)	57,04,153	-	-	-	-	-	-	-	-	57,04,153
Total undiscounted non-derivative financial liabilities	57,04,153	-	-	97,604	17,32,61,176	2,99,232	11,27,934	20,97,749	-	18,25,87,848

As at 31 March 2020	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Total
Trade payables	-	-	-	-	6,35,74,954	-	-	-	-	6,35,74,954
Other financial liabilities	-	-	-	-	2,45,95,858	-	-	-	-	2,45,95,858
Borrowings (other than debt securities)	1,12,55,87,799	-	-	-	-	-	-	-	-	1,12,55,87,799
Total undiscounted non-derivative financial liabilities	1,12,55,87,799	-	-	-	8,81,70,812	-	-	-	-	1,21,37,58,611

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Notes to the financial statements (Continued)

(Currency : Indian rupees)

39 Risk Management *(Continued)*

D Liquidity risk and funding management (Continued)

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

As at 31 March 2021	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Total
Cash and cash equivalent and other bank balances	15,10,34,340	-	-	-	-	-	-	-	-	15,10,34,340
Trade receivables	-	-	-	-	6,07,49,977	-	-	-	-	6,07,49,977
Loans	25,01,15,649	-	-	-	-	-	-	26,06,857	-	25,27,22,506
Investments at fair value through profit or loss	-	-	17,51,86,034	-	-	-	-	1,60,77,631	46,39,803	19,59,03,468
Other financial assets	-	-	-	-	3,69,41,281	-	5,00,000	11,29,752	-	3,85,71,033
Total	40,11,49,989	-	17,51,86,034	-	9,76,91,258	-	5,00,000	1,98,14,240	46,39,803	69,89,81,324

As at 31 March 2020	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Total
Cash and cash equivalent and other bank balances	90,83,134	-	-	-	-	-	-	-	-	90,83,134
Trade receivables	-	-	-	23,40,12,834	1,74,37,262	2,97,36,000	-	-	-	28,11,86,096
Loans	-	-	-	-	-	-	-	9,13,879	-	9,13,879
Investments at fair value through profit or loss	-	-	-	-	-	-	-	2,35,15,151	-	2,35,15,151
Other financial assets	-	-	-	-	4,62,49,819	-	-	-	-	4,62,49,819
Total	90,83,134	-	-	23,40,12,834	6,36,87,081	2,97,36,000	-	2,44,29,030	-	36,09,48,079

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Notes to the financial statements (Continued)

(Currency : Indian rupees)

D Liquidity risk and funding management (Continued)

(iii) Financial assets available to support future lending

March 31, 2021			
Particulars	Unencumbered		Total carrying amount
	Available as collateral	others ¹	
Cash and cash equivalent including bank balance	-	15,10,34,340	15,10,34,340
Trade receivables	6,07,49,977	-	6,07,49,977
Other financial assets	-	3,85,71,033	3,85,71,033
Loan	-	25,27,22,506	25,27,22,506
Investments	19,59,03,468	-	19,59,03,468
Property, Plant and Equipment	-	76,79,972	76,79,972
Total assets	25,66,53,445	45,00,07,851	70,66,61,296

March 31, 2020			
Particulars	Unencumbered		Total carrying amount
	Available as collateral	others ¹	
Cash and cash equivalent including bank balance	-	90,83,134	90,83,134
Trade receivables	28,11,86,096	-	28,11,86,096
Other financial assets	-	4,62,49,819	4,62,49,819
Loan	-	9,13,879	9,13,879
Investments	2,35,15,151	-	2,35,15,151
Property, Plant and Equipment	-	40,43,587	40,43,587
Total assets	30,47,01,247	6,02,90,419	36,49,91,666

1. 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.

(Currency : Indian rupees)39 Risk Management *(Continued)*E Market Risk *(Continued)*

(i) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments.

