

Independent Auditor's Report

To,
The Members of
AR Wealth Management Private Limited

Report on the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of AR Wealth Management Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2019 and its loss (financial performance including other comprehensive income), the changes in equity and cash flows for the year ended on that date.

Basis for Opinion

We have conducted our audit in accordance with the standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditors 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 financial statements under the provisions of the Act and Rules thereunder, we have fulfilled our 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 opinion.

Management's Responsibility for the Ind AS Financial Statements

The Company's board of directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (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 Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act and relevant rules thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern disclosing as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's Financial Reporting Process.

Auditors' Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Report on Other Legal and Regulatory Requirements

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 said Order.

As required by section 143(3) of the Act, we report that:

- a) We have sought & obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;
- e) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would impact its financial position in the aforesaid standalone Ind AS financial statements.
 - (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Bagaria & Co. LLP
Chartered Accountants
Firm Registration No – 113447W/W-100019

Pratha

Pratha Agrawal
Partner

Membership No.: 179436

Place: Mumbai

Date: 28.06.2019.



“Annexure A” to the Independent Auditor's Report - 31.03.2019

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) 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, the fixed assets have been physically verified by the management at the year end, which in our opinion, is reasonable considering the size of the Company and nature of its fixed assets. As explained, no material discrepancies were noticed on such verification.

(c) There are no immovable properties held as Fixed Assets by the Company.
2. The Company is in service industry and therefore, clause (ii) is not applicable to the Company.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company have not outstanding any unsecured loans to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act. Consequently, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable to the Company.
4. 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 Companies Act, 2013 in respect of loans, investments, guarantees, and security.
5. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the Company.
6. As informed to us, the Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 for the services provided by the Company.
7. (a) According to the information and explanations given to us and on the basis of our examination of the books of accounts and records, the Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, duty of customs, duty of excise, value added tax, cess to the extent applicable and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were outstanding as at March 31, 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, wealth tax, service tax, sales tax, duty of customs, duty of excise, value added tax, cess which have not been deposited on account of any dispute.
8. In our opinion and according to the information and explanations given to us, the Company has not has not taken any loan either from financial institutions or from the government.
9. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) nor from term loans.



10. Based upon the audit procedures performed and the information and explanations given by the Management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
11. No managerial remuneration has been paid by the Company during the year under review.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
13. Based on the audit procedures performed and the information and explanations given to us all transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion, the Company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For **Bagaria & Co. LLP**
Chartered Accountants
Firm Registration No – 113447W/W-100019

Pratha
Pratha Agrawal
Partner

Membership No.: 179436

Place: Mumbai

Date: 28.06.2019.



PARTICULARS	Notes	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
I ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	17.80	29.08
Intangible assets under development	4	3,228.97	2,444.53
Financial Assets			
- Investments	5	1,525.00	25.00
- Loans	6	2.99	2.83
Deferred Tax Assets	7	38.04	-
Other Non Current Assets	8	2.05	-
		4,814.85	2,501.44
Current Assets			
Financial Assets			
- Trade Receivables	9	26.39	22.73
- Cash and cash equivalents	10	7.73	11.44
Other Current Assets	11	54.27	79.85
		88.39	114.02
TOTAL ASSETS		4,903.24	2,615.47
II EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	537.30	417.89
Other Equity	13	3,796.16	20.38
		4,333.46	438.27
Liabilities			
Non-Current Liabilities			
Provision	14	0.27	0.21
Deferred Tax Liabilities	7	-	0.84
		0.27	1.05
Current Liabilities			
Financial liabilities			
- Borrowings	15	456.38	2,101.19
- Trade Payables	16	-	-
Total Outstanding dues of micro enterprises and small enterprises		-	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises		42.90	11.23
- Other Financial Liabilities	17	26.47	28.54
Other Current Liabilities	18	26.99	15.19
Provisions	19	16.77	14.60
Current Tax Liabilities (Net)	20	-	5.40
		569.51	2,176.15
TOTAL EQUITY AND LIABILITIES		4,903.24	2,615.47
Significant Accounting Policies & Notes Forming Part of the Financial Statements	1-37		

As per our attached report of even date.

For Bagaria & Co. LLP
Chartered Accountants
Firm Reg No.113447W/W-100019


Pratha Agrawal
Partner
M.No. 179436
Place: Mumbai
Date: 28th June, 2019



For and on Behalf of Board of Directors


Sriram R Iyer
Director
DIN : 01809214


Vishal Laddha
Director
DIN : 0033628


Hardik Chauhan
Company Secretary

A R WEALTH MANAGEMENT PRIVATE LIMITED

CIN: U65923MH1996PTC097270

IND AS STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON MARCH 31, 2019

(Rs in Lakhs)

