



Purpose
Our Compass
Value
Our Destination

ANNUAL REPORT 2023-24

EAAA India Alternatives Limited

(Formerly known as Edelweiss Alternative Asset Advisors Limited)

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Purpose Our Compass Value Our Destination

At EAAA Alternatives, our journey is guided by a profound sense of purpose, serving as our compass. This commitment directs us towards our ultimate goal – creating enduring value for all stakeholders. Our purpose-driven approach ensures that every decision and strategy is aligned with our core values, fostering sustainable growth and positive impact.

Our destination is to create multi-dimensional value, encompassing both financial returns and environmental responsibility. We believe value goes beyond financial performance to include the broader impact of our investments. Responsible and purpose-driven investing is deeply embedded in our ethos, guiding our actions and decisions.

In a landscape where alternative investments are becoming mainstream, EAAA Alternatives stands out by leveraging its governance framework, experienced teams, and diverse product portfolio. Our focus extends beyond mere financial returns; we prioritise investments in renewable energy, infrastructure, and real estate, which drive India's economic and social development.

By aligning our growth with the creation of sustainable value, we not only fulfill our responsibilities to investors but also contribute to nation-building efforts. As we navigate the future, our dedication to purpose remains firm, ensuring that value is not just a destination but a continuous journey of impact and progress.

At EAAA Alternatives, purpose is our compass, and value is our destination, guiding us towards a brighter, more prosperous tomorrow.

Disclaimer: This document contains statements about expected future events and financials of EAAA India Alternatives Ltd. ('The Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements.

Images in this report have been used for representative purposes only

Message from the Leadership



India's economic expansion is creating diverse structural opportunities for alternative asset managers. As the GDP grows to USD 10 tn by 2035, it is expected to create positive tailwinds for the alternatives industry in India.



Dear Stakeholders,

It is a privilege to connect with you and share the Annual Report of EAAA Alternatives for FY 2023-24 – a year in which we have taken significant strides towards becoming a trusted and respected private alternatives platform that caters to the diverse investment opportunities that India offers.

Indian Economy – Faster, Stronger, Higher

In 2024, the year of the Paris Olympics, India is living up to the motto of the games – growing faster, emerging stronger and rising higher. It has firmed up its position as an attractive global investment destination, maintaining a strong growth momentum amidst an uncertain economic and geopolitical environment. It is now poised to be the third largest economy globally by 2028.

More importantly, India is transitioning towards becoming a middle-income economy, with the per-capita GDP expected to grow beyond ~USD 4,500 over the next decade. This shift will drive up demand for a wide range of goods and services as patterns for both consumption and investments undergo a transformation. This change will lead the next phase of growth.

Key structural reforms in both physical and digital infrastructure have notably enhanced productivity. In addition, the Government's focus on infrastructure investments, an uptick in corporate capital expenditure and strong demand in the real estate sector, will further boost GDP growth. Factors such as easing inflation, improved current account balance, robust forex reserves, and a declining fiscal deficit are helping to provide macro-economic stability and supporting such growth.

The recently announced results of the general elections in India and the subsequent announcement of the Union Budget 2025 are expected to bring in more impactful reforms through a consultative process.

Alternatives in India – Becoming Mainstream

Alternative assets are a well-entrenched asset class globally as they help to diversify portfolios with a return profile which has low correlation to traditional asset classes like public listed equities or bonds. Globally, institutional investors prefer the long-term cash flow profiles of alternative products that match their liabilities.

While it's a comparatively nascent asset class in India, the industry has been witnessing strong growth over the past few years. Commitments of Alternative Investment Funds in India have grown to ~INR 11 lakh crore (~USD 136 bn)

as on March 31, 2024 from ~INR 2.8 lakh crore (~USD 41 bn) as on March 31, 2019. During FY 2023-24, the industry witnessed a growth of 36% in terms of commitments raised.

Global experience indicates that this trend is likely to continue. Assets Under Management (AUM) of private market alternatives are ~22% and ~14% of GDP in North America and Europe, respectively. India's economic growth is creating large structural and diverse opportunities for alternative asset managers like us. As India scales up from its current GDP of ~USD 4 tn to USD 10 tn, it is expected to create positive tailwinds for the alternatives industry in India.

This growth for the alternative asset management industry is supported by factors both for demand and supply of capital. The secular growth expected for the credit requirement in the country along with retrenchment of traditional providers of credit like banks and non-banking financial companies from wholesale lending due to asset liability mismatches is continuing to create a market gap in India. Private Credit managers are now starting to increasingly bridge that gap by providing bespoke solutions to corporates through structured lending. The absence of Asset and Liability Management (ALM) within private credit funds allows for them to be more patient when a corporate/ industry hits a speed bump.

Private credit managers are filling the market gap created by the retrenchment of banks and non-banks from the wholesale lending markets

Similarly, in line with most developed economies, financialisation of real assets is a long term theme that has just taken roots in India. The growth in Real Assets will be supported by the Government's focus on infrastructure development, renewable energy investments, and urbanisation. Various types of vehicles like Alternative Investment Funds (AIFs), Infrastructure

Investment Trusts (InvITs) and Real Estate Investment Trusts (REITs) are available for developers to monetise their assets. We have also realised that there is a potential to add value in these assets through operational and financial improvements, thus leading to consistent value creation for patient capital.

We enhance the value of our investments through our asset management and operating expertise

At the same time, on the supply side - as India's demographics evolve, driven by rising incomes and greater financial awareness, a notable shift is occurring in how individuals and households manage their wealth. Traditionally, savings were primarily directed towards bank deposits, real estate, and gold. The last few years have seen an increasing transition towards financial assets. As traditional fixed income investments in India are struggling to outpace inflation, this trend is becoming more pronounced.

EAAA Alternatives - Building an Institutional Platform

I take immense pride that over the years, we have been able to build a truly diversified alternatives platform in India that manages INR 56,342 crore as of June 2024, across Private Credit and Real Assets.

Source: CEBR Report | EY Economy Watch

“ A diversified alternative asset management platform that caters to structural opportunities

As I reflect on our journey - the inception of our inaugural performing credit fund in 2010, followed by our special situations fund in 2012, marked the beginning of our mission to become an alternative asset manager that is synonymous with 'Trust, Transparency and Track Record'.

The foundation of this business is our people. We have an on-ground team of 250+ including over 70+ investment professionals and a 50+ member core asset management team. I am extremely proud of the efforts, dedication and hard work that this team has put in over the years, which has helped us reach where we are. We truly believe that our ability to create bespoke solutions for our portfolio companies along with a continued commitment towards operational excellence drives the returns that we are able to generate for our clients. As a platform, we have now built a demonstrated track record to invest and return capital to our clients. Over the past five years, we have deployed over ~INR 24,800 crore and realised over ~INR 28,000 crore across our strategies.

“ On-ground 250+ member strong team with 70+ experienced investment professionals and 50+ member core asset management team

Monitoring through our centralised control room has led to an improvement in the operational efficiency of our real assets portfolio. We continue to look at opportunities to integrate machine learning and artificial intelligence for predictive and proactive asset management.

“ We have created a demonstrated track record with over ~INR 24,800 crore deployed and over ~INR 28,000 crore realised over the last 5 years across strategies

The closing of our third-generation special situations fund in FY 2023-24 at ~INR 11,000 crore and fund raising of ~INR 8,000 crore in our second-generation infrastructure strategy so far, is a testament to the faith reposed by our clients in our platform. I am truly humbled by the trust and support shown by the 3,000+ clients, of which ~750 have invested across multiple products of ours. We are looking at technology as an enabler to enhance our customer experience. Now, we have a completely online onboarding process for our domestic clients, that simplifies the investment process in our alternative funds.

“ Trusted alternative asset advisor with 3,400+ clients, of which 750+ have invested across multiple products

Looking forward, we believe that streamlined processes and creating a robust institutional framework will help us build a sustainable business. We believe that consistent coverage of clients in various geographies does help in client addition. We got our first large client in Australia this year.

Our Commitment to Sustainability

We became signatories to the UN Principles for Responsible Investment (UNPRI) in early 2023. I consider this as a pivotal step in our journey towards making sustainable investments. Our investment approach is centred around considering Environmental, Social, and Governance (ESG) risk factors into our investment framework without compromising on returns. The launch of our first energy transition fund marks a significant stride towards championing environmental stewardship in India while focusing on commercial outcomes for our clients. Our rental yield strategy that invests in commercial offices, is focused on creating sustainable workplaces. Our renewables portfolio in the infrastructure strategy is estimated to reduce carbon emissions by ~24.8 mn tonnes over its lifecycle. Adoption of robotic dry cleaning for one of our solar assets

helped to save ~43,000 kilo litres of water in FY 2023-24. Our focus on safety, health, and environment have helped in sustaining zero lost time injuries since the date of acquisition. Additionally, our Real Estate Credit Strategy has facilitated the construction of approximately 26,000 homes, thus helping community development.

Thank You

I take this opportunity to profoundly thank all our stakeholders for their continued support in our endeavours so far. I would also like to express our sincere gratitude to SEBI, IFSCA and MAS for their proactive role in building a regulatory framework to foster the growth of the Alternative Investment Fund's industry in India while ensuring investor protection. I am also grateful to our industry body, IVCA, that has been instrumental in its efforts of creating a thriving environment through consultations with the regulators and various players within the industry.

Our focus continues to be the preferred choice of investors in Indian alternatives, while confidently navigating the evolving financial landscape. Our governance and risk management

frameworks, experienced on ground investment teams, a diverse product suite, asset management capabilities, alongside expanding geographic reach and a growing client base, underscore our ability to build a sustainable business. It also aligns with our vision to – **Be the trusted and respected India alternative asset advisor creating value for all stakeholders.**

We continue to look forward to your support and inputs on how we can continue to do better.

Yours sincerely,

Venkat

Venkat Ramaswamy

MD & CEO, EAAA Alternatives

Our renewables portfolio in the infrastructure strategy is estimated to reduce carbon emissions by ~24.8 mn tonnes over its lifecycle. Adoption of robotic dry cleaning for one of our solar assets helped to save ~43,000 kilolitres of water in FY 2023-24

India's Era of Compounding

India has emerged as the fastest-growing major economy globally, with the GDP growing at 8.2% during FY 2023-24. Favourable demographics, increasing digitisation, deregulation as well as low household and corporate debt are expected to help the economy sustain its momentum.

GDP Forecast



Source: India's FY25 growth rate - RBI; other data - IMF

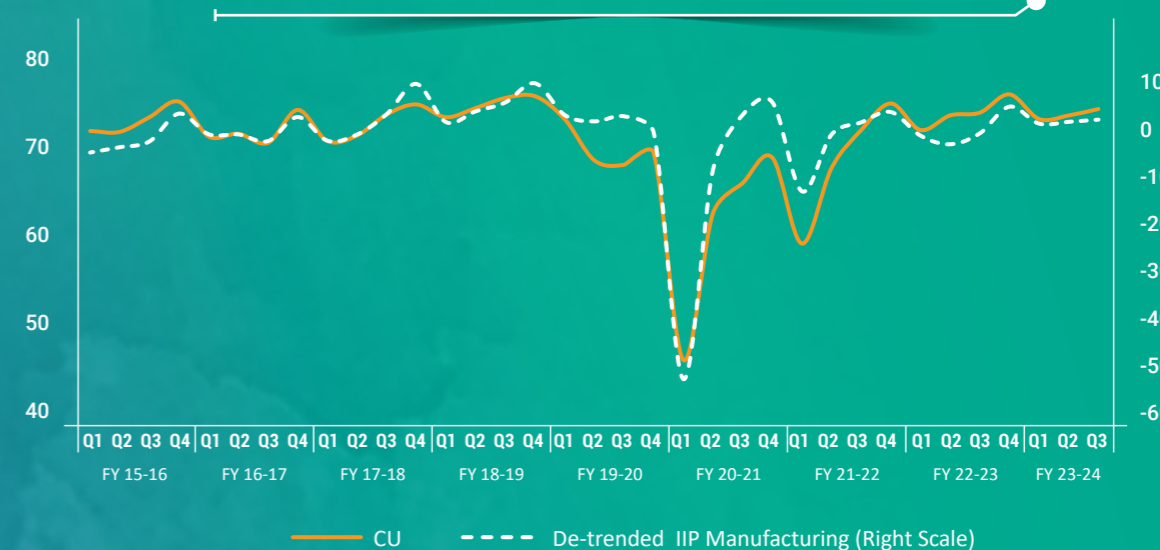
The RBI has forecasted a 7.2% growth for the economy in FY 2024-25. Factors such as easing inflation, improved current account balance, forex reserves, and a declining fiscal deficit would help to provide macro-economic stability and support such growth.

We believe that while the earlier phase of growth in India was driven by rising consumption, capex will play an important role in the next phase along with consumption.

Rising Corporate Capex...

The capacity utilisation in manufacturing sector has reached a robust 74% in Q2 FY 2023-24, with indications of further increase in Q4 FY 2023-24. This high utilisation, alongside the surging PMI Manufacturing index, points to a thriving industrial sector. Combined with initiatives like 'Make in India' and PLI schemes, these factors create an ideal environment for boosting corporate capital expenditure and driving industrial growth.

Capacity Utilisation (CU) and De-trended IIP (Manufacturing)



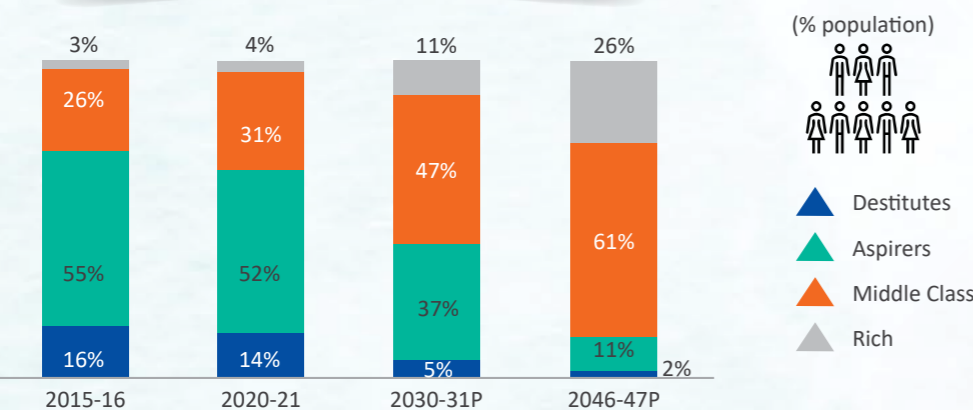
Source: RBI Survey

Rising Income Levels

India's economy is expected to reach USD 10 tn by 2035. The percentage of households earning more than INR 5,00,000 is projected to rise from 35% in 2020-21 to 58% in 2030-31. This shift indicates a significant growth in purchasing power, highlighting India's trajectory towards becoming the world's third-largest economy.

Source: India Outlook 2024 Report (CRISIL)

Shift from Bottom-of-the-Pyramid to Middle Class



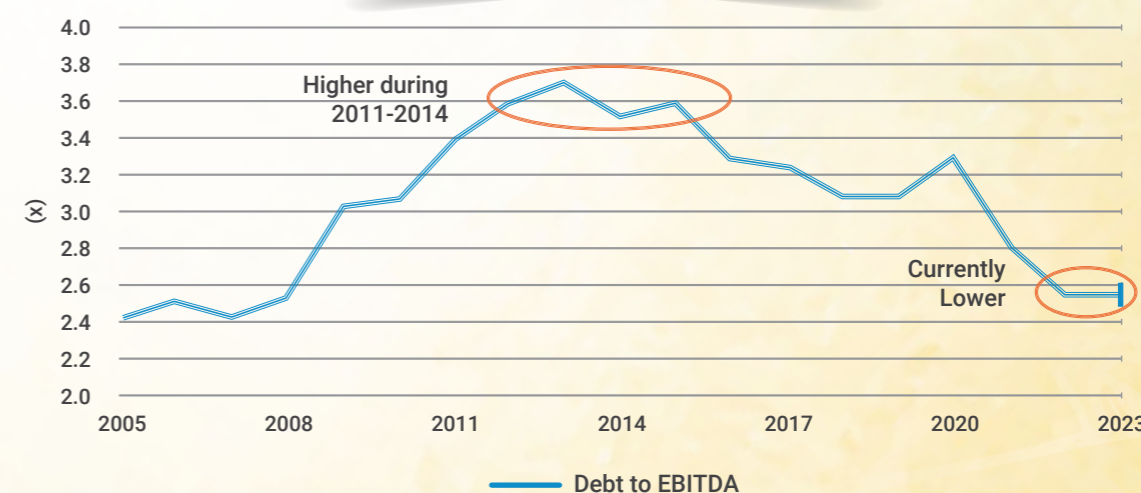
Note: Destitute <INR 125,000 per annum, Aspirers INR 125,000-500,000, Middle class INR 500,000-3,000,000, Rich >INR 3,000,000 | Numbers have been rounded off to nearest whole number | P- Projected

Source: PRICE Report

...Supported by Healthy Corporate Balance Sheets

Corporate balance sheets have shown a marked improvement over recent years. The Debt to EBITDA ratio, a key measure of financial leverage, has declined from its peak of around 3.8 during the 2011-2014 period to approximately 2.6 in FY 2022-23. This significant reduction reflects increased financial stability, healthier corporate balance sheets and a stronger foundation for future growth and resilience.

Improved Debt to EBITDA Levels

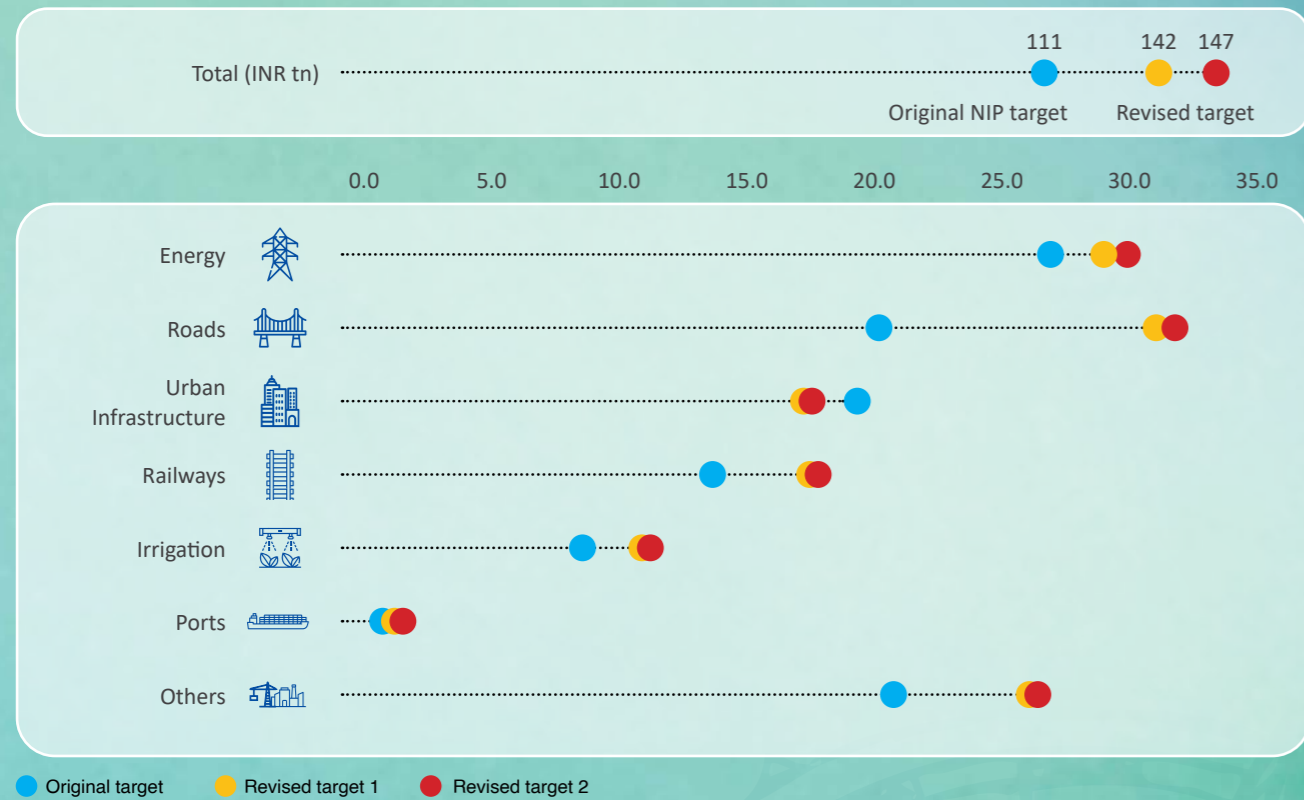


Source: Bloomberg, NIS, Nuvama Research

Government's Focus on Infrastructure Development

The Government has consistently prioritised infrastructure development. Over 2024-2030, the Government has planned infrastructure spending of ~USD 1.75 tn. This significant investment underscores India's commitment towards socio-economic development.

Sector-wise Capital Expenditure



Source: CRISIL - India Infrastructure Coming of Age Report | NIP Report | IIG, CRISIL MI&A Research

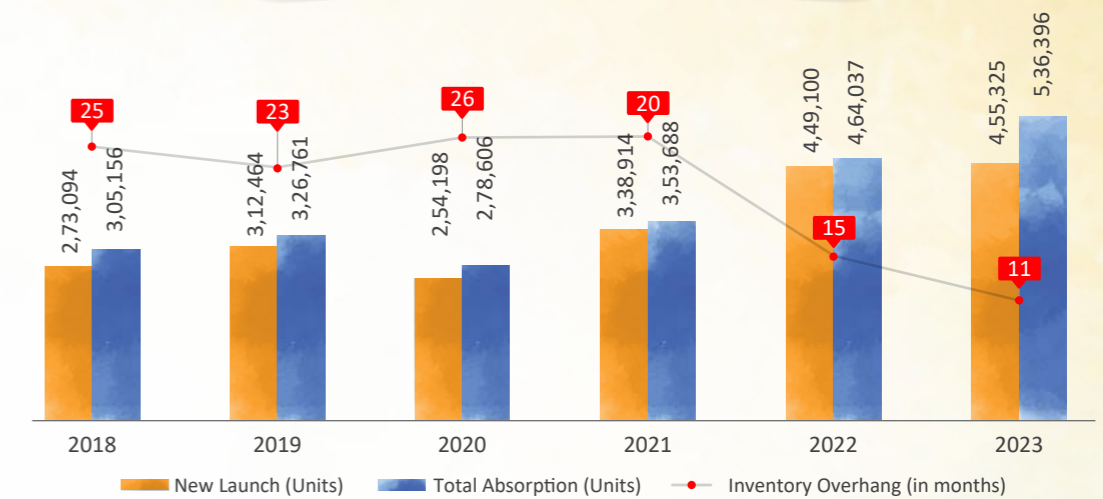
India's 8.2% GDP growth in FY 2023-24 was driven by rising income, infrastructure investment, real estate demand, and initiatives such as Make in India and PLI, boosting manufacturing demand



Growing Real Estate Demand

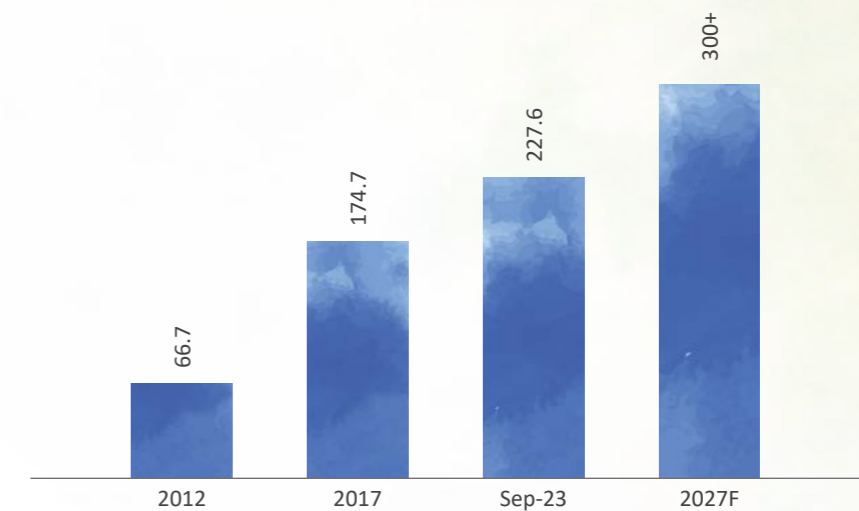
Rapid urbanisation, a growing middle class, and nuclearisation of families are structural drivers for residential real estate in India. This, coupled with high affordability, has led to average absorption of over 500 mn sq. ft. across the top 7 cities in India. At the same time, the availability of a large highly cost-competitive talent pool has made India a favourite destination for offshoring. A rising presence of Global Capability Centres (GCCs), increased demand from domestic corporates, and the booming technology sector are expected to lead to growing absorption for commercial offices.

Increasing Absorption Across Tier-I Cities



Source: Prop Equity

GCC Stock in India (mn sq. ft.)



Note: F- Forecast
Source: JLL Research

The Rise of Alternative Investments Globally

Alternative assets are a well-entrenched asset class globally as they help to diversify portfolios with a return profile which has low correlation to traditional asset classes like public listed equities or bonds. They encompass private equity, private credit, real assets and hedge funds. Some alternative assets also help provide an inflation hedge.

Alternative Assets have witnessed Rapid Growth Globally

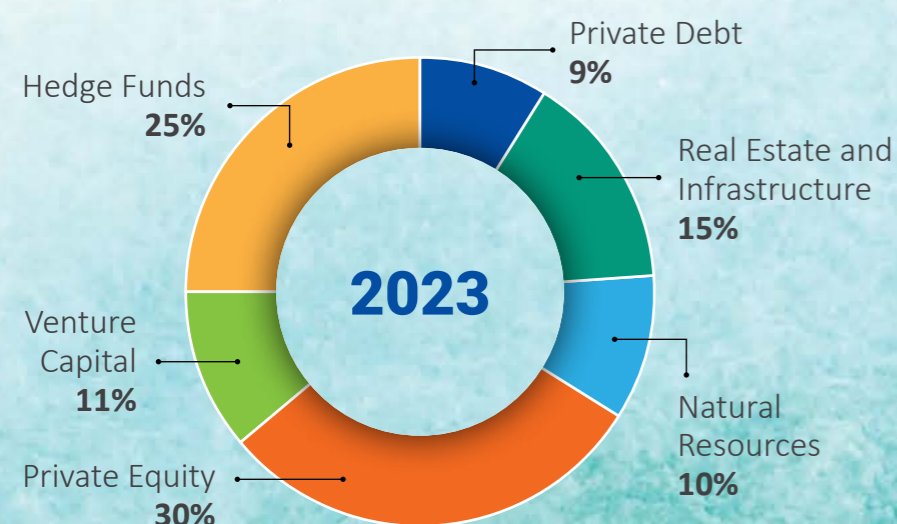
Over the past decade, the global alternative asset management industry has experienced significant expansion. As per Preqin Report, the global industry Assets under Management (AUM) are expected to reach USD 24.5 tn by CY 2028, compared to an estimated USD 16.3 tn at the end of CY 2023. This represents an annualised growth rate of 8.4% from 2023 to 2028.



The growth drivers of the industry are also undergoing a gradual shift. While institutional capital has been a traditional growth driver for this industry, there is now a growing interest among high-net-worth individuals and family offices in this asset class. Asset managers globally are gearing up for this capital. Secondly, Asia-Pacific, the Middle East, and Latin America are playing an increasingly important role both as a source of capital for alternatives, and as the focus of investment opportunities for fund managers looking to deploy capital.

Source: Future of Alternatives 2028 Preqin Report

Alternative AUMs Share by Asset Class

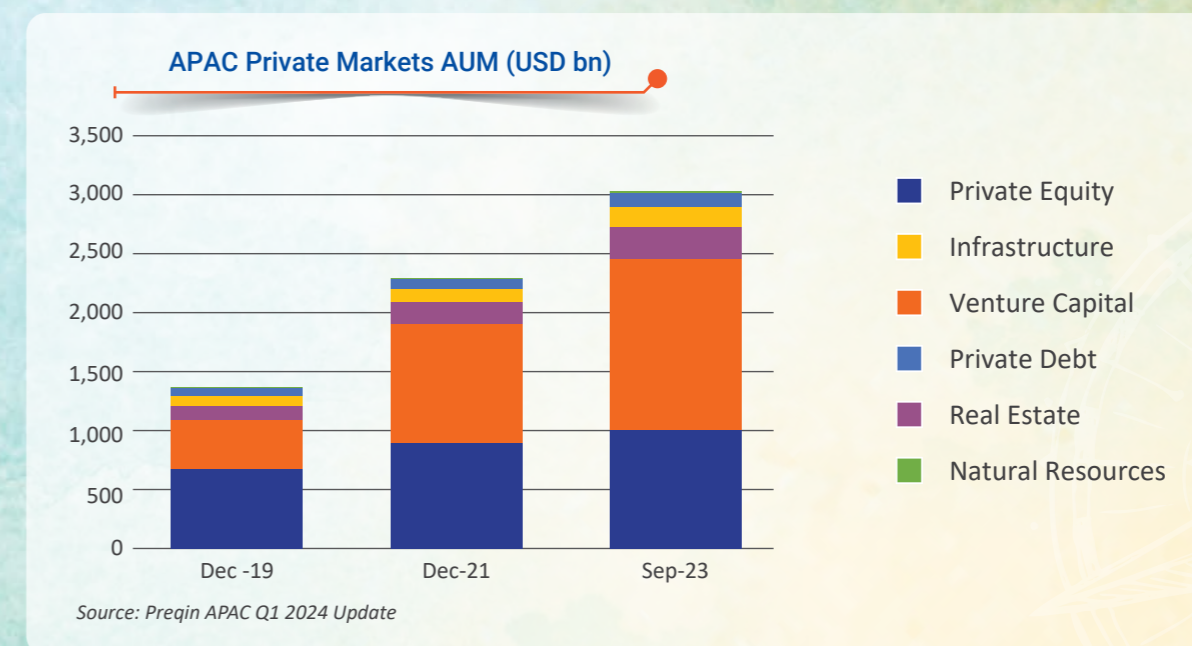


Preqin forecasts that private debt as a category will grow faster at 11.1% between 2023 and 2028 to reach an all-time high of ~USD 2.8 tn. Investor interest in this asset class remains resilient as it offers shorter maturities and lower risks as compared to other categories.

Real assets which comprise both infrastructure and real estate funds are expected to grow to ~USD 4 tn by 2028. Within real assets, the long-term prospects of energy transition as a sector offer more opportunities within the infrastructure category.

Source: Future of Alternatives Preqin Report | *AUM figures excludes funds denominated in Yuan Renminbi

APAC Focused Private Capital has Grown 2.2x since CY 2019

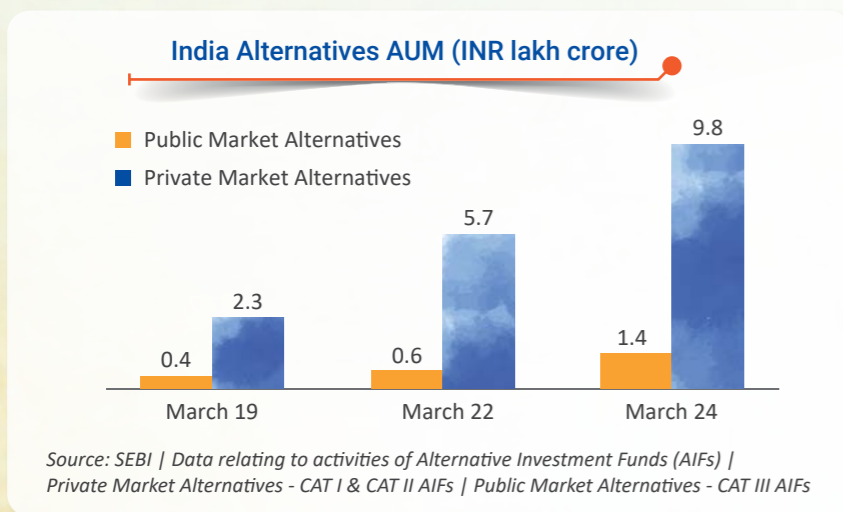


Source: Preqin APAC Q1 2024 Update

Growth in India Driven by Strong Tailwinds

Mainstreaming Alternatives in India

Alternative Asset Management Industry AUMs in India have grown from INR 2.8 lakh crore in March 2019 to INR 11 lakh crore in March 2024. Private Market Alternatives have grown at a faster clip with a ~4x growth over that period.



Supply Dynamics – Fuelling Expansion in Alternative Assets

Large Credit Requirement and Constraints of Traditional Providers Leading to Private Credit Growth

India's economic growth is expected to lead to strong credit demand. Traditional providers of credit like banks and non-banking financial companies have been changing their business models - moving away from wholesale lending to more granular retail credit. Banks and Non-Banks in India also face ALM constraints for structured lending. On the other hand, the open ended nature of mutual funds makes them structurally unsuitable for such investments.

Financialisation of Real Assets - A Growing Trend

Real asset developers, both infrastructure and commercial real estate, are looking at monetisation to recycle capital for growth. Fragmented ownership in India creates an apt environment for alternative funds to aggregate such assets. The Government of India has also put forth a National Monetisation Plan to monetise ~USD 80 bn of operating infrastructure assets.

Demand Dynamics – Shaping the Future of Investments

Evolving Composition of Financial Savings

As India's demographics evolve, driven by rising incomes and greater financial awareness, a notable shift is occurring in how individuals and households manage their wealth. Traditionally, savings were primarily directed towards bank deposits, real estate, and gold. Recent years have seen a significant transition towards financial assets. There is a rising demand for alternative investment products as households aim to optimise returns while managing risk, reflecting a broader trend toward embracing a wider array of financial assets.

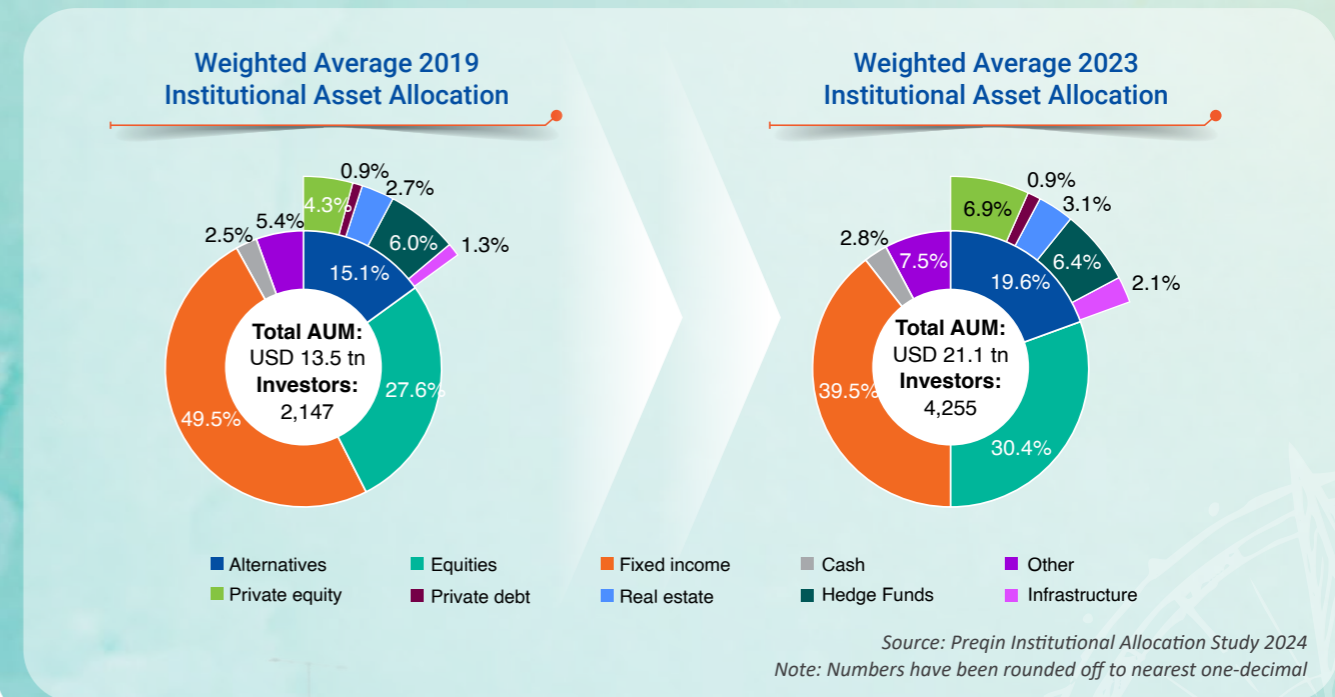
India's Rising Affluence

India's rising affluence is set to transform the nation's economic landscape, as a growing number of households move into higher income brackets. As per PRICE Report, by 2030-31, the proportion of households earning over INR 30,00,000 annually is projected to rise from 4% to 11%. This surge in wealth is driven by factors such as rapid urbanisation, increased access to education, and expanding opportunities in sectors like technology and finance.