Currency of borrowing / advances	2020-21					
	Increase in basis points	Effect on profit before tax	Effect on Equity	Decrease in basis points	Effect on profit before tax	Effect on Equity
INR	25	6,21,904	-	25	(6,21,904)	-

Currency of borrowing / advances	2019-20					
	Increase in basis points	Effect on profit before tax	Effect on Equity	Decrease in basis points	Effect on profit before tax	Effect on Equity
INR	25	(28,13,969)	-	25	28,13,969	-

(ii) 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 Company 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).

Currency	2020-21					
	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	20,93,078		5	(20,93,078)	

Currency	2019-20					
	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	11,43,732	-	5	(11,43,732)	-

(iii) 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. There is no investment in Equity shares as at 31 March 2020.

Impact on	2020-21					
	Increase in price (%)	Effect on profit before tax	Effect on Equity	Decrease in price (%)	Effect on profit before tax	Effect on Equity
Equity shares	5	6,51,412	-	5	(6,51,412)	-

(iv) Other price risk

Other 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 market prices other than equity and index prices.

Impact on	2020-21					
	Increase in price (%)	Effect on profit before tax	Effect on Equity	Decrease in price (%)	Effect on profit before tax	Effect on Equity
Units of AIFs	5	3,83,382	-	5	(3,83,382)	-
Units of Mutual Funds	5	87,59,302	-	5	(87,59,302)	-

Impact on	2019-20					
	Increase in price (%)	Effect on profit before tax	Effect on Equity	Decrease in price (%)	Effect on profit before tax	Effect on Equity
Units of AIFs and Trusts	5	11,74,680	-	5	(11,74,680)	-

(Currency : Indian rupees)

39 Risk Management *(Continued)*

F Market Risk

Total market risk exposure

Fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Company classifies exposures to market risk into either trading or non-trading portfolios.

Particulars	March 31, 2021			March 31, 2020		
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk
Assets						
Cash and cash equivalent and other bank balances	15,10,34,340	-	15,10,34,340	90,83,134	-	90,83,134
Loans	25,27,22,506	-	25,27,22,506	9,13,879	-	9,13,879
Trade receivables	6,07,49,977	-	6,07,49,977	28,11,86,096	-	28,11,86,096
Investments	19,59,03,468	18,82,14,272	76,89,196	2,35,15,151	-	2,35,15,151
Other Financial Assets	3,85,71,033	-	3,85,71,033	4,62,49,819	-	4,62,49,819
Total	69,89,81,324	18,82,14,272	51,07,67,052	36,09,48,079	-	36,09,48,079

Liability	March 31, 2021			March 31, 2020		
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk
Borrowings (other than Debt Securities)	57,04,153	-	57,04,153	1,12,55,87,799	-	1,12,55,87,799
Trade payables	2,89,57,417	-	2,89,57,417	6,35,74,954	-	6,35,74,954
Other financial liabilities	14,79,26,278	-	14,79,26,278	2,45,95,858	-	2,45,95,858
Total	18,25,87,848	-	18,25,87,848	1,21,37,58,611	-	1,21,37,58,611

(Currency : Indian rupees)

40 Unconsolidated structured entities

These are entities that do not meet consolidation criteria explained Note 5.1.3 of the Summary of significant accounting policies.

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.

- A. The following tables show the carrying amount of the Group's recorded interest in its consolidated balance sheet as well as the maximum exposure to risk (as defined in below) due to these exposures in the unconsolidated structured entities and asset management activities:

Particulars	Alternative Investment Funds	
	31-Mar-21	31-Mar-20
Investments in AIF	76,89,196	2,35,15,151
Trade Receivables	6,07,09,318	26,26,49,220
Other financial assets	2,58,44,278	4,12,57,614
Total Assets	9,42,42,792	32,74,21,985
Off-balance sheet exposure	4,53,72,500	-
Size of the structured entities	1,18,31,50,21,964	58,88,30,38,598
Income from the structured entities	1,40,91,55,676	89,56,03,379

- B. The following tables show the details of the unconsolidated structured entities, which are not disclosed in the above table

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Income from those structure entities	1,40,91,55,676	89,56,03,379
Type of income	Investment Management Fees	Investment Management Fees
Carrying amount of assets transferred to those structured entities during the period	-	-