

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.

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Key Audit Matters (Continued)

Key Audit Matter	How the matter was addressed in our Audit
<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. 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 and advisory fees as a key audit matter. Any discrepancy in such computation could give rise to a material misstatement in the financial statements</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. • 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 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.

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Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements (Continued)

- 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.
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.

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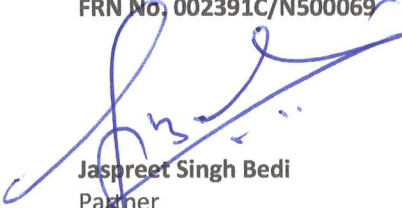
Report on Other Legal and Regulatory Requirements (Continued)

- 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 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 referred to in paragraph 1 under the heading 'Report on other legal and regulatory requirements' of our report of even date.

Re: Edelweiss Alternative Asset Advisors Limited ("the Company")

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and the situation of Property, Plant and Equipment.
- (a) (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

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- (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 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.

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- (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 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.

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- (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.

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(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


Jaspreet Singh Bedi
Partner

Membership No.: 601788

UDIN: 24601788BKFMUR4952

Place: Mumbai

Date: 08 May 2024

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“ANNEXURE 2” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF EDELWEISS ALTERNATIVE ASSET ADVISORS LIMITED

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.

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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 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

4th Floor, Iconic Tower, Urmi Estate, Ganpatrao Kadam Marg, Lower Parel (West), Mumbai - 400 013, India

p : + 91 22 4474 3400

LLP Registration No. AAJ-1379

Noida - New Delhi - Gurugram - Mumbai - Bengaluru - Chennai - Pune - Dehradun

Edelweiss Alternative Asset Advisors Limited

Standalone Balance Sheet

(Currency: Rs. in lakhs)

		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
		<u>73,134.69</u>	<u>70,955.32</u>
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
		<u>68,081.82</u>	<u>27,627.73</u>
TOTAL ASSETS		<u><u>1,41,216.50</u></u>	<u><u>98,583.05</u></u>
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		<u>32,866.01</u>	<u>11,129.78</u>
		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
		<u>28,408.28</u>	<u>23,469.16</u>
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	-	1.25
(a) total outstanding dues of small enterprises and micro enterprises		-	-
(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
		<u>55,057.68</u>	<u>28,746.64</u>
TOTAL EQUITY AND LIABILITIES		<u><u>1,41,216.50</u></u>	<u><u>98,583.05</u></u>

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/N/500069

Jaspreet Singh Bedi
Partner
Membership No: 601788

For and on behalf of the Board of Directors

Priyanshu 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



Edelweiss Alternative Asset Advisors Limited

Standalone statement of Profit and Loss

(Currency: Rs. in lakhs)

	Note	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 Rs.10 each):			
Basic	43	34.60	41.27
Diluted	43	34.60	41.27

Material accounting policies and notes forming part of the financial statement 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. 0023910/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


Sunanth Nayak
Whole Time Director
DIN.: 02857645


Hemal Mehta
Chief Financial Officer


Deepak Mukhija
Company Secretary

Mumbai
May 08, 2024

Edelweiss Alternative Asset Advisors Limited

Standalone Cash Flow Statement
(Currency: Rs. in lakhs)

	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)	(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/N/300069

Jaspreet Singh Bedi
Partner
Membership No: 601788

Mumbai
May 08, 2024



For and on behalf of the Board of Directors

Pradeep Chopra
Non-executive Director
DIN: 00079353

Hemal Mehta
Chief Financial Officer
Mumbai
May 08, 2024

Sumanth Nayak
Whole Time Director
DIN: 02857645

Deepak Mukhija
Company Secretary

Edelweiss Alternative Asset Advisors Limited

Standalone statement of Changes in Equity

(Currency: Rs. in lakhs)

(A) Equity share capital

Balance at the beginning of the reporting period (April 1, 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 1, 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					Total
	Securities premium	Share Option Reserve	Debenture Redemption Reserve	Retained earnings	Other comprehensive income	
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
FIR No. 002391C/NS500069

Jayveer Singh Bedi
Partner
Membership No: 601788

Mumbai
May 08, 2024

For and on behalf of the Board of Directors

Priyank Chopra
Non-executive Director
DIN: 00079353

Hemal Mehta
Chief Financial Officer
Mumbai
May 08, 2024

Rishabh Nayak
Whole Time Director
DIN: 02857645

Deepak Mukhija
Company Secretary



Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

(Currency: Rs. 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 (INR) 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 realized 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 realized 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



Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

(Currency: Rs. in lakhs)

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 recognized on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the 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 through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss. 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 recognized in profit or loss when the inputs become observable, or when the instrument is derecognized.

