



Resilient & Responsible

Annual Report 2020-21

Emkay Investment Managers Limited

Emkay
Your success is our success

Investment
Managers

CORPORATE INFORMATION

BOARD OF DIRECTORS

G. C. Vasudeo - Director (DIN: 00021772)
Rajesh Sharma - Director (DIN: 01239871)
Saket Agrawal - Director (DIN: 06960186)

COMPANY SECRETARY

Dipti Modi

STATUTORY AUDITORS

B.L.Sarda & Associates, Chartered Accountants,
61, Rajgir Chambers, 7th Floor,
Opp. Old Custom House,
12/14 Shahid Bhagat Singh Road,
Mumbai - 400023
Tel. No: 022 - 22664618, 022 - 22662752

BANKERS

HDFC Bank Limited
AXIS Bank Limited

REGISTERED OFFICE

The Ruby, 7th Floor,
Senapati Bapat Marg,
Dadar (west),
Mumbai- 400 028.

ADMINISTRATIVE OFFICE

Paragon Centre, C-06, Ground Floor,
P. B. Marg, Opp. Century Mills, Worli,
Mumbai-400 013

CORPORATE IDENTITY NUMBER

U67190MH2010PLC203819



NOTICE

NOTICE is hereby given that the 11th Annual General Meeting of the Members of **EMKAY INVESTMENT MANAGERS LIMITED** will be held on 5th August 2021 at 10:30 a.m. at the Registered Office of the Company i.e. The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (west), Mumbai-400028 to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the audited Financial Statement of the Company for the financial year ended 31st March, 2021 together with the report of the Board of Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. G.C.Vasudeo (DIN: 00021772) who retires by rotation and being eligible offers himself for re-appointment.

BY ORDER OF THE BOARD OF DIRECTORS For Emkay Investment Managers Limited

Dipti Modi

Company Secretary

Registered Office:

The Ruby, 7th Floor,
Senapati Bapat Marg
Dadar (west), Mumbai-400028

Place: Mumbai

Dated: 19th May, 2021

NOTES:

- 1) A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint Proxy/ Proxies to attend and vote instead of himself/herself. Proxy/Proxies need not be a member of the company. Person can act as proxy on behalf of members not exceeding fifty (50) and holding not more than ten percent (10%) of the total share capital of the company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. Proxies in order to be effective must be received by the company at its registered office not later than forty eight hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/ authority, as applicable.
- 2) Corporate Members intending to send their authorized representatives to attend the Annual General Meeting are requested to send a duly certified copy of their board resolution.
- 3) Members/Proxies/Representatives should bring the enclosed Attendance Slip, dully filled in, for attending the Meeting. Copies of the Annual Report or Attendance Slips will not be distributed at the Meeting.

BY ORDER OF THE BOARD OF DIRECTORS For Emkay Investment Managers Limited

Dipti Modi

Company Secretary

Registered Office:

The Ruby, 7th Floor,
Senapati Bapat Marg
Dadar (west), Mumbai-400028

Place: Mumbai

Dated: 19th May, 2021

REPORT OF THE BOARD OF DIRECTORS

Dear Members,

Your Directors present the 11th Annual Report of your Company and the Audited Financial Statements for the year ended on March 31, 2021.

1. FINANCIAL RESULTS

An overview of the financial performance of the Company for the financial year 2020-21 is as under:

(₹ in Lakhs)		
Particulars	31.03.2021	31.03.2020
Revenue from Operations	1074.80	960.58
Other Income	167.92	6.61
Expenses	876.77	838.92
Profit Before Tax	365.95	128.27
Less: Provision for Taxation	60.22	53.61
Less: Deferred Tax Charge / (Benefit)	13.48	(5.94)
Profit After Tax	292.25	80.60
Other Comprehensive Income / (Loss) (net of tax)	0.25	(1.82)
Total Comprehensive Income	292.50	78.78

2. REVIEW OF OPERATIONS AND BUSINESS HIGHLIGHTS

During the year under review, your Company recorded a total income of Rs. 1074.80 lacs as compared to Rs. 960.58 lacs in the previous financial year higher by 11.89 %.

The Profit after Tax for the year under review stands at Rs. 292.25 lacs as compared to Rs. 80.60 lacs in previous financial year, increased by 262.59 %.

As a consequence of declaration of COVID-19 outbreak as a pandemic by the World Health Organization on March 11, 2020, the Indian Government had announced a complete lockdown on March 24, 2020, across the country, to contain the spread of the virus. The lockdown was thereafter extended from time to time with gradual relaxations. Unfortunately, with all the efforts by Indian Government to overcome the first wave of COVID-19, the second wave of COVID emerged in February / March 2021. The whole Indian economy was impacted due to complete /partial lockdown situation in FY 2021. However, since portfolio Management Services, being part of Capital Market operations were declared as essential services, the Company did not face much business interruption on account of the lockdown during FY21.

During the year, the Company has successfully launched the following Portfolio Management Services (PMS) strategy :

1. EMKAY LIQUID STRATEGY
2. EMKAY CRYSTAL- NDPMS
3. EMKAYS ALPHA MAVENS

During the year, the Company launched **Emkay Value Shastra** in collaboration with MSJ Mister Bond Pvt Ltd brought to the customers the country's first asset allocation product on the PMS platform. It is an investment option which flags off an exit route to the investor for his investments, basis its proprietary algorithm. Another initiative, **Emkay DUET** was appreciated by advisors who wanted their investors to diversify into both the classical alpha and smart alpha strategies with their initial investments.

The company also launched "**Emkay Alpha Mavens**", a one of its kind investment option for Ultra HNIs, Family offices and trusts. With its **3C** value proposition of **Customization, Cost effectiveness and Comfort on performance fees**, it generated appreciation and interest from an extremely savvy set of customers.

Company also launched new initiatives like 10/10 whereby 10% of the investors' capital got invested in equity over 10 weeks, thereby smoothening out volatility.

During the Financial year 2020-21, "Emkay Emerging Stars Fund" Category III AIF was recognized and awarded as the 'Best post COVID AIF across all categories' by PMS AIF WORLD.

3. RESERVES AND SURPLUS

The Company has not transferred any amount to General Reserve.

4. DIVIDEND

In order to conserve the resources for future business growth, your directors do not recommend any dividend for the financial year 2020-21.

5. ANNUAL RETURN

The Annual Return as required under Section 92(3) and Section 134 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the Company's website at <http://www.emkayim.com/Investor-relations>.

6. MATERIAL CHANGES BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF REPORT

There have been no material changes and commitments between the end of financial year 2020-21 and the date of this report adversely affecting the financial position of the Company.



REPORT OF THE BOARD OF DIRECTORS

7. DIRECTORS & KEY MANAGERIAL PERSONNEL

Appointment

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014 and Articles of Association of the Company, Mr. G.C. Vasudeo (DIN: 00021772), Director of the Company is liable to retire by rotation and being eligible, offers himself for re-appointment. Your Board recommends his re-appointment.

The above re-appointment forms part of the Notice of the forthcoming 11th Annual General Meeting.

8. INDEPENDENT DIRECTORS

The provisions of Section 149(4) of the Companies Act, 2013 read with The Companies (Appointment and qualification of Directors) Rule 2014 pertaining to appointment of Independent Director are not applicable to the Company. Accordingly, the Company has not appointed Independent Director on its Board.

9. CORPORATE GOVERNANCE

a. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2020-21, 10 meetings of the Board of Directors were held i.e. 16.06.2020, 13.08.2020, 25.09.2020, 21.10.2020, 29.10.2020, 04.12.2020, 21.01.2021, 03.02.2021, 25.02.2021 and 29.03.2021.

The details of attendance of the Directors at the meetings are as under:

Name of the Director	Category	Board Meetings during Financial Year 2020-21	
		Held	Attended
Mr. G. C. Vasudeo	Director	10	2
Mr. Rajesh Sharma	Director	10	10
Mr. Saket Agrawal	Director	10	10

b. AUDIT COMMITTEE

Provisions of section 177 of the Companies Act, 2013 pertaining to constitution of Audit Committee are not applicable to the Company. Accordingly, the Company has not constituted the Audit Committee.

c. NOMINATION AND REMUNERATION COMMITTEE

Provisions of section 178 of the Companies Act, 2013 pertaining to constitution of Nomination and Remuneration Committee are not applicable to the Company. Accordingly, the Company has not constituted the Nomination and Remuneration Committee.

d. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Since the Company was not falling any of the criteria given under section 135 of the Companies Act, 2013, during the immediately preceding financial year 2019-20, the Company was not required to constitute the Corporate Social Responsibility Committee.

10. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013, the Directors confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The directors have prepared the annual accounts on a going concern basis;
- The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate & operating effectively.

11. PUBLIC DEPOSITS

During the year under review, your Company has not accepted and/or renewed any public deposits in terms of the provisions of Section 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

REPORT OF THE BOARD OF DIRECTORS

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, details of Loans, Guarantees or Investments covered under Section 185 and 186 of the Companies Act, 2013, are given under notes to the Financial Statements.

The Company had given a loan of Rs. 7.00 Cr. to its Holding Company, i.e Emkay Global Financial Services Limited, under Section 185 of the Companies Act, 2013 and received back the total amount within the same financial year.

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013

The details of the related party transactions, as per requirement of Accounting Standards-18 are disclosed in notes to the financial statements of the Company for the financial year 2020-21. All the directors have disclosed their interest in Form MBP-1 pursuant to the provisions of Section 184 of the Companies Act, 2013 and as and when any changes in their interest take place, such changes are placed before the Board at its meetings. None of the transactions with any of the related parties was in conflict with the interest of the Company. The particulars of contracts or arrangements with related parties referred to in Section 188(1), in prescribed Form AOC - 2 under Companies (Accounts) Rules, 2014 are appended as "Annexure A".

14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

- a. Conservation of Energy, Technology Absorption do not have much relevance to the activities of the Company since it does not own any manufacturing facility and hence the disclosure of information to be disclosed in terms of Section 134(3)(m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014 in respect of Conservation of Energy, Technology Absorption are not given.
- b. There were no Foreign Exchange earnings during the year under review.
- c. The total Foreign Exchange Outgo during the year under review was Rs. 20.96 lacs.

15. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE COURTS OR REGULATORS

During the year under review no significant and material orders were passed by the Regulators / Courts which

would impact the going concern status of the Company and its future operations.