PARTICULARS	Notes	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
I Revenue From Operations	21	277.53	188.89
II Other Income	22	41.37	176.12
Total Revenue		318.90	365.01
III Expenses:			
Employee Benefits Expense	23	189.72	176.01
Finance Costs	24	1.39	0.32
Depreciation and Amortisation Expenses	3	11.63	9.73
Other Expenses	25	260.02	140.14
Total Expenses		462.76	326.20
IV Profit/(Loss) Before Tax		(143.86)	38.81
V Tax Expenses:			
1. Current Tax	26	-	9.43
2. Deferred Tax	26	(38.88)	1.65
3. Prior Year taxes		1.35	-
TOTAL TAX EXPENSES		(37.53)	11.08
VI Profit/(Loss) for the Year		(106.33)	27.73
VII Other Comprehensive Income/(Loss)			
(A) Items that will be reclassified subsequently to the statement of Profit and Loss			
i) Net changes in fair value of investments other than ESC		-	-
Less: Income Tax effect		-	-
(B) Items that will not be reclassified subsequently to the statement of Profit and Loss			
i) Remeasurement of defined employee benefit plans		1.53	(8.05)
Less: Income Tax effect		-	-
Total Other comprehensive income/(loss)		1.53	(8.05)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(104.80)	19.69
VIII Earning Per Equity Share of Rs.10 each	30		
Basic		(2.44)	0.66
Diluted		(2.44)	0.66
Significant Accounting Policies & Notes Forming Part of the Financial Statements	1-37		

As per our attached report of even date.

 For Bagaria & Co. LLP
 Chartered Accountants
 Firm Reg No.113447W/W-100019



Pratha Agrawal
 Partner
 M.No. 179436
 Place: Mumbai
 Date: 28th June, 2019



For and on Behalf of Board of Directors



Sriram R Iyer
 Director
 DIN : 01809214



Vishal Laddha
 Director
 DIN : 0033628



Hardik Chauhan
 Company Secretary

A R WEALTH MANAGEMENT PRIVATE LIMITED

CIN: U65923MH1996PTC097270

IND AS STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(Rs in Lakhs)

	Notes	2018-19	2017-18
A. CASH FLOW FROM OPERATING ACTIVITIES			
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS		(143.86)	38.81
Add / (Less) :			
Depreciation		11.63	9.73
Interest Income		(2.85)	(1.65)
Interest Expenses		1.39	0.32
Gain on Sale of Investments		-	(156.41)
		10.17	(148.01)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		(133.69)	(109.20)
Adjustment for :			
Trade Receivables & Other Current Assets		21.92	(88.07)
Security Deposit Given		(0.16)	(0.16)
Short Term Borrowing & Other Current Liabilities		45.17	(59.09)
		66.93	(147.32)
CASH GENERATED FROM OPERATIONS		(66.76)	(256.51)
Add / (Less) :			
Direct Taxes Paid (Net)		(8.81)	(6.72)
NET CASH FROM OPERATING ACTIVITIES		(75.57)	(263.24)
B. CASH FLOW FROM INVESTING ACTIVITIES :			
Purchase of Property, Plant and Equipment		(0.68)	(10.08)
Sale of Property, Plant and Equipment		0.33	0.37
Addition in CWIP		(784.44)	(899.33)
Interest Income		2.85	1.65
Purchase/(Sale) of Investment in Subsidiaries		(1,500.00)	212.17
Loan Repayment Received		-	43.09
NET CASH FROM INVESTING ACTIVITIES		(2,281.94)	(652.13)
C. CASH FLOW FROM FINANCING ACTIVITIES :			
Borrowings Repayment		(1,644.81)	909.87
Interest Expenses		(1.39)	(0.32)
Issue of Shares		4,000.00	21.00
Share Application Money received		-	(10.50)
NET CASH USED IN FINANCING ACTIVITIES		2,353.80	920.04
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(3.71)	4.67
CASH AND CASH EQUIVALENTS - Opening Balance		11.44	6.77
CASH AND CASH EQUIVALENTS - Closing Balance		7.73	11.44

Details of Cash and Cash equivalent at the end of the year

- Cash On Hand	5.90	7.55
- Balance in Current Account	1.83	3.89
Total	7.73	11.44

Cash Flow Statement has been prepared under the Indirect Method as set out in Ind AS-7 specified under section 133 of the Companies Act, 2013.

As per our attached report of even date.

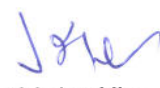
For Bagaria & Co. LLP
Chartered Accountants
Firm Reg No.113447W/W-100019


Pratha Agrawal
Partner
M.No. 179436
Place: Mumbai
Date: 28th June, 2019



For and on Behalf of Board of Directors


Sriram R Iyer
Director
DIN : 01809214


Vishal Laddha
Director
DIN : 0033628


Hardik Chauhan
Company Secretary

A R WEALTH MANAGEMENT PRIVATE LIMITED

CIN: U65923MH1996PTC097270
 STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31 MARCH 2019

	Nos. in Lacs	INR Lacs
Equity Share Capital		
Equity shares of INR 10 each issued, subscribed and fully paid		
At April 1, 2017	39.69	396.89
Changes in equity share capital during the year	2.10	21.00
At March 31, 2018	41.79	417.89
Changes in equity share capital during the year	11.94	119.40
At March 31, 2019	53.73	537.29