There is a rising demand for alternative investment products as households aim to optimise returns while managing risk, reflecting a broader trend towards embracing a wider array of financial assets

Growing Interest from Offshore Institutional Capital

Global institutional investors like insurance companies and pension funds prefer long-term cash flow profiles of alternative products that match their liabilities. They are increasingly seen taking a barbell approach to investing through a combination of lower cost public-listed products and low liquidity private market products to achieve their return objectives. India, with its strong economic growth, is witnessing a lot of interest from these global institutions.

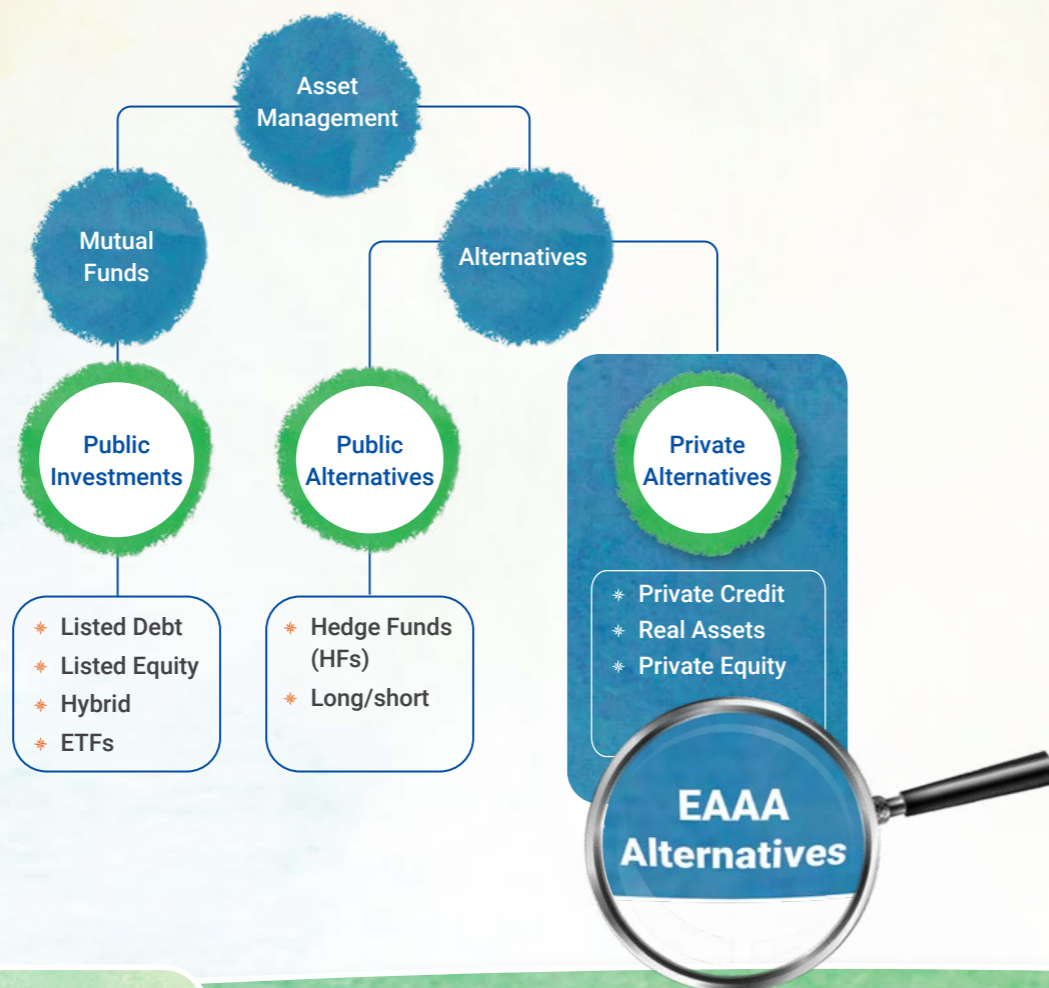


About EAAA Alternatives

We are one of India's leading alternative asset management platforms focused on private investments, with an AUM of ~INR 54,654 crore.

Based in Mumbai, India, we strive to identify large structural alternative investment opportunities in India, aiming to deliver solutions that meet the evolving investment objectives of our clients. Our focus is on private alternatives, where we offer a diverse range of strategies through our Private Credit, Real Assets and Private Equity businesses.

Asset Management Industry



A Well Rounded Client-Centric Platform

EAAA Alternatives has an on-the-ground investment team of over 70 members. The team's strong connect with individual & financial sponsors, developers, banks, and financial institutions provides us with a capability to source bespoke transactions across our strategies.

The investment team is supported by an experienced core asset management team of 50+ members. The team focuses on project management, sales and cash flow monitoring, asset optimisation, and turnaround of our investee companies, thus helping to protect and enhance the value of our investments.

The teams are ably assisted by a 90+ member enterprise team, which oversees finance, operations, product, marketing, IT, HR and compliance.

250+
Strong Team

70+
Investment Professionals

16+
Years' Average Tenure of Investment Leadership Team with Edelweiss

Our core asset management team consists of **50+ seasoned professionals**. Combined with our use of technology and focus on processes and governance, they play a crucial role in enhancing the value of our investment portfolio.

Our presence in GIFT City and Singapore, offers us flexibility to create solutions for our diverse clientele. This includes global institutions such as pension funds and insurance companies from North America, Europe, the Middle East, as well as Asia-Pacific, alongside large family offices and ultra-high net-worth individuals based in India.

In addition to Alternative Investment Funds (AIFs) and offshore funds, we also have a perpetual listed vehicle (InvIT) catering to clients with varying risk-return profiles.

While our business has had strong global institutional clients, we have seen a strong demand for alternative investment products from Indian high-net worth individuals and family offices over the past two years. This can be attributed to robust economic growth, favourable regulations and increasing financialisation of assets.

AUM Share by Geography

Our dedicated global coverage team, has helped us build a diversified client base across multiple geographies.



India



North America

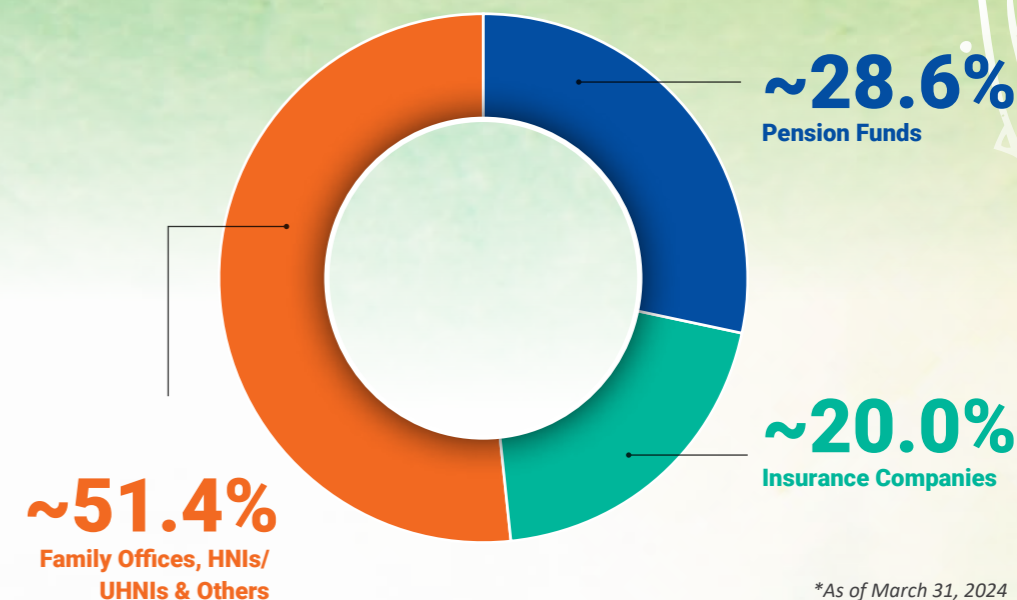


EMEA and APAC

This map is a generalised illustration only for the ease of the reader to understand the locations, and is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection to its accuracy or completeness.

AUM Share by Investor Type*

Investors across **13** Countries



*As of March 31, 2024

Our Journey of Over a Decade

Our investment strategies are designed to generate value for all stakeholders involved. For our clients, they offer access to India's long-term structural investment opportunities, while targeting to meet their requirement of yields and facilitate long-term capital growth.

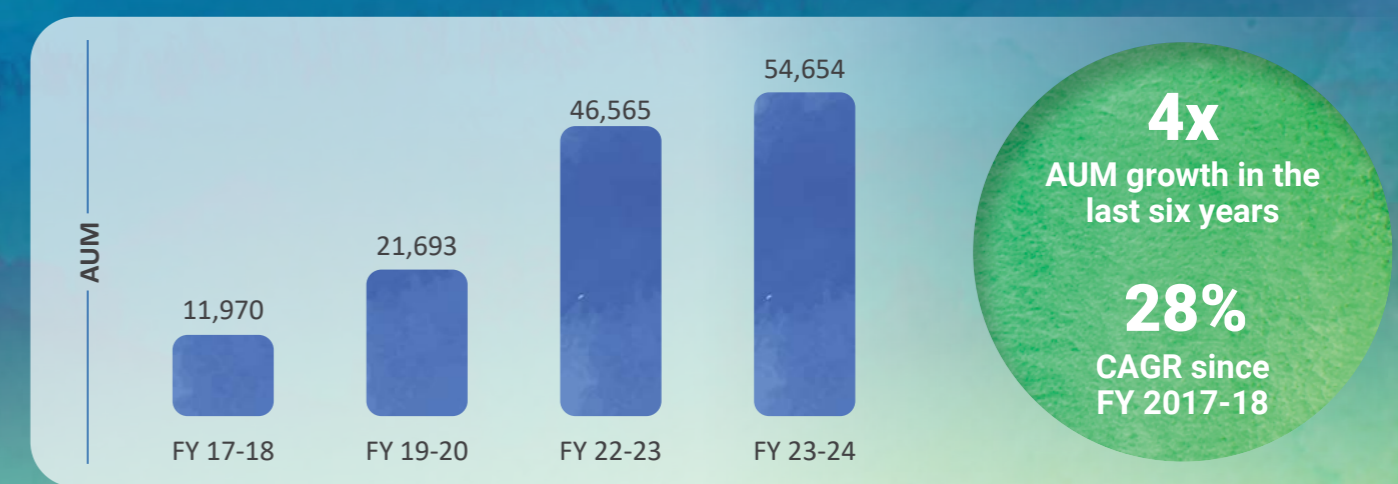
As for our investee companies, **these strategies bridge funding or investment gaps in the economy**, providing much-needed capital to corporates, sectors, or promoters underserved by traditional capital providers.

At the same time, our investments have catalysed job creation, facilitated the construction of homes for mid-income buyers, **reduced carbon emissions through renewable energy investments**, and improved the availability of infrastructure assets like roads and transmission lines, thereby, enhancing connectivity across India.

Through our new strategies like rental yield and energy transition, we would also be working on creating **sustainable workplaces and decarbonisation of energy, industrial and transportation sectors**.



Strong AUM Growth (INR crore)



Our Vision

Be the trusted and respected India alternative asset advisor, creating value for all stakeholders

Our Values



Prudence

Assess the risks and rewards before taking any action or decision



Dependability

Consistent and collective in our efforts and take ownership of everything we do



Responsibility

Doing business in a sustainable manner for a better future



Equity

Fair to all and will respect diversity in thoughts, opinions and expressions



Integrity

Conduct our business honestly and with transparency, adhering to the law in both letter and spirit

Executive Committee

Venkat Ramaswamy

MD & CEO

Venkat has led EAAA Alternatives from its inception. He drives growth for the EAAA Alternatives business through his vision, passion for maintaining high governance standards, and strong relationships with global and domestic investors. He is an MBA from the University of Pittsburgh and a Bachelor's degree in Electronics Engineering.



Amit Agarwal

President & Head - Private Credit

Amit, with over two decades of experience in Corporate Credit, Special Situation Investing and Investment Banking, is a core member of EAAA Alternatives business. Over the last 17 years with Edelweiss, he has played a key leadership role in building the Private Credit Alternatives. He has originated and invested capital across these businesses with several large successful exits.



Harish Agarwal

President & COO

Harish's career spans over two decades in the Banking, Asset Reconstruction, Special Situation & Risk space. He has been with the Edelweiss Group for over 8 years now, and in his current role, he is responsible for business strategy, risk, legal and compliance, finance, technology, and operations for EAAA Alternatives. Harish is a Chartered Accountant, Company Secretary and holds a Bachelor's Degree in Law (LLB) from the Mumbai University.



Subahoo Chordia

President & Head - Real Assets

Subahoo is the founding member and has successfully established India's first real assets yield fund around differentiated operating capabilities, international processes, and use of appropriate technology. During his total experience of over 22 years, including 17 years with Edelweiss, he has been part of various prestigious leading global industry forums/associations like UN Sustainability Council and InvIT association board.



Building on Our Vision

A Business Built Around Trust, Transparency and Track Record

Asset management is a fiduciary business, where gaining and retaining the client's trust is a key success factor. At EAAA Alternatives, we have built a well-designed risk management and governance framework, which helps to build accountability with our clients. This, coupled with a track record of deployment and realisation across strategies, has helped to create a sustainable asset management business.

Client Overview

Our business, currently, serves a diversified base of over 3,400+ clients with ~750 repeat LPs that have invested across multiple products. Strong client retention and sizeable commitments highlight the confidence our clients have in the quality, reliability, and value proposition of our offerings, solidifying our position as a trusted partner in the alternative asset management industry in India.

3,000+
Unique LPs

~750
Repeat LPs across
Multiple Products

Governance Framework

Advisory boards comprising key clients offer valuable governance insights, while annual independent asset valuations ensure transparency.

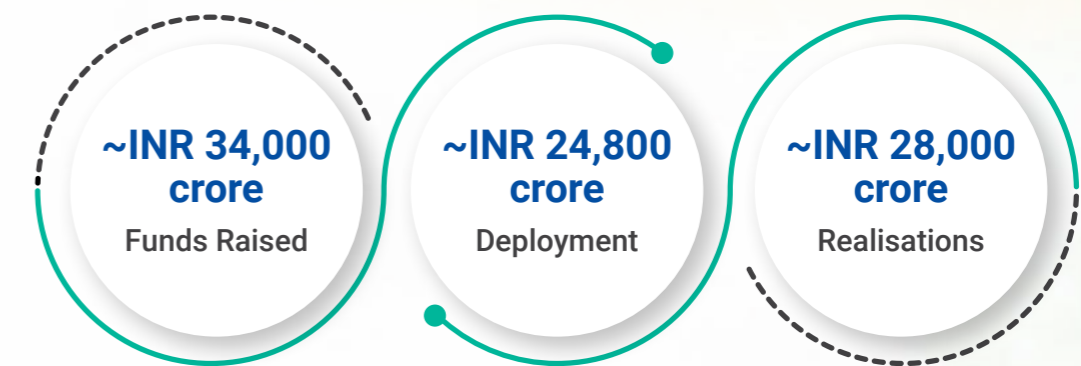
Institutional Governance Framework



Our Track Record

At EAAA Alternatives, our sourcing ability, experience in structuring transactions and asset management capabilities, supported by our risk management framework, have helped to create a track record of deployment and realisations across strategies.

Consistent Performance During the Last 5 Years



~65%

of invested deals are sourced directly by investment teams. Also, an understanding of the legal and regulatory landscape helps us to structure unique solutions for our investee companies.

Our Risk Management Framework

3C framework (Counterparty, Collateral & Cashflows) for credit evaluation

Regular monitoring & risk-based classification of portfolio assets for early identification

Operational risk management & controls to ensure alignment with fund documents and processes

Our Asset Management Capabilities

Asset Management capabilities like project management skills, ability to run and improve the efficiency of the fund's investee companies and turnaround capabilities are increasingly becoming a key factor to realise cashflows and deliver returns to the clients.

At EAAA Alternatives, our team of asset management and operating professionals combined with the use of technology plays a crucial role in improving the performance and realising value of investments.

Industry Acclaims

Awards won by EAAA Alternatives

AsianInvestor

Asian Investor Asset Management Award 2024 in the Market Awards India Category



Indian Alternatives Investment Thought Leadership Award in Operational Category by Equalifi - 2024



Private Credit Fund: Best Overall Performance of the Year at the Alternate Capital Excellence Awards 2024 by IVCA



Gold Award for Annual Report 2023 by LACP (League of American Communications Professionals), in the Category of Financial Diversified Services

Private Debt Investor

PDI Top Private Debt Fund Raisers - 2021, 2022, 2023



Best BFSI Brand at the ETNOW Best BFSI Brands 2024



Testimonials

Bilt Graphic Paper Products Ltd.

We have partnered with EAAA Alternatives for the past 7 years, and it has been a wonderful experience working with them. While onboarding can often be challenging, the team at EAAA Alternatives understood our business nuances and made the process smooth and seamless. They have an engaged team that takes ownership of their work, is always responsive, courteous, and knowledgeable.

Yogesh Agarwal, Business Head

Penna Cement

EAAA Alternatives has been a valuable partner for the past couple of years. What stands out about them is their quick grasp of our business and their ability to develop customised solutions that benefit both organisations. We look forward to further strengthening our partnership in the coming years.

Vivek Narasimhan, General Manager - Corporate Finance & Treasury

Awards Won by Our Assets

Safety

British Safety Council, 2022/2023/2024

- International Safety Awards – Merit (DMTCL)
- International Safety Awards – Distinction (Dhola Infra, DMTCL & SSEPL)
- International Safety Awards – Merit (Dibang Infra)
- International Safety Awards – Best in Region East (DMTCL)
- International Safety Awards – Sector Award (Dibang Infra)

National Safety Council, India - NSCI Safety Award 2022

- 'Prashansa Patra' in Service Sector Category (DMTCL)

OHSSAI Foundation Annual HSE Excellence & ESG Global Awards 2023

- Safety Award – Gold (DMTCL)
- Road Safety Award – Gold (Dhola Infra)
- HSE&E Leadership Award (DMTCL)
- HSE&E Mentor of the Year (DMTCL)

National Highways Excellence Awards by MoRTH, 2022

- Excellence in Highway Safety – Plain – Gold Award (Dhola Infra)

CII Southern Region EHS Excellence Awards 2023

- Gold Award – Distinction (SSEPL)

Excellence

National Highways Excellence Awards, 2021 by MoRTH

- Outstanding Work in Challenging Condition – Gold Award (Dibang Infra)
- Outstanding Work in Challenging Condition – Silver (Dhola Infra)

National Highways Excellence Awards, 2022 by MoRTH

- Green Highways – Silver Award (Dhola Infra)
- Excellence in Operations and Maintenance – Flexible - Silver Award (Dibang Infra)

Uttar Pradesh Annual Solar Awards – EQ Suryacon 2023

- Solar Project Monitoring Technology Company of the Year (ESPL)

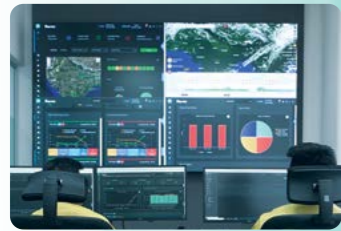
Build India Infra Awards 2024 by MoRTH

- Impact Category (Dhola Infra)

Value Enhancement

We create value through seamless collaboration between our investment and asset management teams. Value enhancements happen through multiple means - increasing operational efficiency, improving the capital structure or financial efficiency, project monitoring, and providing strategic inputs to our investee companies.

On the real assets side, our technology driven asset management platform empowers us to enhance and preserve the value of investments. Some of the features propelling our performance include:



Centralised control room for proactive asset management



Application-based inspection tool for proactive approach to maintenance



Technology enabled Safety Health Environment in our Real Assets Business

Additionally, our real assets strategy is supported by technology driven initiatives in safety, health, and the environment, reflecting our comprehensive approach to development.



Certificate for Occupational Health and Safety and Environmental Management (ISO 45001 & 14001)



Certificate for Asset Management Systems (ISO 55001-2013)



Certificate for Information Security Management (ISO 27001-2013)



Acquisition and Improvements in a Operating Road Asset



In November 2023, we acquired a 62 km 4-lane NHAI annuity road from IL&FS, following a distinct NCLT/NCLAT resolution framework. This process required navigating intricate settlements of prior-period admitted claims. Upon acquisition, we swiftly received an accelerated rating upgrade from 'IND D' to AAA, showcasing rating agencies' confidence in our platform capabilities. Additionally, we completed the complex refinancing and settlement of senior secured and unsecured creditors, resolving past dues in line with the NCLAT order. Throughout the stand-still period, our asset management team maintained impeccable asset quality, ensuring timely annuities from NHAI.



Growth Funding for an Engineering Services Company

Our Performing Credit Fund funded ~50% of the capital requirement of an engineering services of a company, in the year 2021, for a strategic investment as a co-promoter in a listed company. The borrower successfully operationalised ListCo's closed iron ore mine in a sensitive and challenging region and ramped up production to 10 MTPA over ~2 years. The operational turnaround of the listed company resulted in over 130x growth in EBITDA in the last 3 years and ~40x growth in market cap. The portfolio company's EBITDA too doubled during these 2 years.



Revival of a Pharma Company



Our Special Situations Fund invested in a US FDA-approved Active Pharmaceutical Ingredient (API) manufacturer in India, which was facing financial distress due to losses incurred in Research & Development (R&D), and an over-leveraged balance sheet. To support the Company, we facilitated the rightsizing of debt through a One Time Settlement (OTS), strengthened working capital, and regulated R&D and trading activities. Through ongoing efforts to enhance the product mix and optimise costs, the company's EBITDA improved from INR 1,450 mn to INR 2,550 mn.



Special Situations Funding for a Cement Company



Financing through our special situations fund significantly addressed operational bottlenecks for a cement company. By re-tenuring the debt, we bolstered the company's liquidity position, while a direct working capital infusion relieved pressure on stretched operating creditors. This normalisation of the working capital situation alleviated margin tightness caused by the prevailing liquidity crunch. Additionally, our financing enhanced positioning with key stakeholders, instilling greater confidence among distributors and suppliers in the company's sustainable performance improvement. Within the first year of our funding, both sales volumes and margins experienced notable improvements, setting the company on a sustainable path to performance without operational hindrances.

Our Strategies - Powering Our Success

At EAAA Alternatives, all our strategies across Private Credit, Real Assets and Private Equity are focused on long-term structural investment opportunities that India offers. These strategies help to bridge a market gap in the economy while targeting to deliver attractive risk-adjusted returns for our clients.



Private Credit*

Our private credit business provides tailored credit solutions to corporates, projects, or sponsors, effectively bridging the void left by traditional credit providers and aiding growth, completion, and revival. Our private credit strategies provide solutions to our borrowers and clients across the return spectrum. A focus on counterparties, collateral and cash flows helps to mitigate risks.

~INR 396 bn
Commitments



Performing Credit
- Corporate

~INR 322 bn
Amount Invested



Special Situations

~INR 320 bn
Amount Realised
(~0.99x of Amount Invested)



Performing Credit
- Real Estate

166
Investments



Core Credit

97
Exits

**Data as of June 2024 since inception*

Real Assets*

Our real assets business invests and operates infrastructure assets and commercial offices across core and value add strategies. We have recently launched an Energy Transition Fund which would focus on the theme of decarbonisation across energy, industrials and transportation sectors.



Infrastructure Yield



Rental Yield



Energy Transition



Perpetual Capital

~INR 137 bn
Commitments

~INR 89 bn
Amount Invested

31
Investments

~INR 191 bn
Enterprise Value of Assets

~INR 21 bn
Amount Realised

Private Equity

Our Private Equity strategy is centered on investing in mid-stage companies that are leaders in emerging sectors. We target businesses with established markets, experienced leadership, and strong unit economics. Our investment strategies span a range of sectors, including consumer brands, healthcare, specialised manufacturing, and tech-enabled B2B services.

Our investments fuel business expansion, foster innovation, and create job opportunities, helping mid-stage companies scale operations and achieve long-term success. This contributes to broader economic growth and development.

Private Credit

Performing Credit - Corporate

Flexible capital to corporates for growth, M&A and stake enhancement

Opportunity

Companies and promoters require capital for diverse needs like growth, acquisitions, and stake enhancement that traditional lenders like banks and NBFCs are constrained to provide due to regulatory constraints. This situation presents an opportunity for private credit providers like us to offer non-dilutive capital at lower costs as compared to private equity.

Impact

The strategy focuses on providing growth capital to companies, thereby assisting in employment generation.

Special Situations

Primary and priority financing of companies in special situations, buyouts of stressed loans, high yield super senior financing

Opportunity

Conventional lenders encounter limitations in lending capital for special situations like last-mile financing of projects, or the revival of stressed companies due to sectoral and end-use restrictions. Banks and non-banking financial companies seek solutions to resolve their stressed assets, fortify their capital reserves, and manage asset-liability mismatches.

Impact

The strategy is centred around reviving companies, thereby contributing to saving and generating employment opportunities.

Performing Credit – Real Estate

Structured credit to mid-income and affordable real estate projects for construction and completion

Opportunity

The Indian real estate market presents a large investment opportunity for investors with long-term patient capital. Rising income levels, growing urbanisation, the nuclearisation of families, and a structural shortage of houses have created a long-term opportunity in residential real estate in India. Recent reforms, such as the implementation of RERA and Insolvency and Bankruptcy Code have helped in the institutionalisation of the sector.

Impact

The strategy focuses on providing capital for the construction and completion of mid-income and affordable homes.

Core Credit

Bespoke credit solutions for operating and holding companies

Opportunity

Regulatory constraints on structured lending along with non-banks shifting away from wholesale to retail lending has created a large opportunity for alternative asset managers to provide credit solutions to operating and holding companies. With the benefit of taxation on debt mutual funds being taken away, demand for such credit products has increased.

Impact

The strategy focuses on providing growth capital to companies, thereby facilitating job creation.

Empowering businesses with bespoke financing solutions, our Private Credit offerings drive growth, innovation, and resilience. From special situations to corporate expansion and real estate projects, we unlock potential and deliver transformative impact.

Real Assets

Infrastructure Yield

Buying operating infrastructure assets with strong counterparties, long residual life, and high EBITDA margins to provide predictable yields and potential capital appreciation

Opportunity

Private developers in India currently own operating infrastructure assets of ~USD 300 bn. The Government of India has a strong focus on infrastructure with spending expected to reach ~USD 1.75 tn over 2024-30. Monetisation of such assets by private developers and the Government of India is a key driver as they look to recycle capital and fund future projects. Ownership of these assets is fragmented which provides an opportunity to aggregate these assets.

Impact

The strategy would look to enhance the value of the underlying infrastructure assets by improving operating and financial efficiency.

Perpetual Capital Strategy (InvIT)

Investing in a diversified portfolio of energy assets to provide long-term predictable yield and growth

Opportunity

The outlook for the power sector remains positive, led by economic growth, strong policy support from the Government of India, tariff competitiveness and sustainability initiatives by commercial & industrial customers. Installed power generation capacity is expected to increase to 777 GW by March 2030 with the share of renewable energy at 53%. The sector is likely to witness investments of ~INR 28 tn across transmission, generation and distribution over the medium term. Further, sectors such as pumped storage and battery storage are likely to see high investments to enable effective integration of renewable energy power with the grid.

Impact

Enabling India's energy transition through investment in a platform of high quality transmission and renewable energy assets.

Rental Yield

Buying quality commercial offices in established office markets and occupied by marquee tenants with an opportunity to enhance value

Opportunity

Grade A commercial office stock in India is expected to touch ~1 bn sq ft 2027 from the current ~800 mn sq. ft. Availability of skilled and cost competitive talent, increasing presence of Global Capability Centers (GCCs), growth in office demand from domestic corporates and the growing technology sector are the key demand drivers. Institutionally owned and managed assets are operating at higher occupancy compared to the market. This demand of commercial offices is leading to strong rental growth in most Indian cities which is expected to continue.

Impact

This strategy aims to enhance the sustainability of offices that it acquires through initiatives which include automation and green certifications.

Energy Transition

Invests in companies/ greenfield projects across climate mitigation and adaptation themes

Opportunity

India's commitment to climate goals supported by favourable regulations has created large structural investible opportunity across climate mitigation & climate adaptation in sectors including renewables, transmission, EV infra, and digital infrastructure. There are a large number of diverse mid-sized businesses in India in this space for whom apart from access to capital, asset management expertise and impact assessment, are critical for the long-term stability and scalability of businesses.

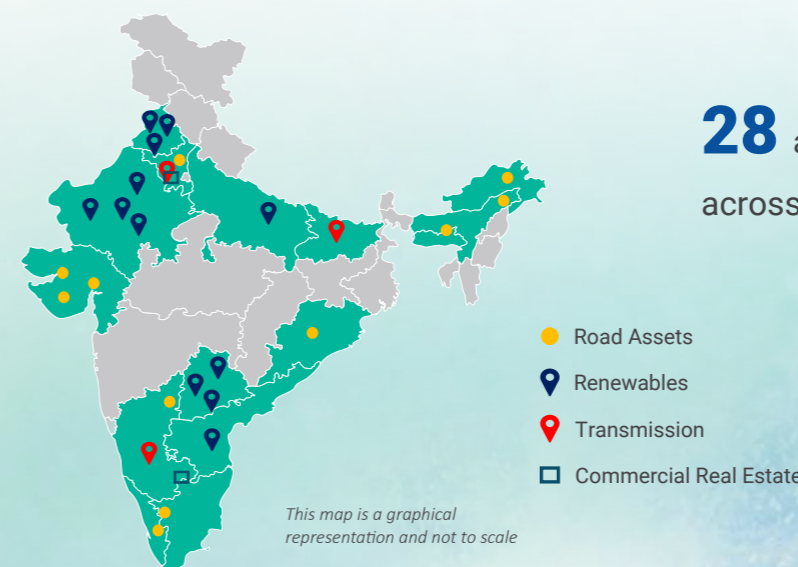
Impact

The Energy Transition Strategy would be focused on decarbonisation of energy, industrial and transportation sectors.

Real Assets Portfolio Across India

EAAA Alternatives is now one of India's leading real assets platform comprising 26 assets across energy and transportation sector with ~813 MWp of renewable capacity, ~4,950 lkms of roads, ~1,815 ckms transmission line and 2 CRE assets across ~1.8 mn sq. ft. in Bengaluru and NCR. We now have a presence across 15 states in India.*

*Data as of June 2024



28 assets
across **15** states*

Approach towards Sustainability

At EAAA Alternatives, we recognise that sustainability plays a crucial role in shaping investment outcomes and contributing to long-term value creation. We believe that embedding environmental, social and governance factors into our investment analysis aligns with our approach towards sustainability, bolsters risk management, and helps to improve our investment outcomes.

In January 2023, we became a UNPRI Signatory



Our endeavour to responsible investing is reflected in our actions. We have implemented a framework comprising four operational pillars that integrate ESG principles in our operations.



Human Rights

We seek to invest in enterprises that uphold human rights and refrain from supporting companies involved in child or forced labour exploitation.



Planet and People

Our investment strategy revolves around sustainability and the welfare of communities, demonstrating our pursuit of long-term value generation.



Integrity

We actively promote policies within our investee companies that discourage corruption and bribery, fostering a culture of integrity and transparency.



Labour Laws Adherence

We ensure adherence to India's relevant national, state, and local labour laws while prioritising a safe work environment, by the investee company. Our dedication to the well-being of our workers remains steadfast and resolute.

Our ESG Approach

Our ESG policy framework stands as a testament to our dedication to a diverse range of stakeholders, reinforcing our adherence to local, national, and international norms and guidelines. By upholding these principles, our business aligns with the expectations and aspirations of the global community, paving the way for a sustainable and inclusive future.

We seek to identify, monitor, and assess any ESG-related risks associated with our investments during the investment process.



Pre-Investment Phase

- ✦ Exclusionary sectors/negative screening
- ✦ Pre-investment ESG assessment through interaction with management, use of publicly available sources and use of external diligence on ESG factors where necessary



Investment Phase

- ✦ Independent inputs from the risk team and investment committee
- ✦ Appropriate covenants included in the deal documentation



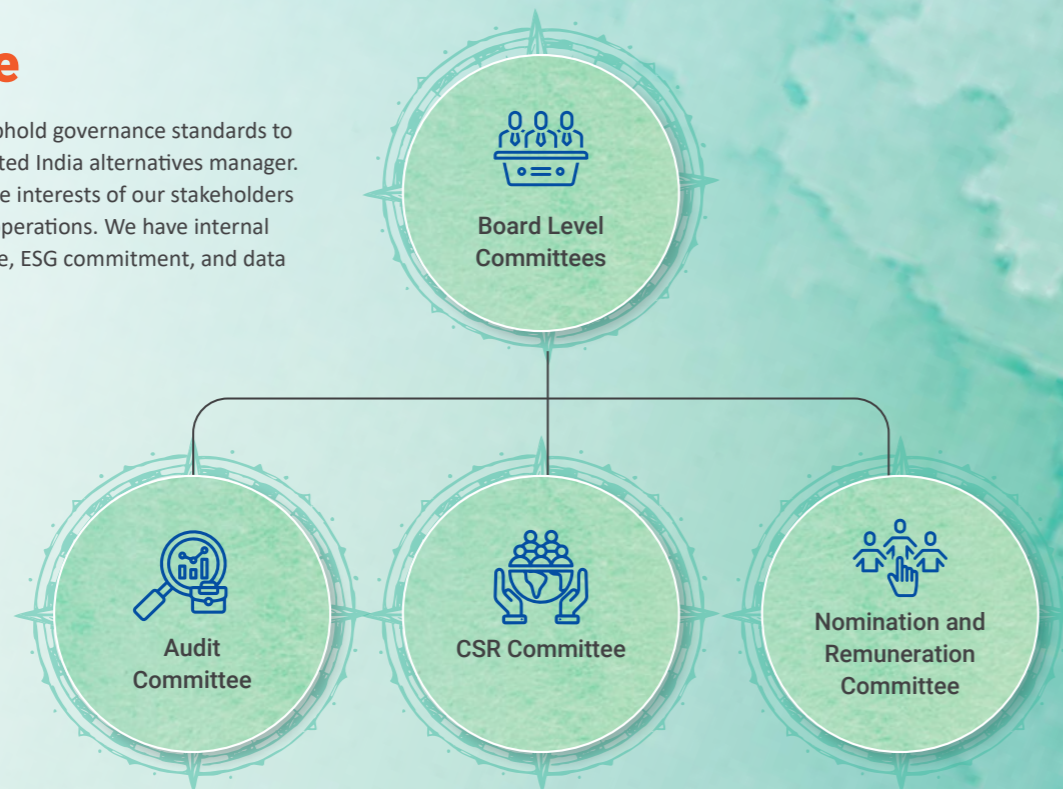
Post-Investment Phase

- ✦ Monitoring of ESG data
- ✦ Evaluating progress of the portfolio companies on any corrective action plan as applicable
- ✦ ESG risk map to track parameters with any material risk being highlighted in portfolio reviews

Our ESG approach integrates sustainability into our operations, from pre-investment assessments to ongoing monitoring. We are committed to responsible investing, enhancing transparency, and delivering long-term value while reducing environmental impact.