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:



Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

(Currency: Rs. in lakhs)

- 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) Amortized 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:

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



Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

(Currency: Rs. in lakhs)

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 recognized at the proceeds received, net of direct issue costs.

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

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

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

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 derecognized when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

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

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



Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

(Currency: Rs. 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 derecognized when the obligation under the liability is discharged, cancelled or expires.

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

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 recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of an evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.



Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

(Currency: Rs. in lakhs)

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

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

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

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

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



Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

(Currency: Rs. in lakhs)

to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

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

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

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

4.3 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:

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



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Notes to the financial statements (continued)

(Currency: Rs. in lakhs)

- b. Fee income including advisory fees is accounted over the period as the customer simultaneously receives and consumes the benefits, as the services are rendered.
- c. 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.
- d. Interest income on financial assets is recognized 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 recognizes 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 recognizes 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 cost of rights-of-use assets includes the amount of lease liabilities recognized, 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 recognizes 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



Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

(Currency: Rs. in lakhs)

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

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

4.8 Retirement and other employee benefit

Provident fund and national pension scheme

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

Gratuity

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



Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

(Currency: Rs. in lakhs)

valuation using the Projected Unit Credit Method. Benefits in respect of gratuity are funded with an Insurance company approved by Insurance Regulatory and Development Authority (IRDA).

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

Remeasurements are not reclassified to profit or loss in subsequent periods

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 recognizes 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 recognized 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 installment differs.



Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

(Currency: Rs. in lakhs)

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

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

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

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



Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

(Currency: Rs. in lakhs)

number of factors including the effects of obsolescence, demand, competition, and other economic factors. Amortization 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 recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

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

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

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



Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

(Currency: Rs. in lakhs)

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

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

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

the company will have sufficient taxable profit in the same period as reversal of deductible temporary difference or periods in which a tax loss can be carried forward or back; or

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



Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

(Currency: Rs. in lakhs)

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



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Notes to the financial statements (continued)

(Currency: Rs. in lakhs)

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 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:



Edelweiss Alternative Asset Advisors Limited

Notes to the financial statements (continued)

(Currency: Rs. in lakhs)

- 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



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

6 Property, plant and equipment and other intangibles

Description of assets	Gross block		Depreciation and amortization		Net block	
	As at April 1, 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	2.49	2.74
Office equipment	27.41	4.28	-	31.69	26.77	4.93
Motor vehicle	2.62	-	-	2.62	2.62	0.00
Computers	188.23	5.15	9.80	183.58	157.07	65.99
Right to use asset	2,005.46	33.99	-	2,039.44	635.58	1,403.86
Total : A	2,228.00	44.38	9.80	2,262.58	824.53	1,438.04
(B) Intangible assets						
Computer software	370.39	30.79	-	401.18	333.28	84.85
Total : B	370.39	30.79	-	401.18	333.28	84.85



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

6 Property, plant and equipment and other intangibles

Description of assets	Gross block		Depreciation and amortization		Net block	
	As at April 1, 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	1.73	1.45
Office equipment	25.70	1.71	-	27.41	24.52	2.46
Motor vehicle	5.40	-	2.78	2.62	0.65	2.34
Computers	135.62	73.18	20.57	188.23	17.56	60.96
Right to use asset	38.75	1,966.71	-	2,005.46	229.36	18.33
Total : A	208.00	2,043.35	23.34	2,228.00	18.21	85.53
(B) Intangible assets						
Computer software	315.59	54.80	-	370.39	285.54	102.06
Total : B	315.59	54.80	-	370.39	285.54	102.06



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

	As at March 31, 2024	As at March 31, 2023
7 Bank balances other than cash and cash equivalents		
Fixed deposits with banks to the extent held as security against debt securities	501.63	274.24
	501.63	274.24
8 Investments		
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		
Security deposits	180.10	177.21
Deposits - others	2.16	2.13
	182.26	179.35
10 Current tax assets (net)		
Advance income taxes	-	28.55
	-	28.55
11 Other non current assets		
Prepaid expenses	28,473.06	16,049.64
	28,473.06	16,049.64



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

	As at March 31, 2024	As at March 31, 2023
12 Cash and cash equivalents		
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 :

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

13 Trade receivables

Receivables considered good - unsecured	8,514.07	6,883.04
Total receivables	8,514.07	6,883.04

Notes:

- i) Trade Receivables specified in Note 52.E have been held as security against debt securities and borrowings.