16. STATUTORY AUDITORS

Pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 ("the Act") read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof for the time being in force), M/s. B. L. Sarda & Associates, Chartered Accountants, bearing Firm Registration Number 109266W with the Institute of Chartered Accountants of India (ICAI) were appointed as the Statutory Auditors of the Company at the 9th Annual General Meeting held on 12th August, 2019 for a period of five years commencing from the conclusion of the 9th Annual General Meeting (AGM) till the conclusion of the 14th Annual General Meeting of the Company to be held for the Financial Year 2023-24. M/s. B. L. Sarda & Associates have confirmed their eligibility and qualification required under section 139 and 141 and other applicable provisions of the Companies Act, 2013 and Rules issued thereunder (including any statutory modification(s) or re-enactment(s) thereof) for the time being in force.

There are no qualifications or observations or remarks made by the Auditors in their report.

17. CHANGE IN ACCOUNTING POLICY

The company has adopted Indian Accounting Standard (IND AS) with effect from 1st April 2019 and the effective date of such transition is 1st April 2018 .

18. SECRETARIAL AUDIT

In terms of provisions of Section 204 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is not required to get its records audited from Company Secretary in Practice.

19. COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 and rules made thereunder are not applicable for the business activities carried out by the Company.

20. REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditor has not reported to the Board, under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.



REPORT OF THE BOARD OF DIRECTORS

21. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Company has an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively during the Financial Year 2020-21.

22. SECRETARIAL STANDARDS

The Company complies with the applicable secretarial standards issued by the Institute of Company Secretaries of India.

23. HUMAN RESOURCE

a. PARTICULARS OF EMPLOYEES

The particulars of employees, in terms of requirement under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not annexed, as there are no employees whose remuneration falls within the prescribed limits of the Section 197.

b. INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

During the year under review no complaint was filed before the Internal Complaints Committee constituted under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

24. ACKNOWLEDGEMENT

Your Directors would like to take this opportunity to express sincere gratitude towards the customers, bankers and other business associates for the continued cooperation and patronage provided by them. Your Directors gratefully acknowledge the ongoing co-operation and support provided by the Government Authorities, Regulatory Bodies and other entities dealing with the Company.

Your Directors place on record their deep appreciation for the exemplary contribution made by employees at all levels.

For and on behalf of the Board of Directors

Rajesh Sharma

Director

DIN: 01239871

Place: Mumbai

Dated: 19th May, 2021

Saket Agrawal

Director

DIN: 06960186

ANNEXURE “A”

Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis

Sr No	Particulars	Details of Transaction
A	Name(s) of the related party and nature of relationship	Emkay Global Financial Services Limited – Holding Company
b	Nature of contracts / arrangements /transactions	Reimbursement of Rent, Electricity, Water Charges, Telephone Expenses, Building Maintenance etc for the use of office premises of the Holding Company.
c	Duration of the contracts / arrangements /transactions	From 1st April, 2020 to 31st March, 2021
d	Salient terms of the contracts or arrangements or transactions including the value, if any	Reimbursement of certain common expenses such as Rent, Electricity, Water Charges, Telephone Expenses, Building Maintenance etc to the Holding Company on the basis of cost incurred by the Holding Company and dividing the same by the total number of employees sitting in the premises to arrive at cost per employee and paying this to the Holding Company on the basis of number of employees of the Company.
e	Justification for entering into such contracts or arrangements or transactions	The Company is not having its own office premises. Hence, it is using office premises of its Holding Company.
f	Date(s) of approval by the Board	24.01.2020
g	Amount paid as advances, if any	N.A
h	Date on which the resolution was passed in general meeting as required under first proviso to section 188 ##	N.A
Note:		
## 1. As per 5 th proviso to section 188(1) of the Companies Act, 2013 passing of shareholders resolution under 1 st proviso is not applicable for transactions entered into between Holding Company and its wholly owned subsidiary company whose accounts are consolidated with such Holding Company and placed before the shareholders at the Annual General Meeting for approval.		
2. Necessary omnibus approval/approval of the Board has been obtained prior to entering into the related party transactions.		

There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large.

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

- (a) Name(s) of the related party and nature of relationship – N.A
- (b) Nature of contracts/arrangements/transactions – N.A
- (c) Duration of the contracts / arrangements/transactions – N.A
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: N.A
- (e) Date(s) of approval by the Board, if any: – N.A
- (f) Amount paid as advances, if any: N.A

For and on behalf of the Board of Directors

Rajesh Sharma	Saket Agrawal
Director	Director
DIN: 01239871	DIN: 06960186

Place: Mumbai

Dated: 19th May, 2021



INDEPENDENT AUDITOR'S REPORT

To The Members of EMKAY INVESTMENT MANAGERS LIMITED

Report on the Audit of Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of **EMKAY INVESTMENT MANAGERS LIMITED** ("the Company"), which comprises of Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profits and other comprehensive gain, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 standalone financial statements under the provisions of the Act and the Rules made there under, 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 standalone financial statements.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the

preparation of other information. The Other information comprises the information included in the Board's Report including Annexures to the Board report, but does not include the standalone financial statement and our auditor's report thereon.

Our opinion on the standalone 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors 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 Board of

INDEPENDENT AUDITOR'S REPORT

Directors 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 FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 entity'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 standalone 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order .
- 2) As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance sheet, the Statement of Profit & Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



INDEPENDENT AUDITOR'S REPORT

- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
- (e) On the basis of the written representation received from the directors as on March 31, 2021 taken on records by the Board of Directors, none of the directors are disqualified as on March 31, 2021 from being appointed as a Directors 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 and the operating effectiveness of such controls, refer to our separate Report in Annexure "B".
- (g) With respect to the matters to be included in the Auditor's report in accordance with the 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 litigations which would impact its financial position.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) The disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8th November, 2016 to 30th December, 2016 which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **B. L. Sarda & Associates**

Chartered Accountants

Firm Registration No.109266W

(CA. B. L. Sarda)

Partner

Membership No.014568

UDIN : 21014568AAAAABS3936

Place : Mumbai

Dated: 19th May, 2021

ANNEXURE “A” TO INDEPENDENT AUDITOR’S REPORT

Annexure “A” to Independent Auditor’s report of even date to the members of EMKAY INVESTMENT MANAGERS LIMITED on the standalone financial statements as at and for the year ended March 31, 2021

- (i) (a) In our opinion, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, fixed assets of the Company have been physically verified by the management during the year which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no discrepancies were noticed on such verification.
- (c) The Company does not own any immovable property during the year. Accordingly, paragraph 3(i)(c) of the order is not applicable to the Company.
- (ii) The Company does not hold any inventory during the year. Accordingly paragraph 3(ii) of the order is not applicable to the Company.
- (iii) (a) The Company has granted unsecured loan to its holding company, a company covered in the register maintained under section 189 of the Act. The Company has not granted any secured or unsecured loan to firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.
- (b) In respect of the aforesaid loan, the terms and conditions under which the said loan was granted are not prejudicial to the Company’s interest.
- (c) In respect of the aforesaid loan, the schedule of repayment of principal and payment of interest has been stipulated, and full repayment of principal amount and interest there on has been received, as stipulated.
- (d) The said loan has been fully repaid with interest thereon as stipulated and hence comments required under paragraph 3(iii)(c) of the order regarding overdue amount of loans are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to loan granted and investments made. The Company has neither given any guarantee nor provided any security in connection with a loan to any other body corporate or person.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and the Rules framed there under to the extent notified. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us, the Company is not required to maintain cost records pursuant to the rules made by the Central Government under Section 148 (1) of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees’ state insurance, income tax, goods and services tax, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid statutory dues were in arrears, as on March 31, 2021 for a period of more than six months from the date they became payable. As explained to us, the Company did not have any dues on account of sales-tax, service tax, duty of customs, duty of excise and value added tax.
- (b) As at March 31, 2021, according to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax and goods and services tax which have not been deposited on account of any dispute.
- (viii) The Company has not obtained any loan or borrowings from any financial institution, bank or government. Further, the Company does not have any debentures issued/outstanding any time during the year. Accordingly paragraph 3(viii) of the order is not applicable to the Company.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable to the Company.
- (x) Based on the audit procedures performed and according to the information and explanations given by the management, we report that no fraud by



ANNEXURE "A" TO INDEPENDENT AUDITOR'S REPORT

the company or on the Company by its officers or employees has been noticed or reported during the year ended March 31, 2021 nor have we been informed of such case by the management during the course of our audit.

- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/ provided for managerial remuneration during the year. Accordingly paragraph 3(xi) of the order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us the Company is not a nidhi company. Accordingly paragraph 3(xii) of the order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transaction have been disclosed in note 30 of the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares

or fully or partly convertible debentures during the year. Accordingly paragraph 3(xiv) of the order is not applicable to the Company.

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as prescribed under section 192 of the Act. Accordingly paragraph 3(xv) of the order is not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly paragraph 3(xvi) of the order is not applicable to the Company.

For **B. L. Sarda & Associates**

Chartered Accountants

Firm Registration No. 109266W

(CA B. L. Sarda)

Partner

Membership No. 014568

UDIN21014568AAAABS3936

Place: Mumbai

Date : 19th May, 2021

ANNEXURE “B” TO INDEPENDENT AUDITOR’S REPORT

Annexure “B” to Independent Auditor’s report of even date to the members of EMKAY INVESTMENT MANAGERS LIMITED on the standalone financial statements for the year ended March 31, 2021.

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

1. We have audited the internal financial controls over financial reporting of EMKAY INVESTMENT MANAGERS LIMITED (“the Company”) as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

2. The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to 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 Act.

AUDITORS’ RESPONSIBILITY

3. 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 deemed to be prescribed under section 143(10) of the Act 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.

4. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

6. 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 standalone 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 standalone financial statements.



ANNEXURE "B" TO INDEPENDENT AUDITOR'S REPORT

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

7. 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

8. 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, 2021 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B. L. Sarda & Associates**

Chartered Accountants

Firm Registration No. 109266W

(CA B. L. Sarda)

Partner

Membership No. 014568

UDIN: 21014568AAAABS3936

Place: Mumbai

Date : 19th May, 2021

BALANCE SHEET

AS AT 31ST MARCH, 2021

(₹)			
Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
ASSETS			
NON- CURRENT ASSETS			
Property, Plant and Equipment	3	345,162	430,986
Other Intangible Assets	4	175,659	-
Financial Assets			
- Investments	5	30,509,030	16,425,702
- Others	6	39,000,000	55,000
Deferred Tax Assets (Net)	37(d)	-	650,124
Non-Current Tax Assets (Net)	7	1,590,756	1,952,844
Other Non-Current Assets	8	26,702,627	52,683,156
Total Non-Current Assets		98,323,234	72,197,812
CURRENT ASSETS			
Financial Assets			
- Investments	9	10,887	10,140,015
- Trade Receivables	10	25,789,010	11,744,625
- Cash and Cash Equivalents	11	42,965,474	48,044,804
- Bank Balances Other Than Cash and Cash Equivalents	12	17,000,000	-
- Other Financial Assets	13	1,665,067	66,514
Other Current Assets	14	27,810,819	30,586,874
Total Current Assets		115,241,257	100,582,832
TOTAL ASSETS		213,564,491	172,780,644
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	15	90,000,000	90,000,000
Other Equity	16	103,929,412	73,516,497
Total Equity		193,929,412	163,516,497
LIABILITIES			
NON- CURRENT LIABILITIES			
Deferred Tax Liabilities (Net)	37(d)	698,431	-
Total Non-current Liabilities		698,431	-
CURRENT LIABILITIES			
Financial Liabilities			
- Trade Payables	17		
(a) Total outstanding dues of micro enterprises and small enterprises		-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		5,364,643	1,201,961
- Other Financial Liabilities	18	3,919,099	2,330,526
Other Current Liabilities	19	4,947,138	2,941,708



BALANCE SHEET AS AT 31ST MARCH, 2021 (Contd.)