Governance

At EAAA Alternatives, we uphold governance standards to fulfill our vision to be a trusted India alternatives manager. Ethics, transparency, and the interests of our stakeholders are at the forefront of our operations. We have internal protocols, covering diligence, ESG commitment, and data protection.



The stewardship of EAAA Alternatives is entrusted to the esteemed Board of Directors. This oversight is further fortified by the collaborative efforts of specialised committees, such as the Audit Committee and the Nomination & Remuneration Committee, in addition to five other governance committees.

ESG Governance Structure

Our governance structure includes the ESG Governing Council and the ESG Task Force, which facilitate integration of sustainability into our business and investment processes, fostering long-term value creation for all stakeholders and ease in decision-making.



ESG Governing Council

The Committee, chaired by our MD & CEO or equivalent, includes representatives from EAAA Alternatives and the Edelweiss Group. It drives strategic direction in ESG efforts, offers oversight, and promotes collaboration. Crucial for aligning initiatives with corporate goals and regulations.



ESG Task Force

Our sustainability team acts as the central point of contact for ESG initiatives within the firm, with additional members joining the task force as and when required. They are responsible for liaising with both internal and external stakeholders to implement good ESG practices and processes at EAAA Alternatives. This includes integration of ESG in the investment process and regular reporting on ESG matters to stakeholders.

Environment Stewardship

At EAAA Alternatives, we endeavour to focus on environmental stewardship in our portfolio companies. We work towards sustainable energy use, striving to minimise our carbon footprint through efficient energy practices. Consciously conserving water is another cornerstone of our environmental commitment, where we implement measures to reduce consumption and promote water efficiency.

Key Highlights of Environmental Performance – Infrastructure Portfolio

Our Solar Assets generated
~1,225,000 Mwh
 of green energy in FY 2023-24



~45,000 kilolitres
 of water saved in FY 2023-24 through
 robotic cleaning of the solar panels
 and rainwater harvesting systems in
 our portfolio entities



~24.8 mmtCO2e
 Estimated reduction in Carbon
 emissions over the life of our solar
 assets



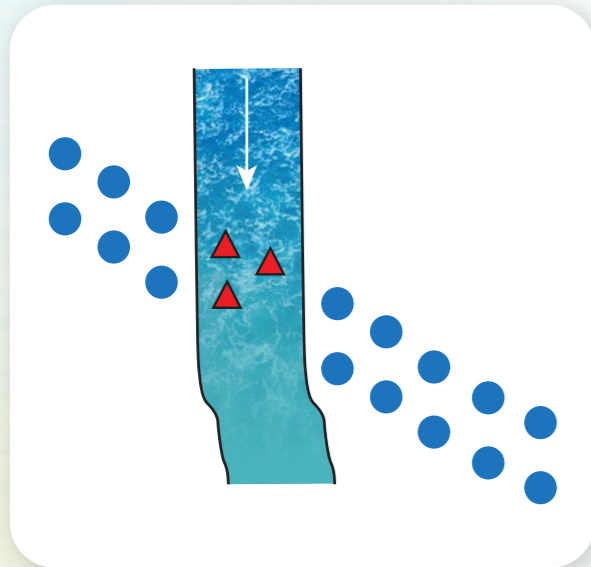
Spotlight 1

Climate Adaptation - Pile foundation on towers with flood exposure

Our transmission line asset passing through Gandaki river in Bihar, originally had 39 open cast and 4 pile foundations. Historically, given that the river changed its course, the transmission towers were exposed to potential risks due to open cast foundations which would make them vulnerable towards this change. Post acquisition by our Infrastructure Portfolio, the open cast foundations were replaced with pile foundations to mitigate potential risk of damaging of transmission towers by improving strength of the foundations.

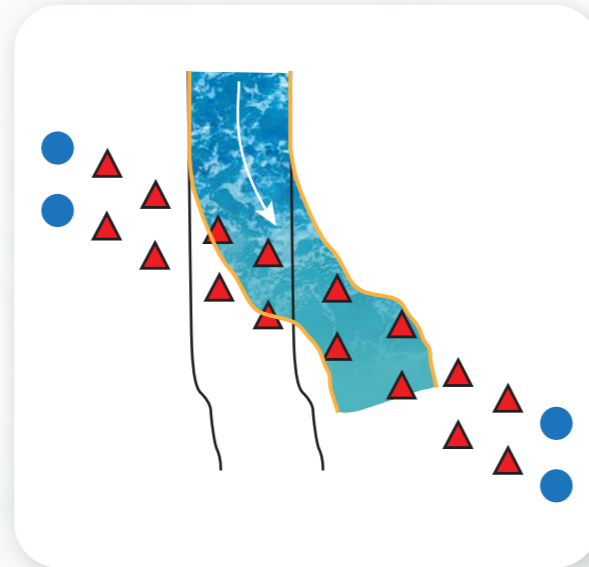
Pre-Strengthening

River flow



Post-Strengthening

Shift in river course



● Open Cast Foundation ▲ Pile Foundation ↓ Flow of River | Diverted Course of River | Original Course of River

Spotlight 2

Environmental Risk Mitigation - Building Spurs and Rebuilding Guide Bunds for Our Road Asset

To mitigate any damage to our Dibang road asset and a bridge due to river flooding, a flexible guide bund using Polypropylene (PP) coated wire rope gabions and locally available boulders was built – along with 7 Repelling Spurs and was laid down along the shore of the river. This solution has strengthened the guide bund and shall protect it against any potential phenomenon of the river meandering sideways.

Extensive Damage to Guide Bunds



New Guide Bunds



Repelling Spurs



Spotlight 3

Adopting Circularity Principles to Reduce Waste in Cement Manufacturing

One of our portfolio companies, following our sustainability guidance, has significantly reduced waste in its cement manufacturing unit.

- * Fly Ash (Other Waste) generated in the captive power plants is repurposed as an additive for blending with cement.
- * The hazardous waste (oil sludge) generated in the cement production process is sold to registered recyclers or disposers.

- * The company has achieved plastic negativity by using Plastic Waste (plastic waste) from its manufacturing units as fuel in the kilns and sourcing additional plastic waste from local municipal corporations and industries for use as alternative fuel. These initiatives have resulted in lower consumption of natural resources, reduced environmental footprints, and curtailed emissions.
- * The company's products do not produce any e-waste. However, the e-waste produced during the office operations is sold to the registered recyclers.

Social



100% Employees Received Performance and Career Development Reviews



Total Training Hours (Online + Classroom) is **2,420** hours



~24% Female Workforce



250+ Total Employees

Learning & Development Initiatives

Mentoring and regular learning programmes are integral to fostering professional growth at our organisation. We offer tailored training in technical skills, industry knowledge, technology upskilling, and leadership development. Employees receive personalised guidance through mentoring and coaching sessions to unlock their potential and contribute effectively to our success. Our learning and development offerings are split into three primary buckets – mandatory/compliance-related, functional skills and leadership/soft skills.

For FY 2023-24, our employees training hours increased to 9 hours compared to 3.1 hours per employee in FY 2022-23.

Shaping Communities through CSR

Employees of EAAA Alternatives participated in a number of Social Activities

Beach Cleanup - United Way

We collected approximately 200 kg of waste that was ocean bound and contributed to reducing marine litter.



Finance Literacy + Wall Painting - United Way

Volunteers from EAAA Alternatives visited and interacted with approximately 250 students through direct and indirect means in school for underprivileged students. We conducted lectures for students on the topic of financial literacy. Our employees also painted various illustrations on school walls.



Tree Plantation - Vrikshit Foundation

With the help of the Vrikshit Foundation, we planted around 75 trees and contributed our small share to making the Earth greener. Our portfolio companies in the infrastructure yield strategy also planted around ~7,700 plants.



Sustainability Awareness Session

Last year in collaboration with EarthJust.org and Co.labx, we conducted a session on Sustainable living to highlight the good ESG practices that can be included in one's life. Around 45 employees attended this session.



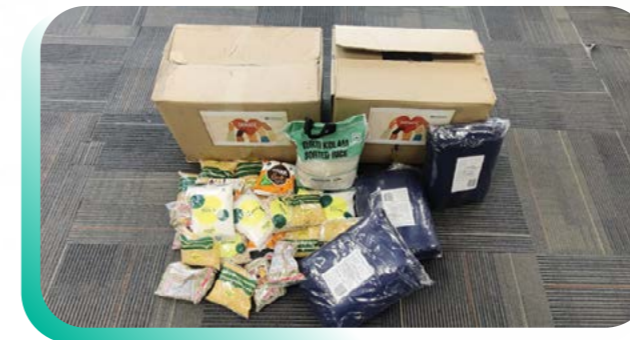
Blood Donation Drive

As a responsible organisation, we organised a blood donation drive in our Mumbai office. Around 70 employees donated their blood to people in need.



Flood Relief Drive

From December 2023 to January 2024, we arranged donation boxes for employees to donate groceries and daily hygiene items for flood victims of Andhra Pradesh, Tamil Nadu and adjoining areas.



Women's Day Celebration

We, at EAAA Alternatives, encourage diversity and recognise the hard work of our women employees. To felicitate those efforts, we conducted a women's day celebration which was attended by around 70 women employees along with our senior management.



Webinars

We conducted webinars for employees on different topics to create awareness on Nutrition, Cancer Day and Mental Health Day, interacting with more than 90 employees.

Statutory Reports

Corporate Identity Number: U67190MH2008PLC182205

FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

BOARD OF DIRECTORS

Mr. Rashesh Shah, Non Executive Chairperson
(w.e.f. 28th August 2024)

Mr. Venkatchalam Ramaswamy, MD & CEO

Mr. Kanu Doshi, Independent Director

Mr. Sunil Phatarphekar, Independent Director

Mr. William Preston, Independent Director
(w.e.f. 28th August 2024)

Ms. Priyadeep Chopra, Non Executive Director

Mr. Sushanth Nayak

(ceases to be Wholtime Director from 28th August 2024)

CHIEF FINANCIAL OFFICER

Mr. Hemal Mehta

COMPANY SECRETARY

Mr. Deepak Mukhija

STATUTORY AUDITORS

Nangia & Co. LLP, Chartered Accountants

REGISTERED OFFICE

Edelweiss House, Off C.S.T. Road,
Kalina, Mumbai – 400 098.

Corporate Identity No.: U67190MH2008PLC182205

Tel: +91 22 4009 4400

Fax: +91 22 4086 3759

CONTACT DETAILS OF THE DEBENTURE TRUSTEE:

Catalyst Trusteeship Limited

Windsor, 6th Floor, Office No.604

C.S.T. Road, Kalina, Santacruz (East)

Mumbai - 400098

Tel No.: +91 022 4922 0555

Email ID: ComplianceCTL-Mumbai@ctltrustee.com

Website: www.catalysttrustee.com

CONTACT DETAILS OF THE REGISTRAR AND TRANSFER AGENT:

Link Intime India Private Limited

C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg,

Vikhroli West, Mumbai – 400083

Tel No.: +91 22 49186270

Fax No.: +91 22 49186060

Email ID: amit.dabhade@linkintime.co.in

Website: linkintime.co.in

Board's Report

To the Members of

Edelweiss Alternative Asset Advisors Limited,

The Directors present their 16th Annual Report on the business, operations and the state of affairs of Edelweiss Alternative Asset Advisors Limited (the "Company") together with the audited financial statements for the year ended March 31, 2024:

FINANCIAL SUMMARY/ HIGHLIGHTS

Consolidated Financial Performance:

	(₹ in mn)	
Particulars	2023-2024	2022-2023
Total income	5,842.49	7,012.27
Total Expenses	3,715.61	3,606.95
Profit/(Loss) Before Tax	2,126.88	3,405.32
Tax Expenses/(Benefit)	3,75.29	183.40
Profit/(Loss) for the year	1,751.59	3,221.92
Other Comprehensive Income		
Re-measurement gain on defined benefit plans	(1.28)	0.76
Income tax relating to items that will not be reclassified to profit or loss	0.37	(0.17)
Exchange differences in translating the financial statements of foreign operations	(14.82)	73.75
Total Comprehensive Income	1,735.86	3,296.27

Standalone Financial Performance:

	(₹ in mn)	
Particulars	2023-2024	2022-2023
Total income	4,093.71	2,763.34
Total Expenses	2,621.22	1,808.98
Profit/(Loss) Before Tax	1,472.49	954.37
Tax Expenses/(Benefit)	360.34	172.10
Profit/(Loss) for the year	1,112.15	782.27
Other Comprehensive Income		
Re-measurement gain on defined benefit plans	0.59	0.68
Income tax relating to items that will not be reclassified to profit or loss	(0.15)	(0.17)
Total Comprehensive Income	1,112.59	782.78

OPERATIONS & STATE OF AFFAIRS OF THE COMPANY

During the year ended March 31, 2024, the Company earned the standalone revenue of ₹ 4,093.71 mn as against ₹ 2,763.34 mn during the previous year. The Company earned standalone profit of ₹ 1,112.15 mn during the year ended March 31, 2024, as against ₹ 782.27 mn during the previous year.

During the year under review, Fee income from the business of investment management was ₹ 3,209.45 mn for the financial year ended March 31, 2024, as compared to ₹ 2,296.38 mn for the previous financial year. The earnings per share of the Company on standalone basis were ₹ 34.60 per share for the financial year ended March

31, 2024 as compared to ₹ 41.27 per share during the previous financial year and on consolidated basis were ₹ 54.50 per share for the financial year ended March 31, 2024 as compared to ₹ 169.98 per share during the previous financial year.

SHARE CAPITAL

During the year under review, the Authorised Share Capital of the Company has been increased from ₹ 23,00,00,000/- (Rupees Twenty-Three Crore Only) to ₹ 43,00,00,000/- (Rupees Forty-Three Crore Only), divided into 4,20,00,000 (Four Crore Twenty Lakhs) Equity Shares of ₹ 10/- (Rupees Ten Only) each and 10,00,000 (Ten Lakhs) Preference Shares of ₹ 10/- (Rupees Ten Only) each.

Board's Report (Contd.)

During the year under review 64,70,588 equity shares were allotted towards the conversion of Compulsorily Convertible Debentures which were originally allotted on March 30, 2021.

Further, pursuant to the aforesaid allotment, the issued, subscribed and paid-up share capital of the Company stands at ₹ 18,84,53,250 consisting of 1,88,45,325 Equity Shares of ₹ 10/- each.

DIVIDEND

The Board of Directors of your Company, has not recommended any Dividend for the financial year 2023-24.

DEPOSITS

The Company did not accept any deposits within the meaning of section 73 of the Companies Act, 2013 and rules made thereunder and, as such, no amount of principal or interest was outstanding, as on the date of Balance Sheet.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, which affect the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

RISK MANAGEMENT & INTERNAL FINANCIAL CONTROL

The Company has adopted comprehensive risk management policy and procedures for its business of investment management within the alternate assets domain. Under these policies and procedures, the risk analysis is done at the time of doing any transactions as well as on periodic intervals.

The Board of Directors confirms that your Company has laid down set of standards, processes and structure which enables to implement Internal Financial controls across the organisation with reference to Financial Statements and that such controls are adequate and are operating effectively. During the year under review, no material or serious observation has been observed for inefficiency or inadequacy of such controls.

SUBSIDIARIES

The Company has following subsidiaries:

- Edelweiss Real Assets Managers Limited;
- Sekura India Management Limited; and
- Edelweiss Alternative Asset Advisors Pte Limited.

A statement providing details of performance and salient features of the financial statements of the above mentioned subsidiaries, as per Section 129(3) of the Act, is provided as **Annexure A** to the consolidated financial statement and therefore, not repeated in this Report to avoid duplication.

The audited financial statements including the consolidated financial statements of the Company and all other documents required to be attached thereto is available on the Company's website and can be accessed at www.edelweissalternatives.com.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

1) Appointment

Mr. Venkatchalam Ramaswamy (DIN: 00008509) was appointed as an Additional Director of the Company with effect from January 22, 2024, and shall hold office until the forthcoming annual general meeting.

The approval of the Members of the Company is sought for re-appointment of Mr. Venkatchalam Ramaswamy as the Director at the forthcoming Annual General Meeting of the Company.

2) Key Managerial Personnel (KMP)

In terms of the provisions of Section 203 of the Companies Act, 2013, Mr. Sushanth Nayak (DIN: 02857645), Whole-Time Director, Mr. Deepak Mukhija, Company Secretary and Mr. Hemal Mehta, Chief Financial Officer are the Key Managerial Personnel of the Company.

3) Director Retiring by Rotation

Ms. Priyadeep Chopra (DIN: 00079353), retires by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment.

Declaration from Independent Directors

The Board has received declarations from the Independent Directors as per the requirement of Section 149(7) of the Companies Act, 2013 and the Board is satisfied that the Independent Directors meet the criteria of independence as mentioned in Section 149(6) of the Companies Act, 2013. All the Independent Directors of the Company have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and the provisions of sub rule (1) and (2) of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 with respect to registration with the Indian Institute of Corporate Affairs for the Independent Directors' Data base and have passed the proficiency test or are exempted from the same.

*Board's Report (Contd.)***BOARD AND COMMITTEE MEETINGS****Board**

During the Financial year 2023-24, 5 (Five) meetings of the Board of Directors were held.

Audit Committee

As on date of this report, the Audit Committee consists of Mr. Kanu Doshi, Mr. Sunil Phatarphekar and Ms. Priyadeep Chopra.

During the year under review, 4 (Four) meetings of the Audit Committee were held.

Nomination and Remuneration Committee

As on date of this report, the Nomination and Remuneration Committee consists of Mr. Kanu Doshi, Mr. Sunil Phatarphekar, Ms. Priyadeep Chopra and Mr. Venkatchalam Ramaswamy.

During the year under review, 2 (Two) meetings of the Nomination and Remuneration Committee were held.

Corporate Social Responsibility Committee

In accordance with the provisions of Section 135 of the Companies Act, 2013 (the "Act"), the Board of Directors of the Company has constituted the Corporate Social Responsibility Committee (CSR Committee). As at March 31, 2024, the Committee was comprising of the following Directors:

Mr. Kanu Doshi;

Mr. Sunil Phatarphekar; and

Mr. Sushant Nayak.

The Company has made contributions under CSR mainly through the philanthropic arm of Edelweiss Group i.e. EdelGive Foundation. The CSR Projects of the Company largely focuses on the broad areas such as sustainable livelihood, quality education, women empowerment, climate action, etc.

Further details in this regard are provided in **Annexure B** to this Report.

Independent Directors Meeting

During the year under review, 1 (One) meeting of Independent Directors was held.

POLICY ON REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Company has adopted a Remuneration Policy for the remuneration payable to the Independent Directors, Non-executive Directors, Managing Director/Executive Directors, KMPs, and other Senior level employees of the Company. The said Remuneration Policy is available on the Company's website and can be accessed at <https://www.edelweissalternatives.com/wp-content/uploads/2022/03/Remuneration-Policy-EAAA-1.pdf>

LOANS, INVESTMENTS AND GUARANTEES

The particulars of loans given and investments made by the Company are provided in the financial statement. The details of the investments are also given in the notes of the financial statement attached to this report.

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 as **Annexure C**, 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.

INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL), ACT, 2013

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.

ANNUAL RETURN

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company, has been placed on the Company's website and can be accessed at www.edelweissalternatives.com.

*Board's Report (Contd.)***CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/ OUTGO****A. Conservation of Energy**

- i) the steps taken or impact on conservation of energy - The operations of your Company are not energy-intensive. However, adequate measures have been initiated for conservation of energy.
- ii) the steps taken by the Company for utilising alternate 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 ₹ 336.00 mn (previous year ₹ 253.40 mn) and ₹ 8.03 mn (previous year ₹ 5.20 mn) respectively.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

The Company is committed to integrate ESG in its business strategy and investment procedures, through a Responsible

Investing approach. To reaffirm this commitment, we became signatory to the United Nations-supported Principles for Responsible Investment ("PRI") in January 2023. We have developed a customised ESG Policy framework which is guided by the principles of the UN Global Compact (UNGC) and UNPRI. We have been publishing ESG Reports since FY20 and will continue to publish it every year. The ESG Report is aligned with globally accepted standards (Global Reporting Initiative (GRI), Sustainable Development Goals (SDG's), UN Global Compact (UNGC) and Sustainability Accounting Standards Board (SASB). We are fully committed to contribute to India's clean energy transition and our funds invested ~INR 910 Cr (~USD 110 Mn) till date towards renewable energy assets. Our Funds have invested ~USD 296 Mn in stressed assets in FY24. This capital helps to free up capital of banks/non-banks and / or helps in revival of companies. Approximately 45,000 Kilolitres of water was saved in FY 24 through robotic cleaning of the solar panels and rainwater harvesting systems in our portfolio entities. We continue to be committed towards health and safety of the employees. The assets in the Infrastructure Yield portfolio have received the British Safety Council, International Safety Award and the "Gold Award" in the Power Category, the highest recognition at the OHSSAI 8th Annual HSE Excellence & ESG Global Awards.

AUDITOR'S REPORT

The Auditor's Report on Audited Financial Statements for the Year ended March 31, 2024, issued by M/s. Nangia & Co. LLP, Chartered Accountants, Mumbai (FRN 002391C/N500069) Statutory Auditors of the Company is self-explanatory and does not contain any qualification, reservation or adverse remark or disclaimer.

During the year under review, the Statutory Auditors have not reported any incident of fraud to the Board of Directors.

AUDITORS

In accordance with provisions of Section 139 of the Companies Act, 2013 and the Rules framed thereunder (the Act), M/s. Nangia & Co. LLP, Chartered Accountants were appointed as the Auditors of the Company at the 15th Annual General Meeting (AGM) held in the year 2023 to hold office till the conclusion of 20th Annual General Meeting of the Company to be held in the year 2028.

COMPLIANCES AS TO SECRETARIAL STANDARDS

The Company has complied with the provisions of Secretarial Standards i.e. Secretarial Standard-1 and

Board's Report (Contd.)

Secretarial Standard-2 applicable to the Company, during the Financial Year 2023-24.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Ashita Kaul & Associates, Company Secretaries, Mumbai, was appointed to undertake the Secretarial Audit of the Company for the financial year 2023-24. In this regard, the Report submitted by the Secretarial Auditor is annexed as **Annexure D**. During the year under review, the Secretarial Auditor has not reported any qualifications or negative remarks.

EMPLOYEES

The Company recognises that human capital is the key to success and growth in the Company's business. As on March 31, 2024, the Company has 171 employees.

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 along with proper explanation relating to material departures;
- (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, 2024 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.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

COST RECORDS

The Company is not required to maintain cost records as specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013.

ACKNOWLEDGEMENTS

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**

Sushanth Nayak
Whole Time Director
DIN: 02857645

Priyadeep Chopra
Director
DIN: 00079353

Date: May 8, 2024

Annexure A**FORM AOC 1**

Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

1	Sl. No.	1	2	3
2	Name of the subsidiary	Edelweiss Real Assets Managers Limited	Sekura India Management Limited	Edelweiss Alternative Asset Advisors Pte Limited
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	NA	NA	SGD ₹ 61.7390/SGD
5	Share capital	0.62	0.50	446.64
6	Reserves & surplus	134.03	16.84	3,162.74
7	Total assets	148.60	111.84	5,993.13
8	Total Liabilities	13.95	94.50	2,383.75
9	Investments	113.28	Nil	5,086.78
10	Turnover	62.80	357.66	1,670.31
11	Profit before taxation	28.23	(21.91)	648.07
12	Provision for taxation	5.50	(1.26)	10.71
13	Profit after taxation	22.73	(20.65)	637.36
14	Proposed Dividend	Nil	Nil	Nil
15	% of shareholding	100%	100%	Class A shares: 100%, Class B shares: 95%

Notes:

1. Names of subsidiaries which are yet to commence operations - None
2. Names of subsidiaries which have been liquidated or sold during the year - None

Annexure B

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company:

CSR Philosophy and Vision Statement:

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

Summary of Scope of the activities:

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
- Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts.
- Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows.
- Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports.

- Contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women.
- Contribution to:
 - incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
 - Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
- Rural development projects.
- Slum area development.

Explanation - For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.
- Disaster management, including relief, rehabilitation and reconstruction activities.

Annexure B (Contd.)

The above list is illustrative and not exhaustive. The CSR Committee of Board of Directors is authorised to consider other CSR activities which are not included in this list.

It is clarified that all the aforesaid activities or programs shall be undertaken in India only and also that such programs and activities shall not be designed to benefit only the employees of the Company and their families.

The Annual Action Plan for selection and implementation of the CSR projects covering one or more of the above list of activities will be formulated by the CSR Committee and approved by the Board of directors from time to time.

2. Composition of CSR Committee:

Sr. No.	Name of the Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Kanu Doshi	Member	1	1
2.	Mr. Sunil Phatarphekar	Member	1	1
3.	Mr. Sushant Nayak	Member	1	1

- Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company. <https://www.edelweissalternatives.com/investor-relations/>
- Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable Not Applicable
- (a) Average net profit of the Company as per section 135(5): 23,91,15,356
(b) Two percent of Average net profit of the Company as per section 135(5): 47,82,307
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
(d) Amount required to be set off for the financial year, if any: Nil
(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: 47,82,307/-
- (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 48,00,000/-
(b) Amount spent in Administrative Overheads: Nil
(c) Amount spent on Impact Assessment, if applicable: Not Applicable
(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 48,00,000/-
(e) **CSR Amount spent or unspent for the Financial year:**

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
48,00,000	-	-	-	--	-

(f) Excess amount for set-off, if any:

Sr. No	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section 135(5)	47,82,307
(ii)	Total amount spent for the Financial Year	48,00,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 17,693
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 17,693

Annexure B (Contd.)

7. a) Details of Unspent CSR amount for the preceding three financial years: Nil

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of Transfer	
Nil							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: Not Applicable

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

Sushanth Nayak
Wholetime Director

Kanu Doshi
Chairman CSR Committee

Date: May 8, 2024
Place: Mumbai

Annexure C

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 mn)

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/ transaction	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
1								

II. Details of material contracts or arrangement or transactions at arm's length basis: None

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 (₹ in mn)	Date of approval by the Board	Amount paid as advances, if any
1						

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

Sushanth Nayak
Whole Time Director
DIN: 02857645

Priyadeep Chopra
Director
DIN: 00079353

Date: May 8, 2024

Annexure D

FORM NO. MR-3

Secretarial Audit Report For the Year Ended March 31, 2024

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 09 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
EDELWEISS ALTERNATIVE ASSET ADVISORS LIMITED
Edelweiss House, Off. C.S.T Road, Kalina,
Mumbai City, Mumbai, Maharashtra,
India, 400098

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Edelweiss Alternative Asset Advisors Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of **Edelweiss Alternative Asset Advisors Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the year ended March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the year ended March 31, 2024 according to the provisions of:-

1. The Companies Act, 2013 (the Act) and the rules made thereunder; as applicable
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder-**Not applicable**;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable**
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable**
 - e) The Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008; **Not Applicable**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable**
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable**
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable**
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015

6. Other laws specifically applicable to the Company:-

The adequate systems and processes are in place to monitor and ensure compliance with general laws like labour laws, environmental laws etc. to the extent of their applicability to the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

Annexure D (Contd.)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that, the Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors, Executive Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were

sent at least seven days in advance, and system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings are carried out unanimously as recorded in the minutes of the meetings of Board of Directors.

We further report that, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.

For Ashita Kaul & Associates
Practicing Company Secretaries

Ashita Kaul

Proprietor

FCS 6988/CP 6529

Peer Review: 1718/2022

Date: May 7, 2024

Place: Thane

UDIN: F006988F000327077

Note: This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

Annexure D (Contd.)

ANNEXURE A

To
The Members,
EDELWEISS ALTERNATIVE ASSET ADVISORS LIMITED
Edelweiss House, Off. C.S.T Road, Kalina,
Mumbai City, Mumbai, Maharashtra,
India, 400098

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the practices and processes, We followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, We have obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Ashita Kaul & Associates
Practicing Company Secretaries

Ashita Kaul
Proprietor
FCS 6988/CP 6529
Peer Review: 1718/2022

Date: May 7, 2024
Place: Thane
UDIN: F006988F000327077

Financial Statements

Corporate Identity Number: U67190MH2008PLC182205

Independent Auditor's Report

To the Members of

Edelweiss Alternative Asset Advisors Limited

Report on the Audit of Standalone Ind AS Financial Statements

OPINION

We have audited the accompanying Standalone Ind AS Financial Statements of Edelweiss Alternative Asset Advisors Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the Financial Statements, including a summary of material accounting policies and other explanatory information for the year ended on that date.

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, 2024, and 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 standalone Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in 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 Companies Act, 2013 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.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key Audit Matter	How the matter was addressed in our Audit
Revenue from Asset management and advisory fees: Revenue from operations is the most significant in the Statement of Profit and Loss. It majorly comprises of the asset management and advisory fees which is based on certain percentage as mentioned in Private Placement Memorandum (PPM) and contribution agreement. There are inherent risks in computing management fees and manual input of key contractual terms, which could result in errors. Considering the complexity in contractual terms involving multiple schemes, it requires monitoring to ensure completeness. Accordingly, we have considered revenue from management	Our audit procedures included the following: <ul style="list-style-type: none"> Obtained and read the accounting policy for revenue recognition Obtained an understanding of the significant revenue items and identified where there is a higher risk of error due to manual processes, complex contractual terms and areas of judgement. Test checked the design and operating effectiveness of key controls in place across the Company over recognition of management and advisory fees.

Independent Auditor's Report (Contd.)

Key Audit Matter	How the matter was addressed in our Audit
and advisory fees as a key audit matter. Any discrepancy in such computation could give rise to a material misstatement in the financial statements	<ul style="list-style-type: none"> On a sample basis, obtained and tested arithmetical accuracy of revenue calculation and the reconciliation with the accounting records. On sample basis, verified the input of contractual terms with rates mentioned in PPM. On a sample basis, checked the receipts of such income in bank statements. Re-calculated management and advisory fees in respect of certain sample invoices and compared with the actual fees charged by the Company. Evaluate the disclosure relating to asset management and advisory fees income earned by the Company

OTHER INFORMATION

The Company's Board of Directors is responsible for the other information. The other information comprises the Board's Report ("other information"), but does not include the standalone Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

RESPONSIBILITY OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE IND AS FINANCIAL STATEMENTS:

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statement 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 STANDALONE IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone 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

Independent Auditor's Report (Contd.)

audit conducted in accordance with Standard on Auditing (SA's) 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 standalone 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 standalone Ind AS Financial Statements, including the disclosures and whether the standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements for the financial year ended 31 March 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because of the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

The comparative financial information of the Company for the year ended March 31, 2023, was audited by another auditor who expressed an unmodified opinion on those standalone financial statements on May 15, 2023. Accordingly, we do not express any opinion, as the case may be, on the figures reported in the standalone financial statements for the year ended March 31, 2023.

Our opinion is not modified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Independent Auditor's Report (Contd.)

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, and the Statement of Cash Flow 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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 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";
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of 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, 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 litigation which would impact its financial position. Refer Note 48 to Standalone Ind AS Financial Statements.
- ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses. Refer Note 57(x) to Standalone Ind AS Financial Statements.
- iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 57 (ix)(A) to the financial statements, during the year no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 57 (ix)(B) to the financial statements, during the year no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever

Independent Auditor's Report (Contd.)

by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- v. The Company has not declared or paid any equity dividend during the year.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the

software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For Nangia & Co. LLP
Chartered Accountants
FRN No. 002391C/N500069

Jaspreet Singh Bedi
Partner
Membership No.: 601788
UDIN: 24601788BKFMUR4952

Place: Mumbai
Date: 08 May 2024

"Annexure 1" to the Auditors' Report**"ANNEXURE 1" REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' OF OUR REPORT OF EVEN DATE.**

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and the situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with a phased programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2024.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) As disclosed in Note 56 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

- (iii) (a) During the year the Company has provided loans to companies and any other parties as follows:

Particulars	Loans (INR)
Aggregated amount granted during the year:	
Subsidiaries:	
(a) Edelweiss Alternative Asset Advisors Pte Limited	25,01,36,400
(b) Sekura India Management Limited	3,00,00,000
Others:	
(a) India Special Asset Fund III (ISAF III)	9,00,00,000
(b) Edelweiss India Special Situation Fund (EISSF)	16,00,00,000
Balance Outstanding as at balance sheet date:	
Subsidiary:	
(a) Edelweiss Alternative Asset Advisors Pte Limited	25,28,61,063

- (b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees to companies, firms, Limited Liability Partnerships, or any other parties are not prejudicial to the Company's interest.
- (c) The Company has granted loans and advances in the nature of loans during the year to companies or any other parties where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships, or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited

"Annexure 1" to the Auditors' Report

- Liability Partnerships, or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a Company in which the director is interested to which provisions of section 185 of the Companies Act, 2013 apply and hence not commented upon. In our opinion and according to the information and explanations given to us, investments in respect of which the provisions of section 186 of the Companies Act 2013 are applicable have been complied with by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Company is not in the business of sale of any goods or provision of such services as prescribed u/s 148 (1) of Companies Act, 2013. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanation provided to us the term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on a short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) According to the information and explanations are given to us, the Company has not raised any money by way of initial public offer or further public offer and hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) According to the information and explanation given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the secretarial auditor or by us in

"Annexure 1" to the Auditors' Report

- Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistleblower complaints received by the company during the year.
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) The transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence the requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial activities or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) The Group has one Core Investment Company as part of the Group.
- (xvii) According to the information and explanations the Company has not incurred cash losses in the current year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 57 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in Note 54 to the financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in Note 54 to the financial statements.

For Nangia & Co. LLP
Chartered Accountants
FRN No. 002391C/N500069

Jaspreet Singh Bedi
Partner
Membership No.: 601788
UDIN: 24601788BKFUMUR4952

Place: Mumbai
Date: 08 May 2024

"Annexure 2" to the Auditors' Report

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

To
The Member of
Edelweiss Alternative Asset Advisors Limited

We have audited the internal financial controls over the financial reporting of Edelweiss Alternative Asset Advisors Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Standalone 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 internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation, and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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, issued by the Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 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

Because of the inherent limitations of internal financial controls over financial reporting, 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 to future periods are subject to the risk that the internal financial

"Annexure 2" to the Auditors' Report

control over financial reporting 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, an adequate internal financial controls system over financial

reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024 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 ICAI.