Trade receivables ageing schedule

As at March 31, 2024	Outstanding for following periods from due date of receipt					Total
	Unbilled	Not due	Less than 6 months	6 months -1 year	1-2 years	
Trade receivables days past due						
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



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

	As at March 31, 2024	As at March 31, 2023
14 Investments		
At Fair Value Through Profit & Loss		
<u>Quoted</u>		
Investment in equity Shares of other companies		
Steel Exchange of India Limited (Number of shares - 10,24,566)	141.39	-
<u>Unquoted</u>		
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
	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 Rs. 36,061.42 (Previous Year: Rs. 23,399.69).		
The above investments are held in India.		
15 Loans (at ammortised cost)		
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
	2,529.03	3.10
16 Other financial assets		
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
	516.99	653.63
17 Current tax assets (net)		
Advance income taxes	3,048.73	-
	3,048.73	-
	3,048.73	-
18 Other current assets		
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
	3,639.64	2,153.10



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

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

c. The movement in share capital during the year :

<i>Equity shares</i>	As at March 31, 2024		As at March 31, 2023	
	No of shares	Amount	No of shares	Amount
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	<u>1,88,45,325</u>	<u>1,885</u>	<u>1,23,74,737</u>	<u>1,237</u>

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%	-	0.00%
	<u>1,88,45,319</u>	<u>100.00%</u>	<u>1,22,56,000</u>	<u>99.04%</u>

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



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

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 Rs 10 each fully paid	23,000.00	34,000.00
	<u>23,000.00</u>	<u>34,000.00</u>

b. The movement in instruments during the year :

Compulsory convertible debentures (CCDs)	As at March 31, 2024		As at March 31, 2023	
	No of CCDs	Amount	No of CCDs	Amount
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	<u>23,00,00,000</u>	<u>23,000.00</u>	<u>34,00,00,000</u>	<u>34,000.00</u>

c. Details of debentureholders holding more than 5%

Edelweiss Securities And Investments Private Limited	23,00,00,000	23,000.00	34,00,00,000	34,000.00
	<u>23,00,00,000</u>	<u>23,000.00</u>	<u>34,00,00,000</u>	<u>34,000.00</u>

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

i) 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 29 March 2024 approved by Board at its meeting held on 26 March 2024.

ii) 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.



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

	As at March 31, 2024	As at March 31, 2023
20 Borrowings (other than debt securities) at amortised cost		
<u>Secured</u>		
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		
	<u>5,250.00</u>	<u>-</u>
Borrowings in india	5,250.00	-
Borrowings outside india	-	-
	<u>5,250.00</u>	<u>-</u>
Rate of Interest - p.a.		
Term loan from banks 10% - 10.20%	5,250.00	-
Total	<u>5,250.00</u>	<u>-</u>

21 Debt Securities

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	<u>12,434.72</u>	<u>21,169.39</u>
(i) Debt securities in India	12,434.72	21,169.39
(ii) Debt securities outside India	-	-
Total	<u>12,434.72</u>	<u>21,169.39</u>

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.

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	<u>12,434.72</u>	<u>21,169.39</u>



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

	As at March 31, 2024	As at March 31, 2023
22 Lease Liability		
Lease liability	1,216.79	1,549.66
	<u>1,216.79</u>	<u>1,549.66</u>
23 Other financial liabilities		
Other payables	32.43	-
	<u>32.43</u>	<u>-</u>
24 Provisions		
Provision for employee benefits		
Gratuity	135.51	196.12
Compensated leave absences	37.69	136.79
	<u>173.20</u>	<u>332.91</u>
25 Deferred tax assets and liabilities		
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	<u>3,032.58</u>	<u>153.39</u>
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	<u>(8,408.24)</u>	<u>(494.89)</u>
Deferred tax (liability) / assets (net)	<u>(5,375.64)</u>	<u>(341.51)</u>
26 Other non current liabilities		
Income received in advance	3,925.50	72.53
Others	-	3.17
	<u>3,925.50</u>	<u>75.70</u>