(₹)

Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
Provisions	20	3,330,725	2,789,952
Current Tax Liabilities (Net)	21	1,375,043	-
Total Current Liabilities		18,936,648	9,264,147
TOTAL EQUITY AND LIABILITIES		213,564,491	172,780,644
SIGNIFICANT ACCOUNTING POLICIES	2		

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For **B.L.Sarda & Associates**

Chartered Accountants

For and on behalf of the Board of Directors of

EMKAY INVESTMENT MANAGERS LIMITED

(CA B.L.SARDA)

Partner

Membership No. 014568

Rajesh Sharma

Director

Saket Agrawal

Director

Vikaas Sachdeva

Chief Executive Officer

Dipti Modi

Company Secretary

Place: Mumbai

Dated: 19th May, 2021

Place: Mumbai

Dated: 19th May, 2021

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2021

(₹)			
Particulars	Note No.	For the Year Ended 31st March 2021	For the Year Ended 31st March 2020
Income			
Revenue from Operations	22	107,480,245	96,057,873
Other Income	23	16,792,400	660,934
Total Income		124,272,645	96,718,807
Expenses			
Employee Benefits Expense	24	38,283,216	27,263,346
Finance Costs	25	-	2,712
Depreciation and Amortization Expenses	26	248,455	668,980
Other Expenses	27	49,145,580	55,957,186
Total Expenses		87,677,251	83,892,224
Profit Before Tax		36,595,394	12,826,583
Tax Expense:			
- Current Tax - for the year		6,021,600	5,361,100
- for earlier year		-	11
- Deferred Tax		1,348,555	(594,399)
Total Tax Expense		7,370,155	4,766,712
Profit After Tax for the Year		29,225,239	8,059,871
Other Comprehensive Income/(Loss)			
Items that will not be reclassified to Profit or Loss			
Actuarial Gain/(Loss) on Defined Benefit Plan		33,254	(242,779)
Income Tax Relating to Items That Will Not be Reclassified to Profit or Loss		(8,400)	61,100
Total Other Comprehensive Income/(Loss) for the Year (Net of Tax)		24,854	(181,679)
Total Comprehensive Income for the Year (Net of Tax)		29,250,093	7,878,192
Earnings per Equity Share of Nominal value of Rs. 10 each			
- Basic		3.25	0.90
- Diluted		3.25	0.90
SIGNIFICANT ACCOUNTING POLICIES	2		

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For **B.L.Sarda & Associates**

Chartered Accountants

For and on behalf of the Board of Directors of

EMKAY INVESTMENT MANAGERS LIMITED

(CA B.L.SARDA)

Partner

Membership No. 014568

Rajesh Sharma

Director

Saket Agrawal

Director

Vikaas Sachdeva

Chief Executive Officer

Dipti Modi

Company Secretary

Place: Mumbai

Dated: 19th May, 2021

Place: Mumbai

Dated: 19th May, 2021

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH, 2021

1 EQUITY SHARE CAPITAL

Particulars	Equity Share Capital	
	No. of Shares	Amount (₹)
As at 1st April, 2019	9,000,000	90,000,000
Changes during the year	-	-
As at 31st March, 2020	9,000,000	90,000,000
Changes during the year	-	-
As at 31st March, 2021	9,000,000	90,000,000

2 OTHER EQUITY

	Reserves and Surplus		Other Comprehensive Income	Total
	Equity-settled Share Based Payment Reserve	Retained Earnings	Items that will not be Reclassified to Profit or Loss - Actuarial gains/(losses) on Defined Benefit Plan	
Balance as at April 1, 2019	211,419	64,265,845	(36,668)	64,440,596
Share Based Payments to Employees	1,197,709	-	-	1,197,709
Profit for the year after income tax	-	8,059,871	-	8,059,871
Other Comprehensive Income/(Loss) for the year	-	-	(181,679)	(181,679)
Total Comprehensive Income for the year				7,878,192
Balance as at March 31, 2020	1,409,128	72,325,716	(218,347)	73,516,497
Balance as at April 1, 2020	1,409,128	72,325,716	(218,347)	73,516,497
Share Based Payments to Employees	1,162,822	-	-	1,162,822
Profit for the year after income tax	-	29,225,239	-	29,225,239
Other Comprehensive Income/(Loss) for the year	-	-	24,854	24,854
Total Comprehensive Income for the year				29,250,093
Balance as at March 31, 2021	2,571,950	101,550,955	(193,493)	103,929,412

The accompanying notes are an integral part of the financial statements.

As per our Report of even date
For **B.L.Sarda & Associates**
Chartered Accountants

(CA B.L.SARDA)
Partner
Membership No. 014568

For and on behalf of the Board of Directors of
EMKAY INVESTMENT MANAGERS LIMITED

Rajesh Sharma
Director

Saket Agrawal
Director

Vikaas Sachdeva
Chief Executive Officer

Dipti Modi
Company Secretary

Place: Mumbai
Dated: 19th May, 2021

Place: Mumbai
Dated: 19th May, 2021

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31ST MARCH, 2021

(₹)

	31st March, 2021	31st March, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax, exceptional / extraordinary items	36,595,394	12,826,583
Adjustment for :		
Depreciation & Amortization Expense	248,455	668,980
Unrealised Foreign Exchange (Gain)/Loss	(4,953)	(5,208)
Finance Cost	-	2,712
Interest Received	(907,707)	(70,380)
Dividend Received	(137,519)	(322,642)
Employee Share Based Payment Expense	1,162,822	1,197,709
Provision for Doubtful Debts(Net Of Written Off)	-	(19,820)
Net (Gain)/Loss on Fair Value Changes of Investments	(12,669,413)	5,776,561
Net Gain on sale of Current/Non Current Investments	(2,709,231)	(262,633)
Operating profit before working capital changes	21,577,848	19,791,862
Movements in working capital :		
(Increase)/Decrease in Other Non-current/Current Financial Assests	(57,543,553)	25,494
(Increase)/Decrease in Trade Receivables	(14,044,385)	515,583
(Increase)/Decrease in Other Non-current/Current Assests	28,747,326	40,108,700
Increase/(Decrease) in Trade Payables	4,162,682	(798,540)
Increase/(Decrease) in Other Current Financial Liabilities	1,688,573	(1,406,307)
Increase/(Decrease) in Other Non-current/Current Liabilities	2,005,430	2,010,051
Increase/(Decrease) in Provisions	574,027	2,331,630
Cash flow generated from operating activities	(12,832,052)	62,578,473
Income tax paid (net)	(4,292,869)	(5,331,265)
Cash flow generated before extraordinary items	(17,124,921)	57,247,208
Extraordinary items	-	-
Net cash flow generated from/(used in) operating activities	(17,124,921)	57,247,208
B. CASH FLOW FROM INVESTING ACTIVITIES		
Current Investments (Purchased)/Redeemed	11,746,972	(8,500,942)
Non Current Investment (Purchased)/Disposed Off	(322,528)	1,173,199
Dividend Received	137,519	322,642
Purchase of Fixed Assets	(338,290)	(83,766)
Capital Advance	(90,742)	(100,000)
Interest Received	907,707	70,380
Net cash flow generated from/(used in) investing activities	12,040,638	(7,118,487)



INDEPENDENT AUDITOR'S REPORT (Contd.)

(₹)

		31st March, 2021	31st March, 2020
C. CASH FLOW FROM INVESTING ACTIVITIES			
Addition/(Repayment) of Short-Term Borrowings	-	(3,000,000)	
Finance Cost	-	(2,712)	(3,002,712)
Net cash flow generated from/(used in) financing activities		-	(3,002,712)
Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)		(5,084,283)	47,126,009
Cash and Cash equivalents at the beginning of the year		48,042,392	916,383
Cash and Cash equivalents at the close of the year		42,958,109	48,042,392
Note:			
1	Cash and cash equivalents comprise of :		
	Balance with a Scheduled Banks		
	- In Current Accounts	42,914,814	47,923,294
	Cash on hand	19,651	81,915
	Balance in Prepaid Card	31,009	39,595
		42,965,474	48,044,804
	Add : Exchange difference on translation of foreign currency cash and cash equivalents	(7,365)	(2,412)
		42,958,109	48,042,392
2	Cash flow statement has been prepared under the Indirect Method as set out in the Indian Accounting Standard - 7 (Ind AS-7) "Statement of Cash Flow".		
3	Previous year's figure are re-grouped/ recasted/ re-arranged wherever considered necessary.		

The accompanying notes are an integral part of the financial statements.

As per our Report of even date
For **B.L.Sarda & Associates**
Chartered Accountants

(CA B.L.SARDA)
Partner
Membership No. 014568

For and on behalf of the Board of Directors of
EMKAY INVESTMENT MANAGERS LIMITED

Rajesh Sharma
Director

Saket Agrawal
Director

Vikaas Sachdeva
Chief Executive Officer

Dipti Modi
Company Secretary

Place: Mumbai
Dated: 19th May, 2021

Place: Mumbai
Dated: 19th May, 2021

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2021

1 CORPORATE INFORMATION

Emkay Investment Managers Limited ('the Company') is a public company domiciled in India and was incorporated under the Companies Act, 1956 vide Certificate of Incorporation (CIN) U67190MH2010PLC203819, Dated 8th June, 2010. The company is a Wholly Owned Subsidiary of Emkay Global Financial Services Limited (the Parent Company). The registered office of the Company is situated at The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400028. The Company is engaged in the business of Asset Management Services. The Company is registered as a Portfolio Manager with the Securities and Exchange Board of India (SEBI).

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

(i) Statement of Compliance

These financial statements comprise the Balance Sheets as at March 31, 2021 and March 31, 2020, the Statements of Profit and Loss, the Statements of Cash Flows and the Statements of Changes in Equity for the year ended March 31, 2021 and for the year ended March 31, 2020, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as 'Financial Statements').