	Share Application Money pending allotment	Reserve and Surplus			Other Comprehensive Income	Total Equity
		Securities Premium	Retained Earnings	Retained Earnings		
A. Equity Share Capital						
Equity shares of INR 10 each issued, subscribed and fully paid						
At April 1, 2017	10.50	-	0.69	-	-	11.19
Profit for the Year	-	-	27.73	-	-	27.73
Remeasurement of the net defined benefit liability/asset	-	-	-	(8.05)	(8.05)	(8.05)
Total	10.50	-	28.42	(8.05)	30.88	(10.50)
Application Money Utilised for Issue of Shares	(10.50)	-	-	-	-	(10.50)
Bonus Issue	-	-	-	-	-	-
Transfer of profits of the year to General reserve	-	-	-	-	-	-
Realised gain on equity shares carried at fair value through OCI	-	-	-	-	-	-
Balance as at March 31, 2018	-	-	28.42	(8.05)	20.38	20.38
At April 1, 2018	-	-	28.42	(8.05)	-	20.38
Profit for the Year	-	-	(106.33)	-	-	(106.33)
Remeasurement of the net defined benefit liability/asset	-	-	-	1.53	1.53	1.53
Total	-	-	(77.91)	(6.52)	(84.42)	(84.42)
Application Money Utilised for Issue of Shares	-	-	-	-	-	-
Issue of shares on premium	-	3,880.59	-	-	-	3,880.59
Transfer of profits of the year to General reserve	-	-	-	-	-	-
Realised gain on equity shares carried at fair value through OCI	-	-	-	-	-	-
Balance as at March 31, 2019	-	3,880.59	(77.91)	(6.52)	3,796.16	3,796.16

As per our attached report of even date.

For Bagaria & Co. LLP
 Chartered Accountants
 Firm Reg No 113447/WW-100019

Prerna Agrawal
 Prerna Agrawal
 Partner
 M.No. 179436
 Place: Mumbai
 Date: 28th June, 2019



For and on Behalf of Board of Directors

Sriram R Iyer
 Sriram R Iyer
 Director
 DIN : 01809214

Vishal Laddha
 Vishal Laddha
 Director
 DIN : 0033628

Hardik Chauhan
 Hardik Chauhan
 Company Secretary



1 CORPORATE INFORMATION

AR Wealth Management Private Limited ("the Company") having CIN U65923MH1996PTC097270 was incorporated on February 14, 1996 as a private company. Its registered office is at 11th Floor Times Tower, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai, Maharashtra. It is engaged in business of Distribution and Sale of Financial products.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of Compliance

These financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, the relevant provisions of the Companies Act, 2013 ("the Act").

(b) Basis of preparation of Financial Statements

These Financial Statements have been prepared on historical cost basis, except for certain financial instruments, which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. The accounting policies adopted in the preparation of the Financial Statements are consistent with those followed in the previous year by the Company.

Fair Value Measurement

In addition, for financial reporting purpose, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the assets or liability.

(c) Critical Accounting Judgements and key Sources of Estimation Uncertainty

The preparation of the Company's Financial Statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

Estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

(i) Depreciation / Amortisation and useful lives of property, plant and equipment: Company depreciate its tangible assets over the useful life of an Asset as prescribed under Part C of Schedule II of Companies Act, 2013. Company rereasure remaining useful life of an asset at the end of each reporting date.

(ii) Fair value measurement: Fair Value is a price of orderly transaction between market participants at the measurement date under current market conditions. Company determines Fair Value of Quoted Investment from available market price. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

(iii) Provisions: Provisions are recognized when there is a present obligation (legal or constructive) as a result of past event; and it is probable that an outflow of resources will be required to settle the obligation. Management estimates it by using its best judgement of future cash outflow.

(iv) Taxes: The Company periodically assesses its liabilities and contingencies related to income taxes for all years open to scrutiny based on latest information available. For matters where it is probable that an adjustment will be made, the Company records its best estimates of the tax liability in the current tax provision. The Management believes that they have adequately provided for the probable outcome of these matters.

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

(v) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and attrition rate. The discount rate is determined by reference to market yields at the end of the reporting period on government securities.

(d) Current and Non-Current Classification

An asset shall be classified as current when it satisfies any of the following criteria:—

- (a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within twelve months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets shall be classified as non-current.



A liability shall be classified as current when it satisfies any of the following criteria:—

- (a) it is expected to be settled in the company's normal operating cycle;
 - (b) it is held primarily for the purpose of being traded;
 - (c) it is due to be settled within twelve months after the reporting date; or
 - (d) the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
- Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
All other liabilities shall be classified as non-current.

(d) Property, Plant and Equipment & Intangible Assets and Depreciation & Amortisation

Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Direct costs in relation to the fixed assets are capitalized until such assets are ready for use.

(i) **Tangible Assets:** Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets estimated by the Management. Depreciation for assets purchased during a period is proportionately charged. The useful life of tangible assets is as prescribed under Part C of Schedule II of the Companies Act 2013.

<u>Fixed Assets</u>	<u>Useful Life</u>
Office Equipments	5 years
Computer Equipments	3 years
Furniture and Fixtures	10 years

(ii) **Intangible Assets:** Intangible assets are recorded at the consideration paid for the acquisition of such assets and are carried at cost less accumulated amortisation and impairment, if any.

(iii) **Intangible Assets under Development :** Intangible assets not ready for the intended use as on the date of the Balance Sheet are disclosed under 'Intangible Assets Under Development'.

(iv) **Deemed cost on transition to Ind AS:** For transition to Ind AS, the Company has elected to continue with the carrying value of all its Property Plant and equipment and Intangible assets as measured as per the previous GAAP and use that carrying value as its deemed cost of the transition date.