For Nangia & Co. LLP
Chartered Accountants
FRN No. 002391C/N500069

Jaspreet Singh Bedi
Partner
Membership No.: 601788
UDIN: 24601788BKFMUR4952

Place: Mumbai
Date: 08 May 2024

Standalone Balance Sheet

(Currency: Indian rupees in lakhs)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non current assets			
Property, plant and equipment	6	34.18	71.44
Right-of-use assets	6	1,403.86	1,776.10
Other intangible assets	6	67.90	84.85
Financial assets			
(i) Bank balances other than cash and cash equivalents	7	501.63	274.24
(ii) Investments	8	42,471.80	52,491.15
(iii) Other financial assets	9	182.26	179.35
Current tax assets (net)	10	-	28.55
Other non current assets	11	28,473.06	16,049.64
		73,134.69	70,955.32
Current assets			
Financial assets			
(i) Cash and cash equivalents	12	17,536.08	14,535.38
(ii) Bank balances other than cash and cash equivalents	12	471.25	135.86
(iii) Trade receivables	13	8,514.07	6,883.04
(iv) Investments	14	31,826.03	3,263.62
(v) Loans	15	2,529.03	3.10
(vi) Other financial assets	16	516.99	653.63
Current tax assets (net)	17	3,048.73	-
Other current assets	18	3,639.64	2,153.10
		68,081.82	27,627.73
TOTAL ASSETS		1,41,216.50	98,583.05
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19.1	1,884.53	1,237.47
Instruments entirely equity in nature	19.2	23,000.00	34,000.00
Other equity		32,866.01	11,129.78
		57,750.54	46,367.25
LIABILITIES			
Non current liabilities			
Financial liabilities			
(i) Borrowings (other than debt securities)	20	5,250.00	-
(ii) Debt Securities	21	12,434.72	21,169.39
(iii) Lease Liability	22	1,216.79	1,549.66
(iv) Other financial liabilities	23	32.43	-
Provisions	24	173.20	332.91
Deferred tax liability (net)	25	5,375.64	341.51
Other non current liabilities	26	3,925.50	75.70
		28,408.28	23,469.16
Current liabilities			
Financial liabilities			
(i) Borrowings	27	16,590.79	3,190.26
(ii) Debt Securities	28	10,207.36	91.98
(iii) Trade payables	29	-	-
(a) total outstanding dues of small enterprises and micro enterprises		-	1.25
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		18,044.53	17,617.53
(iv) Lease Liability	30	361.43	295.57
(v) Other financial liabilities	31	5,455.02	4,675.85
Provisions	32	167.78	50.63
Other current liabilities	33	4,230.77	2,823.57
		55,057.68	28,746.64
TOTAL EQUITY AND LIABILITIES		1,41,216.50	98,583.05
Material accounting policies and notes forming part of the financial statements	1-58		

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

For **Nangia & Co. LLP**
Chartered Accountants
FRN No. 002391C/N500069

Jaspreet Singh Bedi
Partner
Membership No: 601788

Mumbai
May 08, 2024

For and on behalf of the Board of Directors

Priyadeep Chopra
Non-executive Director
DIN: 00079353

Hemal Mehta
Chief Financial Officer

Mumbai
May 08, 2024

Sushanth Nayak
Whole Time Director
DIN.: 02857645

Deepak Mukhija
Company Secretary

Standalone Statement of Profit and Loss

(Currency: Indian rupees in lakhs)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
REVENUE FROM OPERATIONS			
Interest income	34	1,937.27	1,649.32
Revenue from contract with customers	35	32,094.54	22,963.82
Net gain on fair value changes	36	6,879.24	2,756.14
Total revenue from operations		40,911.05	27,369.28
Other income	37	26.02	264.15
Total Income		40,937.07	27,633.43
Expenses			
Finance costs	38	3,637.53	1,864.46
Impairment on financial instruments	39	-	(0.20)
Employee benefits expense	40	14,965.65	10,893.71
Depreciation, amortisation and impairment	6	501.45	348.21
Other expenses	41	7,107.60	4,983.58
Total expenses		26,212.23	18,089.76
Profit before tax		14,724.85	9,543.67
Tax expense:	42		
Current tax		-	1,429.27
Deferred tax		5,032.64	281.02
Short/(excess) tax for earlier years		(1,429.27)	10.73
Profit for the year		11,121.47	7,822.65
Other Comprehensive Income / (loss)			
Items that will not be reclassified to profit or loss			
Re-measurements of the defined benefit plans		5.94	6.83
Income tax relating to items that will not be reclassified to profit or loss		(1.49)	(1.72)
Other Comprehensive Income		4.45	5.11
Total Comprehensive Income		11,125.92	7,827.76
Earnings per equity share (face value ₹10 each):			
Basic	43	34.60	41.27
Diluted	43	34.60	41.27
Material accounting policies and notes forming part of the financial statements	1-58		

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

For **Nangia & Co. LLP**
Chartered Accountants
FRN No. 002391C/N500069

Jaspreet Singh Bedi
Partner
Membership No: 601788

Mumbai
May 08, 2024

For and on behalf of the Board of Directors

Priyadeep Chopra
Non-executive Director
DIN: 00079353

Hemal Mehta
Chief Financial Officer

Mumbai
May 08, 2024

Sushanth Nayak
Whole Time Director
DIN.: 02857645

Deepak Mukhija
Company Secretary

Standalone Cash Flow Statement

(Currency: Indian rupees in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Cash flow from operating activities		
Profit before taxation	14,724.85	9,543.67
Adjustments for		
Depreciation and amortisation expenses	501.45	348.21
Impairment of financial instruments	-	(0.20)
Provision for compensated absences	38.26	32.62
Expense on Employee Stock Option Scheme & Stock Appreciation Rights	257.37	88.84
Loss / (Profit) on sale of fixed assets	(0.40)	0.07
Finance cost on lease liability	195.18	109.06
Net gain on fair value changes (realised and unrealised)	(4,653.17)	(2,422.72)
Interest income	(1,937.27)	(1,649.32)
Finance cost	3,333.62	1,658.70
Operating cash flow before working capital changes	12,459.89	7,708.93
Add / (less): Adjustments for working capital changes		
(Increase) in trade receivables	(1,631.03)	(980.94)
(Increase)/Decrease in loans and advances	2.68	(3.10)
Increase in other financial assets	133.72	(361.94)
Increase in other non current assets	(12,423.41)	(11,632.77)
Increase in other current assets	(1,486.53)	(1,145.17)
Increase in trade payables	425.74	15,251.33
Increase in provisions	(80.82)	53.94
Increase in other financial liabilities	811.61	204.31
(Decrease) / Increase in other non current liabilities	3,849.80	(18.71)
Increase in other current liabilities	1,407.19	2,115.59
Cash generated from operations	(8,991.05)	3,482.54
Income tax paid/refund	(1,590.30)	81.34
Net cash generated from operating activity - A	1,878.53	11,272.82
B. Cash flow from investing activities		
Sale of investments Mutual fund	1,26,065.54	54,537.71
Purchase of Investment of Mutual Fund	(1,25,020.94)	(50,377.48)
Purchase of Property, plant & equipment and intangible assets	(41.17)	(131.44)
Capital expenditure towards development of intangible assets	-	6.40
Sale of Property, plant & equipment and intangible assets	0.55	5.06
Investment in Debt Securities, PTCs and Units of AIF (net)	(14,934.49)	(18,308.64)
Investment in Equity shares (Subsidiaries)	-	(22,452.40)
Loan given	(2,496.01)	-
Interest income on Investment and loan given	1,910.02	1,660.81
Net cash used in investing activities - B	(14,516.50)	(35,059.99)
C. Cash flow from financing activities		
Term loan taken	7,500.00	-
Repayment of borrowings & deposits	-	(6,250.00)
Repayment towards Loan and deposit given	-	1,100.00
Proceeds from Issue of compulsory convertible debentures	-	23,000.00
Proceeds from issue of debt securities	300.00	21,261.38
Proceeds from working capital facility	11,168.73	952.92
Interest paid (including interest paid on inter corporate deposits)	(2,271.11)	(1,657.79)
Principal repayment of leases (Ind AS 116)	(301.00)	(141.38)
Finance cost paid (IND AS 116)	(195.18)	(109.06)
Net cash generated from/(used in) financing activities - C	16,201.44	38,156.07
Net (decrease)/increase in cash and cash equivalents (A+B+C)	3,563.47	14,368.90
Note :		
Cash and cash equivalents as at the beginning of the year	14,945.48	576.58
Cash and cash equivalents as at the end of the year	18,508.96	14,945.48
Cash and cash equivalents as at the end of the year	As at March 31, 2024	As at March 31, 2023
Balance with Banks - in Current accounts	17,536.08	4,534.08
Balance with Banks - in escrow accounts	471.25	135.86
Fixed deposits with Banks	501.63	10,275.54
	18,508.96	14,945.48

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

For **Nangia & Co. LLP**
Chartered Accountants
FRN No. 002391C/N500069

For and on behalf of the Board of Directors

Jaspreet Singh Bedi
Partner
Membership No: 601788

Priyadeep Chopra
Non-executive Director
DIN: 00079353

Sushanth Nayak
Whole Time Director
DIN.: 02857645

Hemal Mehta
Chief Financial Officer

Deepak Mukhija
Company Secretary

Mumbai
May 08, 2024

Mumbai
May 08, 2024

Statement of Changes in Equity

(Currency: Indian rupees in lakhs)

(A) EQUITY SHARE CAPITAL						
Balance at the beginning of the reporting period (April 01, 2022)	Changes in equity share capital (refer note 19.1)	Balance at the end of the reporting period (March 31, 2023)	Changes in equity share capital (refer note 19.1)	Balance at the end of the reporting period (March 31, 2024)		
1,237.47	-	1,237.47	647.06	1,884.53		
(B) INSTRUMENTS ENTIRELY EQUITY IN NATURE						
Balance at the beginning of the reporting period (April 01, 2022)	Changes during the year (refer note 19.2)	Balance at the end of the reporting period (March 31, 2023)	Changes during the year (refer note 19.2)	Balance at the end of the reporting period (March 31, 2024)		
11,000.00	23,000.00	34,000.00	11,000.00	23,000.00		
(C) OTHER EQUITY						
	Reserves and Surplus					
	Securities premium	Share Option Reserve	Debenture Redemption Reserve	Retained earnings	Other comprehensive income	Total
Balance at March 31, 2022 (Ind AS)	1,191.12	308.95	-	1,695.82	17.29	3,213.18
Reversal of ESOP/SAR reserve on account of lapses/cancellation post vesting.	-	-	-	88.84	-	88.84
Profit for the year	-	-	-	7,822.65	-	7,822.65
Transferred during the year	-	-	2,126.14	(2,126.14)	-	-
Remeasurement gain / loss on defined benefit plans (OCI)	-	-	-	-	5.11	5.11
Balance at March 31, 2023 (Ind AS)	1,191.12	308.95	2,126.14	7,481.17	22.41	11,129.78
Reversal of ESOP/SAR reserve on account of lapses/cancellation post vesting.	-	-	-	257.37	-	257.37
Transferred during the year	10,352.94	-	138.07	(138.07)	-	10,352.94
Profit for the year	-	-	-	11,121.47	-	11,121.47
Remeasurement gain / loss on defined benefit plans (OCI)	-	-	-	-	4.45	4.45
Balance at March 31, 2024 (Ind AS)	11,544.06	308.95	2,264.21	18,721.94	26.85	32,866.01

(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.

(iii) Debenture Redemption Reserve

The Companies Act, 2013 requires companies that issue debentures to create a debenture redemption reserve from annual profits until such debentures are redeemed. The Company is required to transfer a specified percentage (as provided in the Companies Act 2013) of the outstanding redeemable debentures to debenture redemption reserve. The amounts credited to the debenture redemption reserve may not be utilised except to redeem debentures. On redemption of reserves, the amount may be transferred from debenture redemption reserve to reserved earnings.

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

For **Nangia & Co. LLP**
Chartered Accountants
FRN No. 002391C/N500069

For and on behalf of the Board of Directors

Jaspreet Singh Bedi
Partner
Membership No: 601788

Priyadeep Chopra
Non-executive Director
DIN: 00079353

Sushanth Nayak
Whole Time Director
DIN.: 02857645

Hemal Mehta
Chief Financial Officer

Deepak Mukhija
Company Secretary

Mumbai
May 08, 2024

Mumbai
May 08, 2024

Notes to the financial statements

(Currency: Indian rupees in lakhs)

1 BACKGROUND

Edelweiss Alternative Asset Advisors Limited ("EAAA or the Company") is a public Company incorporated in India on May 14, 2008 having CIN U67190MH2008PLC182205.

The Company is a SEBI registered Investment Manager for co-investment portfolio management services and Alternative Investment Funds and provides non-binding advisory services to certain offshore funds under Edelweiss Group.

The Company has obtained registration for its Gift City branch as fund management entity under IFSC FME Regulation 2022 with effect from January 30, 2023.

It is a subsidiary of Edelweiss Securities And Investments Private Limited ("ESIPL"), a Company incorporated in India.

The ultimate holding company of the Company is Edelweiss Financial Services Limited ("EFSL"), which is incorporated in India.

2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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 and liabilities measured at fair value through profit and loss (FVTPL) instruments which have been measured at fair value.

The financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest lakh, except when otherwise indicated.

3 PRESENTATION OF FINANCIAL STATEMENTS

The Company presents its balance sheet in compliance with the Division II of the Schedule III to the Companies Act, 2013.

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle or it is held primarily for the purpose of being traded or it is expected to be realised within 12 months after the reporting date or it is cash or cash equivalent unless it is restricted from being exchanged or expected to be used to settle a liability for at least 12 months after the reporting date. Current assets include the current portion of non-current assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it is expected to be settled in the Company's normal operating cycle or it is held primarily for the purpose of being traded or it is due to be settled within 12 months after the reporting date or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. Current liabilities include current portion of non-current liabilities. All other liabilities are classified as non-current.

4 MATERIAL ACCOUNTING POLICIES

4.1 Financial Instruments

4.1.1 Date of recognition

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

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

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. Trade receivables are measured at the transaction price.

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

4.1.4 Measurement categories of financial instruments

a. 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:

- Fair value through profit or loss [FVTPL]
- Amortised cost

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

All other financial assets are initially measured at fair value and subsequently measured at FVTPL

i) Amortised cost and Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and 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.

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.

ii) Financial assets at fair value through profit or loss

Financial assets in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when the following criteria is met. Such designation is determined on an instrument-by-instrument basis:

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

b. Financial liabilities

All financial liabilities are measured at amortised cost.

i) 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.

ii) Financial liabilities at fair value through profit or loss

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

Financial liabilities at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in profit and loss. Interest incurred on financial liabilities designated at FVTPL is accrued in interest finance cost, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument.

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

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

c. 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.

d. Derecognition of financial assets and financial liabilities

i) 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 financial asset with the difference recognised 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.

ii) Derecognition of financial assets (other than due to substantial modification of terms and conditions)

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

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

- The Company has transferred its contractual rights to receive cash flows from the financial asset; or

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

- 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.

iii) Derecognition of financial liabilities

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

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

e. 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.

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

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

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, the ECL on the loan commitment have been recognised 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 recognised as a provision. Also, for other loan commitments and all financial guarantee contracts, the loss allowance has been recognised as a provision.

f. Write off

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

4.2 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

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

- Level 3 financial instruments –Those that include one or more unobservable input that is significant to the measurement as whole. For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (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.

4.3 Revenue from contract with customer

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) 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. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from the following sources:

- Revenue from fund management services is recognised 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.

- Fee income including advisory fees is accounted over the period as the customer simultaneously receives and consumes the benefits, as the services are rendered.
- Revenue on account of distribution from alternate investment funds is recognised on the receipt of the distribution letter or when right to receive is established.
- Interest income on financial assets is recognised on an accrual basis fair value through profit and loss account.

4.4 Selling and distribution expenses:

The Company pays Selling and distribution cost for fund raise in various Alternative Investment Fund (AIF) strategies comprising of upfront and trail payments as per their respective agreements.

The cost is amortised over the tenure of the fund. The unamortised selling and distribution expense is classified as prepaid expenses under other current assets and other non current assets.

Trail payments of Selling and distribution which are not accrued and not due are considered as uncalled liability. The uncalled liabilities are disclosed under Contingent liabilities and commitments.

4.5 Leases (IND AS 116)

Leases as a Lessee

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Rights-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e the date of

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

underlying asset is available for use). Rights-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of rights-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Rights-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable and amounts expected to be paid under residual value guarantees. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date as the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in lease term, a change in lease payments or a change in the assessment of an option to purchase the underlying asset.

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.

4.6 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.

4.7 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 recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated

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

4.8 Retirement and other employee benefit

Provident fund and national pension scheme

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

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

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

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 recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Remeasurements are not reclassified to profit or loss in subsequent periods

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

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.

4.9 Share-based payment arrangements

Certain employees of the Company have been granted equity-settled ESOPs by the ultimate parent

company (Edelweiss Financial Services Limited). The Company recognises a cost with respect to the services received from the said employees measured by reference to the fair value of the equity instruments granted by the ultimate parent at the grant date.

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

4.10 Property, plant and equipment

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

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

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

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

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.

Estimated useful lives of the assets are as follows:

Nature of assets	Estimated useful life
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 derecognised 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 recognised as assets is derecognised 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 recognised in profit or loss. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

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

4.11 Intangible assets are stated at cost less accumulated amortisation and impairment. Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors. Amortisation methods and useful lives are reviewed periodically including at each financial year end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or

methodology, as appropriate, which are then treated as changes in accounting estimates.

Estimate useful life of software is considered as 3 years.

4.12 Impairment of non-current 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 recognised 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.

4.13 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 Provisions and other contingent liabilities.

4.14 Provisions and other contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. 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

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

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

4.15 Income tax expenses

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

4.15.1. Current tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. 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.

4.15.2. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

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

the 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

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.

4.15.3. Current and deferred tax for the year

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

4.15.4. Goods and services tax /value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax/value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

as part of the cost of acquisition of the asset or as part of the expense item, as applicable

- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

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 that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities, 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 judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

5.1 Critical judgements in applying accounting policies

The following are the critical judgements, that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the Financial Statements.

a) 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 derecognised prior to their maturity to understand the quantum, the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

b) 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.

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

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

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
- 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

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

6 PROPERTY, PLANT AND EQUIPMENT AND OTHER INTANGIBLES

Description of assets	Gross block			Depreciation and amortisation				Net block		
	As at April 01, 2023	Additions during the year	Deductions during the year	As at March 31, 2024	As at April 01, 2023	Additions during the year	Deductions during the year	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
(A) Property, Plant and Equipment										
Furniture & Fixtures	4.28	0.96	-	5.24	1.73	0.77	-	2.49	2.74	2.55
Office equipment	27.41	4.28	-	31.69	24.52	2.25	-	26.77	4.93	2.89
Motor vehicle	2.62	-	-	2.62	2.62	0.00	-	2.62	0.00	0.00
Computers	188.23	5.15	9.80	183.58	122.24	44.47	9.64	157.07	26.51	65.99
Right to use asset	2,005.46	33.99	-	2,039.44	229.36	406.22	-	635.58	1,403.86	1,776.10
Total : A	2,228.00	44.38	9.80	2,262.58	380.47	453.71	9.64	824.53	1,438.04	1,847.54
(B) Intangible assets										
Computer software	370.39	30.79	-	401.18	285.54	47.74	-	333.28	67.90	84.85
Total : B	370.39	30.79	-	401.18	285.54	47.74	-	333.28	67.90	84.85

6 PROPERTY, PLANT AND EQUIPMENT AND OTHER INTANGIBLES

Description of assets	Gross block			Depreciation and amortisation				Net block		
	As at April 01, 2022	Additions during the year	Deductions during the year	As at March 31, 2023	As at April 01, 2022	Additions during the year	Deductions during the year	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
(A) Property, Plant and Equipment										
Furniture & Fixtures	2.53	1.75	-	4.28	1.08	0.64	-	1.73	2.55	1.45
Office equipment	25.70	1.71	-	27.41	23.24	1.28	-	24.52	2.89	2.46
Motor vehicle	5.40	-	2.78	2.62	3.06	0.21	0.65	2.62	0.00	2.34
Computers	135.62	73.18	20.57	188.23	74.66	65.13	17.56	122.24	65.99	60.96
Right to use asset	38.75	1,966.71	-	2,005.46	20.42	208.94	-	229.36	1,776.10	18.33
Total : A	208.00	2,043.35	23.34	2,228.00	122.47	276.21	18.21	380.47	1,847.54	85.53
(B) Intangible assets										
Computer software	315.59	54.80	-	370.39	213.54	72.01	-	285.54	84.85	102.06
Total : B	315.59	54.80	-	370.39	213.54	72.01	-	285.54	84.85	102.06

7 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2024	As at March 31, 2023
Fixed deposits with banks to the extent held as security against debt securities	501.63	274.24
	501.63	274.24

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

8 INVESTMENTS

	As at March 31, 2024	As at March 31, 2023
i) At Fair Value Through Profit & Loss		
Quoted		
Investment in equity Shares of other companies		
Steel Exchange of India Limited (Number of shares - 20,91,210)	-	282.31
Unquoted		
Investment in Debt securities	-	15,751.31
Investment in Pass through certificates (PTCs)	-	104.19
Investment in Units of Alternative Investment Funds (AIFs)	20,019.40	13,900.93
ii) At Cost (Subsidiaries)		
Unquoted		
Investment in equity Shares of subsidiaries (fully paid up)		
Edelweiss Alternative Asset Advisors Pte. Limited (Number of class A shares - 92,30,000 (P.Y. 92,30,000) (Number of class B shares - 95 (P.Y. 95)	21,341.99	21,341.99
Sekura India Management Limited (Number of shares - 50,000 (P.Y. 50,000)	58.95	58.95
Edelweiss Real Assets Managers Limited (Number of shares - 62,000 (P.Y. 62,000)	1,051.46	1,051.46
	42,471.80	52,491.15

9 OTHER FINANCIAL ASSETS

	As at March 31, 2024	As at March 31, 2023
Security deposits	180.10	177.21
Deposits - others	2.16	2.13
	182.26	179.35

10 CURRENT TAX ASSETS (NET)

	As at March 31, 2024	As at March 31, 2023
Advance income taxes	-	28.55
	-	28.55

11 OTHER NON CURRENT ASSETS

	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	28,473.06	16,049.64
	28,473.06	16,049.64

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

12 CASH AND CASH EQUIVALENTS

	As at March 31, 2024	As at March 31, 2023
Balances with banks		
- in current accounts	17,536.08	4,534.08
- in fixed deposits with original maturity less than 3 months (refer note (i) below)	-	10,001.30
	17,536.08	14,535.38
Earmarked balances with financial institution (refer note (ii) below)	471.25	135.86
	471.25	135.86

Notes :

- Fixed deposit balances with banks earns interest at fixed rate
- Earmarked balances for a specific purpose and therefore not available for immediate and general use.

13 TRADE RECEIVABLES

	As at March 31, 2024	As at March 31, 2023
Receivables considered good - unsecured	8,514.07	6,883.04
Total receivables	8,514.07	6,883.04

Notes : Trade Receivables specified in Note 52.E have been held as security against debt securities and borrowings.

Trade receivables ageing schedule

Trade receivables days past due	Outstanding for following periods from due date of receipt					Total
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1-2 years	
As at March 31, 2024						
Undisputed Trade receivables – considered good	-	-	7,703.62	810.45	-	8,514.07
ECL provision	-	-	-	-	-	-
Net carrying amount	-	-	7,703.62	810.45	-	8,514.07
As at March 31, 2023						
Undisputed Trade receivables – considered good	-	-	5,775.28	1,107.76	-	6,883.04
ECL provision	-	-	-	-	-	-
Net carrying amount	-	-	5,775.28	1,107.76	-	6,883.04

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

14 INVESTMENTS

	As at March 31, 2024	As at March 31, 2023
At Fair Value Through Profit & Loss		
Quoted		
Investment in equity Shares of other companies		
Steel Exchange of India Limited (Number of shares - 10,24,566)	141.39	-
Unquoted		
Investment in Debt securities	27,050.92	3,065.65
Investment in Pass through certificates (PTCs)	118.22	172.55
Investment in Units of Alternative Investment Funds (AIFs)	4,515.50	25.43
	31,826.03	3,263.62

Note: Of the above, Investment in NCD, Equity Shares & Units of Alternative Investment Funds (AIF) are pledged with financial institutions amounting to ₹ 36,061.42 (Previous Year: ₹ 23,399.69).

The above investments are held in India.

15 LOANS (AT AMMORTISED COST)

	As at March 31, 2024	As at March 31, 2023
Considered Good- Unsecured		
Loan to Subsidiary Company	2,501.36	-
Accrued interest on loans given	27.25	-
Loan to employees	0.42	3.10
	2,529.03	3.10

16 OTHER FINANCIAL ASSETS

	As at March 31, 2024	As at March 31, 2023
Advances recoverable in cash or in kind or for value to be received	499.33	533.13
Security deposits	17.66	20.50
Deposits - others	-	100.00
	516.99	653.63

17 CURRENT TAX ASSETS (NET)

	As at March 31, 2024	As at March 31, 2023
Advance income taxes	3,048.73	-
	3,048.73	-

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

18 OTHER CURRENT ASSETS

	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	3,395.96	1,650.39
Vendor Advances	215.49	360.25
Advances to employees	28.19	24.63
Input tax credit	-	117.68
Advances recoverable in cash or in kind or for value to be received	-	0.16
	3,639.64	2,153.10

19.1 EQUITY SHARE CAPITAL

	As at March 31, 2024	As at March 31, 2023
a. Authorised :		
4,20,00,000 (Previous year: 2,30,00,000) equity shares of ₹ 10/- each	4,200.00	2,300.00
10,00,000 (Previous year: Nil) preference shares of ₹ 10/- each	100.00	-
b. Issued, subscribed and paid up:		
1,88,45,325 (Previous year: 1,23,74,737) equity shares of ₹ 10/- each, fully paid-up	1,884.53	1,237.47
	1,884.53	1,237.47

c. The movement in share capital during the year :

	As at March 31, 2024		As at March 31, 2023	
	No of shares	Amount	No of shares	Amount
Equity shares				
Number of shares outstanding at the beginning of the year	1,23,74,737	1,237.47	1,23,74,737	1,237.47
Compulsory convertible debentures (CCDs) converted during the year	64,70,588	647.06	-	-
Number of shares at the end of the year	1,88,45,325	1,844.53	1,23,74,737	1,237.47

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

	As at March 31, 2024		As at March 31, 2023	
	No of shares	Percentage of share holding	No of shares	Percentage of share holding
Edelweiss Securities And Investments Private Limited and its nominees	1,56,63,447	83.12%	1,22,56,000	99.04%
Edel Finance Company Limited	31,81,872	16.88%	-	-
	1,88,45,319	100.00%	1,22,56,000	99.04%

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

e. Details of shareholding of promoter in the Company:

Shares held by promoters As as March 31, 2024

Promoter name	No of shares	% of total shares	% Change during the year
Edelweiss Securities And Investments Private Limited	1,56,63,447	83.12%	27.80%
Edel Finance Company Limited	31,81,872	16.88%	100.00%

Shares held by promoters As as March 31, 2023

Promoter name	No of shares	% of total shares	% Change during the year
Edelweiss Securities And Investments Private Limited	1,22,56,000	99.04%	8.44%

f. Terms/rights attached to equity shares

The Company has only one class of shares, referred to as equity shares, having a par value of ₹ 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.

19.2 INSTRUMENTS ENTIRELY EQUITY IN NATURE

	As at March 31, 2024	As at March 31, 2023
a. 23,00,00,000 (P.Y. 34,00,00,000) compulsory convertible debentures of ₹ 10 each fully paid	23,000.00	34,000.00
	23,000.00	34,000.00

b. The movement in instruments during the year :

	As at March 31, 2024		As at March 31, 2023	
	No of CCDs	Amount	No of CCDs	Amount
Compulsory convertible debentures (CCDs)				
Outstanding at the beginning of the year	34,00,00,000	34,000.00	11,00,00,000	11,000.00
Issued during the year	-	-	23,00,00,000	23,000.00
Converted to share during the year	11,00,00,000	11,000.00	-	-
Outstanding at the end of the year	23,00,00,000	23,000.00	34,00,00,000	34,000.00

c. Details of debentureholders holding more than 5%

	As at March 31, 2024		As at March 31, 2023	
	No of CCDs	Amount	No of CCDs	Amount
Edelweiss Securities And Investments Private Limited	23,00,00,000	23,000.00	34,00,00,000	34,000.00
	23,00,00,000	23,000.00	34,00,00,000	34,000.00

d. Terms/rights attached to Instruments entirely equity in nature

- The 11,00,00,00 CCD's were converted into Equity shares in the ratio of 17:1 i.e one Equity Share allotted for every 17 CCDs on March 29, 2024 approved by Board at its meeting held on March 26, 2024.
 - The CCDs issued at 0.01% per annum in the previous year shall be converted into the Equity Shares of the Company in the ratio of 173:10 (i.e. 10 Equity Shares will be allotted for 173 CCDs converted) at the end of 5 years.
- The Equity Shares allotted on the conversion of the CCDs shall rank pari passu with existing Equity Shares of the Company. The Equity shares shall be issued to the CCD Holders with absolute title and free and clear of any encumbrance.

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

20 BORROWINGS (OTHER THAN DEBT SECURITIES) AT AMORTISED COST

	As at March 31, 2024	As at March 31, 2023
Secured		
Term loan from banks	5,250.00	-
(Secured against exclusive investments in debt securities and units of Alternative Investment Funds and charge on identified fee receivables.)		
	5,250.00	-
Borrowings in india	5,250.00	-
Borrowings outside india	-	-
	5,250.00	-
Rate of Interest - p.a.		
Term loan from banks 10% - 10.20%	5,250.00	-
Total	5,250.00	-

21 DEBT SECURITIES

	As at March 31, 2024	As at March 31, 2023
Redeemable non-convertible debentures - secured		
Privately placed		
- Market linked debentures	2,434.72	11,169.39
- Non Convertible Debentures	10,000.00	10,000.00
Total	12,434.72	21,169.39
(i) Debt securities in India	12,434.72	21,169.39
(ii) Debt securities outside India	-	-
Total	12,434.72	21,169.39

Note 1: First ranking pari passu pledge/charge over 100% of the Investments made by the Issuer in any form (Units of AIF, equity share capital, on Fully Diluted Basis and any other securities / CCDs / OCDs/ NCDs etc) excluding any securities which are exclusively charged to other lenders. First ranking pari passu charge on all the current assets of the Issuer including any receivables excluding securities which are exclusively charged to other lenders and excluding pari passu charge given to working capital lenders.

Note 2: Exclusive charge by way of pledge over identified units of the Funds and/or investments of the Issuer; pari-passu charge by way of hypothecation on all the current assets of the issuer excluding securities which are exclusively charged to other lenders and excluding pari passu charge given to working capital lenders.

	As at March 31, 2024	As at March 31, 2023
Rate of Interest - p.a.		
Market linked debentures 9% - 10%	2,434.72	11,169.39
Non Convertible Debentures 10% - 11%	10,000.00	10,000.00
Total	12,434.72	21,169.39

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

22 LEASE LIABILITY

	As at March 31, 2024	As at March 31, 2023
Lease liability	1,216.79	1,549.66
	1,216.79	1,549.66

23 OTHER FINANCIAL LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Other payables	32.43	-
	32.43	-

24 PROVISIONS

	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Gratuity	135.51	196.12
Compensated leave absences	37.69	136.79
	173.20	332.91

25 DEFERRED TAX ASSETS AND LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Deferred tax assets (net)		
Employee benefit obligations	85.82	97.62
Provision for expected credit losses	-	(0.05)
Property, plant and equipment and intangibles	19.07	55.81
Carried forward losses	2,927.69	-
Total	3,032.58	153.39
Deferred tax liabilities (net)		
Fair valuation of Investments	(1,172.94)	(477.54)
Right of Use Assets less lease liabilities (net)	400.00	(17.35)
Expense claimed on payment basis	(7,635.30)	-
Total	(8,408.24)	(494.89)
Deferred tax (liability) / assets (net)	(5,375.64)	(341.51)

26 OTHER NON CURRENT LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Income received in advance	3,925.50	72.53
Others	-	3.17
	3,925.50	75.70

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

27 BORROWINGS (OTHER THAN DEBT SECURITIES) AT AMORTISED COST

	As at March 31, 2024	As at March 31, 2023
Unsecured		
Loan from fellow subsidiary	2,219.14	2,237.34
Secured		
Term loan from banks	2,250.00	-
(Secured against exclusive investments in debt securities and units of Alternative Investment Funds and charge on identified fee receivables.)		
Bank Overdraft	12,121.65	952.92
(Pari-passu charge on all the current assets of the Borrower, excluding the assets which are exclusively charged to other lenders, with an asset cover of 1.5 times of sanctioned amount)		
	16,590.79	3,190.26
Borrowings in india	16,590.79	3,190.26
Borrowings outside india	-	-
	16,590.79	3,190.26
Rate of Interest - p.a.		
Loan from fellow subsidiary - 11% - 12%	2,219.14	2,237.34
Term loan from banks 10% - 10.20%	2,250.00	-
Bank Overdraft - 10% - 11%	12,121.65	952.92
Total	16,590.79	3,190.26

28 DEBT SECURITIES

	As at March 31, 2024	As at March 31, 2023
Redeemable non-convertible debentures - secured		
Privately placed		
- Market linked debentures	10,116.35	-
- Non Convertible Debentures	91.01	91.98
Total	10,207.36	91.98
(i) Debt securities in India	10,207.36	91.98
(ii) Debt securities outside India	-	-
Total	10,207.36	91.98
Rate of Interest - p.a.		
Market linked debentures 9% - 10%	10,116.35	-
Non Convertible Debentures 10% - 11%	91.01	91.98
Total	10,207.36	91.98

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

29 TRADE PAYABLES

	As at March 31, 2024	As at March 31, 2023
Outstanding for less than 1 year from due date of payment		
Micro enterprises and small enterprises (MSME)	-	1.25
Others	18,044.53	17,617.53
Disputed dues - Micro enterprises and small enterprises (MSME)	-	-
Disputed dues - others	-	-
	18,044.53	17,618.78

₹ Nil (P.Y.: ₹1.25 lakhs) payable to "Suppliers" in the previous year was due to supplier registered under the Micro, Small and Medium Enterprises Development Act, 2006 and is paid within 45 days. No interest has been paid / is payable by the Company during the year to "Suppliers" registered under this act. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said act.