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

	As at March 31, 2024	As at March 31, 2023
27 Borrowings (other than debt securities) at amortised cost		
<u>Unsecured</u>		
Loan from fellow subsidiary	2,219.14	2,237.34
<u>Secured</u>		
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 (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)	12,121.65	952.92
	<u>16,590.79</u>	<u>3,190.26</u>
Borrowings in india	16,590.79	3,190.26
Borrowings outside india	-	-
	<u>16,590.79</u>	<u>3,190.26</u>
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	<u>16,590.79</u>	<u>3,190.26</u>
28 Debt Securities		
Redeemable non-convertible debentures - secured		
Privately placed		
- Market linked debentures	10,116.35	-
- Non Convertible Debentures	91.01	91.98
Total	<u>10,207.36</u>	<u>91.98</u>
(i) Debt securities in India	10,207.36	91.98
(ii) Debt securities outside India	-	-
Total	<u>10,207.36</u>	<u>91.98</u>
Rate of Interest - p.a.		
Market linked debentures 9% - 10%	10,116.35	-
Non Convertible Debentures 10% - 11%	91.01	91.98
Total	<u>10,207.36</u>	<u>91.98</u>



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

	As at March 31, 2024	As at March 31, 2023
29 Trade payables		
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	-	-
	<u>18,044.53</u>	<u>17,618.78</u>
<p>Rs. Nil (P.Y.: Rs.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.</p>		
30 Lease Liability		
Lease liability	361.43	295.57
	<u>361.43</u>	<u>295.57</u>
31 Other financial liabilities		
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
	<u>5,455.02</u>	<u>4,675.85</u>
32 Provisions		
Provision for employee benefits		
Compensated leave absences	167.78	30.42
Others	-	20.21
	<u>167.78</u>	<u>50.63</u>
33 Other current liabilities		
Income received in advance	3,977.07	2,310.06
Statutory liabilities*	250.52	513.51
Others	3.18	-
	<u>4,230.77</u>	<u>2,823.57</u>

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



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

	For the year ended March 31, 2024	For the year ended March 31, 2023
34 Interest Income		
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		
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		
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		
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



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

	For the year ended March 31, 2024	For the year ended March 31, 2023
38 Finance costs		
On financial liabilities measured at ammortised 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 compusorily 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		
ECL provision on loan given to holding company	-	(0.20)
	-	(0.20)
40 Employee benefit expenses		
Salaries wages and bonus	13,920.31	9,971.19
Contribution to provident and other funds	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.



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

	For the year ended March 31, 2024	For the year ended March 31, 2023
41 Other expenses		
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.



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

42 Deferred Tax assets

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

Particulars	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

Particulars	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)



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

(Currency: Rs. in lakhs)

42 Deferred Tax assets (continued)**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				
Financial Year to which the loss relates to	Unused business losses		Unabsorbed depreciation		Total
	Amount	Expiry year	Amount	Expiry year	Amount
	-	-	-	-	-
Total	-	-	-	-	-

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



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. 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 (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 (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 Rs 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



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

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)



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. 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 Edelweiss Financial Services Limited	2,200.00 2,200.00	2,200.00 2,200.00
	Term loans repaid to	Edelweiss Rural & Corporate Services Limited Edelweiss Financial Services Limited	2,200.00 2,200.00	3,300.00 2,200.00
	Term loan given	Edelweiss Securities And Investments Private Limited Sekura India Management Limited Edelweiss Alternative Asset Advisors Pte. Limited	- 300.00 2,501.36	1,100.00 - -
	Term loans repaid by	Sekura India Management Limited Edelweiss Securities And Investments Private Limited	300.00 -	- 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 Edelweiss Financial Services Limited	- -	1,110.41 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 Edelweiss Financial Services Limited	258.39 2.97	336.56 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 Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited) Nuvama Wealth and Investment Limited (Formerly Edelweiss Broking Limited) (As appearing under prepaid expenses)	26.03 - -	32.63 1,946.83 17,103.61
	Advisory fee expense	ECL Finance Limited Edelweiss Financial Services Limited	574.94 50.00	409.65 -
	Insurance expenses	Zuno General Insurance Limited Edelweiss Tokio Life Insurance Company Ltd	0.16 16.17	100.16 53.72