These financial statements have been prepared in all material aspects in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting standards) Rules, 2015 as amended and other relevant provisions of the Act.

These financial statements have been prepared in accordance with Division II of Schedule III to the Act on going concern basis using the significant accounting policies and measurement bases summarized as below. These accounting policies have been applied consistently over all the periods presented in these financial statements.

(ii) Historical Cost Convention

The financial statements have been prepared under historical cost convention on accrual basis of accounting, except for the following:

- certain financial instruments which are measured at fair value (refer Accounting Policy no.2.4 below);
- defined benefit plan- plan assets measured at fair value (refer Accounting Policy no.2.8(ii)(A)(b) below); and
- share-based payment obligations (refer Accounting Policy no.2.9 below).

(iii) Functional and Presentation Currency

These financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency.

(iv) Current and Non-current Classification

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in Part I of Division II of Schedule III to the Act.

The Company's normal operating cycle is considered as twelve months for the purpose of current and non-current classification of assets and liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(v) Use of Estimates and Judgments

The preparation of the financial statements requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgements used in the preparation of the financial statements are continuously evaluated and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future period.

Areas involving critical estimates and Judgements are:



NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

- Estimation of useful lives and residual values of property, plant and equipment and intangible assets.
- Estimation of defined benefit obligations
- Estimation of tax expenses
- Provisions and contingent liabilities
- Measurement of fair values
- Allowance for impairment of financial and non-financial instruments

(vi) Fair Value Measurement

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

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability
- The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use, when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

2.2 Property, Plant and Equipment

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. The Company has applied for the one time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2018 as the deemed cost under Ind AS. Hence, regarded thereafter as historical cost.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation

Depreciation is calculated using the written down value (WDV) method to write down the cost of PPE to their residual values over their estimated useful lives which are in line with the estimated useful life as specified in Schedule II of the Act.

The estimated useful lives are as follows:

Particulars	Useful life estimated by Company
Vehicles	8 years
Computers	3 years
Furniture and Fixtures	10 years

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

Derecognition

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

2.3 Intangible Assets

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

Intangible assets are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives.

Intangible assets comprising of software and Website are amortised on a straight-line basis over a period of 3 years from the start of the year of acquisition irrespective of the date of acquisition, unless it has a shorter useful life.

Derecognition

An item of intangible assets is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

2.4 Financial Instruments

(i) Initial Recognition and Measurement

The Company recognizes financial assets and liabilities when it becomes a party to the

contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the statement of profit and loss.

(ii) Subsequent Measurement

a. Financial Assets Carried at Amortized Cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset 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.

b. Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI)

Investment in equity instruments are generally accounted for as at fair value through the statement of profit and loss account unless an irrevocable election has been made by management to account for at fair value through other comprehensive income. Such classification is determined on an instrument-by-instrument basis.

Amounts presented in other comprehensive income for equity instruments are not subsequently transferred to statement of profit and loss. Dividends on such investments are recognised in statement of profit and loss.

c. Financial Assets at Fair Value Through Profit or Loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.



NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

d. Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(ii) Derecognition of Financial Instruments

The Company derecognizes a financial asset when the contractual right to receive the cash flows from the financial asset expire or it transfers the financial asset.

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

(iv) Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the client does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

2.5 Impairment

a. Financial Assets

The Company recognizes loss allowances using the expected credit losses (ECL) model for the financial assets which are not fair valued through statement of profit and loss. For trade receivables, the Company provides for ECL by way of Provision for doubtful debts based on the probability of defaults that are possible over the life of the asset. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the

reporting date to the amount that is required to be recognised is done so as an impairment gain or loss in statement of profit and loss.

b. Non-Financial Assets

Intangible Assets and Property, Plant and Equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

2.6 Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand and balances with banks (other than earmarked) and fixed deposits with bank (free from encumbrances) that are readily convertible to known amounts of cash with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.7 Revenue Recognition

Revenue is recognized to the extent it is possible that economic benefits will flow to the Company and the revenue can be reliably measured.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

Revenue is measured at fair value of the consideration received or receivable.

(i) Fees Income

- a. Portfolio Management Fees is accounted on accrual basis based on completion of performance obligation as follows –
 - In case of fees based on fixed percentage of assets under management, income is accrued at fixed interval or closure of portfolio account, whichever is earlier.
 - In case of fees based on returns on portfolio, income is accounted at the completion of one year from the date of joining the portfolio management scheme or the closure of portfolio account, whichever is earlier.
- b. Alternate Investment Fund (AIF) Management Fees is accounted on accrual basis and on the completion of performance obligations in accordance with Private Placement Memorandum and Contribution Agreements of respective schemes of AIF.

(ii) Net Gain or Loss on Fair Value Changes

Any realised gain or loss on sale of financial assets being investments measured on the trade date at FVTPL is recognised as “Net gain or loss on sale of investments” under Other Income” or “Other Expenses” respectively in the statement of profit and loss.

Similarly, any differences between the fair values of financial assets being investments classified as FVTPL, held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised as “Net gain on fair value changes” under Other Income and if there is a net loss the same is disclosed as “Net loss on fair value changes” under “Other Expenses” in the statement of Profit and Loss.

(iii) Interest Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate.

(iv) Dividend Income

Dividend income is recognised when the right to receive the payment is established.

2.8 Employee Benefits

(i) Short Term Benefits

All employee benefits including short term non vesting compensated absences and statutory

bonus/ performance bonus/incentives payable wholly within twelve months of rendering the service are classified as short term employee benefits and are charged to the statement of profit and loss of the year.

(ii) Long Term Benefits

A. Post-employment Benefits

a) Defined Contribution Plan

Retirement/ Employee benefits in the form of Provident Fund is considered as defined contribution plan and contributions to the fund administered by the Government are charged to the statement of profit and loss of the year when the contribution to the said fund is due.

b) Defined Benefit Plan

Retirement benefits in the form of gratuity is considered as defined benefit obligation. The scheme is formed by the Company and fund is managed by insurers to which the Company makes periodic contributions. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.



NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

B. Other Long Term Benefits

As per present policy of the Company, there are no other long term benefits to which its employees are entitled.

2.9 Share Based Payments

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments/option at the grant date.

The fair value at the grant date of the equity settled share-based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The fair value of options is determined under Black-Scholes-Merton Model by an Independent Valuer. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options outstanding reserve.

2.10 Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.11 Operating Leases

For leases with a term of twelve months or less (short-term leases) and leases of low value assets, the Company elects to exercise recognition exemption as prescribed under Ind AS 116 –Leases for the same and recognises the lease payments as an operating expense on accrual basis in accordance with the respective Lease and License agreements.

2.12 Other Income and Expenses

(i) Upfront Commission

Upfront Commission paid to distributors for procuring subscription to Assets being managed (Managed Assets) by the Company, is for services rendered by them to the Company over the life of Managed Assets. The same is treated as Prepaid Expense and is spread over the life of

Managed Assets. In case such Managed Assets are prematurely withdrawn by the subscribers, the same is debited to the Statement of Profit and Loss Account on such withdrawal.

(ii) Share Issue Expenses

Share Issue Expenses are recognized as an expense in the year in which it is incurred.

All other income and expenses are recognized in the period they occur.

2.13 Taxes

(i) 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 rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date for the relevant year.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

(ii) Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

(iii) **Goods and Services Tax Paid on Acquisition of Assets or on Incurring Expenses**

Expenses and assets are recognised net of the goods and services tax 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.

2.14 Earnings Per Share (EPS)

The Company reports basic and diluted EPS in accordance with Ind AS 33 on Earnings per share. Net profit or loss for the year attributable to equity shareholders is divided by the weighted average number of equity shares outstanding during the year for calculating basic EPS and by the weighted average number of shares outstanding during the year adjusted for the effects of all dilutive potential equity shares for calculating diluted EPS.

2.15 Foreign Currency Transactions

Initial recognition:

Foreign currency transactions are translated into

the functional currency using the exchange rates prevailing at the dates of the transactions.

Conversion:

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the reporting date, are translated at the reporting date at the closing exchange rate and the resultant exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

2.16 Events After Reporting Date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

2.17 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised if as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

2.18 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2021.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

3 PROPERTY PLANT AND EQUIPMENT

(₹)

	Vehicle	Computers	Furniture & Fixtures	Total
Gross carrying amount				
As at 1st April 2019	706,683	215,789	-	922,472
Additions	-	55,376	28,390	83,766
Disposals	-	-	-	-
As at 31st March 2020	706,683	271,165	28,390	1,006,238
Additions	-	74,800	-	74,800
Disposals	-	-	-	-
As at 31st March 2021	706,683	345,965	28,390	1,081,038
Accumulated depreciation				
As at 1st April 2019	220,697	134,712	-	355,409
Charge for the year	151,773	58,102	9,968	219,843
Disposals	-	-	-	-
As at 31st March 2020	372,470	192,814	9,968	575,252
Charge for the year	104,375	51,480	4,769	160,624
Disposals	-	-	-	-
As at 31st March 2021	476,845	244,294	14,737	735,876
Net carrying amount				
As at 31st March 2020	334,213	78,351	18,422	430,986
As at 31st March 2021	229,838	101,671	13,653	345,162

4 OTHER INTANGIBLE ASSETS

(₹)

	Computer Software	Website	Total
Gross carrying amount			
As at 1st April 2019	898,275	-	898,275
Additions	-	-	-
Disposals	-	-	-
As at 31st March 2020	898,275	-	898,275
Additions	-	263,490	263,490
Disposals	-	-	-
As at 31st March 2021	898,275	263,490	1,161,765
Accumulated depreciation			
As at 1st April 2019	449,138	-	449,138
Charge for the year	449,137	-	449,137
Disposals	-	-	-
As at 31st March 2020	898,275	-	898,275
Charge for the year	-	87,831	87,831
Disposals	-	-	-
As at 31st March 2021	898,275	87,831	986,106
Net carrying amount			
As at 31st March 2020	-	-	-
As at 31st March 2021	-	175,659	175,659

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2021

5 NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

(₹)