30 LEASE LIABILITY

	As at March 31, 2024	As at March 31, 2023
Lease liability	361.43	295.57
	361.43	295.57

31 OTHER FINANCIAL LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Accrued salaries and benefits	4,343.42	3,099.22
Deposit	1,111.60	1,479.10
Interest accrued & not due on compulsory convertible debentures	-	1.04
Other payables	-	96.49
	5,455.02	4,675.85

32 PROVISIONS

	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Compensated leave absences	167.78	30.42
Others	-	20.21
	167.78	50.63

33 OTHER CURRENT LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Income received in advance	3,977.07	2,310.06
Statutory liabilities*	250.52	513.51
Others	3.18	-
	4,230.77	2,823.57

* Includes withholding taxes, Provident fund, profession tax and other statutory dues payable

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

34 INTEREST INCOME

	For the year ended March 31, 2024	For the year ended March 31, 2023
On Financial assets measured at amortised cost		
Interest on loan to Group Companies	57.18	80.97
Interest on loan given to employees	0.21	0.10
Interest on loan to others	5.04	-
Interest on deposits with Banks	43.01	14.12
Interest on inter corporate deposits	-	0.00
On Financial assets measured at fair value through profit and loss		
Debt instruments	1,793.02	1,479.42
Pass through certificates	38.81	74.71
	1,937.27	1,649.32

35 REVENUE FROM CONTRACT WITH CUSTOMERS

	For the year ended March 31, 2024	For the year ended March 31, 2023
Advisory fees	32,094.54	22,963.82
	32,094.54	22,963.82
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	32,094.54	22,963.82
Total revenue from contract with customers	32,094.54	22,963.82

36 NET GAIN ON FAIR VALUE CHANGES

	For the year ended March 31, 2024	For the year ended March 31, 2023
Fair value gain/(loss) on financial instruments at fair value through profit or loss	3,508.14	1,866.15
Profit on sale of investments	1,145.03	556.57
Income distribution from fund	2,226.07	333.42
	6,879.24	2,756.14

37 OTHER INCOME

	For the year ended March 31, 2024	For the year ended March 31, 2023
Foreign Exchange Gain	25.39	115.32
Miscellaneous income and other reimbursements	0.63	1.04
Shared Premises income	-	1.92
Interest on Income Tax Refund	-	145.87
	26.02	264.15

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

38 FINANCE COSTS

	For the year ended March 31, 2024	For the year ended March 31, 2023
On financial liabilities measured at amortised cost		
Interest on loan from financial institution	297.16	566.50
Interest on loan from fellow subsidiaries	261.36	343.19
Interest on non convertible debentures	2,228.69	747.12
Interest on compulsorily convertible debentures	3.40	1.13
Interest on lease liability	195.18	109.06
Interest on working capital facility	543.00	0.77
Other interest expense		
Interest - others	3.36	77.08
Financial and bank charges	105.38	19.61
	3,637.53	1,864.46

39 IMPAIRMENT ON FINANCIAL INSTRUMENTS

	For the year ended March 31, 2024	For the year ended March 31, 2023
ECL provision on loan given to holding company	-	(0.20)
	-	(0.20)

40 EMPLOYEE BENEFIT EXPENSES

	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries wages and bonus	13,920.31	9,971.19
Contribution to provident and other funds (refer note 2.31)	567.51	469.55
Expense on Employee Stock Option Scheme (refer note below)	18.09	16.86
Staff welfare expenses	406.70	350.98
Expense on Employee Stock Appreciation Rights (refer note below)	53.04	85.13
	14,965.65	10,893.71

The ultimate Holding Company (Edelweiss Financial Services Limited ("EFSL")) has Employee Stock Option Plans in force. Based on such ESOP schemes, parent entity has granted an ESOP option to acquire equity shares of EFSL that would vest in a graded manner to company's employees. Based on group policy / arrangement, EFSL has charged the fair value of such stock options, Company has accepted such cross charge and recognised the same under the employee cost.

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

41 OTHER EXPENSES

	For the year ended March 31, 2024	For the year ended March 31, 2023
Advertisement and business promotion	167.72	57.95
Auditors' remuneration (refer note below)	20.50	7.15
Communication	51.49	46.40
Computer expenses	410.16	460.90
Computer software	155.24	-
Clearing & custodian charges	1.09	0.69
Corporate and Social Responsibility	48.00	1.00
Electricity charges	52.89	31.91
Foreign exchange loss	0.06	-
Insurance	64.54	23.25
Legal and professional fees	1,297.42	676.35
Membership and subscription	17.15	53.71
Office expenses	67.32	81.98
Postage and courier	5.61	3.91
Mutual Fund Expenses	23.63	1.56
Printing and stationery	29.21	36.75
Rates and taxes	77.02	17.64
Rating Support Fees	-	5.90
Rent (refer note 49)	669.32	622.22
Repairs and maintenance	20.86	8.56
Seminar and conference	6.62	0.18
Goods & Service tax expenses	94.20	8.52
Directors' Sitting Fees	8.00	8.30
Stamp paper charges	48.73	20.64
Stock exchange expenses	1.94	2.97
Loss on sale of fixed assets	(0.40)	0.07
Travelling and conveyance	531.62	457.82
Outside Services Cost	165.97	93.26
Selling and Distribution expenses	3,071.22	2,248.35
Miscellaneous expenses	0.45	5.64
	7,107.60	4,983.58

Note:

1) Auditors' remuneration:

Audit Fees	15.00	4.40
Limited Review Fees	2.10	2.25
Others	3.40	0.50
	20.50	7.15

2) Cost Sharing

Edelweiss Financial Services Limited, being the ultimate holding company along with fellow subsidiaries incurs expenditure like group mediclaim, insurance, rent, electricity charges, etc. which is for the common benefit of itself and its certain subsidiaries including the Company. This cost so expended is reimbursed by the Company on the basis of number of employees, area occupied, actual identifications etc. Accordingly, and as identified appropriately, the expenditure heads in the above note are gross of the reimbursements.

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

42 DEFERRED TAX ASSETS

The components of income tax expense for the years ended March 31, 2024 and 2023 are:

	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax	-	1,429.27
Adjustment in respect of current income tax of prior years	(1,429.27)	10.73
Deferred tax relating to origination and reversal of temporary differences	5,032.64	281.02
Total tax charge	3,603.37	1,721.01
Current tax	(1,429.27)	1,440.00
Deferred tax	5,032.64	281.02

42.1 RECONCILIATION OF TOTAL TAX CHARGE

	For the year ended March 31, 2024	For the year ended March 31, 2023
Accounting profit before tax as per financial statements	14,724.85	9,543.67
Tax rate (in percentage)	25.17%	25.17%
Income tax expense calculated based on this tax rate	3,706.24	2,402.14
Adjustment in respect of current income tax of prior years	(1,429.27)	10.73
Others	1,326.40	(130.51)
Effect of utilisation of tax losses on which deferred tax asset earlier not recognised	-	(561.34)
Total Tax charge for the year recorded in P&L	3,603.37	1,721.01

Break-up of income tax recorded in OCI

	March 31, 2024	March 31, 2023
Deferred tax		
Employee benefit obligations	(1.49)	(1.72)
Total	(1.49)	(1.72)

42.2 DETAILS OF TEMPORARY DIFFERENCES WHERE DEFERRED TAX ASSETS HAVE NOT BEEN RECOGNISED IN THE BALANCE SHEET.

As at March 31, 2024	Unused tax losses				Total
	Unused business losses		Unabsorbed depreciation		
	Amount	Expiry year	Amount	Expiry year	Amount
Financial Year to which the loss relates to					
	-	-	-	-	-
Total	-	-	-	-	-

As at March 31, 2023	Unused tax losses				Total
	Unused business losses		Unabsorbed depreciation		
	Amount	Expiry year	Amount	Expiry year	Amount
Financial Year to which the loss relates to					
A.Y 2018-2019	431.82	FY 2025-26	-	N.A	431.82
A.Y 2019-2020	1,798.39	FY 2026-27	-	N.A	1,798.39
Total	2,230.20		-		2,230.20

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

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

	Movement for the period (FY 2023-24)			
	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	55.81	(36.74)	-	19.07
Employee benefits obligations	97.62	(10.30)	(1.49)	85.82
Carried forward losses	-	2,927.69	-	2,927.69
ROU Assets less lease liabilities (net)	(17.35)	417.35	-	400.00
Expense on payment basis		(7,635.30)		(7,635.30)
Fair valuation of investments	(477.54)	(695.40)	-	(1,172.94)
Provision for expected credit losses	(0.05)	0.05	-	-
Total	(341.51)	(5,032.64)	(1.49)	(5,375.64)

	Movement for the period (FY 2022-23)			
	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	(0.42)	56.23	-	55.81
Employee benefits obligations	70.04	29.30	(1.72)	97.62
ROU Assets less lease liabilities (net)	(0.40)	(16.96)	-	(17.35)
Fair valuation of investments	(128.05)	(349.49)	-	(477.54)
Provision for expected credit losses	0.05	(0.10)	-	(0.05)
Total	(58.77)	(281.02)	(1.72)	(341.51)

43 EARNINGS PER SHARE

	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Net amount attributable to the equity shareholders (as per statement of profit and loss)	11,121.47	7,822.65
b) Calculation of weighted average number of equity Shares of ₹ 10 each:		
- Number of shares at the beginning of the year	1,23,74,737	1,23,74,737
- Shares issued during the year	64,70,588	-
- Shares to be issued against compulsory convertible debentures	1,32,94,798	1,97,65,386
Total number of equity shares outstanding at the end of the year	3,21,40,123	3,21,40,123
Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	3,21,40,123	1,89,54,598
Basic earnings per share (in rupees) (a/b)	34.60	41.27
Diluted earnings per share (in rupees) (a/b)	34.60	41.27

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

44 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 Subsidiaries with whom transactions have taken place: (w.e.f March 28, 2023)

Sekura India Management Limited
Edelweiss Real Assets Managers Limited
Edelweiss Alternative Asset Advisors Pte. Limited

C Fellow subsidiaries with whom transactions have taken place:

Edelweiss Rural & Corporate Services Limited
ECL Finance Limited
India Credit Investment Fund III (Upto March 31, 2024)
ECap Securities and Investments Limited (formerly known as ECap Equities Limited)
Edelweiss Global Wealth Management Limited
EdelGive Foundation
Zuno General Insurance Limited (formerly known as Edelweiss General Insurance Company Limited)
Edelweiss Tokio Life Insurance Company Ltd
Edelweiss General Insurance Company Limited
Edelweiss Asset Reconstruction Company Limited
Edelcap Securities Limited
Edelweiss Value Growth Fund
Edelweiss Investment Advisors Limited
India Credit Investment Fund II (Upto October 31, 2023)
Edelweiss Private Tech Equity Fund
Edelweiss Asset Management Limited
Nido Home Finance Limited (formerly known as Edelweiss Housing Finance Limited)

D Associates with whom transactions have taken place: (Upto March 30, 2023)

Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited)
Nuvama Asset Management Limited (formerly known as ESL Securities Limited)
Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited)
Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)

E Key Managerial Personnel

Sushanth Nayak (Whole Time Director)
Kanu Doshi (Non-executive Director)
Sunil Phatarphekar (Non-executive Director)
Priyadeep Chopra (Non-executive Director) (w.e.f March 24, 2023)
Venkatchalam Ramaswamy (Non-executive Director) (w.e.f January 22, 2024)
Kamala Kantharaj (Non-executive Director) (upto January 17, 2023)
Hemal Mehta (Chief Financial Officer)
Deepak Mukhija (Company Secretary)

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

F Transactions with related parties

Sr. No.	Nature of Transaction	Related party name	For the year ended March 31, 2024	For the year ended March 31, 2023
A)	Transactions with related parties as stated above			
	Term loans taken from	Edelweiss Rural & Corporate Services Limited	2,200.00	2,200.00
		Edelweiss Financial Services Limited	2,200.00	2,200.00
	Term loans repaid to	Edelweiss Rural & Corporate Services Limited	2,200.00	3,300.00
		Edelweiss Financial Services Limited	2,200.00	2,200.00
	Term loan given	Edelweiss Securities And Investments Private Limited	-	1,100.00
		Sekura India Management Limited	300.00	-
		Edelweiss Alternative Asset Advisors Pte. Limited	2,501.36	-
	Term loans repaid by	Sekura India Management Limited	300.00	-
		Edelweiss Securities And Investments Private Limited	-	1,100.00
	Intercompany deposit given to	Sekura India Management Limited	-	1.00
	Intercompany deposit repaid by	Sekura India Management Limited	-	1.00
	Issuance of Compulsory convertible debentures	Edelweiss Securities And Investments Private Limited	-	23,000.00
	Purchase of Non Convertible Debentures from	ECL Finance Limited	-	1,571.90
	Investment in Units of AIF	India Credit Investment Fund III	293.04	206.96
	Sale of Investment in Units of AIF	India Credit Investment Fund III	488.67	-
	Purchase of Units of AIF from	ECap Equities Limited	-	2,463.66
	Purchase of Equity Shares (Unquoted) from	Edelweiss Securities And Investments Private Limited	-	1,110.41
		Edelweiss Financial Services Limited	-	21,341.99
	Security deposit placed with	Edelweiss Rural & Corporate Services Limited	-	177.21
	Interest expense on loans taken from	Edelweiss Rural & Corporate Services Limited	258.39	336.56
		Edelweiss Financial Services Limited	2.97	6.63
	Interest expense on CCD	Edelweiss Securities And Investments Private Limited	3.40	1.13
	Corporate Social Responsibility	EdelGive Foundation	48.00	-
	Fund raising Distributor's expenses	Edelweiss Global Wealth Management Limited	26.03	32.63

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

Sr. No.	Nature of Transaction	Related party name	For the year ended March 31, 2024	For the year ended March 31, 2023
		Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited)	-	1,946.83
		Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited) (As appearing under prepaid expenses)	-	17,103.61
	Advisory fee expense	ECL Finance Limited	574.94	409.65
		Edelweiss Financial Services Limited	50.00	-
	Insurance expenses	Zuno General Insurance Limited	0.16	100.16
		Edelweiss Tokio Life Insurance Company Ltd	16.17	53.72
	Corporate Guarantee Fee	Edelweiss Financial Services Limited	0.04	0.36
		Edelweiss Securities And Investments Private Limited	1.63	-
	Remuneration paid to	Key Management personnel	534.08	466.76
	Debt Securities - placement fee	Nuvama Wealth and Investment Limited (formerly known as Edelweiss Broking Limited)	-	50.06
	Director Sitting Fees paid to	Sunil Phatarphekar	4.00	3.80
		Kanu Doshi	4.00	3.80
		Kamala Kantharaj	-	0.70
	Cost reimbursements paid to	Edelweiss Financial Services Limited	-	13.73
		Edelweiss Rural & Corporate Services Limited	1,024.21	808.06
		Edelweiss Securities And Investments Private Limited	298.41	223.46
		ECL Finance Limited	-	0.98
		Nuvama Asset Management Limited (formerly known as ESL Securities Limited)	-	0.85
		Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)	-	0.10
		Nuvama Wealth and Investment Limited (formerly known as Edelweiss Broking Limited)	-	-
		Edelweiss Asset Reconstruction Company Limited	1.78	-
		Edelweiss Alternative Asset Advisors Pte. Limited	43.87	-

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

Sr. No.	Nature of Transaction	Related party name	For the year ended March 31, 2024	For the year ended March 31, 2023
	Interest income on loan given	Edelweiss Securities And Investments Private Limited	-	80.97
		Edelweiss Alternative Asset Advisors Pte. Limited	55.75	-
	Interest income on intercorporate deposits given	Sekura India Management Limited	1.43	0.00
	Fee income earned from	Edelweiss Alternative Asset Advisors Pte Limited	3,360.04	3,802.18
		Edelweiss Rural & Corporate Services Limited	26.60	109.43
		India Credit Investment Fund III	1,225.52	9.56
		ECL Finance Limited	422.45	742.34
		Edelcap Securities Ltd	1.27	15.28
		Edelweiss Value Growth Fund	15.23	17.64
		Edelweiss Investment Advisors Limited	286.40	139.03
		Sekura India Management Limited	-	333.00
		India Credit Fund II	246.43	389.65
		Edelweiss Private Tech Equity Fund	6.58	6.86
		Edelweiss Securities And Investments Private Limited	1,712.01	244.67
		ECap Equities Limited	85.21	373.35
		Reimbursements received from	Edelweiss Alternative Asset Advisors Pte Limited	455.76
	ECL Finance Limited		101.92	15.87
	Edelweiss Investment Advisors Limited		1.87	0.20
	Edelweiss Asset Reconstruction Company Limited		24.38	21.14
	ECap Securities and Investments Limited (formerly known as ECap Equities Limited)		47.18	103.51
	Edelweiss Rural & Corporate Services Limited		-	29.77
	Edelweiss Private Tech Equity Fund		1.00	-
	Edelweiss Securities And Investments Private Limited		9.35	-
	Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited)		-	1.92

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

Sr. No.	Nature of Transaction	Related party name	For the year ended March 31, 2024	For the year ended March 31, 2023
		Edelweiss Value Growth Fund	1.00	-
		Edelweiss Real Assets Managers Limited	14.25	-
		Sekura India Management Limited	32.15	-
	Transfer of gratuity liability on account of employee transfer to	Edelweiss Real Assets Managers Limited	-	3.80
		Edelweiss Asset Management Limited	2.45	-
		Edelweiss Rural & Corporate Services Limited	0.08	-
		Edelweiss Securities And Investments Private Limited	0.19	-
		ECL Finance Limited	4.98	-
		Transfer of gratuity liability on account of employee transfer from	Edelcap Securities Limited	-
	Edelweiss Asset Reconstruction Company Limited		2.23	30.98
	Edelweiss Rural & Corporate Services Limited		-	7.36
	ECL Finance Limited		-	7.75
	Edelweiss Securities And Investments Private Limited		12.51	-
	Sekura India Management Limited		10.44	-
	Purchase of Fixed asset	ECL Finance Limited	-	0.90
		Edelweiss Housing Finance Limited	-	0.06
	Sale of Fixed Asset	Edelweiss Asset Reconstruction Company Ltd	-	1.10
		Edelweiss Financial Services Limited	-	0.06
		Edelweiss Housing Finance Limited	-	0.02
		Edelweiss Rural & Corporate Services Limited	-	0.06
		Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited)	-	0.02
		Edelweiss Asset Management Limited	-	-
		Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited)	-	0.02

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

Sr. No.	Nature of Transaction	Related party name	For the year ended March 31, 2024	For the year ended March 31, 2023
B)	Balances with related parties as stated above			
	Compulsory convertible debentures	Edelweiss Securities And Investments Private Limited	23,000.00	34,000.00
	Short-term borrowings	Edelweiss Rural & Corporate Services Limited	2,200.00	2,200.00
	Term loans given	Edelweiss Alternative Asset Advisors Pte. Limited	2,501.36	-
	Trade payable to	ECL Finance Limited	66.55	41.22
		Edelweiss Securities And Investments Private Limited	102.69	76.12
		Edelweiss Rural & Corporate Services Limited	100.30	188.59
		Edelweiss Housing Finance Limited	-	0.02
		Edelweiss Financial Services Limited	-	0.68
	Interest accrued and due on borrowings from	Edelweiss Rural & Corporate Services Limited	19.14	31.37
		Edelweiss Financial Services Limited	-	5.97
	Interest accrued & not due on compulsory convertible debentures	Edelweiss Securities And Investments Private Limited	-	1.04
	Interest accrued on loans given	Edelweiss Alternative Asset Advisors Pte. Limited	27.25	-
	Other payables	Edelweiss Financial Services Limited	0.61	89.36
		Edelweiss Real Assets Managers Limited	-	3.80
		Edelweiss Asset Reconstruction Company Limited	2.23	-
		Edelweiss Securities And Investments Private Limited	12.51	-
		Sekura India Management Limited	10.44	-
	Other Receivables	Edelweiss Rural & Corporate Services Limited	0.08	8.26
		Edelcap Securities Limited	-	10.12
		Edelweiss Asset Reconstruction Company Limited	30.98	30.98
		ECL Finance Limited	4.98	7.75
		Edelweiss Securities And Investments Private Limited	0.19	-
		Edelweiss Asset Management Limited	2.45	-

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

Sr. No.	Nature of Transaction	Related party name	For the year ended March 31, 2024	For the year ended March 31, 2023
	Security deposits with	Edelweiss Rural & Corporate Services Limited	177.21	177.21
	Trade receivables	Edelweiss Alternative Asset Advisors Pte Limited	2,590.14	3,006.38
		Edelcap Securities Ltd	-	1.42
		ECap Equities Limited	7.83	27.98
		Sekura India Management Limited	2.89	67.80
		Edelweiss Securities And Investments Private Limited	1,812.78	50.00
		Edelweiss Rural & Corporate Services Limited	-	22.82
		Edelweiss Asset Reconstructions Company Ltd	1.19	1.65
		Edelweiss Value Growth Fund	-	5.13
		Edelweiss Private Tech Equity Fund	1.76	2.00
		ECL Finance Limited	-	61.17
		India Credit Investment Fund II	121.34	173.92
		India Credit Investment Fund III	-	11.28
		Edelweiss Investment Advisors Limited	28.52	10.22
	Edelweiss Real Assets Managers Limited	1.09	-	
C)	Off Balance Sheet Items			
	Corporate Guarantee taken from	Edelweiss Securities And Investments Private Limited	10,000.00	10,000.00

G Compensation of Key Managerial Personnel of the Company

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Short-term employee benefits	534.08	466.76
Post-employment pension (defined contribution)	-	-
Termination benefits	-	-
Total	534.08	466.76

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

45 SEGMENT REPORTING

The Company Operates in a single reportable segment of Investment manager to Alternative Investment Funds and Advisory services to offshore funds business as per the requirement of Ind AS 108 - Operating Segment.

46 RETIREMENT BENEFIT PLAN

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

Amount of ₹ 425.50 (P.Y: ₹ 367.84) is recognised as expenses and included in "Employee benefit expense" – Note. 40 in statement of Profit and loss.

B) Defined benefit plan (Gratuity):

The following tables summarise 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.

Table 1: Reconciliation of Defined Benefit Obligation (DBO)

	March 31, 2024	March 31, 2023
Present Value of DBO at start of the year	667.36	625.25
Service Cost	83.43	88.56
Interest Cost	46.14	39.98
Benefits Paid	(133.30)	(120.39)
Re-measurements		
a. Actuarial Loss/ (Gain) from changes in demographic assumptions	-	-
b. Actuarial Loss/ (Gain) from changes in financial assumptions	3.39	(42.48)
c. Actuarial Loss/ (Gain) from experience over the past year	19.34	24.03
Transfer In/ (Out)	(17.48)	52.41
Present Value of DBO at end of the year	668.88	667.36

Table 2 : Expenses recognised in the Profit and Loss Account

	March 31, 2024	March 31, 2023
Service Cost		
a. Current Service Cost	83.43	88.56
b. Net Interest on net defined benefit liability/ (asset)	12.68	13.15
Employer Expenses	96.11	101.71

Table 3: Net Liability/ (Asset) recognised in the Balance Sheet

	March 31, 2024	March 31, 2023
Present Value of DBO	668.88	667.36
Fair Value of Plan Assets	542.21	471.24
Funded Status [Surplus/ (Deficit)]	(126.67)	(196.12)
Experience Adjustment on Plan Liabilities: (Gain)/ Loss	19.34	24.03

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

Table 4: Actuarial Assumptions

	March 31, 2024	March 31, 2023
Salary Growth Rate	7.00% p.a.	7.00% p.a.
Discount Rate	7.00% p.a.	7.10% p.a.
Interest Rate on Net DBO/ (Asset)	7.10% p.a.	5.90% p.a.
Withdrawal Rate	16.00% p.a.	16.00% p.a.
Mortality Rate	IALM 2012-14 (Ultimate)	IALM 2012-14 (Ultimate)
Weighted average duration of the obligation	3.5 years	3.5 years

Table 5: Movement in Other Comprehensive Income

	March 31, 2024	March 31, 2023
Balance at start of year - (Loss)/ Gain	29.94	23.11
Re-measurements on DBO		
a. Actuarial (Loss)/ Gain from changes in demographic assumptions	-	-
b. Actuarial (Loss)/ Gain from changes in financial assumptions	(3.39)	42.48
c. Actuarial (Loss)/ Gain from experience over the past year	(19.34)	(24.03)
Re-measurements on Plan Assets		
Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/ (asset)	37.51	(11.62)
Balance at end of year - (Loss)/ Gain	44.72	29.94

Table 6: Sensitivity Analysis

DBO increases/ (decreases) by	March 31, 2024	March 31, 2023
1% Increase in Salary Growth Rate	23.92	26.53
1% Decrease in Salary Growth Rate	(23.65)	(26.62)
1% Increase in Discount Rate	(23.44)	(26.34)
1% Decrease in Discount Rate	24.16	26.76
1% Increase in Withdrawal Rate	-	0.13
1% Decrease in Withdrawal Rate	-	(0.14)
Mortality (increase in expected lifetime by 1 year)	-	-
Mortality (increase in expected lifetime by 3 years)	-	(0.01)

Table 7: Movement in Net (Liability)/ Asset

	March 31, 2024	March 31, 2023
Surplus/ (Deficit) at start of year	(196.12)	(169.22)
Net (Acquisition)/ Divestiture	-	-
Net Transfer (In)/ Out	17.48	(52.41)
Movement during the year	-	-
Current Service Cost	(83.43)	(88.56)
Past Service Cost	-	-
Net Interest on net DBO	(12.68)	(13.15)
Changes in Foreign Exchange Rates	-	-
Re-measurements – Gains/ (Losses)	14.78	6.83
Contributions	133.30	120.39
Surplus/ (Deficit) at end of year	(126.67)	(196.12)

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

Table 8: Reconciliation of Fair Value of Plan Assets

	March 31, 2024	March 31, 2023
Fair Value of Plan Assets at start of the year	471.24	456.03
Contributions by Employer	133.30	120.39
Benefits Paid	(133.30)	(120.39)
Interest Income on Plan Assets	33.46	26.83
Re-measurements		
Return on plan assets excluding amount included in net interest on the net defined benefit liability/(asset)	37.51	(11.62)
Fair Value of Plan Assets at end of the year	542.21	471.24
Actual Return on Plan Assets	70.97	15.21
Expected Employer Contributions for the coming year	140.00	200.00

47 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Particulars	April 01, 2023	Cash flows	Changes in fair values	Exchange differences	Others*	March 31, 2024
Debt securities	21,261.38	(847.98)	-	-	2,228.69	22,642.09
Borrowings other than debt securities	3,190.26	17,549.01	-	-	1,101.52	21,840.79
Total liabilities from financing activities	24,451.64	16,701.03	-	-	3,330.21	44,482.88

Particulars	April 01, 2022	Cash flows	Changes in fair values	Exchange differences	Others*	March 31, 2023
Debt securities	-	20,623.45	-	-	637.92	21,261.38
Borrowings other than debt securities	8,486.43	(5,640.13)	-	-	343.96	3,190.26
Total liabilities from financing activities	8,486.43	14,983.32	-	-	981.88	24,451.63

* Represents Interest expense for the year.

48 CONTINGENT LIABILITIES AND COMMITMENTS

48.1 LEGAL CLAIMS

There are no legal claims outstanding against the Company as at March 31, 2024 (Previous Year: Nil)

48.2 CONTINGENT LIABILITIES

The Company does not have contingent liabilities as at March 31, 2024 (Previous Year: Nil)

48.3 CAPITAL COMMITMENTS

A. Uncalled liabilities

Uncalled liability (undrawn commitment in case of Units of AIF) as at March 31, 2024 is ₹ 38,623.40 lakhs (Previous Year: ₹ 26,318.21 lakhs)

Trail commission payable towards selling and distribution for fund raised in various AIF strategies not accrued and not due as at March 31, 2024 is ₹ 20,866.56 lakhs (Previous Year: ₹ 8,943.89 lakhs)

B. Estimated amounts of contracts

Estimated amounts of contracts remaining to be executed on capital account and not provided for - Nil (Previous year: ₹ Nil)

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

49 OPERATING LEASE COMMITMENTS

i) Right of use asset

Particulars	March 31, 2024	March 31, 2023
Opening balance at start of the year	1,776.10	18.33
Addition	33.99	1,966.71
Depreciation expense	406.22	208.94
Closing balance	1,403.86	1,776.10

ii) Lease Liability

Particulars	March 31, 2024	March 31, 2023
Opening balance at start of the year	1,845.23	19.90
Addition	33.99	1,966.71
Accretion of interest	195.18	109.06
Payment	490.18	250.44
Closing balance	1,578.22	1,845.23

iii) Total amount recognised in profit and loss

Particulars	March 31, 2024	March 31, 2023
Depreciation and amortisation expense	406.22	208.94
Finance cost on lease liability	195.18	109.06
Expense relating to short term lease (included in other expenses)	13.03	29.33
Total	614.43	347.33

iv) Short term lease payments under operating lease for the year ended is as below

Particulars	March 31, 2024	March 31, 2023
Within one year	16.21	7.92

v) Other disclosure

Particulars	March 31, 2024	March 31, 2023
	% / Years/Amount	% / Years/Amount
Incremental borrowing rate of company (in %)	12.14	12.14
The leases have an average life of between (in years)	3	2
The total lease payment for the year (in amt)	503.21	279.77

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

50 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.

51 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.

51.1 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	March 31, 2024			
	Carrying Amount	Level 1	Level 2	Level 3
Financial Assets				
At Amortised Cost				
Cash and cash equivalents	17,536.08	-	-	-
Bank balances other than cash and cash equivalents	972.88	-	-	-
Trade receivables	8,514.07	-	-	-
Investments				
Investments in Subsidiaries	22,452.40	-	-	-
Loans	2,529.03	-	-	-
Other financial assets	699.25	-	-	-
At FVTPL				
Investments				
Investments in Units of AIF	-	-	-	24,534.90
Investments in Debt Securities	-	-	27,050.92	-
Investments in Pass through certificates	-	-	118.22	-
Investments in Listed Equity shares	-	141.39	-	-
Total financial assets	52,703.72	141.39	27,169.14	24,534.90
Financial Liabilities				
At Amortised Cost				
Borrowings	21,840.79	-	-	-
Debt Securities	22,642.09	-	-	-
Trade payables	18,044.53	-	-	-
Lease Liability	1,578.22	-	-	-
Other financial liabilities	5,487.45	-	-	-
Total financial liabilities	69,593.07	-	-	-

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

Particulars	March 31, 2023			
	Carrying Amount	Level 1	Level 2	Level 3
Financial Assets				
At Amortised Cost				
Cash and cash equivalents	14,535.38	-	-	-
Bank balances other than cash and cash equivalents	410.10	-	-	-
Trade receivables	6,883.04	-	-	-
Investments				
Investments in Subsidiaries	22,452.40	-	-	-
Loans	3.10	-	-	-
Other financial assets	832.97	-	-	-
At FVTPL				
Investments				
Investments in Units of AIF	-	-	-	13,926.36
Investments in Units of Mutual Fund	-	-	-	-
Investments in Debt Securities	-	-	18,816.96	-
Investments in Pass through certificates	-	-	276.73	-
Investments in Listed Equity shares	-	282.31	-	-
Total financial assets	45,117.00	282.31	19,093.69	13,926.36
Financial Liabilities				
At Amortised Cost				
Borrowings	3,190.26	-	-	-
Debt Securities	21,261.38	-	-	-
Trade payables	17,618.78	-	-	-
Lease Liability	1,845.23	-	-	-
Other financial liabilities	4,675.85	-	-	-
Total financial liabilities	48,591.49	-	-	-

Fair valuation Technique

The equity instrument is traded actively 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.

51.1 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.

Financial year ended March 31, 2024

	Units of AIF	Total
Investments - at April 01, 2023	13,926.36	13,926.36
Purchase	13,800.05	13,800.05
Sale during the year	-	-
Redemption during the year	(4,893.91)	(4,893.91)
Profit/(loss) during the year recognised in profit or loss	1,702.40	1,702.40
Investments - at March 31, 2024	24,534.90	24,534.90
Unrealised gain/(loss) related to balances held at the end of the year	1,702.40	1,702.40

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

51.2 MOVEMENT IN LEVEL 3 FINANCIAL INSTRUMENT MEASURED AT FAIR VALUE (CONTINUED)

Financial year ended March 31, 2023

	Units of AIF	Total
Investments - at April 01, 2022	1,526.87	1,526.87
Purchase	14,109.59	14,109.59
Sale during the year	-	-
Redemption during the year	(2,417.85)	(2,417.85)
Profit/(loss) during the year recognised in profit or loss	707.75	707.75
Investments - at March 31, 2023	13,926.36	13,926.36
Unrealised gain/(loss) related to balances held at the end of the year	707.75	707.75

51.3 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.

51.4 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 March 31, 2024	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	24,534.90	Net assets approach	Fair value of underlying investments	NAV per unit ₹ 8,366 - ₹1,00,305	5%	1,226.75	5%	(1,226.75)
Total	24,534.90					1,226.75		(1,226.75)

Type of financial instruments	Fair value of asset as on March 31, 2023	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	13,926.36	Net assets approach	Fair value of underlying investments	NAV per unit ₹ 508.52 - ₹1,07,284	5%	696.32	5%	(696.32)
Total	13,926.36					696.32		(696.32)

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

52 RISK MANAGEMENT

The Company's principal financial liabilities comprise trade and other payables. The Company's principal financial assets include trade and other receivables, cash and cash equivalents that derive directly from its operations. The Company also holds investments in units of Alternative investment funds (AIFs), Non convertible debentures (NCDs,) and equity instruments.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks. Risk management is an integral part of planning and execution of Companies business strategies.

A Industry analysis - Risk concentration

Following table shows the risk concentration by the industry for the components of the balance sheet.

Particulars	As at March 31, 2024				
	Financial services	Infrastructure	Real Estate	Others	Total
Financial assets					
Cash and cash equivalent	17,536.08	-	-	-	17,536.08
Bank balances other than cash and cash equivalents	972.88	-	-	-	972.88
Investments	47,105.52	17,796.59	4,239.07	5,156.64	74,297.83
Other financial assets	499.35	-	-	199.92	699.27
Trade receivables	8,514.07	-	-	-	8,514.07
Loans	2,529.03	-	-	-	2,529.03
Total	77,156.94	17,796.59	4,239.07	5,356.56	1,04,549.15

Particulars	As at March 31, 2023				
	Financial services	Infrastructure	Real Estate	Others	Total
Financial assets					
Cash and cash equivalent	14,535.38	-	-	-	14,535.38
Bank balances other than cash and cash equivalents	410.10	-	-	-	410.10
Investments	36,655.49	12,505.84	4,682.90	1,910.54	55,754.77
Other financial assets	533.13	-	-	299.84	832.97
Trade receivables	6,883.04	-	-	-	6,883.04
Loans	-	-	-	3.10	3.10
Total	59,017.15	12,505.84	4,682.90	2,213.48	78,419.37

B 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 March 31, 2024	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Trade payables	-	-	1,811.41	3,198.09	981.60	4,640.35	7,413.06	-	-	-	18,044.53
Borrowings	-	-	-	-	-	750.00	15,840.79	5,250.00	-	-	21,840.79
Debt Securities	-	-	-	3,544.13	2,438.85	-	4,238.72	12,420.39	-	-	22,642.09
Other financial liabilities	-	-	27.76	27.55	4,371.70	1,197.15	192.29	937.18	279.61	32.43	7,065.67
Total undiscounted non-derivative financial liabilities	-	-	1,839.17	6,769.77	7,792.15	6,587.50	27,684.86	18,607.57	279.61	32.43	69,593.08

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

As at March 31, 2023	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Trade payables	-	-	-	-	818.10	-	16,800.68	-	-	-	17,618.78
Borrowings (other than debt securities)	-	-	38.11	-	-	-	3,152.15	-	-	-	3,190.26
Debt Securities	-	-	-	-	91.98	-	-	17,769.39	3,400.00	-	21,261.38
Other financial liabilities	-	-	323.41	3,123.32	120.33	1,249.61	154.75	770.86	778.80	-	6,521.08
Total undiscounted non-derivative financial liabilities	-	-	361.51	3,123.32	1,030.41	1,249.61	20,107.57	18,540.26	4,178.80	-	48,591.49

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

As at March 31, 2024	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Cash and cash equivalent	17,536.08	-	-	-	-	-	-	-	-	-	17,536.08
Bank balances other than cash and cash equivalents	471.25	-	-	-	-	-	-	501.63	-	-	972.88
Trade receivables	-	-	6,168.43	307.98	287.57	939.65	810.45	-	-	-	8,514.07
Loans	-	-	27.25	-	-	0.42	-	2,501.36	-	-	2,529.03
Investments	-	253.69	1,765.21	1,606.80	1,241.89	2,931.83	24,026.60	772.30	60.39	41,639.11	74,297.83
Other financial assets	-	-	-	499.33	-	-	17.66	-	-	182.26	699.25
Total	18,007.33	253.69	7,960.89	2,414.11	1,529.46	3,871.90	24,854.71	3,775.29	60.39	41,821.37	1,04,549.14

As at March 31, 2023	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Cash and cash equivalent	4,534.08	10,001.30	-	-	-	-	-	-	-	-	14,535.38
Bank balances other than cash and cash equivalents	-	135.86	-	-	-	-	-	274.24	-	-	410.10
Trade receivables	-	-	-	3,876.67	-	3,006.38	-	-	-	-	6,883.04
Loans	-	-	-	-	-	-	3.10	-	-	-	3.10
Investments	-	-	29.29	365.03	200.21	443.04	2,226.05	13,965.62	3,399.14	35,126.39	55,754.77
Other financial assets	-	-	-	638.13	-	15.50	-	2.13	177.21	-	832.97
Total	4,534.08	10,137.16	29.29	4,879.82	200.21	3,464.92	2,229.15	14,241.99	3,576.35	35,126.39	78,419.37

(iii) Financial assets available to support future lending

Particulars	March 31, 2024				
	Available as collateral	others ¹	others ²	Pledged as collateral	Total carrying amount
Cash and cash equivalent	-	7,936.08	9,600.00	-	17,536.08
Bank balances other than cash and cash equivalents	-	-	471.25	501.63	972.88
Trade receivables	-	-	8,514.07	-	8,514.07
Other financial assets	-	699.25	-	-	699.25
Loan	-	2,529.03	-	-	2,529.03
Investments	15,784.01	22,452.40	-	36,061.42	74,297.83
Total assets	15,784.01	33,616.77	18,585.32	36,563.05	1,04,549.15

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

Particulars	March 31, 2023				
	Available as collateral	others ¹	others ²	Pledged as collateral	Total carrying amount
Cash and cash equivalent	-	14,535.38	-	-	14,535.38
Bank balances other than cash and cash equivalents	-	-	410.10	-	410.10
Trade receivables	-	-	6,883.04	-	6,883.04
Other financial assets	-	832.97	-	-	832.97
Loan	-	3.10	-	-	3.10
Investments	9,902.37	22,452.40	-	23,400.00	55,754.77
Total assets	9,902.37	37,823.85	7,293.15	23,400.00	78,419.37

¹ Represents assets which the Company would not consider readily available to secure funding in the normal course of business.