(e) Financial Instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

(i) Classification & Measurement of Financial Assets

Financial assets are classified as 'Amortised Cost', 'Fair Value through Profit and Loss' (FVTPL) and 'Fair Value through Other Comprehensive Income' (FVTOCI) in the following categories:

Debt Instruments at amortised cost: Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for those designated at FVTPL on initial recognition)

- the asset is held within a business model whose objective is to hold asset to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Debt Instruments at FVTOCI: Debt instruments that meet the following conditions are subsequently measured at FVTOCI (except for those designated at FVTPL on initial recognition)

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

Debt Instruments at FVTPL: Any debt instrument which is either initially designated at FVTPL or which does not meet the criteria for Amortised cost or FVTOCI is measured at FVTPL.

Effective Interest Method: Interest income from security deposit and debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Equity Instruments at FVTOCI: On initial recognition, the Company can make an irrevocable election (on an instrument by instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the instrument is held for trading. The cumulative gain or loss is not reclassified to the Statement of Profit and Loss on disposal of the investment.



A R WEALTH MANAGEMENT PRIVATE LIMITED
CIN: U65923MH1996PTC097270
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Financial Assets at FVTPL: Investments in equity instruments are classified at FVTPL, unless they were irrevocably elected on initial recognition as FVOCI. Financial Assets at FVTPL are measured at Fair Value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in the Statement of Profit and Loss.

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(ii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost, FVOCI debt instruments, and other financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 36 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iii) Derecognition of financial assets

A financial asset is derecognised only when :

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(iv) Financial Liabilities:

Financial liabilities which are held for trading or are designated at FVTPL are measured at fair value with changes being recognised in the statement of Profit and Loss.

Financial liabilities that are not held for trading and are not designated as at FVTPL, are measured at amortised cost. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

(v) Derecognition of financial liabilities

Company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or have expired. A substantial modification in the terms of an existing financial liability is accounted as a discharge of original financial liability and recognition of new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised as profit or loss.

(vi) Offsetting financial assets and liabilities

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right and ability to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

(f) Derivatives financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss.

(g) Impairment of Assets

Property, plant or equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amount may not be recoverable. If any such indication exists, the recoverable amount (i.e. 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 to those from other assets.

The Carrying Amount of Assets is reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss, if any, is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exists or have decreased.

(j) Cash and cash equivalents

(i) Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short-term deposit with original maturity upto three months, which are subject to insignificant risk of changes in value.

(ii) For the purpose of presentation in the statement of cash flows, cash and cash equivalents consists of cash and short-term deposit, as defined above, net of outstanding bank overdraft as they are considered as an integral part of Company's cash management.

(h) Borrowing Cost and Finance Charges

Borrowing cost attributable to acquisition and construction of qualifying assets are capitalized as a part of the cost of such assets up to the date when such assets are ready for its intended use. Other borrowing cost are charged to the statement of profit and loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowings.



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- (i) **Leases**
Assets taken on lease by the company in its capacity as lessee, where the company has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability of each year.
- Leases other than Finance Lease are classified as operating lease. Operating lease payments are recognised as an expense in the statement of Profit & Loss on a straight line basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the expected inflationary increase, such increases are recognised in the year in which such benefits accrue.
- (j) **Employee Benefits**
Defined Contribution plan - Retirement benefit in the form of Provident Fund is a defined contribution scheme. The Company is statutorily required to contribute a specified portion of the basic salary of an employee to a provident fund as a part of retirement benefits to its employees. The contributions during the period are charged to statement of profit and loss. The Company recognizes contribution payable to the Provident Fund scheme as an expenditure when an employee renders related service.
- Defined Benefit Plan - Gratuity, which is in the nature of Defined Benefit Schemes, are payable only to employees and accounted for on accrual basis. The Cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses are recognised in other comprehensive income in the period in which they occur and are not reclassified to the Statement of Profit and Loss. The Company has not funded its Gratuity liability.
- Short Term Employee Benefits - The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include incentive and Annual Leave which are expected to occur within twelve months after the end of the period in which the employee renders the related service.
- (k) **Revenue Recognition**
Ind AS 115 - Revenue from contracts with customers became effective from the year under report. Accordingly, the Company assesses the nature, timing and extent of revenue based on performance obligations in its contracts/understanding/trade customs with customers & clients.
- Revenue is recognised to the extent that is probable that the economic benefits will flow to the Company and the amount based on performance obligation can be reliably measured. Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts.
- Income from Distribution and sale of Financial product includes Distribution income on Mutual Fund, Portfolio Management Service (PMS), Referral fees, Consultancy income, Advisory fees, Gain/ Loss on sale of Investment (Structured Product), Commission income and Marketing Support charges.
1. Income related with Distribution income on Mutual Fund, PMS, Advisory activities, Referral fees, Consultancy, commission Income and Marketing Support charges is accounted on accrual basis.
 2. Dividend income is accounted for when the right to receive the income is established.
 3. Difference between the sale price and the carrying value of investment is recognised as profit or loss on sale/ redemption on investment on trade date of transaction. Carrying value of investments is determined based on weighted average cost of investments sold.
 4. Interest income is recognised on a time basis using the effective interest method.
- (l) **Taxes on Income**
Current Tax: Provision for Income Tax is determined in accordance with the provisions of the Income Tax Act, 1961. Provision for Minimum Alternative Tax (MAT) is in accordance with the provisions of Section 115JB of the Income Tax Act, 1961.
- Deferred Tax:** Deferred tax is provided, on all temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss.
- Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously
- A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable.
- (m) **Provisions, Contingent Liabilities and Contingent Assets**
Provisions are recognized when there is a present obligation (legal or constructive) as a result of past event; and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.
- Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date, taking into account the risks and uncertainties surrounding the obligation.
- Contingent Liabilities are possible but not probable obligations as on the Balance Sheet date, based on the available evidence. Contingent Liabilities are not recognised in the financial statements.
- Contingent Assets are neither recognized nor disclosed.
- (n) **Earning per share**
Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the period/year.