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

F Transactions with related parties

Sr. No.	Nature of Transaction	Related party name	For the year ended	For the year ended
			March 31, 2024	March 31, 2023
	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	-
	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	308.92
		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
		Edelweiss Value Growth Fund	1.00	-
		Edelweiss Real Assets Managers Limited	14.25	-
		Sekura India Management Limited	32.15	-



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

F Transactions with related parties

Sr. No.	Nature of Transaction	Related party name	For the year ended	For the year ended
			March 31, 2024	March 31, 2023
	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	-	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	-
		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
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	-



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

F Transactions with related parties

Sr. No.	Nature of Transaction	Related party name	For the year ended	For the year ended
			March 31, 2024	March 31, 2023
	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	-
	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	For the year ended
	March 31, 2024	March 31, 2023
Short-term employee benefits	534.08	466.76
Post-employment pension (defined contribution)	-	-
Termination benefits	-	-
Total	534.08	466.76



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. 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 Rs. 425.50 (P.Y: Rs. 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 summarize the components of the net benefit expenses recognised in the statement of profit and loss and the funded status and amount recognised in the balance sheet for the gratuity benefit plan.

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

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



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

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)

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



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

47 Change in liabilities arising from financing activities

Particulars	April 1, 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 1, 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 Rs. 38,623.40 Lakhs (Previous Year: Rs. 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 Rs. 20,866.56 Lakhs (Previous Year: Rs. 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: Rs. Nil)



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. 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 ammortisation 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 opertaing 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



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

(Currency: Rs. 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	-	-	-



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. 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.

51.2 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

	Units of AIF	Total
Investments - at April 1, 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

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 1, 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.



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

51.4 Fair values of financial instruments (continued)

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

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

Type of financial instruments	Fair value of asset as on 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 Rs. 8,366 - Rs.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	13,926.361	Net assets approach	Fair value of underlying investments	NAV per unit Rs. 508.52 - Rs.1,07,284	5%	696.32	5%	(696.32)
Total	13,926.36					696.32		(696.32)



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. 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



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

52 Risk Management (Continued)

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 summarises 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	-	-	77.76	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
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



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

52 Risk Management (Continued)

B Liquidity risk and funding management (Continued)

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

	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
As at March 31, 2024											
Cash and cash equivalent	17,536.08	-	-	-	-	-	-	-	-	-	17,536.08
Bank balances other than cash and cash equivalents	471.25	-	6,168.43	307.98	287.57	939.65	810.45	501.63	-	-	972.88
Trade receivables	-	-	27.25	-	-	0.42	-	2,501.36	-	-	8,514.07
Loans	-	253.69	1,765.21	1,606.80	1,241.89	2,931.83	24,026.60	772.30	60.39	41,639.11	2,529.03
Investments	-	-	-	499.33	-	-	17.66	-	-	182.26	74,297.83
Other financial assets	-	-	-	-	-	-	-	-	-	-	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											
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



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

52 Risk Management (Continued)

B Liquidity risk and funding management (Continued)

(iii) Financial assets available to support future lending

March 31, 2024					
Particulars	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

March 31, 2023					
Particulars	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.



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

52 Risk Management (Continued)

C Market Risk (Continued)

(i) Interest rate risk

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

Currency of borrowing / advances	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
INR	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
INR	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 INR (all other variables being constant) on the statement of profit and loss (due to the fair value of currency sensitive non-trading monetary assets and liabilities) and equity (due to the change in fair value of currency swaps and forward foreign exchange contracts used as cash flow hedges).

Currency	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
USD	5	258.08	-	5	(258.08)	-

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
USD	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)	-



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

52 Risk Management (Continued)

C Market Risk (Continued)

(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.

March 31, 2024						
Impact on	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)	-

March 31, 2023						
Impact on	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)	-



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

52 Risk Management (Continued)

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



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

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

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

Particulars	Year ended March 31, 2024	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 Rs. 47,82,307/- (Previous year: Rs. 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	-	-	-



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

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

56 The Company has been sanctioned working capital limits of Rs. 10,500 lakhs (previous year Rs. 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.



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

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



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

57 Other Additional Regulatory Information

(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.

(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.



Edelweiss Alternative Asset Advisors Limited

Notes to the standalone financial statements (Continued)

(Currency: Rs. in lakhs)

58 Previous year comparatives

Previous year figures have been regrouped and rearranged wherever necessary.

As per our report of even date attached.

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