Particulars	Face Value	No. of Shares		Amount	
	Per Share	As At 31 st March, 2021	As At 31 st March, 2020	As At 31 st March, 2021	As At 31 st March, 2020
At Fair Value Through Profit and Loss					
Investments in Equity Instruments					
Quoted, Fully Paid-up					
- Abbott India Ltd**	10	8	8	119,909	123,644
- Aegis Logistics Ltd	1	992	-	295,368	-
- AIA Engineering Limited**	2	72	72	147,452	99,511
- Alembic Pharmaceuticals Limited**	2	190	190	183,379	101,394
- Apar Industries Ltd.	10	1263	1,263	598,852	363,428
- APL Apollo Tubes Ltd.****	2	-	167	-	208,157
- AU Small Finance Bank Ltd**	10	108	108	132,435	54,956
- Axis Bank Ltd.	2	-	776	-	294,337
- Bajaj Consumer Care Ltd.	1	-	1,744	-	231,690
- Bandhan Bank Ltd.	10	-	1,364	-	277,779
- Bata India Ltd.**	5	77	77	108,158	94,799
- Bharti Airtel Ltd.	5	1,002	-	518,335	-
- CCL Products (India) Ltd	2	1,502	-	351,693	-
- CEAT Ltd.	10	413	-	644,796	-
- Centum Electronics Ltd.	10	-	1,151	-	276,240
- Cholamandalam Investment & Finance Co Ltd**	2	414	414	231,343	63,321
- Cipla Ltd.	2	613	613	499,748	259,299
- City Union Bank Ltd**	1	588	588	91,669	76,234
- Coromandel International Ltd**	1	203	203	157,153	110,412
- Divi's Laboratories Ltd.	2	1,220	1,263	4,428,661	2,510,276
- Dr. Lal Pathlabs Ltd**	10	76	76	205,766	106,506
- Eicher Motors Ltd.*	1	440	44	1,145,650	575,837
- Endurance Technologies Ltd**	10	129	129	187,482	77,335
- Gujarat Pipavav Port Ltd.	10	7,595	7,595	737,475	458,738
- HCL Tech Ltd.	2	254	-	249,796	-
- HDFC Bank Ltd.	1	1,928	1,928	2,879,564	1,661,936
- HDFC Life Insurance Co. Ltd.	10	1,167	-	811,940	-
- Housing Development Finance Corporation Ltd.	2	130	130	324,864	211,958
- ICICI Bank Ltd.	2	3,514	3,514	2,042,513	1,140,293
- Infosys Ltd.	5	125	-	170,969	-
- ITC Ltd.	1	2,908	-	635,398	-
- ICICI Securities Ltd**	5	284	284	108,360	78,696
- Indraprastha Gas Ltd.**	2	289	289	147,621	112,378

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

(₹)

Particulars	Face Value	No. of Shares		Amount	
	Per Share	As At 31 st March, 2021	As At 31 st March, 2020	As At 31 st March, 2021	As At 31 st March, 2020
- Jubilant Foodworks Ltd**	10	75	75	218,479	110,269
- L&T Technology Services Ltd**	2	69	-	183,181	-
- Laurus Labs Ltd.*****	2	1,895	-	686,085	-
- LIC Housing Finance Ltd.	2	-	1,460	-	343,392
- Mahindra Holidays & Resorts India Ltd.	10	3,562	3,562	750,692	495,118
- Narayana Hrudayalaya Ltd	10	1,154	-	468,639	-
- NESCO Ltd.	2	2,626	2,626	1,384,952	1,282,801
- PI Industries Ltd**	1	82	82	184,873	95,903
- Radico Khaitan Ltd	2	821	821	460,417	219,330
- Reliance Industries Ltd.	10	772	1,154	1,546,470	1,283,767
- Schaeffler India Ltd**	10	28	28	151,500	103,575
- Shilpa Medicare Ltd	1	640	-	213,632	-
- Shoppers Stop Ltd.	5	-	855	-	165,400
- SRF Ltd.**	10	32	32	173,008	88,938
- Sundram Fasteners Ltd.	1	3,044	3,044	2,437,787	886,869
- Sun Pharmaceutical Industries Ltd.	1	2,429	2,963	1,451,570	1,043,569
- Suven Pharmaceuticals Ltd.*****	1	1,060	-	525,124	-
- Tata Elxsi Ltd	10	346	346	931,916	217,911
- The Phoenix Mills Ltd**	2	-	155	-	88,668
- TD Power Systems Ltd.	10	-	1,403	-	118,974
- V Guard Industries Ltd**	1	-	617	-	95,542
- Varun Beverages Ltd***	10	220	-	221,298	-
- Whirlpool of India Ltd**	10	57	57	127,102	103,033
- 3M India Ltd**	10	6	6	181,431	113,489
Quoted, Partly Paid-up					
- Reliance Industries Ltd.	10	50	-	54,525	-
Total				30,509,030	16,425,702
Note :					
- Aggregate Value of Quoted Investments and Market Value thereof				30,509,030	16,425,702

* Face value sub-divided from Rs.10/- to Rs.1/- per equity share w.e.f 24.08.2020

** Lying in Pool demat account maintained by the Company as Portfolio Manager under its Portfolio Management Services(PMS) for investment made by the Company under one of the PMS Scheme.

*** Includes 145 Shares Lying in Pool demat account maintained by the Company as Portfolio Manager under its Portfolio Management Services(PMS) for investment made by the Company under one of the PMS Scheme.

**** Face value sub-divided from Rs.10/- to Rs.2/- per equity share w.e.f 17.12.2020

***** Face value sub-divided from Rs.10/- to Rs.2/- per equity share w.e.f 01.10.2020

***** Includes 530 bonus shares issued on 09.10.2020

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2021

6 NON-CURRENT FINANCIAL ASSETS - OTHERS

(₹)

Particulars	As at	
	31st March 2021	31st March 2020
Unsecured, Considered Good		
Deposits	-	55,000
Other Bank Balances		
- In Deposits Account with remaining maturity of more than 12 months	39,000,000	-
Total	39,000,000	55,000
- Fixed deposit lien marked as security against bank overdraft facility .		

7 NON-CURRENT TAX ASSETS (NET)

(₹)

Particulars	As at	
	31st March 2021	31st March 2020
Income Tax Paid (Net of Provisions)	1,590,756	1,952,844
Total	1,590,756	1,952,844

8 OTHER NON-CURRENT ASSETS

(₹)

Particulars	As at	
	31st March 2021	31st March 2020
(Unsecured, considered good)		
Capital Advances	90,742	100,000
Prepaid Expenses	26,611,885	52,583,156
Total	26,702,627	52,683,156

9 CURRENT FINANCIAL ASSETS - INVESTMENTS

(₹)

Particulars	Face Value Per Unit	No. of Units		Amount	
		As At	As At	As At	As At
		31st March 2021	31st March 2020	31st March 2021	31st March 2020
At Fair Value Through Profit and Loss					
Investments in Mutual Funds					
Quoted, Fully Paid-up					
- Nippon India ETF Liquid Bees	1000	10.887	32.768	10,887	32,768



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

(₹)

Particulars	Face Value Per Unit	No. of Units		Amount	
		As At	As At	As At	As At
		31st March 2021	31st March 2020	31st March 2021	31st March 2020
- HDFC Ultra Short Term Fund - Growth	10	-	901,989.789	-	10,107,247
Total				10,887	10,140,015
Notes:					
- Aggregate Value of Quoted Investments and Market Value thereof				10,887	10,140,015

10 CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹)

Particulars	As at	
	31st March 2021	31st March 2020
Unsecured		
- Trade Receivables Considered Good	25,789,010	11,744,625
Total	25,789,010	11,744,625

Note:-

1. No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

11 CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

(₹)

Particulars	As at	
	31st March 2021	31st March 2020
Cash and Cash Equivalents		
Balances with Banks:		
- In Current Account	42,914,814	47,923,294
Cash on Hand	19,651	81,915
Others		
- Balance in Prepaid Cards	31,009	39,595
Total	42,965,474	48,044,804

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2021

12 CURRENT FINANCIAL ASSETS - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹)

Particulars	As at	
	31st March 2021	31st March 2020
Bank Balances Other Than Cash and Cash Equivalents		
Balances with Banks:		
- In Deposit Account with original maturity of more than 3 months but upto 12 months	17,000,000	-
Total	17,000,000	-

- Fixed deposit lien marked as security against bank overdraft facility.

13 CURRENT FINANCIAL ASSETS - OTHERS

(₹)

Particulars	As at	
	31st March 2021	31st March 2020
Unsecured, considered good		
Advances - Other	1,308,184	46,689
Loan to Staff	2,000	-
Recoverable towards Expenses	99,340	7,417
Income Receivable	43,185	-
Other Receivables	212,358	12,408
Total	1,665,067	66,514

14 OTHER CURRENT ASSETS

(₹)

Particulars	As at	
	31st March 2021	31st March 2020
Prepaid Expenses	26,974,505	30,284,661
Goods and Services Tax Input Credit Available/Receivable	836,314	302,213
Total	27,810,819	30,586,874

15 EQUITY SHARE CAPITAL

(₹)

Particulars	As at	
	31st March 2021	31st March 2020
Authorised		
10,000,000 (P.Y. 10,000,000) Equity Shares of Rs. 10/- each	100,000,000	100,000,000
Issued, Subscribed and Paid Up		
9,000,000 (P.Y. 9,000,000) Equity Shares of Rs.10/- each fully paid up	90,000,000	90,000,000
Total	90,000,000	90,000,000

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

(₹)

Particulars	As at March 31, 2021		As at March 31, 2020	
	No of Shares	Amount	No of Shares	Amount
Outstanding at the beginning of the reporting period	9,000,000	90,000,000	9,000,000	90,000,000
Add: Shares issued during the reporting period	-	-	-	-
Outstanding at the end of the reporting period	9,000,000	90,000,000	9,000,000	90,000,000

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pay dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except interim dividend.

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.

c. Shares held by holding company

The entire 9,000,000 (P.Y. 9,000,000) equity shares of Rs. 10/- each fully paid up are held by Holding Company Emkay Global Financial Services Limited.

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

Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
	No of Shares	% held	No of Shares	% held
Equity Shares of Rs. 10/- each fully paid				
Emkay Global Financial Services Limited (Holding Company) and its Nominees.	9,000,000	100%	9,000,000	100%

16 OTHER EQUITY

(₹)

Particulars	As at	
	31st March 2021	31st March 2020
Reserve and Surplus		
a) Retained Earnings		
Balance at the Beginning of the Reporting Period	72,325,716	64,265,845
Add: Profit for the year	29,225,239	8,059,871
Amount Available for Appropriation	101,550,955	72,325,716
Less: Appropriations	-	-
Balance at the End of the Reporting Period	101,550,955	72,325,716
b) Other Comprehensive Income		
Balance at the Beginning of the Reporting Period	(218,347)	(36,668)
Add: Movement in Other Comprehensive Income (Net) during the year	24,854	(181,679)
Balance at the End of the Reporting Period	(193,493)	(218,347)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2021

(₹)

Particulars	As at	
	31st March 2021	31st March 2020
c) Equity-settled Share Based Payment Reserve		
Balance at the Beginning of the Reporting Period	1,409,128	211,419
Add: Share Based Payments to Employees during the year	1,162,822	1,197,709
Balance at the End of the Reporting Period	2,571,950	1,409,128
Total	103,929,412	73,516,497

Nature and Purpose of Reserve

a) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

b) Other Comprehensive Income

Other comprehensive income consist of remeasurement gains/losses on employees defined benefit plan.

c) Equity-settled Share Based Payment Reserve

This reserve is created by debiting the statement of profit and loss with value of share options granted to the employees of the Company by the Parent Company.