A R WEALTH MANAGEMENT PRIVATE LIMITED
CIN: U65923MH1996PTC097270
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Diluted earnings per share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period/year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(o) Cash Flow Statement

Cash flows statement is prepared using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(p) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(q) Recent Indian Accounting Standards (IND AS)

(i) New standard Ind AS 116: Leases

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 has notified Ind AS 116 - Leases on March 30, 2019.

Ind AS 116 - Leases, replaces Ind AS 17 - Leases. The new standard introduces a single on-balance sheet lease accounting model for lessee. This will result in the Company recognizing right of use assets & lease liability in the books.

(ii) Amendments to other Ind AS's

Ministry of Corporate Affairs ("MCA") has notified following amendments to Ind AS on March 30, 2019 which is effective for the annual period beginning or after April 01, 2019.

Ind AS 12 - Appendix C, Uncertainty over Income Tax Adjustments

The amendment requires an entity to determine probability of the relevant tax authority accepting the uncertain tax treatment that the Company have used in tax computation or plan to use in their income tax filings.

Amendment to Ind AS 12 - Income taxes

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Ind AS 23 - Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

The Company is in the process of analyzing the impact of above admendments on its financial statements.
The amendment will come into force from April 01, 2019.



A R WEALTH MANAGEMENT PRIVATE LIMITED
CIN: U65923MH1996PTC097270
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following:

Description	(Rs in Lakhs)			
	Computer	Office equipments	Furniture & Fixtures	Total
As at April 1, 2018	30.17	9.96	0.28	40.41
Additions	0.38	-	0.30	0.68
Disposals	0.33	-	-	0.33
As at March 31, 2019	30.22	9.96	0.58	40.76
Accumulated depreciation as at April 1, 2018	8.78	2.51	0.03	11.33
Depreciation for the year	9.69	1.89	0.05	11.63
Disposals	-	-	-	-
Accumulated depreciation as at March 31, 2019	18.47	4.40	0.08	22.96
Net carrying amount as at March 31, 2019	11.75	5.56	0.50	17.80

Description	(Rs in Lakhs)			
	Computer	Office equipments	Furniture & Fixtures	Total
As at April 1, 2017	20.68	9.75	0.28	30.70
Additions	9.87	0.21	-	10.08
Disposals	0.37	-	-	0.37
As at March 31, 2018	30.17	9.96	0.28	40.41
Accumulated depreciation as at April 1, 2017	0.97	0.63	0.01	1.60
Depreciation for the year	7.82	1.88	0.03	9.73
Disposals	-	-	-	-
Accumulated depreciation as at March 31, 2018	8.78	2.51	0.03	11.33
Net carrying amount as at March 31, 2018	21.39	7.45	0.24	29.08

4 INTANGIBLE ASSETS UNDER DEVELOPMENT

Description	(Rs in Lakhs)
	Capital WIP
As at April 1, 2018	2,444.53
Additions	784.44
Disposals	-
As at March 31, 2019	3,228.97
Accumulated depreciation as at April 1, 2018	-
Depreciation for the year	-
Disposals	-
Accumulated depreciation as at March 31, 2019	-
Net carrying amount as at March 31, 2019	3,228.97

Description	(Rs in Lakhs)
	Capital WIP
As at April 1, 2017	1,545.20
Additions	899.33
Disposals	-
As at March 31, 2018	2,444.53
Accumulated depreciation as at April 1, 2017	-
Depreciation for the year	-
Disposals	-
Accumulated depreciation as at March 31, 2018	-
Net carrying amount as at March 31, 2018	2,444.53

5 INVESTMENTS

	(Rs in Lakhs)			
	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
	Qty. in Nos.	Qty. in Nos.	Amount	Amount
Investments - Non current				
<u>Un-Quoted</u>				
Investment in Subsidiary (fully paid equity shares)				
Ffreedom Intermediary Infrastructure Pvt Ltd	598,837.00	250,000.00	1,525.00	25.00
			1,525.00	25.00
Aggregate amount of Un-quoted Investment			1,525.00	25.00



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		(Rs in Lakhs)	
		AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
6	LOANS		
	Loans - Non current		
	(Unsecured, Considered Good)		
	Security Deposit	2.99	2.83
		2.99	2.83
7	DEFERRED TAX ASSETS / (LIABILITIES)		
	Deferred Tax Liability on account of Depreciation	(0.41)	(0.84)
	Deferred Tax Asset on account of Business Loss	37.22	-
	Deferred Tax Asset on account of Gratuity	1.23	-
		38.04	(0.84)
8	OTHER NON CURRENT ASSETS		
	Advance Tax including Tax Deducted at Source (Net of Provision for Tax)	2.05	-
		2.05	-
9	TRADE RECEIVABLES		
	(Unsecured, Considered good)		
	Trade Receivables	26.39	22.73
		26.39	22.73
(i)	AGE OF RECEIVABLES		
	Within the credit period	26.39	22.73
	1-30 days Past Dues	-	-
	31-60 days Past Dues	-	-
	61-90 days Past Dues	-	-
	More than 90 days past dues	-	-
(ii)	MOVEMENT IN THE EXPECTED CREDIT LOSS ALLOWANCE		
	Balance at beginning of the year	-	-
	Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit loss	-	-
	Balance at end of the year	-	-
	There is no expected credit loss as per past trend and hence no ageing in terms of percentage loss is available.		
10	CASH AND CASH EQUIVALENTS		
	Balances with Banks	1.83	3.89
	- in Current Accounts	5.90	7.55
	Cash On Hand	7.73	11.44
11	OTHER CURRENT ASSETS		
	(Unsecured, Considered good)		
	Staff Advances	0.22	0.29
	Prepaid Expenses	-	0.83
	GST Input Credit	21.25	29.13
	Advance to Others	32.80	49.60
		54.27	79.85