² Represent assets which are used as a security towards facility from financial institution.

C Market Risk

(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	March 31, 2024					
	Increase in basis points	Effect on profit before tax	Effect on Equity	Decrease in basis points	Effect on profit before tax	Effect on Equity
₹	25	(54.47)	-	25	54.47	-

Currency of borrowing / advances	March 31, 2023					
	Increase in basis points	Effect on profit before tax	Effect on Equity	Decrease in basis points	Effect on profit before tax	Effect on Equity
₹	25	(5.50)	-	25	5.50	-

(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 ₹ (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	March 31, 2024					
	Increase in currency rate (%)	Effect on profit before tax	Effect on Equity	Decrease in currency rate (%)	Effect on profit before tax	Effect on Equity
US\$	5	258.08	-	5	(258.08)	-

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

Currency	March 31, 2023					
	Increase in currency rate (%)	Effect on profit before tax	Effect on Equity	Decrease in currency rate (%)	Effect on profit before tax	Effect on Equity
US\$	5	150.32	-	5	(150.32)	-

(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.

Impact on	March 31, 2024					
	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	7.07	-	5	(7.07)	-

Impact on	March 31, 2023					
	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	14.12	-	5	(14.12)	-

(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	March 31, 2024					
	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	1,226.75	-	5	(1,226.75)	-
NCDs	5	1,352.55	-	5	(1,352.55)	-
Pass through certificates	5	5.91	-	5	(5.91)	-

Impact on	March 31, 2023					
	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	696.32	-	5	(696.32)	-
NCDs	5	940.85	-	5	(940.85)	-
Pass through certificates	5	13.84	-	5	(13.84)	-

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

D 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, 2024			March 31, 2023		
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk
Assets						
Cash and cash equivalent	17,536.08	-	17,536.08	14,535.38	-	14,535.38
Bank balances other than cash and cash equivalents	972.88	-	972.88	410.10	-	410.10
Loans	2,529.03	-	2,529.03	3.10	-	3.10
Trade receivables	8,514.07	-	8,514.07	6,883.04	-	6,883.04
Investments	74,297.83	141.39	74,156.44	55,754.77	282.31	55,472.45
Other Financial Assets	699.25	-	699.25	832.97	-	832.97
Total	1,04,549.15	141.39	1,04,407.77	78,419.37	282.31	78,137.06

Particulars	March 31, 2024			March 31, 2023		
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk
Liabilities						
Borrowings (other than Debt Securities)	21,840.79	-	21,840.79	3,190.26	-	3,190.26
Debt Securities	22,642.09	-	22,642.09	21,261.38	-	21,261.38
Trade payables	18,044.53	-	18,044.53	17,618.78	-	17,618.78
Other financial liabilities	5,487.45	-	5,487.45	4,675.85	-	4,675.85
Total	68,014.85	-	68,014.85	46,746.26	-	46,746.26

53 UNCONSOLIDATED STRUCTURED ENTITIES

The Company is a SEBI registered Investment manager for co-investment portfolio management services and various Alternative investment Funds (AIFs) (together referred to as "entities"). The Investment management rights relate to administrative tasks only and relevant activities are directed by contractual arrangements. These entities do not meet the consolidation criteria as given in note 5.1.b of the material accounting policies.

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	
	March 31, 2024	March 31, 2023
Investments	24,534.90	13,926.36
Trade Receivables	4,026.94	3,568
Other financial assets	459.90	472.24
Total Assets	29,021.74	17,966.15
Off-balance sheet exposure	38,690.97	26,318.21
Size of the structured entities	17,35,166.04	13,60,539.93
Income from the structured entities	26,178.74	16,850.79

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

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

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Income from those structure entities	26,178.74	16,850.79
Type of income	Investment Management Fees	Investment Management Fees
Carrying amount of assets transferred to those structured entities during the period	-	-

54 CORPORATE SOCIAL RESPONSIBILITY (CSR):

As per the provisions of Section 135 of the Companies Act, 2013:

- a) Gross amount required to be spent by the Company during the year was ₹ 47,82,307/- (Previous year: ₹ Nil)
b) Amount spent during the year on:

March 31, 2024

Particulars	In cash	Yet to be paid in cash	Total
Constructions / acquisition of any assets	-	-	-
On purpose other than (i) above	48.00	-	48.00

March 31, 2023

Particulars	In cash	Yet to be paid in cash	Total
Constructions / acquisition of any assets	-	-	-
On purpose other than (i) above	-	-	-

55 EARNINGS AND EXPENDITURE IN FOREIGN CURRENCY

The Company has undertaken the following transactions in foreign currency:

- (a) Expenditure incurred in foreign currency (on accrual basis)

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Advertisement and business promotion	42.83	13.18
Travelling & Conveyance	3.14	0.61
Membership & Subscription	14.04	14.73
Database Chgs	20.09	23.50
Others	0.16	-
	80.26	52.02

- (b) Income earned in foreign currency (on accrual basis)

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Advisory and other fees	3,360.04	2,533.98
	3,360.04	2,533.98

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

56 The Company has been sanctioned working capital limits of ₹ 10,500 lakhs (previous year ₹ 2,000 lakhs) in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

57 OTHER ADDITIONAL REGULATORY INFORMATION

(i) Key Ratios

Particulars	March 31, 2024	March 31, 2023	Variance	Reason for Variance
Net profit ratio	27.17%	28.31%	(4.03%)	NA
Current Ratio	1.24	0.96	28.66%	Increase in current investment
Debt Equity Ratio	0.77	0.53	46.06%	Increase in borrowing
Debt Service Coverage Ratio	2.17	6.76	(67.93%)	Partial repayment due within six months
Interest Service Coverage Ratio	5.42	6.76	(19.77%)	Increase in borrowing
Return on Equity	21.36%	25.31%	(15.59%)	Increase in equity
Total debt to Total assets	0.31	0.23	38.52%	Increase in borrowing

Notes:

- i) Net profit ratio = Profit after Tax / Total Income
ii) Current Ratio = Current Assets / Current Liabilities
iii) Debt-equity Ratio = Total debt (Debt securities + Borrowings other than debt securities) / Net worth
iv) Debt Service Coverage Ratio = Earnings before interest and tax/ (Interest Expense + Principal repayment in next six months)
v) Interest Service Coverage Ratio = Earnings before interest and tax/Interest expense
vi) Return on Equity = Profit after Tax / (Average shareholders fund)
vii) Total debt to Total assets = (Debt securities + Borrowings other than debt securities) / Total assets

(ii) Title deeds of Immovable Properties not held in name of the Company

The Company do not have any immovable properties where title deeds are not held in the name of the Company.

(iii) Loans and Advances

There are no loans or advances in the nature of loans which are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are:

- (a) repayable on demand or
(b) without specifying any terms or period of repayment

(iv) Details of Benami Property held

The Company do not have any benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(v) Security of current assets against borrowings

The Company has borrowed from Market Linked Debentures & Non Convertible Debentures on the basis of security of current assets and the quarterly returns filed by the Company with the lenders are in agreement with the books of accounts of the Company.

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

(vi) **Wilful Defaulter**

The Company is not declared as wilful defaulter by any bank or financial Institution or other lender.

(vii) **Relationship with Struck off Companies**

The Company do not have any transactions with companies struck off.

(viii) **Registration of charges or satisfaction of charges with Registrar of Companies (ROC)**

The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(ix) **Utilisation of Borrowed funds and share premium:**

(A) During the year, the Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(B) During the year, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party(Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(x) The Company does not have any long term contract including derivative contract for which there were any material foreseeable losses.

(xi) **Subsequent Event**

The Company has evaluated all events that occur after the balance sheet date through the date when the financial statements were issued to determine if they must be reported. The Management of the Company determined that there were no reportable subsequent events to be disclosed.

(xii) The Company has complied with the Rule 3 of Companies (Accounts) Rules, 2014 amended on August 05, 2022 relating to maintenance of electronic books of account and other relevant books and papers. The Company's books of accounts and relevant books and papers are accessible in India at all times and backup of accounts and other relevant books and papers are maintained in electronic mode within India and kept in servers physically located in India on daily basis.

(xiii) **Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(xiv) **Undisclosed Income**

The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(xv) **Details of Crypto Currency or Virtual Currency**

The Company has not traded or invested in Crypto currency or Virtual Currency during the current financial year and any of the previous financial years.

Notes to the financial statements (Contd.)
(Currency: Indian rupees in lakhs)

58 PREVIOUS YEAR COMPARATIVES

Previous year figures have been regrouped and rearranged wherever necessary.

For **Nangia & Co. LLP**
Chartered Accountants
FRN No. 002391C/N500069

Jaspreet Singh Bedi
Partner
Membership No: 601788

Mumbai
May 08, 2024

For and on behalf of the Board of Directors

Priyadeep Chopra
Non-executive Director
DIN: 00079353

Hemal Mehta
Chief Financial Officer

Mumbai
May 08, 2024

Sushanth Nayak
Whole Time Director
DIN.: 02857645

Deepak Mukhija
Company Secretary

Independent Auditor's Report

To the Members of

Edelweiss Alternative Asset Advisors Ltd.

Report on the Audit of Consolidated Ind AS Financial Statements

OPINION

We have audited the accompanying Consolidated Ind AS Financial Statements of Edelweiss Alternative Asset Advisors Limited (hereinafter referred to as "the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss, (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Ind AS Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, aforesaid Consolidated 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 Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, their consolidated profit including Other Comprehensive Income, their consolidated cash flows and the consolidated changes

in equity for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the Consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matters
<p>Revenue from Asset management and advisory fees</p> <p>Revenue from operations is the most significant in the Statement of Profit and Loss. It majorly comprises of the asset management and advisory fees which is based on certain percentage as mentioned in Private Placement Memorandum (PPM) and contribution agreement.</p> <p>There are inherent risks in computing management fees and manual input of key contractual terms, which could result in errors.</p> <p>Considering the complexity in contractual terms involving multiple schemes, it requires monitoring to ensure completeness.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Obtained and read the accounting policy for revenue recognition Obtained an understanding of the significant revenue items and identified where there is a higher risk of error due to manual processes, complex contractual terms and areas of judgement. Test checked the design and operating effectiveness of key controls in place across the Company over recognition of management and advisory fees.

Independent Auditor's Report (Contd.)

Key Audit Matter	How our audit addressed the key audit matters
<p>Accordingly, we have considered revenue from management and advisory fees as a key audit matter. Any discrepancy in such computation could give rise to a material misstatement in the Ind AS Financial Statements</p>	<ul style="list-style-type: none"> On a sample basis, obtained and tested arithmetical accuracy of revenue calculation and the reconciliation with the accounting records. On sample basis, verified the input of contractual terms with rates mentioned in PPM. On a sample basis, checked the receipts of such income in bank statements. Re-calculated management and advisory fees in respect of certain sample invoices and compared with the actual fees. Evaluate the disclosure relating to asset management and advisory fees earned.

OTHER INFORMATION

The Group's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Board Report ("the other information") but does not include the consolidated Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITY OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS:

The Holding Company's Board of Directors is responsible for preparation and presentation of these Consolidated Ind AS Financial Statement that give a true and fair view of the consolidated financial position, consolidated financial performance including Other Comprehensive Income, consolidated cash flows and consolidated changes in equity

of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies 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 consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies 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 Group or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's Report (Contd.)

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Standard on Auditing (SA's) 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to Consolidated Ind AS 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of consolidated financial statements, including the disclosures and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the Consolidated Ind AS Financial Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Ind AS Financial Statement, of which we are independent auditors. For the other entities included in the Consolidated Ind AS Financial Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Ind AS Financial Statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS

Independent Auditor's Report (Contd.)

Financial Statements for the financial year ended March 31, 2024, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

We did not audit the annual financial statements of two subsidiaries included in the Consolidated Ind AS Financial Statements whose financial information (before eliminating intercompany balances/transactions) reflect total assets of Rs. 61,049.76 Lakhs as at March 31, 2024, total revenue of Rs. 20,279.73 lakhs, total profit after tax of Rs. 6,167.92 lakhs, total comprehensive profit of Rs. 6,005.41 lakhs and cash outflow (net) of Rs. 1,434.42 lakhs for the year ended on that date as considered in the Consolidated Ind AS Financial Statements. These Financial Statements have been audited by other auditors, whose audit reports have been furnished to us by the management.

Our opinion above on the consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Ind AS Financial Statements and other financial information certified by the Management.

The comparative financial information included in consolidated Ind AS Financial Statements for the year ended March 31, 2023 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on May 15, 2023. Accordingly, we do not express any opinion, as the case may be, on the figures reported in the Consolidated Ind AS Financial Statements for the year ended March 31, 2023.

Our opinion is not modified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

2. As required by Section 143(3) of the Act, we report to the extent applicable, 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 of the aforesaid consolidated Ind AS Financial Statements
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement is dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS Financial Statements;
- (d) In our opinion, the aforesaid consolidated Ind AS Financial Statements comply with the Accounting Standards specified under section 133 of the Act.
- (e) On the basis of the written representation received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2024 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 with reference over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure 2.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

Independent Auditor's Report (Contd.)

(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 and based on the consideration of the report of the other auditors on separate Ind AS Financial Statements as also the other financial information of the subsidiaries and associate, as noted in the 'Other matter' paragraph:

- i. The Consolidated Financial Statements disclose the impact of pending litigations on the Consolidated financial position of the Group- Refer Note 53 to the Consolidated Financial Statements.
- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts. - Refer Note 62(x) to the Consolidated Financial Statements.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India, during the year ended March 31, 2024.
- iv. (a) The Management of the Holding Company which is the Company incorporated in India whose financial statements have been audited under the Act have represented to us, to the best of their knowledge and belief, as disclosed in the note 56(ix)(A) to the accounts, during the year no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company, to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on

behalf of the Ultimate Beneficiaries. Subsidiary incorporated in India or outside India and included in the consolidated financial statements.

- (b) The Management of the Holding Company which is the Company incorporated in India whose financial statements have been audited under the Act have represented to us, to the best of their knowledge and belief, as disclosed in the note 56(ix)(B) to the accounts, during the year no funds have been received by the Holding Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Subsidiary incorporated in India or outside India and included in the consolidated financial statements
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.
- v. No dividend has been declared or paid during the year by the Holding Company and its subsidiary companies.
- vi. Based on our examination which included test checks, the Holding company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Independent Auditor's Report (Contd.)

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules,

2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For Nangia & Co. LLP
Chartered Accountants
FRN No. 002391C/N500069

Jaspreet Singh Bedi
Partner
Membership No.: 601788
UDIN: 24601788BKFMUQ4311

Place: Mumbai
Date: 08 May 2024

"Annexure 1" to the Auditors' Report**ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' OF OUR REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF EDELWEISS ALTERNATIVE ASSET ADVISORS LIMITED**

Based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and associates, incorporated in India, as noted in the 'Other Matter' paragraph we state that:

(xxi) According to the information and explanations given to us and based on the Companies (Auditors Report) Order, 2020 (CARO) issued for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we draw attention to the remarks in these CARO reports:

Sr. No	Name	CIN	Holding Co./ Subsidiary / Associate/ Joint Venture	Clause No. of CARO report
1.	Sekura India Management Limited	U74999MH2021PLC362906	Subsidiary	Paragraph 3 clause (xvii)

For Nangia & Co. LLP
Chartered Accountants
FRN No. 002391C/N500069

Jaspreet Singh Bedi
Partner
Membership No.: 601788
UDIN: 24601788BKFMUQ4311

Place: Mumbai
Date: 08 May 2024

"Annexure 2" to the Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Edelweiss Alternative Asset Advisors Limited of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

To

**The Member of
Edelweiss Alternative Asset Advisors Limited**

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to Consolidated Ind AS Financial Statements of Edelweiss Alternative Asset Advisors Limited and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which are incorporated in India as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated Ind AS financial statements over financial reporting 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, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit

to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated efficiently 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 consolidated 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 consolidated 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 with reference to Consolidated Financial Statements of the Company and its subsidiary companies, which are companies incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting 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 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.

"Annexure 2" to the Auditors' Report

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting 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 Group, which are companies incorporated in India, have maintained in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2024 based on the internal control with reference to Consolidated Financial Statements established by the Holding 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 ICAI.

For Nangia & Co. LLP
Chartered Accountants
FRN No. 002391C/N500069

Jaspreet Singh Bedi
Partner
Membership No.: 601788
UDIN: 24601788BKFMUQ4311

Place: Mumbai
Date: 08 May 2024

Consolidated Balance Sheet

(Currency: Indian rupees in lakhs)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non current assets			
Property, plant and equipment	7	63.72	127.37
Right-of-use assets	7	1,403.85	1,776.10
Other intangible assets	7	67.89	84.86
Financial assets			
(i) Bank balances other than cash and cash equivalents	8	501.63	274.24
(ii) Investments	9	53,246.25	67,049.83
(iii) Loans	10	9.11	-
(iv) Other financial assets	11	182.56	179.65
Current tax assets (net)	12	-	28.55
Other non current assets	13	32,933.03	22,425.55
		88,408.04	91,946.15
Current assets			
Financial assets			
(i) Cash and cash equivalents	14	17,861.16	17,348.76
(ii) Bank balances other than cash and cash equivalents	15	471.25	135.86
(iii) Trade receivables	16	8,233.43	4,804.89
(iv) Investments	17	50,599.80	3,263.62
(v) Loans	18	0.42	1,536.79
(vi) Other financial assets	19	938.58	962.02
Current tax assets (net)	20	3,377.89	70.84
Other current assets	21	5,958.59	3,635.37
		87,441.12	31,758.15
TOTAL ASSETS		1,75,849.16	1,23,704.30
EQUITY AND LIABILITIES			
Equity			
Equity share capital	22.1	1,884.53	1,237.47
Instruments entirely equity in nature	22.2	23,000.00	34,000.00
Other equity		48,063.58	20,132.94
		72,948.11	55,370.41
LIABILITIES			
Non current liabilities			
Financial liabilities			
(i) Borrowings (other than debt securities)	23	5,250.00	-
(ii) Debt Securities	24	12,434.72	21,169.39
(iii) Trade payables	25	-	-
(a) total outstanding dues of small enterprises and micro enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		10,268.42	13,048.88
(iv) Lease Liability	26	1,216.79	1,549.66
(v) Other financial liabilities	27	603.43	1,836.59
Provisions	28	273.88	371.48
Deferred tax liability (net)	29	5,350.18	322.49
Other non current liabilities	30	3,925.50	75.70
		39,322.92	38,374.19
Current liabilities			
Financial liabilities			
(i) Borrowings	31	16,590.79	3,190.26
(ii) Debt Securities	32	10,207.36	91.98
(iii) Trade payables	33	-	-
(a) total outstanding dues of small enterprises and micro enterprises		-	1.25
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		24,884.21	17,773.15
(iv) Lease Liability	34	361.43	295.57
(v) Other financial liabilities	35	6,488.12	5,448.85
Provisions	36	179.61	55.56
Current tax liabilities (net)	37	42.32	6.25
Other current liabilities	38	4,824.29	3,096.83
		63,578.13	29,959.70
TOTAL EQUITY AND LIABILITIES		1,75,849.16	1,23,704.30
Material accounting policies and notes forming part of the financial statements	1-64		

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

For **Nangia & Co. LLP**
Chartered Accountants
FRN No. 002391C/N500069

Jaspreet Singh Bedi
Partner
Membership No: 601788

Mumbai
May 08, 2024

For and on behalf of the Board of Directors

Priyadeep Chopra
Non-executive Director
DIN: 00079353

Hemal Mehta
Chief Financial Officer

Mumbai
May 08, 2024

Sushanth Nayak
Whole Time Director
DIN.: 02857645

Deepak Mukhija
Company Secretary

Consolidated Statement of Profit and Loss

(Currency: Indian rupees in lakhs)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
REVENUE FROM OPERATIONS			
Interest income	39	2,175.68	1,821.58
Revenue from contract with customers	40	39,801.32	28,145.37
Net gain on fair value changes	41	16,408.39	39,876.01
Total revenue from operations		58,385.39	69,842.96
Other income	42	39.55	279.75
Total Income		58,424.94	70,122.71
Expenses			
Finance costs	43	3,648.28	1,870.24
Impairment on financial instruments	44	-	(0.20)
Employee benefits expense	45	18,362.22	12,619.13
Depreciation, amortisation and impairment	7	535.14	377.86
Other expenses	46	14,610.48	21,202.46
Total expenses		37,156.12	36,069.49
Profit before tax		21,268.82	34,053.22
Tax expense:			
Current tax		91.76	1,570.14
Deferred tax		5,031.47	266.99
Short/(excess) tax for earlier years		(1,370.31)	(3.16)
Profit for the year		17,515.90	32,219.25
Other Comprehensive Income / (loss)			
Items that will not be reclassified to profit or loss			
Re-measurements of the defined benefit plans		(12.83)	7.60
Income tax relating to items that will not be reclassified to profit or loss		3.71	(1.72)
Items that will be reclassified to profit or loss			
Exchange differences in translating the financial statements of foreign operations		(148.22)	737.55
Other Comprehensive Income		(157.34)	743.43
Total Comprehensive Income		17,358.56	32,962.68
Earnings per equity share (face value ₹10 each):			
Basic	48	54.50	169.98
Diluted	48	54.50	169.98
Material accounting policies and notes forming part of the financial statements	1-64		

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

For **Nangia & Co. LLP**
Chartered Accountants
FRN No. 002391C/N500069

Jaspreet Singh Bedi
Partner
Membership No: 601788

Mumbai
May 08, 2024

For and on behalf of the Board of Directors

Priyadeep Chopra
Non-executive Director
DIN: 00079353

Hemal Mehta
Chief Financial Officer

Mumbai
May 08, 2024

Sushanth Nayak
Whole Time Director
DIN.: 02857645

Deepak Mukhija
Company Secretary

Consolidated Cash Flow Statement

(Currency: Indian rupees in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	21,268.82	34,053.22
Adjustments for		
Depreciation and ammortisation expenses	535.14	377.86
Impairment of financial instruments	-	(0.20)
Provision for compensated absences	58.25	38.49
Expense on Employee Stock Option Scheme & Stock Appreciation Rights	257.37	103.03
Profit on sale of fixed assets	(0.40)	0.07
Finance cost on lease liability	195.18	109.06
Net gain on fair value changes (Realised & Unrealised)	(14,182.32)	(39,542.58)
Interest income	(2,175.68)	(1,821.58)
Finance cost	3,648.28	1,658.71
Operating cash flow before working capital changes	9,604.64	(5,023.92)
Add / (less): Adjustments for working capital changes		
Increase in trade receivables	(3,428.53)	1,145.99
(Increase)/Decrease in loans and advances	(6.43)	(3.10)
Increase in other financial assets	20.53	(559.88)
Increase in other non current assets	(10,507.49)	(30,413.58)
Increase in other current assets	(2,323.22)	(1,218.09)
Increase in trade payables	4,331.85	28,336.98
Increase in provisions	(56.49)	74.24
Increase in other financial liabilities	(193.88)	(5,531.44)
(Decrease) / Increase in other non current liabilities	3,849.80	(18.71)
Increase in other current liabilities	1,727.46	1,945.61
Cash generated from operations	(6,586.40)	(6,241.98)
Income tax paid/refund	(1,963.89)	(94.08)
Net cash generated from operating activity - A	1,054.35	(11,359.98)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Amount received on Sale of investments Mutual fund	1,27,605.12	54,537.71
Purchase of Investment of Mutual Fund	(1,27,620.76)	(50,377.48)
Purchase of Property, plant & equipment and intangible assets	(48.61)	(144.06)
Capital expenditure towards development of intangible assets	-	6.40
Sale of Property, plant & equipment and intangible assets	0.55	5.06
Interest income on Investment and loan given	2,175.68	1,833.07
Investment in NCD and AIF (net)	(19,334.64)	(18,195.00)
Net cash used in investing activities - B	(17,222.66)	(12,334.30)

Consolidated Cash Flow Statement (Contd.)
(Currency: Indian rupees in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
C. CASH FLOW FROM FINANCING ACTIVITIES		
Term loan taken	7,500.00	-
Repayment of borrowings & deposits	-	(6,250.00)
Repayment towards Loan and deposit given	1,527.26	1,100.00
Proceeds from Issue of compulsory convertible debentures	-	23,000.00
Proceeds from issue of debt securities	300.00	21,261.39
Proceeds from working capital facility	11,168.73	952.92
Interest paid (including interest paid on inter corporate deposits)	(2,390.59)	(1,657.80)
Principal repayment of leases (Ind AS 116)	(301.00)	(141.38)
Finance cost paid (IND AS 116)	(195.18)	(109.06)
Net cash generated from/(used in) financing activities - C	17,609.22	38,156.07
Movement in Foreign Exchange Translation Reserve (D)	(365.73)	802.84
Net increase/(decrease) in cash and cash equivalents (A+B+C)	1,075.18	15,264.63
Note :		
Cash and cash equivalents as at the beginning of the year	17,758.86	2,494.23
Cash and cash equivalents as at the end of the year	18,834.04	17,758.86
Cash and cash equivalents as at the end of the year	As at March 31, 2024	As at March 31, 2023
Balance with Banks - in Current accounts	17,861.16	5,525.69
Balance with Banks - in escrow accounts	471.25	135.86
Fixed deposits with Banks	501.63	12,097.31
	18,834.04	17,758.86

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

For **Nangia & Co. LLP**
Chartered Accountants
FRN No. 002391C/N500069

Jaspreet Singh Bedi
Partner
Membership No: 601788

Mumbai
May 08, 2024

For and on behalf of the Board of Directors

Priyadeep Chopra
Non-executive Director
DIN: 00079353

Hemal Mehta
Chief Financial Officer

Mumbai
May 08, 2024

Sushanth Nayak
Whole Time Director
DIN.: 02857645

Deepak Mukhija
Company Secretary

Consolidated Statement of Changes in Equity

(Currency: Indian rupees in lakhs)

(A) EQUITY SHARE CAPITAL

Balance at the beginning of the reporting period (April 01, 2022)	Changes in equity share capital (refer note 22.1)	Balance at the end of the reporting period (March 31, 2023)	Changes in equity share capital (refer note 22.1)	Balance at the end of the reporting period (March 31, 2024)
1,237.47	-	1,237.47	647.06	1,884.53

(B) INSTRUMENTS ENTIRELY EQUITY IN NATURE

Balance at the beginning of the reporting period (April 01, 2022)	Changes during the year (refer note 22.2)	Balance at the end of the reporting period (March 31, 2023)	Changes during the year (refer note 22.2)	Balance at the end of the reporting period (March 31, 2024)
34,000.00	11,000.00	23,000.00	-	23,000.00

(C) OTHER EQUITY

	Reserves and Surplus							Total
	Securities premium	Share Option Reserve	Debenture Redemption Reserve	Retained earnings	Capital Reserve	Other comprehensive income	Foreign Exchange Translation Reserve	
Balance at March 31, 2022	1,191.12	344.40	-	1,799.81	(16,875.95)	15.09	427.41	(13,098.12)
Reversal of ESOP/SAR reserve on account of lapses/cancellation post vesting.	-	-	-	103.03	-	-	-	103.03
Profit for the year	-	-	-	32,219.25	-	-	-	32,219.25
Add / Less - During the year	-	-	2,126.14	(2,126.14)	100.00	-	802.91	902.91
Other comprehensive income for the year	-	-	-	-	-	5.88	-	5.88
Balance at March 31, 2023	1,191.12	344.40	2,126.14	31,995.95	(16,775.95)	20.97	1,230.32	20,132.94
Reversal of ESOP/SAR reserve on account of lapses/cancellation post vesting.	-	-	-	257.37	-	-	-	257.37
Profit for the year	-	-	-	17,515.90	-	-	-	17,515.90
Add / Less - During the year	10,352.94	-	138.07	(138.07)	-	-	(186.45)	10,166.49
Other comprehensive income for the year	-	-	-	-	-	(9.12)	-	(9.12)
Balance at March 31, 2024	11,544.06	344.40	2,264.21	49,631.15	(16,775.95)	11.85	1,043.87	48,063.58

(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.

(iii) Debenture Redemption Reserve

The Companies Act, 2013 requires companies that issue debentures to create a debenture redemption reserve from annual profits until such debentures are redeemed. The Company is required to transfer a specified percentage (as provided in the Companies Act 2013) of the outstanding redeemable debentures to debenture redemption reserve. The amounts credited to the debenture redemption reserve may not be utilised except to redeem debentures. On redemption of reserves, the amount may be transferred from debenture redemption reserve to reserved earnings.

(iv) Capital reserve

Capital reserve represents the gains of capital nature which is not freely available for distribution

(v) Foreign exchange translation reserve

The exchange differences arising out of year end translation of Group entities having functional currency other than Indian Rupees is debited or credited to this reserve

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

For **Nangia & Co. LLP**
Chartered Accountants
FRN No. 002391C/N500069

For and on behalf of the Board of Directors

Jaspreet Singh Bedi
Partner
Membership No: 601788

Priyadeep Chopra
Non-executive Director
DIN: 00079353

Sushanth Nayak
Whole Time Director
DIN.: 02857645

Hemal Mehta
Chief Financial Officer

Deepak Mukhija
Company Secretary

Mumbai
May 08, 2024

Mumbai
May 08, 2024

Notes to the Consolidated financial statements

(Currency: Indian rupees in lakhs)

1 BACKGROUND

Edelweiss Alternative Asset Advisors Limited ("EAAA or the Company") is a public Company incorporated in India on May 14, 2008 having CIN U67190MH2008PLC182205.

The Company is a SEBI registered Investment Manager for co-investment portfolio management services and Alternative Investment Funds and provides non-binding advisory services to certain offshore funds under Edelweiss Group.

The Company has obtained registration for its Gift City branch as fund management entity under IFSC FME Regulation 2022 with effect from January 30, 2023.

It is a subsidiary of Edelweiss Securities And Investments Private Limited ("ESIPL"), a Company incorporated in India.

The ultimate holding company of the Company is Edelweiss Financial Services Limited ("EFSL"), which is incorporated in India.

2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The consolidated 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 consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments such as financial asset and liabilities measured at fair value through profit and loss (FVTPL) instruments which have been measured at fair value.

The consolidated financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest lakh, except when otherwise indicated.

3 PRESENTATION OF FINANCIAL STATEMENTS

The Group presents its balance sheet in compliance with the Division II of the Schedule III to the Companies Act, 2013.

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it is expected to be realised in, or is intended for sale or consumption in, the group's normal operating cycle or it is held primarily for the purpose of being traded or it is expected to be realised within 12 months after the reporting date or it is cash or cash equivalent unless it is restricted from being exchanged or expected to be used to settle a liability for at least 12 months after the reporting date. Current assets include the current portion of non-current assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it is expected to be settled in the group's normal operating cycle or it is held primarily for the purpose of being traded or it is due to be settled within 12 months after the reporting date or the group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. Current liabilities include current portion of non-current liabilities. All other liabilities are classified as non-current.

4 BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Holding Group and all its subsidiaries as at March 31, 2024 being the entities that it controls. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements

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- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary. In the event of any change in one or more of the three elements of control, the Group reassess nature of control and stops consolidation if it concludes that the Group has lost the control over the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies. No subsidiaries have followed different accounting policies than those followed by the Group for the preparation of these consolidated financial statements.

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, are eliminated in full). Income Taxes applies

to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.

The financial statements of subsidiary incorporated outside India are converted on the following basis:
(a) Income and expenses are converted at the average rate of exchange applicable for the period/year and

(b) All assets and liabilities are translated at the closing rate as on the Balance Sheet date. The exchange difference arising out of period/year end translation is debited or credited as "Exchange differences on translating the financial statements of a foreign operation" forming part of Other Comprehensive Income and accumulated as a separate component of other equity.

5 MATERIAL ACCOUNTING POLICIES

5.1 Financial Instruments

5.1.1 Date of recognition

Financial assets and financial liabilities are initially recognised on the trade date, i.e., the date that the Group 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 marketplace.

5.1.2 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.

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. Trade receivables are measured at the transaction price.

5.1.3 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 Group recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised.

5.1.4 Measurement categories of financial instruments

a. Financial assets:

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

- Fair value through profit or loss [FVTPL]
- Amortised cost

The Group 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

All other financial assets are initially measured at fair value and subsequently measured at FVTPL.

i) Amortised cost and Effective interest method

The effective interest method is a method

of calculating the amortised cost of a debt instrument and 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.

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.

ii) Financial assets at fair value through profit or loss

Financial assets in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when the following criteria is met. Such designation is determined on an instrument-by-instrument basis:

Notes to the Consolidated financial statements (Contd.)
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b) Financial liabilities

All financial liabilities are measured at amortised cost.

i) 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.

ii) Financial liabilities at fair value through profit or loss

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

Financial liabilities at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in profit and loss. Interest incurred on financial liabilities designated at FVTPL is accrued in interest finance cost, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument.

iii) Financial liabilities and equity instruments

Financial instruments issued by the Group 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 a Group after deducting all of its liabilities. Equity instruments issued by a Group are recognised at the proceeds received, net of direct issue costs.

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

c. Reclassification of financial assets and financial liabilities

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

d. Derecognition of financial assets and financial liabilities

i) Derecognition of financial assets due to substantial modification of terms and conditions

The Group 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 financial asset with the difference recognised 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 Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

ii) Derecognition of financial assets (other than due to substantial modification of terms and conditions)

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

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

- The Group has transferred its contractual rights to receive cash flows from the financial asset; or

Notes to the Consolidated financial statements (Contd.)
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- 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 Group has transferred substantially all the risks and rewards of the asset; or
- The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Group 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.

iii) Derecognition of financial liabilities

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

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

e. 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.

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

Notes to the Consolidated financial statements (Contd.)
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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 recognised 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 recognised as a provision. Also, for other loan commitments and all financial guarantee contracts, the loss allowance has been recognised as a provision.

f. Write off

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

5.2 Determination of fair value

The Group 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 Group.

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 Group 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 Group has access to at the measurement date. The Group 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

Notes to the Consolidated financial statements (Contd.)
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to the measurement as whole. For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (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 Group periodically reviews its valuation techniques including the adopted methodologies and model calibrations

Therefore, the Group 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 Group 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.