17 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

(₹)

Particulars	As at	
	31st March 2021	31st March 2020
Total outstanding dues of micro enterprises and small enterprises	-	-
	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,364,643	1,201,961
Total	5,364,643	1,201,961

The details of amount outstanding to Micro, Small and Medium Enterprises defined under "Micro, Small and Medium Enterprises Development Act, 2006" (as identified based on information available with the company and relied upon by the Auditors) is as under -

- Principal amount due and remaining unpaid	-	-
- Interest due on above and the unpaid interest	-	-
- Interest paid	-	-
- Payment made beyond the appointed day during the year	-	-
- Interest due and payable for the period of delay	-	-
- Interest accrued and remaining unpaid	-	-
- Amount of further interest remaining due and payable in succeeding years	-	-



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

18 CURRENT FINANCIAL LIABILITIES - OTHERS

(₹)

Particulars	As at	
	31st March 2021	31st March 2020
Payable for Expenses		
-to Holding Company	1,432,806	134,453
-to Others	2,486,293	2,196,073
Total	3,919,099	2,330,526

19 OTHER CURRENT LIABILITIES

(₹)

Particulars	As at	
	31st March 2021	31st March 2020
Advance received from clients	47,102	108,244
Statutory Liabilities	4,900,036	2,833,464
Total	4,947,138	2,941,708

20 CURRENT PROVISIONS

(₹)

Particulars	As at	
	31st March 2021	31st March 2020
Provision for Employee Benefits		
- Gratuity [Refer Note 29(b)]	483,620	563,411
- Compensated absences	-	343,041
- Bonus/Incentive Payable	2,847,105	1,883,500
Total	3,330,725	2,789,952

21 CURRENT TAX LIABILITIES (NET)

(₹)

Particulars	As at	
	31st March 2021	31st March 2020
Provision for Tax (Net of Tax Paid)	1,375,043	-
	1,375,043	-

22 REVENUE FROM OPERATIONS

(₹)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Sale of Services		
- Portfolio Management Fees	53,253,099	41,875,523
- Alternate Investment Fund Management Fees	54,227,146	54,162,530
Other Operating Revenue		
- Provision for Doubtful Debts Written Back	-	19,820
Total	107,480,245	96,057,873

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2021

23 OTHER INCOME

(₹)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Interest from		
- Unsecured Loan	57,534	-
- Banks	849,566	-
- Others	607	-
- Income Tax Refund	-	70,380
Interest Income	907,707	70,380
Dividend on		
- Current Investments	1,119	3,736
- Non Current Investments	136,400	318,906
Dividend on Investments	137,519	322,642
Other Non-Operating Income		
- Net Gain on Sale of Investments	2,709,231	262,633
- Net Gain on Fair Value Changes of Investments	12,669,413	-
- Foreign Exchange Rate Fluctuations Gain (Net)	4,953	5,208
- Liability No Longer Payable	363,577	71
Total	16,792,400	660,934

24 EMPLOYEE BENEFITS EXPENSE

(₹)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Salaries and Other Benefits	35,939,927	25,630,718
Share Based Payments to Employees [Refer Note 31]	1,162,822	1,197,709
Contribution to Provident and Other Funds [Refer Note 29(a)]	647,477	100,150
Gratuity [Refer Note 29(b)]	516,874	320,632
Staff Welfare Expenses	16,116	14,137
Total	38,283,216	27,263,346

25 FINANCE COSTS

(₹)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Interest on Unsecured Loan	-	2,712
Total	-	2,712



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

26 DEPRECIATION AND AMORTIZATION EXPENSE

(₹)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Depreciation of Property, Plant and Equipment	160,624	219,843
Amortization of Other Intangible Assets	87,831	449,137
Total	248,455	668,980

27 OTHER EXPENSES

(₹)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Commission	40,132,239	38,880,769
Communication, Postage and Courier Charges	79,337	125,638
Fees and Stamps	202,675	401,258
Registration Fees	171,527	166,971
Membership and Subscription	263,964	98,418
Custodial Charges	11,721	-
Depository Charges	50,337	85,656
Electricity Charges	296,308	282,823
Insurance	22,606	28,312
Repairs & Maintenance - Others	934,312	919,298
Advertisement and Business Promotion Expenses	703,973	1,657,663
Printing and Stationery	187,147	375,228
Travelling, Conveyance and Vehicle Expenses	1,423,949	3,179,565
Legal and Professional Fees	1,793,211	1,691,573
Bad Debts Written Off	-	99,130
Payment to Auditors (refer note below) #	605,000	226,000
Rent	1,961,413	1,524,637
Software Expenses	75,000	-
Net Loss on Fair Value Changes of Investments	-	5,776,560
Miscellaneous Expenses	230,861	437,687
Total	49,145,580	55,957,186

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2021

#

(₹)		
Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Payment to Auditors#		
- As auditors		
Audit fee	350,000	110,000
Tax audit fee	60,000	40,000
- In other Capacity		
Taxation Matters	120,500	57,500
Limited Review and Certification	74,500	18,500
Total	605,000	226,000

28 EARNINGS PER SHARE:

(₹)			
Sl. No.	Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
a)	Net Profit after tax available for Equity Shareholders (₹)	29,225,239	8,059,871
b)	Weighted average number of Equity Shares of ₹.10/- each outstanding during the period (No. of Shares)		
	- For Basic Earnings	9,000,000	9,000,000
	- For Diluted Earnings	9,000,000	9,000,000
c)	Basic Earnings per Equity Share (₹)	3.25	0.90
d)	Diluted Earnings per Equity Share (₹)	3.25	0.90

29 DISCLOSURES AS PER IND AS 19 - EMPLOYEE BENEFITS ARE AS FOLLOWS:

a. Defined Contribution Plan

Expenses recognized in Statement of Profit and Loss towards the Defined Contribution Plans are as under:

(₹)		
Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Contribution to Provident Fund	644,499	100,150
Contribution to ESIC	2,978	-
Total	647,477	100,150

b. Defined Benefit Plan

The company has a defined benefit gratuity plan governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to gratuity on departure at 15 days last drawn salary for each completed year of service or part thereof in excess of six months.

The plan is funded with insurance company in the form of a qualifying insurance policy. The following tables summarize the components of net benefit expense recognized in the statement of profit and loss, other comprehensive income and amount recognized in balance sheet which has been determined by an Actuary appointed for the purpose and relied upon by the Auditors:



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

(₹)			
Sr. No.	Particulars	As at 31st March, 2020	As at 31st March, 2020
I	Changes in present value of obligations		
	Present Value of Obligations at beginning of the period	1,645,980	899,241
	Current Service Cost	485,627	305,728
	Interest Expense or Cost	91,287	62,179
	Re-measurement (or Actuarial) (Gain)/Loss arising from:-		
	-change in demographic assumptions	3,067	133
	-change in financial assumptions	6,176	170,109
	-experience variance (i.e. Actual experience vs assumptions)	3,111	114,505
	Benefits Paid	-	-
	Acquisition Adjustment	-	94,085
	Present Value of Obligations at end of the period	2,235,248	1,645,980
II	Changes in fair value of plan assets		
	Fair Value of Plan Assets at beginning of the period	1,082,569	683,698
	Investment Income	60,040	47,275
	Employer's Contribution	563,411	215,543
	Acquisition Adjustment	-	94,085
	Benefits Paid	-	-
	Return on plan assets, excluding amount recognized in net interest expense	45,608	41,968
	Fair Value of Plan Assets at end of the period	1,751,628	1,082,569
III	Reconciliation of net liability/asset		
	Net defined benefit liability/(asset) as at the beginning	563,411	215,543
	Expenses charged to statement of profit and loss	516,874	320,632
	Amount recognized in other comprehensive income	(33,254)	242,779
	Employer contribution	(563,411)	(215,543)
	Net defined benefit liability/(asset) as at the end	483,620	563,411
IV	Expenses recognized in Statement of Profit and Loss		
	Current Service Cost	485,627	305,728
	Net Interest Cost / (Income) on the net defined benefit liability/ (Asset)	31,247	14,904
	Expenses recognized in the Income Statement	516,874	320,632
V	Change in the Effect of Asset Ceiling		
	Effect of Asset Ceiling at the beginning	-	-
	Interest Expense or Cost (to the extent not recognized in net interest expense)	-	-
	Re-measurements (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
	Effect of Asset Ceiling as at the end	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2021

(₹)

Sr. No.	Particulars	As at 31st March, 2020	As at 31st March, 2020
VI	Other Comprehensive Income		
	Actuarial (gains)/losses		
	-change in demographic assumptions	3,067	133
	-change in financial assumptions	6,176	170,109
	-experience variance (i.e. actual experience vs assumptions)	3,111	114,505
	Return on plan assets, excluding amount recognized in net interest expense	(45,608)	(41,968)
	Components of defined benefit costs recognized in other comprehensive income	(33,254)	242,779
VII	Amount recognized in Balance Sheet		
	Present value of obligation	2,235,248	1,645,980
	Fair value of plan assets	1,751,628	1,082,569
	Surplus/(Deficit)	(483,620)	(563,411)
	Effects of asset ceiling, if any	-	-
	Net Asset / (Liability)	(483,620)	(563,411)
VIII	Key actuarial assumptions		
	Discount rate (p.a.)	5.50%	5.55%
	Salary growth rate (p.a.)	10.00%	10.00%
	Attrition/Withdrawal rates, based on age		
	-Upto 45 years	25%	25%
	-Above 45 years	15%	15%
	Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
IX	Categories of plan assets		
	Insurer managed funds	99.89%	99.82%
	Bank Balance	0.11%	0.18%
X	Sensitivity analysis for significant assumptions is as shown below		
	Discount Rate (- 1%) : % Change compared to base due to sensitivity	6.00%	5.80%
	Discount Rate (+ 1%) : % Change compared to base due to sensitivity	-5.40%	-5.20%
	Salary Growth (- 1%) : % Change compared to base due to sensitivity	-4.10%	-3.70%
	Salary Growth (+ 1%) : % Change compared to base due to sensitivity	4.30%	3.80%
	Attrition Rate (- 50%) : % Change compared to base due to sensitivity	14.30%	15.90%
	Attrition Rate (+ 50%) : % Change compared to base due to sensitivity	-8.70%	-9.40%
	Mortality Rate (- 10%) : % Change compared to base due to sensitivity	0.00%	0.00%
	Mortality Rate (+ 10%) : % Change compared to base due to sensitivity	0.00%	0.00%