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		(Rs in Lakhs)	
		AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
12 EQUITY SHARE CAPITAL			
The authorised, issued, subscribed and fully paid up share capital comprises of equity shares having a par value of INR 10 each as follows:			
Authorised		1,000.00	1,000.00
1,00,00,000 (1,00,00,000) Equity Shares of Rs.10/-each		1,000.00	1,000.00
Issued,Subscribed And Paid Up		537.30	417.89
53,72,976 (41,78,947) Equity Shares of Rs.10/-each Fully Paid Up		537.30	417.89
(i) Reconciliation for No. of shares outstanding during the year			
		2018-19	2017-18
Equity Shares		No. of Shares	(Rs in Lakhs)
Shares outstanding at the beginning of the year		4,178,947	417.89
Shares Issued during the year by capitalising of reserve		-	-
Shares Issued during the year for consideration		1,194,029	119.40
Shares outstanding at the end of the year		5,372,976	537.30
		4,178,947.00	396.89
(ii) Terms/Rights attached to the Equity Shares			
Equity Shares			
The Company has only one class of shares referred to as Equity Shares having a face value of Rs 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupee. The dividend proposed by the Board of Directors, if any, is subject to the approval of the Shareholders in the ensuing Annual General Meeting.			
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.			
(iii) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:			
		AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Name of Shareholders		No. of shares held	% of Holdings
		No. of shares held	% of Holdings
Anand Rathi Wealth Services Limited		4,057,059	75.51
Shri Amit Rathi		400,000	7.44
Shri Sumeet Vaid		211,106	3.93
		2,791,625	66.80
		400,000	9.57
		211,106	5.05
(iv) Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the			
		Bonus shares issued by the Company	Issue of shares for consideration other than cash
March 31,2018		-	-
March 31,2017		-	-
March 31,2016		-	-
March 31,2015		-	-
March 31,2014		-	-
13 OTHER EQUITY			
		AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
(Rs in Lakhs)			
(a) Share Application money pending allotment			
Opening Balance		-	10.50
Add: Received during the year		-	-
Less: Allotment made during the year		-	(10.50)
		-	-
(b) Share Premium			
Opening Balance		-	-
Add: Received during the year		3,880.59	-
Less: Utilised during the year		-	-
		3,880.59	-
(c) Retained Earnings			
Opening Balance		28.42	0.69
Add: Profit During the Year		(106.33)	27.73
Balance as at year end		(77.91)	28.42



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(d) Other Comprehensive Income	(8.05)	-
Opening Balance	1.53	(8.05)
Remeasurement of defined employee benefit plan	(6.52)	(8.05)
Balance as at year end		
TOTAL OTHER EQUITY	3,796.16	20.38
Securities Premium		
Balance of Security premium consist of issue of share over its face value. The balance will be utilised as per section 52 of the Companies Act,2013.		
Retained earnings		
Retained earnings comprises of the amounts of profit /(loss) earned by the company.		
Other Comprehensive Income (OCI)		
OCI includes remeasurment of defined employee benefit plan on account of Actuarial Gains and Losses as per Ind AS 19 Employee Benefits.		
(Rs in Lakhs)		
14 PROVISIONS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Employee Benefits Liability - Non Current		
Gratuity Provision	0.27	0.21
	0.27	0.21
(Rs in Lakhs)		
15 BORROWINGS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Borrowings - Current		
Intercompany Deposits from Related Party (unsecured)		
Anand Rathi Wealth Services Limited	456.38	2,101.19
	456.38	2,101.19
(Rs in Lakhs)		
16 TRADE PAYABLES	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Total outstanding dues of micro, small and medium enterprises	-	-
Total outstanding dues to other than micro, small and medium enterprises	42.90	11.23
	42.90	11.23
*The above disclosure is base on the responses received by the company to its inquiries with suppliers with regard to applicability under the Micro, Small and Medium Enterprise development Act, 2016		
(Rs in Lakhs)		
17 OTHER FINANCIAL LIABILITIES	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Other Financial Liabilities - Current		
Employee Benefits Payable	26.47	28.54
	26.47	28.54
(Rs in Lakhs)		
18 OTHER CURRENT LIABILITIES	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Statutory Dues	26.99	15.19
	26.99	15.19
(Rs in Lakhs)		
19 PROVISIONS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Employee Benefit Liabilities - Current		
Gratuity Provisions	10.68	7.84
Leave Provision	6.09	6.76
	16.77	14.60
(Rs in Lakhs)		
20 CURRENT TAX LIABILITIES (NET)	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Provision For Tax (Net of Advance Tax)	-	5.40
	-	5.40