5.3 Revenue from contract with customer

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at transaction price i.e. the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to the customer, excluding amounts collected on behalf of third parties. The Group consider the terms of the contract and its customary business practices to determine the transaction price. Where the consideration promised is variable, the Group excludes the estimates of variable consideration that are constrained. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Group recognises revenue from the following sources:

- Revenue from fund management services is recognised over the tenure in accordance with the terms and conditions of the investment management agreement between the Group and the Fund for which the Group acts as a fund manager.

- Fee income including advisory fees is accounted over the period as the customer simultaneously receives and consumes the benefits, as the services are rendered.
- Revenue on account of distribution from alternate investment funds is recognised on the receipt of the distribution letter or when right to receive is established.
- Interest income on financial assets is recognised on an accrual basis fair value through profit and loss account.

5.4 Selling and distribution expenses:

The Group pays Selling and distribution cost for fund raise in various Alternative Investment Fund (AIF) strategies comprising of upfront and trail payments as per their respective agreements.

The cost is amortised over the tenure of the fund. The unamortised selling and distribution expense is classified as prepaid expenses under other current assets and other non current assets.

Trail payments of Selling and distribution which are not accrued and not due are considered as uncalled liability. The uncalled liabilities are disclosed under Contingent liabilities and commitments.

5.5 Operating leases (IND AS 116)

Leases as a Lessee

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Rights-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date of underlying asset is available for use). Rights-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The

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cost of rights-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Rights-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable and amounts expected to be paid under residual value guarantees. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date as the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in lease term, a change in lease payments or a change in the assessment of an option to purchase the underlying asset.

Short term lease

The Group 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 Group recognises lease payment associated with these leases as an expense on a straight-line basis over lease term.

5.6 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.

5.7 Foreign currency transactions

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

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

5.8 Retirement and other employee benefit

Provident fund and national pension scheme

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

Gratuity

The Group's gratuity scheme is a defined benefit plan. The Group'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 group approved by Insurance Regulatory and Development Authority (IRDA).

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

Remeasurements are not reclassified to profit or loss in subsequent periods

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated Absences

The eligible employees of the Group are permitted to carry forward certain number of their annual leave entitlement to subsequent years, subject to a ceiling. The Group 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.

5.9 Share-based payment arrangements

Certain employees of the Group have been granted equity-settled ESOPs by the ultimate parent group (Edelweiss Financial Services Limited). The Group recognises a cost with respect to the services received from the said employees measured by reference to the fair value of the equity instruments

granted by the ultimate parent at the grant date.

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

5.10 Property, plant and equipment

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

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

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

As per the requirement of Schedule II of the Companies Act, 2013, the Group 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.

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Estimated useful lives of the assets are as follows:

Nature of assets	Estimated useful life
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 derecognised 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 recognised as assets is derecognised 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 recognised in profit or loss. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

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

5.11 Intangible assets are stated at cost less accumulated amortisation and impairment. Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors. Amortisation methods and useful lives are reviewed periodically including at each financial year end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates.

Estimate useful life of software is considered as 3 years.

5.12 Impairment of non-current assets

The Group 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 Group 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 recognised 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.

5.13 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 Provisions and other contingent liabilities.

5.14 Provisions and other contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group 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 Group. Claims against the Group, where the possibility of any outflow of

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resources in settlement is remote, are not disclosed as contingent liabilities.

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

5.15 Income tax expenses

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

5.15.1 Current tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. 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 Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

5.15.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

It is probable that taxable profit will be available against which a deductible temporary difference, unused tax loss or unused tax credit can be

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

the group 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

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 Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

5.15.3 Current and deferred tax for the year

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

5.15.4 Goods and services tax /value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax/value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

6 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 4, the management is required to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the acgrouping disclosures, as well as the disclosure of contingent liabilities, 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 judgements, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

6.1 Critical judgements in applying accounting policies

The following are the critical judgements, that the management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the Financial Statements.

a) Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how Group'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 Group monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the quantum, the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

b) 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 Group, structured entities comprises alternative investment funds / schemes thereof. The Group consolidates the structured entities that it controls. When making this judgement, the Group also considers voting and similar rights available to itself and other parties, who may limit the Group'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 Group has the ability to use its power to affect the amount of the Group's returns i.e. the variability of returns in relation to the total returns of the investee entity.

Basis the above, there are no such structured entities that meet the given criteria.

6.2 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 Group based its assumptions and estimates on parameters available when the

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

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 Group. 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
- 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.

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

7 PROPERTY, PLANT AND EQUIPMENT AND OTHER INTANGIBLES

Description of assets	Gross block			Depreciation and amortisation				Net block				
	As at April 01, 2023	Additions during the year	Deductions during the year	Other adjustments	As at March 31, 2024	As at April 01, 2023	Additions during the year	Deductions during the year	Other adjustments	As at March 31, 2024	As at March 31, 2023	
(A) Property, Plant and Equipment												
Furniture & Fixtures	4.28	0.96	-	-	5.24	1.73	0.77	-	-	2.49	2.75	2.55
Office equipment	27.41	4.28	-	-	31.69	24.52	2.25	-	-	26.77	4.92	2.89
Motor vehicle	2.62	-	-	-	2.62	2.62	0.00	-	-	2.62	-	0.00
Computers	216.26	12.57	9.80	(0.02)	219.01	138.39	54.89	9.64	(0.00)	183.63	35.38	77.87
Leasehold Improvement	69.93	-	-	(0.08)	69.85	25.87	23.28	-	0.04	49.18	20.67	44.06
Right to use asset	2,005.46	33.99	-	-	2,039.44	229.36	406.22	-	-	635.58	1,403.85	1,776.10
Total : A	2,325.95	51.80	9.80	(0.10)	2,367.85	422.49	487.40	9.64	0.04	900.27	1,467.57	1,903.46
(B) Intangible assets												
Computer software	375.39	30.79	2.78	-	403.39	290.54	47.74	2.78	-	335.50	67.89	84.85
Total : B	375.39	30.79	3.00	-	403.39	290.54	47.74	2.78	-	335.50	67.89	84.85

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

7 PROPERTY, PLANT AND EQUIPMENT AND OTHER INTANGIBLES

Description of assets	Gross block			Depreciation and amortisation				Net block				
	As at April 01, 2022	Additions during the year	Deductions during the year	Other adjustments	As at March 31, 2023	As at April 01, 2022	Additions during the year	Deductions during the year	Other adjustments	As at March 31, 2023	As at March 31, 2022	
(A) Property, Plant and Equipment												
Furniture & Fixtures	2.53	1.75	-	-	4.28	1.09	0.64	-	-	1.73	2.55	1.44
Office equipment	25.70	1.71	-	-	27.41	23.24	1.28	-	-	24.52	2.89	2.46
Motor vehicle	5.41	-	2.78	-	2.63	3.06	0.21	0.65	-	2.62	0.01	2.35
Computers	152.64	85.80	23.88	1.70	216.26	85.56	72.63	20.87	1.08	138.39	77.87	67.08
Leasehold Improvement	63.32	-	-	6.61	69.93	2.32	22.15	-	1.40	25.87	44.06	61.00
Right to use asset	38.75	1,966.71	-	-	2,005.46	20.42	208.94	-	-	229.36	1,776.09	18.33
Total : A	288.34	2,055.97	26.66	8.31	2,325.97	135.68	305.85	21.52	-	422.49	1,903.47	152.66
(B) Intangible assets												
Computer software	320.59	54.80	2.77	-	372.61	218.53	72.01	2.78	-	287.75	84.86	102.06
Total : B	320.59	54.80	2.77	-	372.61	218.53	72.01	2.78	-	287.75	84.86	102.06

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

8 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2024	As at March 31, 2023
Fixed deposits with banks to the extent held as security against debt securities (refer note (i) below)	501.63	274.24
	501.63	274.24

Notes :

- i) Fixed deposit balances with banks earns interest at fixed rate

9 INVESTMENTS

	As at March 31, 2024	As at March 31, 2023
At Fair Value Through Profit & Loss		
Quoted		
Investment in equity Shares of other companies		
Steel Exchange of India Limited	-	282.31
(Number of shares - 20,91,210)		
Unquoted		
Investment in Debt securities	-	15,751.31
Investment in Pass through certificates (PTCs)	-	104.19
Investment in Units of Alternative Investment Funds (AIFs)	20,019.40	13,900.93
Carried Interest partner in limited partnerships	28,979.43	37,011.08
Loan Investment	4,247.42	-
	53,246.25	67,049.83

Notes:

- i) Of the above, Investment in NCD and Investments in units of Alternative Investment Funds (AIF) are pledged with financial institutions, the same has been specified in note 57B(iii)
- ii) The Company record additional return based on fund NAV and waterfall mechanisms based on Limited Partnership Agreements (LPAs). Fund NAV is determined in accordance with fair value of the assets. MTM gain/loss takes care of impairment on any assets, if any as at the reporting dates. Hence, it minimises uncertainty of claw back, if any.

10 LOANS (AT AMMORTISED COST)

	As at March 31, 2024	As at March 31, 2023
Considered Good- Unsecured		
Loan to employees	9.11	-
Less: Impairment loss allowance	-	-
	9.11	-

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

11 OTHER FINANCIAL ASSETS

	As at March 31, 2024	As at March 31, 2023
Securiy Deposits	180.20	177.21
Deposits - others	2.36	2.43
	182.56	179.65

12 CURRENT TAX ASSETS (NET)

	As at March 31, 2024	As at March 31, 2023
Advance income taxes	-	28.55
	-	28.55

13 OTHER NON-CURRENT ASSETS

	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	32,933.03	22,425.55
	32,933.03	22,425.55

14 CASH AND CASH EQUIVALENTS

	As at March 31, 2024	As at March 31, 2023
Balances with banks		
- in current accounts	17,861.16	5,525.70
- in fixed deposits with original maturity less than 3 months	-	11,823.07
	17,861.16	17,348.76

15 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2024	As at March 31, 2023
Fixed deposits with banks to the extent held as security against debt securities	-	-
Earmarked balances with financial institution	471.25	135.86
	471.25	135.86

Notes :

Earmarked with bank for a specific purpose and therefore not available for immediate and general use.(Refer note 57B(iii))

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

16 TRADE RECEIVABLES

	As at March 31, 2024	As at March 31, 2023
Unsecured		
Undisputed Trade receivables – considered good	8,233.43	4,804.89
	8,233.43	4,804.89

Notes :

- i) Trade Receivables specified in note 57B(iii) have been held as security against debt securities and borrowings
- ii) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any person.

Ageing of Trade receivables

Trade receivables days past due	Unbilled	Less than 6 months	6 months - 1 year	1-2 years	Total
As at March 31, 2024					
(i) Undisputed Trade receivables – considered good	-	8,233.43	-	-	8,233.43
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-
Net carrying amount	-	8,233.43	-	-	8,233.43

Trade receivables days past due	Unbilled	Less than 6 months	6 months - 1 year	1-2 years	Total
As at March 31, 2023					
(i) Undisputed Trade receivables – considered good	-	4,804.89	-	-	4,804.89
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-
Net carrying amount	-	4,804.89	-	-	4,804.89

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

17 INVESTMENTS

	As at March 31, 2024	As at March 31, 2023
At Fair Value Through Profit & Loss		
Quoted		
Investment in equity Shares of other companies		
Steel Exchange of India Limited (Number of shares - 10,24,566)	141.39	-
Investments in units of Mutual Fund (36,325.989 Units at NAV of ₹3118.3534 per unit. (PY: NIL))	1,132.77	-
Unquoted		
Investment in Debt securities	27,050.92	3,065.65
Investment in Pass through certificates (PTCs)	118.22	172.55
Investment in Units of Alternative Investment Funds (AIFs)	4,515.50	25.43
Carried Interest partner in limited partnerships	17,641.00	-
	50,599.80	3,263.62

Note: Of the above, Investment in NCD and Investments in units of Alternative Investment Funds (AIF) are pledged with financial institutions, the same has been specified in note 57B(iii)

The Company record additional return based on fund NAV and waterfall mechanisms based on Limited Partnership Agreements (LPAs). Fund NAV is determined in accordance with fair value of the assets. MTM gain/loss takes care of impairment on any assets, if any as at the reporting dates. Hence, it minimises uncertainty of claw back, if any.

18 LOANS (AT AMMORTISED COST)

	As at March 31, 2024	As at March 31, 2023
Considered Good- Unsecured		
Loan to employees	0.42	3.10
Loan to fellow subsidiary	-	1,533.69
Less: Impairment loss allowance	-	-
	0.42	1,536.79

Loan to fellow subsidiary is unsecured and as per terms in Memorandum of Understanding (MoU).

19 OTHER FINANCIAL ASSETS

	As at March 31, 2024	As at March 31, 2023
Advances recoverable in cash or in kind or for value to be received	920.64	799.11
Security deposits	17.66	20.50
Deposits - others	0.27	100.27
Advance to others	-	42.14
	938.58	962.02

20 CURRENT TAX ASSETS (NET)

	As at March 31, 2024	As at March 31, 2023
Advance income taxes and tax deducted at source	3,377.89	70.84
	3,377.89	70.84

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

21 OTHER CURRENT ASSETS

	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	5,523.49	3,075.66
Vendor Advances	278.03	391.20
Advances to employees	28.18	24.63
Input tax credit	128.88	143.67
Advances recoverable in cash or in kind or for value to be received	-	0.21
	5,958.59	3,635.37

22.1 EQUITY SHARE CAPITAL

	As at March 31, 2024	As at March 31, 2023
a. Authorised :		
4,20,00,000 (Previous year: 2,30,00,000) equity shares of ₹ 10/- each	4,200.00	2,300.00
10,00,000 (Previous year: Nil) preference shares of ₹ 10/- each	100.00	-
b. Issued, subscribed and paid up:		
1,23,74,737 (Previous year: 1,23,74,737) equity shares of ₹ 10/- each, fully paid-up	1,884.53	1,237.47
	1,884.53	1,237.47

c. The movement in share capital during the year :

	As at March 31, 2024		As at March 31, 2023	
	No of shares	Amount	No of shares	Amount
Equity shares				
Number of shares outstanding at the beginning of the year	1,23,74,737	1,237.47	1,23,74,737	1237.47
Shares issued during the year on conversion of CCDs	64,70,588	647.06	-	-
Number of shares at the end of the year	1,88,45,325	1,884.53	1,23,74,737	1237.47

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

	As at March 31, 2024		As at March 31, 2023	
	No of shares	Percentage of share holding	No of shares	Percentage of share holding
Edelweiss Securities And Investments Private Limited and its nominees	1,56,63,447	83.12%	1,22,56,000	99.04%
Edel Finance Company Limited	31,81,872	16.88%	-	-
	1,88,45,319	100.00%	1,22,56,000	99.04%

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

e. Details of shareholding of promoter in the Company:

Shares held by promoters As as March 31, 2024

Promoter name	No of shares	% of total shares	% Change during the year
Edelweiss Securities And Investments Private Limited	1,56,63,447	83.12%	27.80%
Edel Finance Company Limited	31,81,872	16.88%	100.00%

Shares held by promoters As as March 31, 2023

Promoter name	No of shares	% of total shares	% Change during the year
Edelweiss Securities And Investments Private Limited	1,22,56,000	99.04%	8.44%

f. Terms/rights attached to equity shares

The Company has only one class of shares, referred to as equity shares, having a par value of ₹ 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.

22.2 INSTRUMENTS ENTIRELY EQUITY IN NATURE

	As at March 31, 2024	As at March 31, 2023
a. 23,00,00,000 (P.Y. 34,00,00,000) compulsory convertible debentures of ₹ 10 each fully paid	23,000.00	34,000.00
	23,000.00	34,000.00

b. The movement in instruments during the year :

	As at March 31, 2024		As at March 31, 2023	
	No of CCDs	Amount	No of CCDs	Amount
Compulsory convertible debentures (CCDs)				
Outstanding at the beginning of the year	34,00,00,000	34,000.00	11,00,00,000	11,000.00
Issued during the year	-	-	23,00,00,000	23,000.00
Converted to equity shares during the year	11,00,00,000	11,000.00	-	-
Outstanding at the end of the year	23,00,00,000	23,000.00	34,00,00,000	34,000.00

c. Details of debentureholders holding more than 5%

	As at March 31, 2024		As at March 31, 2023	
	No of CCDs	Amount	No of CCDs	Amount
Edelweiss Securities And Investments Private Limited	23,00,00,000	23,000.00	34,00,00,000	34,000.00
	23,00,00,000	23,000.00	34,00,00,000	34,000.00

d Terms/rights attached to Instruments entirely equity in nature

- The 11,00,00,00 CCD's were converted into Equity shares in the ratio of 17:1 i.e one Equity Share allotted for every 17 CCDs on March 29, 2024 approved by Board at its meeting held on March 26, 2024.
- The CCDs issued at 0.01% per annum in the previous year shall be converted into the Equity Shares of the Company in the ratio of 173:10 (i.e. 10 Equity Shares will be allotted for 173 CCDs converted) at the end of 5 years.

The Equity Shares allotted on the conversion of the CCDs shall rank pari passu with existing Equity Shares of the Company. The Equity shares shall be issued to the CCD Holders with absolute title and free and clear of any encumbrance.

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

23 BORROWINGS (OTHER THAN DEBT SECURITIES)

	As at March 31, 2024	As at March 31, 2023
Secured		
Term loan from banks	5,250.00	-
(Secured against exclusive investments in debt securities and units of Alternative Investment Funds and charge on identified fee receivables.)		
	5,250.00	-
Borrowings in india	5,250.00	-
Borrowings outside india	-	-
	5,250.00	-
Rate of Interest - p.a.		
Term loan from banks 10% - 10.20%	5,250.00	-
	5,250.00	-

24 DEBT SECURITIES

	As at March 31, 2024	As at March 31, 2023
Redeemable non-convertible debentures - secured		
Privately placed		
- Market linked debentures	2,434.72	11,169.39
- Non Convertible Debentures	10,000.00	10,000.00
	12,434.72	21,169.39
(i) Debt securities in India	12,434.72	21,169.39
(ii) Debt securities outside India	-	-
Total	12,434.72	21,169.39

Note 1: First ranking pari passu pledge/charge over 100% of the Investments made by the Issuer in any form (Units of AIF, equity share capital, on Fully Diluted Basis and any other securities / CCDs / OCDs / NCDs etc) excluding any securities which are exclusively charged to other lenders. First ranking pari passu charge on all the current assets of the Issuer including any receivables excluding securities which are exclusively charged to other lenders and excluding pari passu charge given to working capital lenders.

Note 2: Exclusive charge by way of pledge over identified units of the Funds and/or investments of the Issuer; pari-passu charge by way of hypothecation on all the current assets of the issuer excluding securities which are exclusively charged to other lenders and excluding pari passu charge given to working capital lenders.

	As at March 31, 2024	As at March 31, 2023
Rate of Interest - p.a.		
Market linked debentures 9% - 10%	2,434.72	11,169.39
Non Convertible Debentures 10% - 11%	10,000.00	10,000.00
Total	12,434.72	21,169.39

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

25 TRADE PAYABLES

As at March 31, 2024	Unbilled	Less than 1 year	Total
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) Total outstanding dues of other than micro enterprises and small enterprises	-	10,268.42	10,268.42
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-
(iv) Disputed dues of other than micro enterprises and small enterprises	-	-	-
	-	10,268.42	10,268.42

As at March 31, 2023	Unbilled	Less than 1 year	Total
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) Total outstanding dues of other than micro enterprises and small enterprises	-	13,048.88	13,048.88
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-
(iv) Disputed dues of other than micro enterprises and small enterprises	-	-	-
	-	13,048.88	13,048.88

26 LEASE LIABILITY

	As at March 31, 2024	As at March 31, 2023
Lease liability	1,216.79	1,549.66
	1,216.79	1,549.66

27 OTHER FINANCIAL LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Other payables	603.43	1,836.59
	603.43	1,836.59

28 PROVISIONS

	As at March 31, 2024	As at March 31, 2023
Compensated leave absences	67.95	150.97
Gratuity	205.93	220.51
	273.88	371.48

29 DEFERRED TAX ASSETS AND LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Deferred tax assets (net)		
Employee benefit obligations	114.28	105.93
Provision for expected credit losses	-	(0.05)
General provisions disallowed	5.46	8.77
Carried forward losses	2,927.69	-
Property, plant and equipment and intangibles	18.75	57.74
Total	3,066.18	172.40

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities (net)		
Fair valuation of Investments	(1,178.45)	(477.54)
Expense claimed on payment basis	(7,635.30)	-
Right of Use Assets less lease liabilities (net)	397.38	(17.35)
Total	(8,416.36)	(494.89)
Deferred tax (liability) / assets (net)	(5,350.18)	(322.49)

30 OTHER NON-CURRENT LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Income received in advance	3,925.50	72.53
Others	-	3.17
	3,925.50	75.70

31 BORROWINGS (OTHER THAN DEBT SECURITIES)

	As at March 31, 2024	As at March 31, 2023
Unsecured		
Loan from fellow subsidiary	2,219.14	2,237.34
Secured		
Term loan from banks	2,250.00	-
(Secured against exclusive investments in debt securities and units of Alternative Investment Funds and charge on identified fee receivables.)		
Secured		
Bank Overdraft	12,121.65	952.92
(Pari-passu charge on all the current assets of the Borrower, excluding the assets which are exclusively charged to other lenders, with an asset cover of 1.5 times of sanctioned amount)		
	16,590.79	3,190.26
Borrowings in india	16,590.79	3,190.26
Borrowings outside india	-	-
	16,590.79	3,190.26
Rate of Interest - p.a.		
Loan from fellow subsidiary - 11% - 12%	2,219.14	2,237.34
Term loan from banks 10% - 10.20%	2,250.00	-
Bank Overdraft - 10% - 11%	12,121.65	952.92
Total	16,590.79	3,190.26

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

32 DEBT SECURITIES

	As at March 31, 2024	As at March 31, 2023
Redeemable non-convertible debentures - secured		
Market linked debentures	10,116.35	-
Accrued Interest on Non Convertible Debentures	91.01	91.98
	10,207.36	91.98
(i) Debt securities in India	10,207.36	91.98
(ii) Debt securities outside India	-	-
Total	10,207.36	91.98

33 TRADE PAYABLES

As at March 31, 2024	Unbilled	Less than 1 year	Total
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) Total outstanding dues of other than micro enterprises and small enterprises	-	24,884.21	24,884.21
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-
(iv) Disputed dues of other than micro enterprises and small enterprises	-	-	-
	-	24,884.21	24,884.21

As at March 31, 2023	Unbilled	Less than 1 year	Total
(i) Total outstanding dues of micro enterprises and small enterprises	-	1.25	1.25
(ii) Total outstanding dues of other than micro enterprises and small enterprises	-	17,773.15	17,773.15
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-
(iv) Disputed dues of other than micro enterprises and small enterprises	-	-	-
	-	17,774.40	17,774.40

₹ Nil (P.Y.: ₹1.25 lakhs) payable to "Suppliers" in the previous year was due to supplier registered under the Micro, Small and Medium Enterprises Development Act, 2006 and is paid within 45 days. No interest has been paid / is payable by the Company during the year to "Suppliers" registered under this act. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said act.

34 LEASE LIABILITY

	As at March 31, 2024	As at March 31, 2023
Lease liability	361.43	295.57
	361.43	295.57

35 OTHER FINANCIAL LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Accrued salaries and benefits	4,489.92	3,212.16
Deposits	1,111.60	1,479.10
Interest accrued & not due on compulsory convertible debentures	-	1.04
Other payables	886.60	756.55
	6,488.12	5,448.85

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

36 PROVISIONS

	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Compensated absences	175.01	33.74
Gratuity	4.60	1.61
Others	-	20.21
	179.61	55.56

37 CURRENT TAX LIABILITIES (NET)

	As at March 31, 2024	As at March 31, 2023
Provision for taxation	42.32	6.25
	42.32	6.25

38 OTHER CURRENT LIABILITIES

	As at March 31, 2024	As at March 31, 2023
Income received in advance	4,047.76	2,372.68
Statutory liabilities*	773.37	724.15
Others	3.16	-
	4,824.29	3,096.83

* Includes withholding taxes, Provident fund, profession tax and other statutory dues payable.

39 INTEREST INCOME

	For the year ended March 31, 2024	For the year ended March 31, 2023
On Financial assets measured at amortised cost		
Interest on loan to Holding Company	33.38	177.31
Interest on loan given to employees	0.33	0.10
Interest on loan to others	5.04	-
Interest on deposits with Banks	70.14	90.04
On Financial assets measured at fair value through profit and loss		
Debt instruments	1,793.02	1,479.42
Pass through certificates	273.77	74.71
	2,175.68	1,821.58

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

40 REVENUE FROM CONTRACT WITH CUSTOMERS

	For the year ended March 31, 2024	For the year ended March 31, 2023
Advisory fees	39,801.32	28,145.37
	39,801.32	28,145.37
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	39,801.32	28,145.37
Total revenue from contract with customers	39,801.32	28,145.37

41 NET GAIN ON FAIR VALUE CHANGES

	For the year ended March 31, 2024	For the year ended March 31, 2023
Fair value gain/(loss) on financial instruments at fair value through profit or loss	12,964.75	38,980.05
Profit on sale of investments	1,217.57	562.53
Income distribution from fund	2,226.07	333.43
	16,408.39	39,876.01

42 OTHER INCOME

	For the year ended March 31, 2024	For the year ended March 31, 2023
Foreign Exchange Gain	25.39	115.32
Miscellaneous income and other reimbursements	10.25	13.71
Shared Premises income	-	1.92
Interest on Income Tax Refund	3.91	148.80
	39.55	279.75

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

43 FINANCE COSTS

	For the year ended March 31, 2024	For the year ended March 31, 2023
On financial liabilities measured at amortised cost		
Interest on loan from financial institution	297.16	566.50
Interest on loan from fellow subsidiaries	262.62	343.19
Interest on non convertible debentures	2,228.69	747.12
Interest on compulsorily convertible debentures	3.40	1.13
Interest on lease liability	195.18	109.06
Interest on working capital facility	543.00	0.77
Other interest expense		
Interest - others	3.36	77.52
Financial and bank charges	114.87	24.95
	3,648.28	1,870.24

44 IMPAIRMENT ON FINANCIAL INSTRUMENTS

	For the year ended March 31, 2024	For the year ended March 31, 2023
ECL provision on loan given to holding company	-	(0.20)
	-	(0.20)

45 EMPLOYEE BENEFIT EXPENSES

	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries wages and bonus	17,002.13	11,533.57
Contribution to provident and other funds	814.71	613.41
Expense on Employee Stock Option Scheme (refer note below)	18.09	9.03
Staff welfare expenses	474.25	377.97
Expense on Employee Stock Appreciation Rights (refer note below)	53.04	85.15
	18,362.22	12,619.13

The ultimate Holding Company (Edelweiss Financial Services Limited ("EFSL")) has Employee Stock Option Plans in force. Based on such ESOP schemes, parent entity has granted an ESOP option to acquire equity shares of EFSL that would vest in a graded manner to company's employees. Based on group policy / arrangement, EFSL has charged the fair value of such stock options, Company has accepted such cross charge and recognised the same under the employee cost.

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

46 OTHER EXPENSES

	For the year ended March 31, 2024	For the year ended March 31, 2023
Advertisement and business promotion	169.96	57.95
Auditors' remuneration (refer note below)	44.21	36.29
Communication	69.58	57.87
Computer expenses	492.36	468.36
Computer software	178.26	-
Clearing & custodian charges	1.09	0.80
Donation	48.00	1.00
Electricity charges	58.96	38.48
Foreign exchange loss	(364.83)	-
Insurance	72.96	25.22
Legal and professional fees	6,133.11	14,544.61
Membership and subscription	176.48	162.99
Office expenses	81.30	87.44
Postage and courier	8.81	5.44
Mutual Fund Expenses	23.63	1.56
Printing and stationery	30.87	37.78
Rates and taxes	83.41	19.66
Rating Support Fees	-	5.90
Rent (refer note 54)	857.88	713.94
Repairs and maintenance	32.93	8.56
Foreign exchange loss (net)	-	495.91
Seminar and conference	132.64	50.90
Goods & Service tax expenses	119.29	8.52
Directors' Sitting Fees	28.10	21.80
Stamp paper charges	49.08	20.64
Stock exchange expenses	11.99	2.97
Loss on sale of fixed assets	(0.40)	0.07
Travelling and conveyance	757.59	542.78
Transportation Charges	-	0.02
Outside Services Cost	165.97	93.26
Selling and Distribution expenses	5,133.15	3,678.72
Miscellaneous expenses	14.10	13.04
	14,610.48	21,202.46
Note:		
1) Auditors' remuneration:		
Audit Fees	36.46	29.54
Limited Review Fees	4.35	3.72
Others	3.40	3.03
	44.21	36.29

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

2) Cost Sharing

- (i) Edelweiss Financial Services Limited, being the ultimate holding company along with fellow subsidiaries incurs expenditure like group mediclaim, insurance, rent, electricity charges, etc. which is for the common benefit of itself and its certain subsidiaries including the Company. This cost so expended is reimbursed by the Company on the basis of number of employees, area occupied, actual identifications etc. Accordingly, and as identified appropriately, the expenditure heads in the above note are gross of the reimbursements.
- (ii) Edelweiss International (Singapore) Pte Limited being the group company incurs common rent & other amenities expenditure which is for the benefit of the Company. This cost so expended is reimbursed by the Company on the basis of area occupied. Accordingly, and as identified by the management, the expenditure heads in the statement of the profit and loss are inclusive of the reimbursements.

47 DEFERRED TAX ASSETS

The components of income tax expense for the years ended March 31, 2024 and March 31, 2023 are:

Particulars	March 31, 2024	March 31, 2023
Current tax	91.76	1,570.14
Adjustment in respect of current income tax of prior years	(1,370.31)	(3.16)
Deferred tax relating to origination and reversal of temporary differences	5,031.47	266.99
Total tax charge	3,752.92	1,833.97
Current tax	(1,278.55)	1,566.98
Deferred tax	5,031.47	266.99

47.1 RECONCILIATION OF TOTAL TAX CHARGE

	For the year ended March 31, 2024	For the year ended March 31, 2023
Accounting profit before tax as per financial statements	21,268.82	34,053.22
Tax rate (in percentage)	25.17%	25.17%
Income tax expense calculated based on this tax rate	5,353.36	8,571.19
Adjustment for rate difference	(983.13)	(3,639.48)
Adjustment in respect of current income tax of prior years	(1,370.31)	(3.16)
Others	(1,370.31)	(2,524.90)
Effect of utilisation of tax losses on which deferred tax asset earlier not recognised	33.85	(569.70)
Tax charge for the year recorded in P&L	3,752.92	1,833.97
Break-up of income tax recorded in OCI	March 31, 2024	March 31, 2023
Deferred tax		
Employee benefit obligations	(3.71)	(1.72)
Total	(3.71)	(1.72)

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

48 EARNINGS PER SHARE

	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Net amount attributable to the equity shareholders (as per statement of profit and loss)	17,515.90	32,219.25
b) Calculation of weighted average number of equity Shares of ₹ 10 each:		
- Number of shares at the beginning of the year	1,23,74,737	1,23,74,737
- Shares issued during the year	64,70,588	-
- Shares to be issued against compulsory convertible debentures	1,32,94,798	1,97,65,386
Total number of equity shares outstanding at the end of the year	3,21,40,123	3,21,40,123
Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	3,21,40,123	1,89,54,598
Basic earnings per share (in rupees) (a/b)	54.50	169.98
Diluted earnings per share (in rupees) (a/b)	54.50	169.98

49 SEGMENT REPORTING

The Company Operates in a single reportable segment of Investment manager to Alternative Investment Funds and offshore funds business as per the requirement of Ind AS 108 - Operating Segment.