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

(₹)			
Sr. No.	Particulars	As at 31st March, 2020	As at 31st March, 2020
XI	Expected Contribution during the next annual reporting period		
	The Company's best estimate of Contribution during the next year	1,010,826	1,007,324
XII	Maturity Profile of Defined Benefit Obligation		
	Weighted average duration (based on discounted cash flows)	6 years	5 years
	Expected cash flows over the next (valued on undiscounted basis):		
	1 year	297,707	313,757
	2 to 5 years	1,143,210	782,022
	6 to 10 years	976,480	648,111
	more than 10 years	763,044	576,550

30 RELATED PARTY DISCLOSURES

A. List of related parties

Sr. No.	Name of Related Party	Nature of Relationship
(i)	Directors a) G C Vasudeo b) Rajesh Sharma c) Saket Agrawal	Directors
(ii)	Individuals having control or significant influence a) Krishna Kumar Karwa b) Prakash Kacholia c) Preeti Kacholia	Individual having significant influence.
(iii)	Emkay Global Financial Services Limited	Holding Company
(iv)	1) Emkay Corporate Services Private Limited 2) Seven Hills Capital 3) Synthetic Fibres Trading Co.	Enterprises owned/controlled by Key Management Personnel/Individuals having control or significant influence or their relatives
(v)	Key Management Personnel a) Vikaas Sachdeva b) Dipti Modi	Chief Executive Officer (CEO) Company Secretary
(vi)	Emkay Investment Managers Ltd. Employees Group Gratuity Assurance Fund	Others

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2021

B) Related Party Transactions For The Year Ended 31.03.2021

(₹)

Particulars	Individual having control or significant influence		Holding Company		Enterprises owned/ controlled by key management personnel/Individuals having control or significant influence or their relatives		Key Management Personnel		Others	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
1 Expenditure										
<u>Depository Charges</u>										
- Emkay Global Financial Services Ltd.	-	-	50,336	85,655	-	-	-	-	-	-
<u>Interest on Unsecured Loan</u>										
- Emkay Corporate Services Pvt. Ltd.	-	-	-	-	-	2,712	-	-	-	-
<u>Rent</u>										
- Emkay Global Financial Services Ltd.	-	-	1,833,128	1,374,848	-	-	-	-	-	-
<u>Commission on PMS Fees</u>										
- Emkay Global Financial Services Ltd.	-	-	2,180,341	111,764	-	-	-	-	-	-
<u>Salaries and Other Benefits</u>										
- Vikaas Sachdeva	-	-	-	-	-	-	10,233,794	4,648,171	-	-
- Dipti Modi	-	-	-	-	-	-	887,368	856,354	-	-
<u>Share Based Payments</u>										
- Emkay Global Financial Services Ltd.	-	-	1,162,822	1,197,709	-	-	-	-	-	-
<u>Gratuity Contribution</u>										
- Emkay Investment Managers Ltd. Employees Group Gratuity Assurance Fund	-	-	-	-	-	-	-	-	516,874	563,411
2 Income										
<u>Portfolio Management Fees</u>										
- Prakash Kacholia	276,150	321,421	-	-	-	-	-	-	-	-
- Preeti Kacholia	59,291	21,602	-	-	-	-	-	-	-	-
- Emkay Corporate Services Pvt. Ltd.	-	-	-	-	123,758	140,027	-	-	-	-
- Seven Hills Capital	-	-	-	-	175,299	-	-	-	-	-
- Synthetic Fibres Trading Co.	-	-	-	-	261,125	-	-	-	-	-



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

(₹)

Particulars	Individual having control or significant influence		Holding Company		Enterprises owned/ controlled by key management personnel/Individuals having control or significant influence or their relatives		Key Management Personnel		Others	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
<u>Interest Received on Unsecured Loan</u>										
- Emkay Global Financial Services Ltd.	-	-	57,534	-	-	-	-	-	-	-
3 Others										
<u>(a) Expenses Reimbursed</u>										
- Emkay Global Financial Services Ltd.	-	-	656,618	614,511	-	-	-	-	-	-
<u>(b) Brokerage on Investments</u>										
- Emkay Global Financial Services Ltd.	-	-	12,341	26,261	-	-	-	-	-	-
<u>(c) Loan Given</u>										
- Emkay Global Financial Services Ltd.	-	-	70,000,000	-	-	-	-	-	-	-
<u>(d) Loan Received Back</u>										
- Emkay Global Financial Services Ltd.	-	-	70,000,000	-	-	-	-	-	-	-
<u>(e) Borrowings Repaid</u>										
- Emkay Corporate Services Pvt. Ltd.	-	-	-	-	-	3,000,000	-	-	-	-
4 Outstandings										
<u>(a) Payable for Expenses</u>										
- Emkay Global Financial Services Ltd.	-	-	1,432,805	134,452	-	-	-	-	-	-
<u>(b) Salaries and Other Benefits</u>										
- Vikaas Sachdeva	-	-	-	-	-	-	109,210	273,756	-	-
<u>(c) Provision for Employee Benefits - Gratuity</u>										
- Emkay Investment Managers Ltd. Employees Group Gratuity Assurance Fund	-	-	-	-	-	-	-	-	483,620	563,411
<u>(d) Trade receivables</u>										
- Prakash Kacholia	99,527	70,693	-	-	-	-	-	-	-	-
- Preeti Kacholia	18,785	13,435	-	-	-	-	-	-	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2021

(₹)

Particulars	Individual having control or significant influence		Holding Company		Enterprises owned/ controlled by key management personnel/Individuals having control or significant influence or their relatives		Key Management Personnel		Others	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
- Emkay Corporate Services Pvt. Ltd.	-	-	-	-	45,717	38,347	-	-	-	-
<u>(e) Share Based Payments</u>										
- Emkay Global Financial Services Ltd.	-	-	2,571,950	1,409,128	-	-	-	-	-	-
<u>(f) Equity Share Capital</u>										
- Emkay Global Financial Services Ltd.	-	-	9,00,00,000	9,00,00,000	-	-	-	-	-	-

- C) Related Parties are identified by Management and relied upon by the auditor.
- D) No balance in respect of related parties has been written off.
- E) Name of the related party and nature of the related party relationship where control exists have been disclosed irrespective of whether or not there have been transactions and in case of other related parties, the said disclosure has been made wherever transactions have taken place.

31 SHARE BASED PAYMENTS

Share based payments are provided to certain employees of the Company in the form of equity-settled scheme managed by the Parent Company. The Employees Stock Options Plan (ESOP), 2018 has been established by the Parent Company. The Scheme provides that certain employees of the Company are granted an option to subscribe to equity share of the Parent Company that vests on the satisfaction of vesting conditions.

The charge for the year in respect of such plan is included in employee benefits expense amounting to Rs.1,162,822/- (P.Y. Rs.1,197,709/-) with a corresponding credit to Equity settled Share Based Payment Reserve in Other equity based on fair value of options determined by an Independent valuer appointed by the Parent Company for the purpose and relied upon by the Auditors.

32 SEGMENT REPORTING

a. Business Segment

The Company operated only in one segment i.e. "Advisory & Transactional Services" comprising of Asset Management Services and hence business segment disclosures as per Ind AS 108 on Operating Segments is not applicable.

b. Geographical Segment

The Company operated in India and hence there is no reportable geographical segment.

33 OPERATING LEASE

The company is occupying part of a premise owned by its parent company for which rent of ₹ 1,833,128/- (P.Y. ₹ 1,374,848/-) has been paid to them and is also occupying part of another premise taken on operating lease by its parent company to whom rent aggregating to ₹ 128,284/- (P.Y. ₹ 149,789/-) has been reimbursed.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

34 FINANCIAL INSTRUMENTS

I. Financial instruments by categories and their carrying value as of March 31, 2021 is as follows:

(₹)

Particulars	Measured at			Total Carrying Value
	Amortised Cost	Fair Value Through P&L	Fair Value Through OCI	
Financial Assets				
Investments (Quoted)				
- Equity Instruments	-	30,509,030	-	30,509,030
- Mutual Funds	-	10,887	-	10,887
Trade Receivables	25,789,010	-	-	25,789,010
Cash and Cash Equivalents	42,965,474	-	-	42,965,474
Bank Balances Other Than Cash and Cash Equivalents	17,000,000	-	-	17,000,000
Other Financial Assets	40,665,067	-	-	40,665,067
Total	126,419,551	30,519,917	-	156,939,468
Financial Liabilities				
Trade Payable	5,364,643	-	-	5,364,643
Other Financial Liabilities	3,919,099	-	-	3,919,099
Total	9,283,742	-	-	9,283,742

II. Financial instruments by categories and their carrying value as of March 31, 2020 is as follows:

(₹)

Particulars	Measured at			Total Carrying Value
	Amortised Cost	Fair Value Through P&L	Fair Value Through OCI	
Financial Assets				
Investments (Quoted)				
- Equity Instruments	-	16,425,702	-	16,425,702
- Mutual Funds	-	10,140,015	-	10,140,015
Trade Receivables	11,744,625	-	-	11,744,625
Cash and Cash Equivalents	48,044,804	-	-	48,044,804
Other Financial Assets	121,514	-	-	121,514
Total	59,910,943	26,565,717	-	86,476,660
Financial Liabilities				
Trade Payable	1,201,961	-	-	1,201,961
Other Financial Liabilities	2,330,526	-	-	2,330,526
Total	3,532,487	-	-	3,532,487

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2021

III. Fair Value Hierarchy:

Financial Assets Measured at Fair Value

(₹)

Particulars	Note No	Level 1	
		As at 31st March, 2021	As at 31st March, 2020
Non-current Investments in			
- Equity Instruments	5	30,509,030	16,425,702
Current Investments in			
- Mutual Funds	9	10,887	10,140,015
Total Financial Assets		30,519,917	26,565,717

IV. Valuation techniques used to determine fair value

- Quoted Equity Investments – Quoted closing price on stock exchange.
- Quoted Mutual Fund Investments – Quoted closing NAV of respective schemes.

V. Valuation techniques used to determine fair value

Financial assets not measured at fair value include cash and cash equivalents, trade receivables and other financial assets. These are financial assets whose carrying amounts approximate fair value, due to their short term nature.

Additionally, financial liabilities such as borrowings, trade payables and other financial liabilities are not measured at FVTPL, whose carrying amounts approximate fair value, because of their short-term nature.

At 31 March 2021 and 31 March 2020, the Company did not held any financial assets or financial liabilities which could have been categorized as level 3.