A R WEALTH MANAGEMENT PRIVATE LIMITED
CIN: U65923MH1996PTC097270
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

	(Rs in Lakhs)	
21 REVENUE FROM OPERATION	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Mutual Fund Distribution Income	277.53	188.89
	277.53	188.89

	(Rs in Lakhs)	
22 OTHER INCOME	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Interest Income	2.85	1.65
Gain on sale of Investment	-	156.41
Misc & Other Income	38.52	18.06
	41.37	176.12

	(Rs in Lakhs)	
23 EMPLOYEE BENEFIT EXPENSES	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Salary, Incentive & Bonus	172.66	158.56
Contribution to Provident and Other Funds	7.85	5.30
Gratuity	4.44	-
Staff Welfare Expenses	4.77	12.15
	189.72	176.01

The Company is recognizing and accruing the retirement benefits as per Indian Accounting Standard (Ind AS) 19 on "Employee Benefits". The details are as enunciated below as certified by an independent Actuary.

	(Rs in Lakhs)	
Particulars	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Amounts recognized in the Balance Sheet in respect of gratuity :		
Present value of the funded defined benefit obligation at the end of the period	10.95	8.05
Fair value of plan assets	-	-
Net Liability/(Asset)	10.95	8.05

Amounts recognized in Salary, Wages and Employee Benefits in the Profit and Loss Account in respect of gratuity :		
Current Service cost	3.83	-
Interest on Defined Benefit Obligations	0.61	-
Expected return on plan assets	-	-
Past Service Cost - Vested Benefit recognised during the period	-	-
Net Gratuity Cost	4.44	-



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Discount Rate:

Discount Rate for this valuation is based on Yield to Maturity(YTM) available on Government bonds having similar term to decrement-adjusted estimated term of liabilities.

For valuation as at 31 March,2019 the estimated term of liabilities is 12.67 years, corresponding to which YTM on government bonds is 7.55%, after rounding to nearest 0.05%.

Principal Actuarial Assumptions:

Discount rate	7.55%	7.70%
Salary Escalation Rate	5.00%	5.00%
Attrition Rate	For Service 4 yrs & below 20% p.a. & service 4 yrs and above 2% p.a	For Service 4 yrs & below 20% p.a. & service 4 yrs and above 2% p.a
Retirement Age	60 years	60 years

		(Rs in Lakhs)	
		FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
24	FINANCE COSTS		
	Interest Paid	1.39	0.32
		1.39	0.32
		(Rs in Lakhs)	
25	OTHER EXPENSES	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
	Legal & Professional Charges	8.15	6.27
	Electricity Expenses	-	0.08
	Communication Expenses	2.00	10.85
	Printing and Stationery	2.78	3.45
	Rent, Rates and Taxes	13.20	27.64
	Repairs and Maintainance	-	0.27
	Recruitment & Training	1.75	1.28
	Business Promotion and Marketing Expenses	165.85	64.59
	Business Support Expenses	50.00	-
	Computer & Software Main. Charges	0.08	1.70
	Travelling & Conveyance Expenses	8.05	12.63
	Auditors Remuneration		
	Audit Fees	1.50	1.25
	Miscellaneous & other Expenses	6.66	10.14
		260.02	140.14



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26 INCOME TAX EXPENSE

(Rs in Lakhs)

	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Current Tax		
Current tax on profit for the year	-	9.43
Adjustments for current tax of prior periods	1.35	-
Total Current tax expenses	1.35	9.43
Deferred Tax		
Decrease / (Increase) in deferred tax assets	(37.22)	-
(Decrease) / Increase in deferred tax liabilities	(0.43)	0.84
MAT	-	0.81
Total deferred tax expenses / benefit	(37.65)	1.65
Total Income Tax Expenses	(36.30)	11.08

(Rs in Lakhs)

Particulars	FOR THE YEAR ENDED MARCH 31, 2018	FOR THE YEAR ENDED MARCH 31, 2017
Applicable Tax Rate	27.82	27.55
Profit before tax	(143.86)	38.81
Tax Expenses as per above rate	-	10.67
Expenses Disallowed	-	(0.44)
Adjustments for current tax of prior periods	1.35	-
MAT credit	-	(0.81)
Total Current Tax	1.35	9.43
Deferred Tax Liability creation/ (reversal) on account of of Property, Plant and Equipment	(0.43)	0.84
Deferred Tax Asset (creation)/utilisation of carry forward losses	(37.22)	-
MAT credit	-	0.81
Total Deferred Tax	(37.65)	1.65
Total Tax Expenses Recognised	(36.30)	11.08
Effective Tax Rate	-25.23	28.54



A R WEALTH MANAGEMENT PRIVATE LIMITED

CIN: U65923MH1996PTC097270

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

27 INDIAN ACCOUNTING STANDARD 108:- OPERATING SEGMENTS

The Company is engaged in providing Financial and Distribution services in India. As such there are no reportable segments.