50 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 Subsidiaries with whom transactions have taken place: (w.e.f March 28, 2023)

Sekura India Management Limited
Edelweiss Real Assets Managers Limited
Edelweiss Alternative Asset Advisors Pte. Limited

C Fellow subsidiaries with whom transactions have taken place:

Edelweiss Rural & Corporate Services Limited
ECL Finance Limited
India Credit Investment Fund III (Upto March 31, 2024)
ECap Securities and Investments Limited (formerly known as ECap Equities Limited)
Edelweiss Global Wealth Management Limited
EdelGive Foundation
Zuno General Insurance Limited (formerly known as Edelweiss General Insurance Company Limited)
Edelweiss Tokio Life Insurance Company Ltd
Edelweiss General Insurance Company Limited
Edelweiss Asset Reconstruction Company Limited
Edelcap Securities Limited
Edelweiss Value Growth Fund
Edelweiss Investment Advisors Limited
India Credit Investment Fund II (Upto October 31, 2023)

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

Edelweiss Private Tech Equity Fund
Edelweiss Asset Management Limited
Nido Home Finance Limited (formerly known as Edelweiss Housing Finance Limited)
Edelweiss International (Singapore) Pte Limited
Edelweiss Asset Management Limited

D Associates with whom transactions have taken place: (Upto March 30, 2023)

Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited)
Nuvama Asset Management Limited (formerly known as ESL Securities Limited)
Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited)
Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)

E Key Managerial Personnel

Sushanth Nayak (Whole Time Director)
Kanu Doshi (Non-executive Director)
Sunil Phatarphekar (Non-executive Director)
Priyadeep Chopra (Non-executive Director) (w.e.f March 24, 2023)
Venkatchalam Ramaswamy (Non-executive Director) (w.e.f January 22, 2024)
Kamala Kantharaj (Non-executive Director) (upto January 17, 2023)
Hemal Mehta (Chief Financial Officer)
Deepak Mukhija (Company Secretary)

F. Transactions with related parties

Sr. No.	Nature of Transaction	Related party name	For the year ended March 31, 2024	For the year ended March 31, 2023
A)	Transactions with related parties as stated above			
	Term loans taken from	Edelweiss Rural & Corporate Services Limited	2,200.00	2,200.00
		Edelweiss Financial Services Limited	2,200.00	2,200.00
		Edelweiss Securities And Investments Private Limited	120.00	-
	Term loans repaid to	Edelweiss Rural & Corporate Services Limited	2,200.00	3,300.00
		Edelweiss Financial Services Limited	2,200.00	2,200.00
		Edelweiss Securities And Investments Private Limited	120.00	-
	Term loans given to	Edelweiss Securities And Investments Private Limited	-	1,100.00
	Term loans repaid by	Edelweiss Securities And Investments Private Limited	-	1,100.00
		Edelweiss International (Singapore) Pte. Ltd.	1,516.01	-

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

Sr. No.	Nature of Transaction	Related party name	For the year ended March 31, 2024	For the year ended March 31, 2023
	Issuance of Compulsory convertible debentures	Edelweiss Securities And Investments Private Limited	-	23,000.00
	Purchase of Non Convertible Debentures from	ECL Finance Limited	-	1,571.90
	Investment in Units of AIF	India Credit Investment Fund III	293.04	206.96
	Sale of Investment in Units of AIF	India Credit Investment Fund III	488.67	-
	Purchase of Units of AIF from	ECap Equities Limited	-	2,463.66
	Purchase of Equity Shares (Unquoted) from	Edelweiss Securities And Investments Private Limited	-	1,110.41
		Edelweiss Financial Services Limited	-	21,341.99
	Security deposit placed with	Edelweiss Rural & Corporate Services Limited	-	177.21
	Interest expense on loans taken from	Edelweiss Rural & Corporate Services Limited	258.39	336.56
		Edelweiss Financial Services Limited	2.97	6.63
		Edelweiss Securities And Investments Private Limited	1.27	-
	Interest expense on CCD	Edelweiss Securities And Investments Private Limited	3.40	1.13
	Corporate Social Responsibility	EdelGive Foundation	48.00	-
	Fund raising Distributor's expenses	Edelweiss Global Wealth Management Limited	26.03	32.63
		Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited)	-	1,946.83
		Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited) (As appearing under prepaid expenses)	-	17,103.61
	Advisory fee expense	ECL Finance Limited	574.94	409.65
		Edelweiss Financial Services Limited	50.00	-
		Edelweiss Asset Mangement Limited	2.05	12.94
	Advisory Fees Income	ECL Finance Limited	39.85	-
	Insurance expenses	Zuno General Insurance Limited	0.16	100.16
		Edelweiss Tokio Life Insurance Company Ltd	16.17	53.72
	Corporate Guarantee Fee	Edelweiss Financial Services Limited	0.04	0.36
		Edelweiss Securities And Investments Private Limited	1.63	-
	Remuneration paid to	Key Management personnel	534.08	466.76

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

Sr. No.	Nature of Transaction	Related party name	For the year ended March 31, 2024	For the year ended March 31, 2023
	Debt Securities - placement fee	Nuvama Wealth and Investment Limited (formerly known as Edelweiss Broking Limited)	-	50.06
	Director Sitting Fees paid to	Sunil Phatarphekar	4.00	3.80
		Kanu Doshi	4.00	3.80
		Kamala Kantharaj	-	0.70
	Cost reimbursements paid to	Edelweiss Financial Services Limited	-	13.73
		Edelweiss Rural & Corporate Services Limited	1,094.97	808.06
		Edelweiss Securities And Investments Private Limited	298.41	223.46
		ECL Finance Limited	-	0.98
		Nuvama Asset Management Limited (formerly known as ESL Securities Limited)	-	0.85
		Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)	-	0.10
		Edelweiss Asset Reconstruction Company Limited	1.78	-
		Edelweiss International (Singapore) Pte Limited	87.34	80.26
	Interest income on loan given	Edelweiss Securities And Investments Private Limited	-	80.97
		Edelweiss International (Singapore) Pte. Ltd.	33.38	96.34
	Fee income earned from	Edelweiss Rural & Corporate Services Limited	26.60	109.43
		India Credit Investment Fund III	1,225.52	9.56
		ECL Finance Limited	422.45	742.34
		Edelcap Securities Ltd	1.27	15.28
		Edelweiss Value Growth Fund	15.23	17.64
		Edelweiss Investment Advisors Limited	286.40	139.03
		India Credit Fund II	246.43	389.65
		Edelweiss Private Tech Equity Fund	6.58	6.86
		Edelweiss Securities And Investments Private Limited	1,712.01	244.67
		ECap Equities Limited	85.21	373.35
	Reimbursements received from	ECL Finance Limited	101.92	15.87

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

Sr. No.	Nature of Transaction	Related party name	For the year ended March 31, 2024	For the year ended March 31, 2023
		Edelweiss Investment Advisors Limited	1.87	0.20
		Edelweiss Asset Reconstruction Company Limited	24.38	21.14
		ECap Securities and Investments Limited (formerly known as ECap Equities Limited)	47.18	103.51
		Edelweiss Rural & Corporate Services Limited	-	29.77
		Edelweiss Private Tech Equity Fund	1.00	-
		Edelweiss Securities And Investments Private Limited	9.35	-
		Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited)	-	1.92
		Edelweiss Value Growth Fund	1.00	-
		Edelweiss International (Singapore) Pte. Ltd.	2.78	2.85
	Transfer of gratuity liability on account of employee transfer to	Edelweiss Asset Management Limited	2.45	-
		Edelweiss Rural & Corporate Services Limited	0.23	0.13
		Edelweiss Securities And Investments Private Limited	0.19	-
		ECL Finance Limited	6.91	-
		EdelGive Foundation	0.05	1.17
		Edelweiss Asset Reconstruction Company Limited	3.37	-
	Transfer of gratuity liability on account of employee transfer from	Edelcap Securities Limited	-	10.12
		Edelweiss Asset Reconstruction Company Limited	2.23	30.98
		Edelweiss Rural & Corporate Services Limited	-	7.36
		ECL Finance Limited	-	7.75
		Edelweiss Securities And Investments Private Limited	12.51	-
	Purchase of Fixed asset	ECL Finance Limited	-	0.90
		Edelweiss Housing Finance Limited	-	0.06
	Sale of Fixed Asset	Edelweiss Asset Reconstruction Company Ltd	-	1.10

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

Sr. No.	Nature of Transaction	Related party name	For the year ended March 31, 2024	For the year ended March 31, 2023
		Edelweiss Financial Services Limited	-	0.06
		Edelweiss Housing Finance Limited	-	0.02
		Edelweiss Rural & Corporate Services Limited	-	0.06
		Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited)	-	0.02
		Nuvama Wealth Finance Limited (Formerly Edelweiss Finance & Investments Limited)	-	0.02
B)	Balances with related parties as stated above			
	Compulsory convertible debentures	Edelweiss Securities And Investments Private Limited	23,000.00	34,000.00
	Short-term borrowings	Edelweiss Rural & Corporate Services Limited	2,200.00	2,200.00
	Short term loans given to	Edelweiss International (Singapore) Pte Limited	-	1,525.55
	Interest accrued but not due on loans given	Edelweiss International (Singapore) Pte Limited	-	8.13
	Trade payable to	ECL Finance Limited	66.55	41.22
		Edelweiss Securities And Investments Private Limited	102.69	76.12
		Edelweiss Rural & Corporate Services Limited	107.13	188.59
		Edelweiss Housing Finance Limited	-	0.02
		Edelweiss Financial Services Limited	-	0.68
	Interest accrued and due on borrowings from	Edelweiss Rural & Corporate Services Limited	19.14	31.37
		Edelweiss Financial Services Limited	-	5.97
	Interest accrued & not due on compulsory convertible debentures	Edelweiss Securities And Investments Private Limited	-	1.04
	Other payables	Edelweiss Financial Services Limited	0.61	89.36
		Edelweiss Asset Reconstruction Company Limited	2.23	-
		Edelweiss Securities And Investments Private Limited	12.51	-
	Other Receivables	Edelweiss Rural & Corporate Services Limited	0.08	8.26
		Edelcap Securities Limited	-	10.12

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

Sr. No.	Nature of Transaction	Related party name	For the year ended March 31, 2024	For the year ended March 31, 2023
		Edelweiss Asset Reconstruction Company Limited	30.98	30.98
		ECL Finance Limited	48.02	7.75
		Edelweiss Securities And Investments Private Limited	0.19	-
		Edelweiss Asset Management Limited	2.45	-
		Edelweiss Financial Services Limited	22.79	22.82
	Security deposits with	Edelweiss Rural & Corporate Services Limited	177.21	177.21
	Trade receivables	Edelcap Securities Ltd	-	1.42
		ECap Equities Limited	7.83	27.98
		Edelweiss Securities And Investments Private Limited	1,812.78	50.00
		Edelweiss Rural & Corporate Services Limited	-	22.82
		Edelweiss Asset Reconstructions Company Ltd	1.19	1.65
		Edelweiss Value Growth Fund	-	5.13
		Edelweiss Private Tech Equity Fund	1.76	2.00
		ECL Finance Limited	-	61.17
		India Credit Investment Fund II	121.34	173.92
		India Credit Investment Fund III	-	11.28
		Edelweiss Investment Advisors Limited	28.52	10.22
C)	Off Balance Sheet Items			
	Corporate Guarantee taken from	Edelweiss Securities And Investments Private Limited	10,000.00	10,000.00

G Compensation of Key Managerial Personnel of the Company

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Short-term employee benefits	534.08	466.76
Post-employment pension (defined contribution)	-	-
Termination benefits	-	-
Total	534.08	466.76

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

51 RETIREMENT BENEFIT PLAN

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

Amount of ₹ 642.88 (P.Y: ₹ 496.5) is recognised as expenses and included in "Employee benefit expense" – Note. 45 in statement of Profit and loss.

B) Defined benefit plan (Gratuity):

The following tables summarise 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.

Table 1: Reconciliation of Defined Benefit Obligation (DBO)

	March 31, 2024	March 31, 2023
Present Value of DBO at start of the year	693.36	631.72
Service Cost	110.12	103.07
Interest Cost	49.11	40.67
Benefits Paid	(148.65)	(120.39)
Re-measurements		
a. Actuarial Loss/ (Gain) from changes in demographic assumptions	-	-
b. Actuarial Loss/ (Gain) from changes in financial assumptions	3.85	(44.70)
c. Actuarial Loss/ (Gain) from experience over the past year	37.65	25.48
Transfer In/ (Out)	(1.54)	57.51
Present Value of DBO at end of the year	743.90	693.36

Table 2 : Expenses recognised in the Profit and Loss Account

	March 31, 2024	March 31, 2023
Service Cost		
a. Current Service Cost	110.12	103.07
b. Net Interest on net defined benefit liability/ (asset)	15.65	13.84
Total	125.77	116.91

Table 3: Net Liability/ (Asset) recognised in the Balance Sheet

	March 31, 2024	March 31, 2023
Present Value of DBO	743.90	693.36
Fair Value of Plan Assets	542.21	471.24
Funded Status [Surplus/ (Deficit)]	201.69	(222.12)
Experience Adjustment on Plan Liabilities: (Gain)/ Loss	37.65	25.48

Table 4: Actuarial Assumptions

	March 31, 2024	March 31, 2023
Salary Growth Rate	7% p.a.	7% p.a.
Discount Rate	7% p.a.	7.10% p.a.
Interest Rate on Net DBO/ (Asset)	7.10% p.a.	5.9% p.a.
Withdrawal Rate	16% p.a.	16% p.a.
Mortality Rate	IALM 2012-14 (Ultimate)	IALM 2012-14 (Ultimate)
Weighted average duration of the obligation	3.5 years	3.5 years

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

Table 5: Movement in Other Comprehensive Income

	March 31, 2024	March 31, 2023
Balance at start of year - (Loss)/ Gain	28.51	20.91
Re-measurements on DBO		
a. Actuarial (Loss)/ Gain from changes in demographic assumptions	-	-
b. Actuarial (Loss)/ Gain from changes in financial assumptions	(3.85)	44.70
c. Actuarial (Loss)/ Gain from experience over the past year	(37.65)	(25.48)
Re-measurements on Plan Assets		
Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/ (asset)	37.51	(11.62)
Balance at end of year - (Loss)/ Gain	24.52	28.51

Table 6: Movement in Net (Liability)/ Asset

	March 31, 2024	March 31, 2023
Surplus/ (Deficit) at start of year	(222.12)	(175.69)
Net (Acquisition)/ Divestiture	-	-
Net Transfer (In)/ Out	1.54	(57.51)
Movement during the year	-	-
Current Service Cost	(110.12)	(103.07)
Past Service Cost	-	-
Net Interest on net DBO	(15.65)	(13.84)
Changes in Foreign Exchange Rates	-	-
Re-measurements – Gains/ (Losses)	(3.99)	7.60
Contributions	148.65	120.39
Surplus/ (Deficit) at end of year	(201.69)	(222.12)

Table 7: Reconciliation of Fair Value of Plan Assets

	March 31, 2024	March 31, 2023
Fair Value of Plan Assets at start of the year	471.24	456.03
Contributions by Employer	148.65	120.39
Benefits Paid	(148.65)	(120.39)
Interest Income on Plan Assets	33.46	26.83
Re-measurements		
Return on plan assets excluding amount included in net interest on the net defined benefit liability/(asset)	28.67	(11.62)
Fair Value of Plan Assets at end of the year	533.37	471.24
Actual Return on Plan Assets	62.13	15.21
Expected Employer Contributions for the coming year	140.00	200.00

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

52 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Particulars	April 01, 2023	Cash flows	Changes in fair values	Exchange differences	Others*	March 31, 2024
Debt securities	21,261.38	(847.98)	-	-	2,228.69	22,642.09
Borrowings other than debt securities	3,190.26	17,547.75	-	-	1,102.78	21,840.79
Total liabilities from financing activities	24,451.64	16,699.77	-	-	3,331.47	44,482.87

Particulars	April 01, 2022	Cash flows	Changes in fair values	Exchange differences	Others*	March 31, 2023
Debt securities	-	20,623.45	-	-	637.93	21,261.38
Borrowings other than debt securities	8,486.43	(5,640.13)	-	-	343.96	3,190.26
Total liabilities from financing activities	8,486.43	14,983.32	-	-	981.89	24,451.63

* Represents Interest expense for the year.

53 CONTINGENT LIABILITIES AND COMMITMENTS

53.1 LEGAL CLAIMS

There are no legal claims outstanding against the Company as at March 31, 2024 (previous year Nil)

53.2 CONTINGENT LIABILITIES

The Company does not have contingent liabilities as at March 31, 2024 (previous year: Nil)

53.3 CAPITAL COMMITMENTS

A. Uncalled liabilities

Uncalled liability (undrawn commitment in case of Units of AIF) as at March 31, 2024 is ₹ 38,623.41 lakhs (Previous year: ₹26,318.21 lakhs)

Trail commission payable towards selling and distribution expense for fund raised in various AIF strategies not accrued and not due as at March 31, 2024 is ₹ 20,866.56 lakhs (Previous Year: ₹ 8,943.89 lakhs)

B. Estimated amounts of contracts

Estimated amounts of contracts remaining to be executed on capital account and not provided for ₹ Nil (Previous year: ₹ Nil lakhs)

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

54 OPERATING LEASE COMMITMENTS

i) Right of use asset

Particulars	March 31, 2024	March 31, 2023
Opening balance at start of the year	1,776.10	18.33
Addition	33.99	1,966.71
Depreciation expense	406.22	208.94
Closing balance	1,403.86	1,776.10

ii) Lease Liability

Particulars	March 31, 2024	March 31, 2023
Opening balance at start of the year	1,845.23	19.90
Addition	27.99	1,966.71
Accretion of interest	195.18	109.06
Payment	490.18	250.44
Closing balance	1,578.22	1,845.23

iii) Total amount recognised in profit and loss

Particulars	March 31, 2024	March 31, 2023
Depreciation and amortisation expense	406.22	208.94
Finance cost on lease liability	195.18	109.06
Expense relating to short term lease (included in other expenses)	13.03	29.33
Total	614.43	347.33

iv) Short term lease payments under operating lease for the year ended is as below.

Particulars	March 31, 2024	March 31, 2023
Within one year	16.21	7.92

v) Other disclosure

Particulars	March 31, 2024	March 31, 2023
	% / Years/Amount	% / Years/Amount
Incremental borrowing rate of company (in %)	12.14	12.14
The leases have an average life of between (in years)	2	2
The total lease payment for the year (in amt)	503.21	279.77

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

55 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.

56 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.

56.1 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	March 31, 2024			
	Carrying Amount	Level 1	Level 2	Level 3
Financial Assets				
At Amortised Cost				
Cash and cash equivalents	17,861.16	-	-	-
Bank balances other than cash and cash equivalents	972.88	-	-	-
Trade receivables	8,233.43	-	-	-
Investments				
Investments in Subsidiaries	4,247.42	-	-	-
Loans	9.53	-	-	-
Other financial assets	1,121.14	-	-	-
At FVTPL				
Investments				
Units of AIF	-	-	-	24,534.90
Debt Securities	-	-	27,050.92	-
Pass through certificates	-	-	118.22	-
Equity shares	-	141.39	-	-
Mutual Fund	-	-	-	1,132.77
Carried Interest partner in SLP	-	-	-	46,620.43
Total financial assets	32,445.56	141.39	27,169.14	72,288.10
Financial Liabilities				
At Amortised Cost				
Borrowings	21,840.79	-	-	-
Debt Securities	22,642.09	-	-	-
Trade payables	35,152.63	-	-	-
Lease Liability	1,578.22	-	-	-
Other financial liabilities	7,091.55	-	-	-
Total financial liabilities	88,305.28	-	-	-

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

Particulars	March 31, 2023			
	Carrying Amount	Level 1	Level 2	Level 3
At Amortised Cost				
Cash and cash equivalents	17,348.76	-	-	-
Bank balances other than cash and cash equivalents	410.10	-	-	-
Trade receivables	4,804.89	-	-	-
Investments				
Investments in Subsidiaries	-	-	-	-
Loans	1,536.79	-	-	-
Other financial assets	1,141.67	-	-	-
At FVTPL				
Investments				
Units of AIF	-	-	-	13,926.36
Units of Mutual Fund	-	-	-	-
Debt Securities	-	-	18,816.96	-
Pass through certificates	-	-	276.73	-
Equity shares	-	282.31	-	-
Carried Interest partner in SLP	-	-	-	37,011.08
Total financial assets	25,242.21	282.31	19,093.69	50,937.44
Financial Liabilities				
At Amortised Cost				
Borrowings	3,190.26	-	-	-
Debt Securities	21,261.38	-	-	-
Trade payables	30,823.28	-	-	-
Lease Liability	1,845.23	-	-	-
Other financial liabilities	7,285.44	-	-	-
Total financial liabilities	64,405.58	-	-	-

Fair valuation Technique

The equity instrument is 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.

The Company record additional return based on fund NAV and waterfall mechanisms based on Limited Partnership Agreements (LPAs). Fund NAV is determined in accordance with fair value of the assets. MTM gain/loss takes care of impairment on any assets, if any as at the reporting dates. Hence, it minimises uncertainty of claw back, if any.

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

56.2 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.

Financial year ended March 31, 2024

	Carried Interest partner in SLP	Units of AIF	Total
Investments - at April 01, 2023	37,011.08	13,926.36	50,937.44
Purchase	-	13,800.05	13,800.05
Redemption during the year	-	(4,893.91)	(4,893.91)
Profit/(loss) during the year recognised in profit or loss	9,609.35	1,702.40	11,311.75
Investments - at March 31, 2024	46,620.43	24,534.90	71,155.33
Unrealised gain/(loss) related to balances held at the end of the year	9,609.35	1,702.40	11,311.75

Financial year ended March 31, 2023

	Carried Interest partner in SLP	Units of AIF	Total
Investments - at April 01, 2022	4.68	1,526.87	1,531.55
Purchase	-	14,109.59	14,109.59
Redemption during the year	-	(2,417.85)	(2,417.85)
Profit/(loss) during the year recognised in profit or loss	37,006.22	707.75	37,713.97
Investments - at March 31, 2023	37,011.08	13,926.36	50,937.26
Unrealised gain/(loss) related to balances held at the end of the year	37,006.22	707.75	37,713.97

56.3 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.

56.4 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 March 31, 2024	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	24,534.90	Net assets approach	Fair value of underlying investments	NAV per unit ₹ 8,366 - ₹1,00,305	5%	1,226.75	5%	(1,226.75)
Additional Return partner in SLP	46,620.43	Net assets approach	Fair value of underlying investments	NA	5%	2,965.78	5%	(2,963.38)
Total	71,155.33					4,192.53		(4,190.13)

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

Type of financial instruments	Fair value of asset as on March 31, 2023	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	13,926.36	Net assets approach	Fair value of underlying investments	NAV per unit ₹ 508.52 - ₹1,07,284	5%	696.32	5%	(696.32)
Additional Return partner in SLP	37,011.08	Net assets approach	Fair value of underlying investments	NA	5%	4,176.99	5%	(4,206.04)
Total	50,937.44					4,873.31		(4,902.36)

57 RISK MANAGEMENT

The Company's principal financial liabilities comprise trade and other payables. The Company's principal financial assets include trade and other receivables, cash and cash equivalents that derive directly from its operations. The Company also holds investments in units of Alternative investment funds (AIFs), Non convertible debentures (NCDs,) and equity instruments.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks. Risk management is an integral part of planning and execution of Companies business strategies.

A Industry analysis - Risk concentration

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 March 31, 2024				
	Financial services	Infrastructure	Real Estate	Others	Total
Financial assets					
Cash and cash equivalent	17,861.16	-	-	-	17,861.16
Bank balances other than cash and cash equivalents	972.88	-	-	-	972.88
Investments	76,653.74	17,796.59	4,239.07	5,156.64	1,03,846.04
Other financial assets	920.64	-	-	200.50	1,121.14
Trade receivables	7,799.41	434.02	-	-	8,233.43
Loans	-	-	-	9.53	9.53
Total	1,04,207.83	18,230.61	4,239.07	5,366.67	1,32,044.18

Particulars	As at March 31, 2023				
	Financial services	Infrastructure	Real Estate	Others	Total
Financial assets					
Cash and cash equivalent	17,348.76	-	-	-	17,348.76
Bank balances other than cash and cash equivalents	410.10	-	-	-	410.10
Investments	51,214.17	12,505.84	4,682.90	1,910.54	70,313.45
Other financial assets	841.25	-	-	300.42	1,141.67
Trade receivables	4,370.87	434.02	-	-	4,804.89
Loans	1,533.69	-	-	3.10	1,536.79
Total	75,718.85	12,939.86	4,682.90	2,214.05	95,555.66

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

B 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 March 31, 2024	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Trade payables	-	-	1,811.41	3,740.71	1,238.86	6,045.57	12,047.66	10,080.41	188.01	-	35,152.63
Borrowings	-	-	-	-	-	750.00	15,840.79	5,250	-	-	21,840.79
Debt Securities	-	-	-	3,544.13	2,437.88	-	4,225.36	12,434.72	-	-	22,642.09
Other financial liabilities	-	-	27.76	27.55	4,441.03	1,197.15	1,156.06	1,508.18	279.61	32.43	8,669.77
Total	-	-	1,839.18	7,312.38	8,117.76	7,992.72	33,269.87	29,273.31	467.62	32.43	88,305.29

As at March 31, 2023	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Trade payables	-	-	-	-	973.72	-	16,800.68	13,048.88	-	-	30,823.29
Borrowings (other than debt securities)	-	-	38.11	-	-	-	3,152.15	-	-	-	3,190.26
Debt Securities	-	-	-	-	91.98	-	-	17,769.40	3,400.00	-	21,261.38
Other financial liabilities	-	-	323.41	3,123.32	171.14	1,249.61	2,669.01	1,594.18	-	-	9,130.67
Total	-	-	361.52	3,123.32	1,236.84	1,249.61	22,621.84	32,412.46	3,400.00	-	64,405.60

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

As at March 31, 2024	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Cash and cash equivalent	17,861.16	-	-	-	-	-	-	-	-	-	17,861.16
Bank balances other than cash and cash equivalents	471.25	-	-	-	-	-	-	501.63	-	-	972.88
Trade receivables	-	-	5,931.41	-	2,302.02	-	-	-	-	-	8,233.43
Loans	-	-	-	-	-	0.42	-	9.11	-	-	9.53
Investments	-	1,386.46	1,765.21	1,606.80	1,241.89	6,963.49	37,635.94	33,454.08	605.45	19,186.71	1,03,846.05
Other financial assets	-	-	-	499.33	16.11	-	423.14	0.20	0.10	182.26	1,121.14
Total	18,332.41	1,386.46	7,696.62	2,106.13	3,560.02	6,963.91	38,059.08	33,965.02	605.55	19,368.97	1,32,044.19

As at March 31, 2024	On demand	1 to 14 days	15 days to 1 month	1 month to 2 months	2 months to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	3 years to 5 years	Over 5 years	Total
Cash and cash equivalent	5,525.70	11,823.06	-	-	-	-	-	-	-	-	17,348.76
Bank balances other than cash and cash equivalents	-	135.86	-	-	-	-	-	274.24	-	-	410.10
Trade receivables	-	-	96.02	3,808.86	900.01	-	-	-	-	-	4,804.89
Loans	-	-	-	-	-	-	1,536.79	-	-	-	1,536.79
Investments	-	-	29.29	365.03	200.21	443.04	2,226.05	50,976.70	3,399.14	12,673.99	70,313.45
Other financial assets	-	-	-	638.13	5.10	15.50	303.30	2.33	177.31	-	1,141.67
Total	5,525.70	11,958.92	125.31	4,812.02	1,105.32	458.54	4,066.13	51,253.27	3,576.45	12,673.99	95,555.65

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

(iii) Financial assets available to support future lending

Particulars	March 31, 2024				
	Available as collateral	others ¹	others ²	Pledged as collateral	Total carrying amount
Cash and cash equivalent	-	8,261.16	9,600.00	-	17,861.16
Bank balances other than cash and cash equivalents	-	-	471.25	501.63	972.88
Trade receivables	2,352.33	-	5,881.10	-	8,233.43
Other financial assets	-	1,121.14	-	-	1,121.14
Loan	-	9.53	-	-	9.53
Investments	67,784.63	-	-	36,061.42	1,03,846.05
Total	70,136.95	9,391.83	15,952.35	36,563.05	1,32,044.18

Particulars	March 31, 2023				
	Available as collateral	others ¹	others ²	Pledged as collateral	Total carrying amount
Cash and cash equivalent	-	17,348.76	-	-	17,348.76
Bank balances other than cash and cash equivalents	-	135.86	-	274.24	410.10
Trade receivables	1,434.20	-	3,370.69	-	4,804.89
Other financial assets	-	1,141.67	-	-	1,141.67
Loan	-	1,536.79	-	-	1,536.79
Investments	59,617.88	-	-	10,695.57	70,313.45
Total	61,052.08	20,163.08	3,370.69	10,969.81	95,555.65

¹ Represents assets which the Company would not consider readily available to secure funding in the normal course of business.

² Represent assets which are used as a security towards facility from financial institution.

C Market Risk

(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	FY 2023-24					
	Increase in basis points	Effect on profit before tax	Effect on Equity	Decrease in basis points	Effect on profit before tax	Effect on Equity
₹	25	(54.47)	-	25	54.47	-

Currency of borrowing / advances	FY 2022-23					
	Increase in basis points	Effect on profit before tax	Effect on Equity	Decrease in basis points	Effect on profit before tax	Effect on Equity
₹	25	(1.69)	-	25	1.69	-

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

(ii) Currency risk

Currency risk is the risk that profitability of foreign subsidiary will fluctuate due to changes in foreign exchange rates.

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 ₹ (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	FY 2023-24					
	Increase in currency rate (%)	Effect on profit before tax	Effect on Equity	Decrease in currency rate (%)	Effect on profit before tax	Effect on Equity
US\$	5	318.68	-	5	(318.68)	-

Currency	FY 2022-23					
	Increase in currency rate (%)	Effect on profit before tax	Effect on Equity	Decrease in currency rate (%)	Effect on profit before tax	Effect on Equity
US\$	5	1,200.44	-	5	(1,200.44)	-

(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.

Impact on	FY 2023-24					
	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	7.07	-	5	(7.07)	-

Impact on	FY 2022-23					
	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	14.12	-	5	(14.12)	-

(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	FY 2023-24					
	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	1,226.75	-	5	(1,226.75)	-
Units of Mutual Funds	5	56.64	-	5	(56.64)	-
NCDs	5	1,352.55	-	5	(1,352.55)	-
Pass through certificates	5	5.91	-	5	(5.91)	-
Carried Interest partner in SLP	5	2,331.02	-	5	(2,331.02)	-

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

Impact on	FY 2022-23					
	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	696.32	-	5	(696.32)	-
NCDs	5	940.85	-	5	(940.85)	-
Pass through certificates	5	13.84	-	5	(13.84)	-
Carried Interest partner in SLP	5	1,850.55	-	5	(1,850.55)	-

D 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, 2024			March 31, 2023		
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk
Assets						
Cash and cash equivalent	17,861.16	-	17,861.16	17,348.76	-	17,348.76
Bank balances other than cash and cash equivalents	972.88	-	972.88	410.10	-	410.10
Loans	9.53	-	9.53	1,536.79	-	1,536.79
Trade receivables	8,233.43	-	8,233.43	4,804.89	-	4,804.89
Investments	1,03,846.05	1,274.16	1,02,571.89	70,313.45	282.31	70,031.14
Other Financial Assets	1,121.14	-	1,121.14	1,141.67	-	1,141.67
Total	1,32,044.19	1,274.16	1,30,770.03	95,555.66	282.31	95,273.35

Particulars	March 31, 2024			March 31, 2023		
	Carrying amount	Traded risk	Non-traded risk	Carrying amount	Traded risk	Non-traded risk
Liabilities						
Borrowings (other than Debt Securities)	21,840.79	-	21,840.79	3,190.26	-	3,190.26
Debt Securities	22,642.09	-	22,642.09	21,261.38	-	21,261.38
Trade payables	35,152.63	-	35,152.63	30,823.28	-	30,823.28
Other financial liabilities	8,669.77	-	8,669.77	9,130.67	-	9,130.67
Total	88,305.28	-	88,305.28	64,405.58	-	64,405.58

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

58 UNCONSOLIDATED STRUCTURED ENTITIES

The Company is a SEBI registered Investment manager for co-investment portfolio management services and various Alternative investment Funds (AIFs) (together referred to as "entities"). The Investment management rights relate to administrative tasks only and relevant activities are directed by contractual arrangements. These entities do not meet the consolidation criteria as given in note 6.1.b of the material accounting policies.

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	
	March 31, 2024	March 31, 2023
Investments	75,402.75	50,937.44
Trade Receivables	5,859.72	4,033.55
Other financial assets	842.31	710.30
Total Assets	82,104.78	55,681.29
Off-balance sheet exposure	38,690.97	26,318.21
Size of the structured entities	30,21,967.73	24,34,681.66
Income from the structured entities	33,127.41	23,718.28

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

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Income from those structure entities	33,127.41	23,718.28
Type of income	Investment Management Fees	Investment Management Fees
Carrying amount of assets transferred to those structured entities during the period	-	-

59 EARNINGS AND EXPENDITURE IN FOREIGN CURRENCY

The Company has undertaken the following transactions in foreign currency:

(a) Expenditure incurred in foreign currency (on accrual basis)

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Advertisement and business promotion	42.83	13.18
Travelling & Conveyance	3.14	0.61
Membership & Subscription	14.04	14.73
Database Chgs	20.09	23.50
Legal and Professional expenses	0.16	-
	80.26	52.02

(b) Income earned in foreign currency (on accrual basis)

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Advisory and other fees	1,039.41	375.75
	1,039.41	375.75

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

60 CORPORATE SOCIAL RESPONSIBILITY (CSR):

As per the provisions of Section 135 of the Companies Act, 2013:

- a) Gross amount required to be spent by the Company during the year was ₹ 47,82,307/- (Previous year: ₹ Nil)
b) Amount spent during the year on:

March 31, 2024

Particulars	In cash	Yet to be paid in cash	Total
Constructions / acquisition of any assets	-	-	-
On purpose other than (i) above	48.00	-	48.00

March 31, 2023

Particulars	In cash	Yet to be paid in cash	Total
Constructions / acquisition of any assets	-	-	-
On purpose other than (i) above	-	-	-

61 The Company has been sanctioned working capital limits of ₹ 10,500 lakhs (previous year ₹ 2,000 lakhs) in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

62 OTHER ADDITIONAL REGULATORY INFORMATION

(i) Key Ratios

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net profit ratio	29.98%	45.95%
Debt Equity Ratio	0.61	0.44
Debt Service Coverage Ratio	2.95	21.54
Interest Service Coverage Ratio	7.38	21.54
Total debt to Total assets	0.25	0.18

Notes:

- i) Net profit ratio = Profit after Tax / Total Income
ii) Debt-equity Ratio = Total debt (Debt securities + Borrowings other than debt securities) / Net worth
iii) Debt Service Coverage Ratio = Earnings before interest and tax/ (Interest Expense + Principal repayment in next six months)
iv) Interest Service Coverage Ratio = Earnings before interest and tax/Interest expense
v) Total debt to Total assets = (Debt securities + Borrowings other than debt securities) / Total assets

Current Ratio, Return on Equity Ratio, Inventory turnover ratio, Trade Receivables turnover ratio, Trade payables turnover ratio, Net capital turnover ratio, Return on Capital employed and Return on investment are not applicable owing to the business model of the Company.

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

(ii) **Title deeds of Immovable Properties not held in name of the Company**

The Company do not have any immovable properties where title deeds are not held in the name of the Company.

(iii) **Loans and Advances**

There are no loans or advances in the nature of loans which are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are:

- repayable on demand or
- without specifying any terms or period of repayment

(iv) **Details of Benami Property held**

The Company do not have any benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(v) **Security of current assets against borrowings**

The Company has borrowed from Market Linked Debentures & Non Convertible Debentures on the basis of security of current assets and the quarterly returns filed by the Company with the lenders are in agreement with the books of accounts of the Company.

(vi) **Wilful Defaulter**

The Company is not declared as wilful defaulter by any bank or financial Institution or other lender.

(vii) **Relationship with Struck off Companies**

The Company do not have any transactions with companies struck off.

(viii) **Registration of charges or satisfaction of charges with Registrar of Companies (ROC)**

The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(ix) **Utilisation of Borrowed funds and share premium:**

(A) During the year, the Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(B) During the year, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party(Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(x) The Company does not have any long term contract including derivative contract for which there were any material foreseeable losses.

(xi) **Subsequent Event**

The Company has evaluated all events that occur after the balance sheet date through the date when the financial statements were issued to determine if they must be reported. The Management of the Company determined that there were no reportable subsequent events to be disclosed.

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

(xii) The Company has complied with the Rule 3 of Companies (Accounts) Rules, 2014 amended on August 05, 2022 relating to maintenance of electronic books of account and other relevant books and papers. The Company's books of accounts and relevant books and papers are accessible in India at all times and backup of accounts and other relevant books and papers are maintained in electronic mode within India and kept in servers physically located in India on daily basis.

(xiii) **Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(xiv) **Undisclosed Income**

The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(xv) **Details of Crypto Currency or Virtual Currency**

The Company has not traded or invested in Crypto currency or Virtual Currency during the current financial year and any of the previous financial years.

63 COMPOSITION OF GROUP

Sr. No.	Name of the Entity	Country of Incorporation	Proportion of ownership interest as on	
			March 31, 2024	March 31, 2023
Subsidiaries				
1	Edelweiss Alternative Asset Advisors Pte. Limited	Singapore	100%	100%
2	Sekura India Management Limited	India	100%	100%
3	Edelweiss Real Assets Managers Limited	India	100%	100%

Additional Information as required under schedule III to the companies act, 2013 of the enterprises consolidated as Subsidiaries

March 31, 2024

Sr. No.	Name of the Entity	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated net assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
Subsidiaries									
1	Edelweiss Alternative Asset Advisors Pte. Limited	100%	36,093.83	100%	6,373.64	100%	(148.22)	100%	6,225.42
2	Sekura India Management Limited	100%	173.43	100%	(206.50)	100%	(13.50)	100%	(220.01)
3	Edelweiss Real Assets Managers Limited	100%	1,346.46	100%	227.25	100%	(0.06)	100%	227.19

NOTES

Notes to the Consolidated financial statements (Contd.)
(Currency: Indian rupees in lakhs)

March 31, 2023

Sr. No.	Name of the Entity	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated net assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
Subsidiaries									
1	Edelweiss Alternative Asset Advisors Pte. Limited	100%	29,868.41	100%	24,008.74	100%	737.55	100%	24,746.30
2	Sekura India Management Limited	100%	393.43	100%	387.05	100%	(0.03)	100%	387.02
3	Edelweiss Real Assets Managers Limited	100%	1,119.27	100%	0.79	100%	0.80	100%	1.59

64 PREVIOUS YEAR COMPARATIVES

Previous year figures have been regrouped and rearranged wherever necessary.

For **Nangia & Co. LLP**
Chartered Accountants
FRN No. 002391C/N500069

Jaspreet Singh Bedi
Partner
Membership No: 601788

Mumbai
May 08, 2024

For and on behalf of the Board of Directors

Priyadeep Chopra
Non-executive Director
DIN: 00079353

Hemal Mehta
Chief Financial Officer

Mumbai
May 08, 2024

Sushanth Nayak
Whole Time Director
DIN.: 02857645

Deepak Mukhija
Company Secretary



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