35 DISCLOSURE AS PER IND AS 107 OF NATURE AND EXTENT OF RISKS FROM FINANCIAL INSTRUMENTS AND ITS MANAGEMENT:

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

a. Credit risk

It is risk that the Company will incur a loss because its customers or counterparties to financial instruments fail to meet its contractual obligation.

The Company's financial assets comprises of investments, trade receivables, cash and cash equivalents and other financial assets which comprise mainly of security deposits, advances and other receivables.

Investments comprise of Quoted Equity Instruments and Mutual Funds which are market tradeable. In case of bank balances, the Company is banking with top rated banks. Credit risk on trade receivables is very low as the Company manages Clients Portfolio hence chances of credit loss are negligible. In case of other financial assets, the amount involved is not material.

Movement in Expected Credit Losses

(₹)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Opening Balance	-	19,820
Provided During The Year	-	-
Amounts Written Off	-	(19,820)
Closing Balance	-	-



NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

b. Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, invests its surplus funds in quoted liquid schemes of mutual funds and bank balances.

The table below summarises the maturity profile of the company's financial liabilities based on contractual payments-

(₹)

Particulars	Below 12 Months	Above 12 Months	Total
As on 31st March, 2021			
Trade Payables	5,364,643	-	5,364,643
Other Financial Liabilities	3,919,099	-	3,919,099
As on 31st March, 2020			
Trade Payables	1,201,961	-	1,201,961
Other Financial Liabilities	2,330,526	-	2,330,526

c. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's exposure to market risk is primarily on account of equity prices and interest rates risk. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximize returns.

i) Equity Price

The Company's exposure to equity price risk arises primarily on account of its investments in equity instruments.

The Company's equity price risk is managed by Board by investment in equity instruments of well managed Companies and having diversified portfolio.

ii) Interest rate risk

The Company is exposed to Interest rate risk if the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates.

The Company's interest rate risk arises from investments in various liquid/debt fund schemes of Mutual Funds. Such instrument exposes the Company to fair value interest rate risk. Management believes that the interest rate risk attached to these financial assets is not significant due to the nature of these financial assets.

36 DISCLOSURE AS PER IND-AS 1 ON CAPITAL MANAGEMENT

The Company's objective for capital management is to maximize shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on its business needs and believes in conservative leverage policy. The funding requirements are met through equity, operating cash flows generated and need based borrowings for short term.

In addition to above the Company is required to maintain a minimum networth as prescribed from time to time by SEBI under SEBI (Portfolio Managers) Regulations, 1993 as substituted by SEBI (Portfolio Managers) Regulations, 2020. The management ensures that this is complied at all times.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2021

37 TAX RECONCILIATION DISCLOSURES:

a. Income tax expense consists of the followings:

(₹)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Current Income Tax	6,021,600	5,361,111
Deferred Tax	1,348,555	(594,399)
Tax expense for the year	7,370,155	4,766,712

b. Amounts recognised in other comprehensive income/(loss)

(₹)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Items that will not be reclassified to profit or loss		
Actuarial gain/(loss) on defined benefit plans	33,254	(242,779)
Income tax relating to items that will not be reclassified to profit or loss	(8,400)	61,100
Total	24,854	(181,679)

c. (i) The reconciliation of estimated current income tax expenses at statutory income tax rate to current income tax expense reported in Statement of Profit and Loss is as follows

(₹)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Profit Before Tax	36,595,394	12,826,583
Enacted Tax Rate in India (%)	25.168%	25.168%
Expected Income Tax Expenses	9,210,329	3,228,194
Tax Effect of Adjustments to Reconcile Expected Income Tax Expenses to Reported Income Tax Expenses		
- Income Exempt From Income Taxes	-	(21,098)
- Deductible Expenses for Tax Purpose	(184,368)	(117,700)
- Non Deductible Expenses for Tax Purpose	355,222	118,203
- Fair Value Changes of Investments	(2,288,621)	1,214,935
- Effect on Deferred Tax Due to Change in Income Tax Rate	-	18,326
- Others (Net)	277,593	325,841
- Tax Expense in Respect of Earlier Years	-	11
Total Income Tax Expenses	7,370,155	4,766,712
Effective Tax Rate	20.14%	37.16%

- (ii) The Company elected to exercise the option of lower tax rate permitted under section 115BAA of the Income Tax Act, 1961 with effect from F.Y.2019-2020. Accordingly, the Company has recognised Provision for Current Tax and re-measured its Deferred Tax Assets basis the rate prescribed in the said section. The impact of this change has been recognised in the Statement of Profit and Loss for the year ended 31st March, 2020.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2021

d. Deferred Tax Disclosure

Movement in deferred tax balances

(₹)

Particulars	Provisions	Property, Plant and Equipment & Other Intangible Assets	Carried Forward Tax Losses	Financial Assets at Fair Value through Profit & Loss	Total
As at 31st March, 2019	5,514	186,100	-	(135,889)	55,725
Credited/(Charged) to Statement of Profit and Loss	80,786	33,400	-	480,213	594,399
As at 31st March, 2020	86,300	219,500	-	344,324	650,124
Credited/(Charged) to Statement of Profit and Loss	(86,300)	(39,900)	145,700	(1,368,055)	(1,348,555)
As at 31st March, 2021	-	179,600	145,700	(1,023,731)	(698,431)

38 Incomes includes Rs.67,105/- (P.Y. Rs. Nil) and expenses includes Rs.657,521/- (P.Y. Rs. Nil) pertaining to prior period.

39 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

40 The provisions of section 135 of the Companies Act, 2013 pertaining to expenditure on Corporate Social Responsibility are not applicable to the Company.

41 Disclosure pursuant to section 186(4) of the Companies Act, 2013:
Investments made – Refer Note No. 5 and 9

42 Additional information required pursuant to Part II of Division II to Schedule III to the Companies Act, 2013

a. Foreign Currency Transactions:

(₹)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Expenditure in Foreign Currency		
- Travelling Expenses	88,472	252,019
- Advertisement and Business Promotion	3,854	2,695
- Commission	1,000,000	-
- Advances – Others	1,000,000	-
- Others	3,905	5,838

b. Other additional information required pursuant to Part II of Division II to Schedule III of the Companies Act, 2013 are not applicable to the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT 31ST MARCH, 2021

43 CAPITAL COMMITMENTS

Particulars	(₹)	
	As at 31st March, 2021	As at 31st March, 2020
Estimated amounts of contracts remaining to be executed on Capital Account and not provided for (Net of Advance)	90,742	100,000
Cost value remaining to be paid on Partly Paid-up shares as shown under Non-current Investments	47,137	-
	137,879	100,000

44 Figures of the previous year have been regrouped, recasted and rearranged wherever necessary to make them comparable with the figures of the current year.

45 Figures in brackets represents for previous year.

46 Figures have been rounded off to the nearest rupees.

47 COVID-19 outbreak was declared a pandemic by the World Health Organization on 11 March, 2020. Management has assessed the potential impact of COVID 19 based on the current circumstances and expects no impact on the continuity of operations of the business and on useful life of the assets/ on carrying values of Property, Plant and Equipment and recoverable values of its financial and non-financial assets as at 31 March 2021. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial statements. The actual results may differ from such estimates depending on future developments. There has been no material change in the controls or processes followed in the closing of the financial statements of the Company.

As at March 31, 2021, based on facts and circumstances existing as of that date, the Company does not anticipate any material uncertainties, which affect its liquidity position; and its ability to continue as a going concern.

48 Events after reporting date

There have been no events after the reporting date that requires disclosure in these financial statements.

49 Approval of Financial Statements

These financial statements were approved for issue by the Board of Directors at their meeting held on May 19, 2021.

AS PER OUR REPORT OF EVEN DATE

For **B.L. SARDA & ASSOCIATES**
CHARTERED ACCOUNTANTS

(CA B. L. Sarda)
Partner
Membership No.014568

Place: Mumbai
Date: 19th May, 2021

For and on behalf of the Board of Directors of
Emkay Investment Managers Limited

Rajesh Sharma Director	Saket Agrawal Director
Vikaas Sachdeva Chief Executive Officer	Dipti Modi Company Secretary

Place: Mumbai
Date: 19th May, 2021



EMKAY INVESTMENT MANAGERS LIMITED

CIN-U67190MH2010PLC203819

Registered office: The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028

Website: www.emkayim.com T: 022-66299299 Email: secretarial@emkayglobal.com

ATTENDANCE SLIP

I hereby record my presence at the 11th Annual General Meeting of the Company held on Thursday, August 5, 2021 at 10.30 a.m. at Registered Office of the Company situated at The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai - 400028.

Folio No. DP ID No. Client ID No.

Name of Member

Name of Proxyholder.....

No. of Share(s) Held:.....

Signature of Member/Proxy

Notes:

(1) Members/Proxyholders are requested to produce the attendance slip duly signed for admission to the Meeting hall.

(2) Members are requested to bring their copy of Annual Report for reference at the Meeting

EMKAY INVESTMENT MANAGERS LIMITED

CIN-U67190MH2010PLC203819

Registered office: The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028

Website: www.emkayglobal.com T: 022-66121212

Email: secretarial@emkayglobal.com

PROXY FORM

[Pursuant to section 105 (6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014].

Name of the Member (s): _____

Registered Address: _____

E-mail ID: _____

Folio No./ Client ID: _____

DP ID: _____

I/We, being the member (s) of Emkay Investment Managers Limited holding _____ equity shares of the above named company, hereby appoint.

Name:

Address:

E-mail ID:

Signature: _____ or failing him

Name:

Address:

E-mail ID:

Signature: _____ or failing him

Name:

Address:

E-mail ID:

Signature: _____ or failing him

as my/our proxy to attend and vote (on a poll) for space me/us and on my/our behalf at the 11th Annual General Meeting of the Company, to be held on Thursday 5th August 2021 at the Registered office of the Company i.e. The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolutions
1	To receive, consider and adopt the audited Financial Statement of the Company for the financial year ended 31st March, 2021 together with the report of the Board of Directors and Auditors thereon
2	To appoint a Director in place of Mr. G.C.Vasudeo (DIN: 00021772) who retires by rotation and being eligible offers himself for re-appointment.

Signed this _____ day of _____ 2021

Signature of the Shareholder: _____

Signature of the Proxy Holder(s): _____

Affix
Revenue
Stamp of
Re.1/-

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



Emkay

Your success is our success

Investment
Managers

Emkay Investment Managers Limited
CIN: U67190MH2010PLC203819
Registered Office: The Ruby, 7th Floor,
Senapati Bapat Marg,
Dadar West, Mumbai 400 028.
Tel: +91 22 66299299