28 OPERATING LEASE

The operating leases for premises are executed for a period ranging from 33 months. The lease rental charged during the year is Rs 13.20 lakhs (P.Y. Rs 19.74 lakhs)

Minimum lease rentals outstanding in respect of non-cancellable operating lease are as under:

Due	(Rs in Lakhs)	
	As at 31.03.2019	As at 31.03.2018
Not later than 1 year	-	13.20
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
Total	-	13.20

29 RELATED PARTY DISCLOSURE - Ind AS

(a) List of Related Parties

(i) Subsidiary Company

Freedom Intermediary Infrastructure Private Limited

(ii) Holding Company

Anand Rathi Wealth Services Limited

(iii) Fellow Subsidiaries

Freedom Wealth Solutions Private Limited

(iv) Key Managerial Persons

Sriram Rajagopal Iyer, Director, CEO

(v) Other Related Parties with whom there were transactions during the year:

Anand Rathi Share and Stock Brokers Limited

Anand Rathi Commodities Limited

(b) The following transactions were carried out with the related parties in the ordinary course of business:

Nature of Transaction/Relationship	(Rs. In Lakhs)	
	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
(i) Loan Given		
Subsidiary	289.00	1,515.00
Fellow Subsidiaries	-	893.33
(ii) Loan Repayment Received		
Subsidiary	289.00	1,515.00
Fellow Subsidiaries	-	43.09
(iii) Loan Taken		
Holding Company	2,852.50	4,725.00
Fellow Subsidiaries	233.00	-
Other Related Parties	9.12	-
(iv) Loan Repaid		
Holding Company	4,644.15	3,966.00
Fellow Subsidiaries	233.00	-
Other Related Parties	9.12	-
(v) Support Service Taken		
Subsidiary	-	8.05
Associate	-	0.17
Other Related Parties	111.05	27.10



(vi) Support Service Given Holding Company	25.32	-
(vii) Interest Received Subsidiary	2.27	-
(viii) Interest Paid Holding Company	295.43	82.17
Fellow Subsidiaries	1.66	-
(ix) Remuneration to KMP DIRECTOR, CEO	121.73	109.03

(c) Outstanding Balances

(Rs. In Lakhs)

AS AT MARCH 31, 2019 AS AT MARCH 31, 2018

(i) Loan Holding company	456.38	2,101.19
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30 Earning Per Share

	2018-19	2017-18
Net Profit after tax	(106.33)	27.73
Number of equity shares	5,372,976	4,178,947
Face Value Per Share (in Rs)	10	10
Weighted Average number of equity shares	4,358,869	4,172,618
Diluted Weighted Average number of equity shares	4,358,869	4,172,618
Earnings Per Share (in Rs)		
- Basic	(2.44)	0.66
- Diluted	(2.44)	0.66

31 Corporate Social Responsibility (CSR)

The Company is not liable to spend any amount as per the provisions of Sec 135 of The Companies Act, 2013.

32 Capital Management

For the purpose of Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to equity holders of company. The Company manages its capital to ensure that it continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company monitors capital using a gearing ratio. Capital gearing ratio of company is as follows :

	31-Mar-19	31-Mar-18
Equity	537.30	417.89
Other Equity	3,796.16	20.38
Total Equity (A)	4,333.46	438.28
Borrowings	456.38	2,101.19
Total Debt (B)	456.38	2,101.19
Total Debt and Equity (C=A+B)	4,789.84	2,539.47
Capital Gearing Ratio (B/C)	0.10	0.83

33 Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred less liabilities incurred. The Company has made certain acquisitions and has paid the consideration in Cash details of which are as under:

Name of Company	No. of Shares	Acquisition rate per share	Amount (Rs in Lakhs)	% of Shares Acquired
Ffreedom Intermediary Infrastructure Private Limited				
November 23, 2017	250,000.00	10.00	25.00	100.00%
September 10, 2018	348,837.00	430.00	1,500.00	100.00%



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34 Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2019 and March 31, 2018 has been made in the financial statements based on information received and available with the Company. Further in view of the Management there is no interest payable in accordance with the provisions of the Act. The Company has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
The principal amount remaining unpaid to any supplier at the end of each accounting year;	-	-
The interest due thereon remaining unpaid to any supplier at the end of each accounting year;	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
	-	-



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35 Financial Instrument - Fair Values

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

(Rs in Lakhs)

March 31, 2019	Carrying Amount	Fair value			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Financial assets					
Amortised Cost					
(i) Loans	-	-	-	-	-
(ii) Security Deposit	2.99	-	-	-	-
(iii) Trade receivables	26.39	-	-	-	-
(iv) Cash and cash equivalents	7.73	-	-	-	-
	<u>37.11</u>	-	-	-	-
Financial liabilities					
Amortised Cost					
(i) Borrowings	456.38	-	-	-	-
(ii) Trade Payables	42.90	-	-	-	-
(iii) Other Financial Liabilities	26.47	-	-	-	-
	<u>525.75</u>	-	-	-	-

March 31, 2018	Carrying Amount	Fair value			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Financial assets					
Amortised Cost					
(i) Loans	-	-	-	-	-
(ii) Security Deposit	2.83	-	-	-	-
(iii) Trade receivables	22.73	-	-	-	-
(iv) Cash and cash equivalents	11.44	-	-	-	-
(v) Other Non Current Assets	-	-	-	-	-
	<u>37.00</u>	-	-	-	-
Financial liabilities					
Amortised Cost					
(i) Borrowings	2,101.19	-	-	-	-
(ii) Trade Payables	11.23	-	-	-	-
(iii) Other Financial Liabilities	28.54	-	-	-	-
	<u>2,140.96</u>	-	-	-	-



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36 Financial instruments - Risk management**Risk management framework**

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects on revenue. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

Exposure to liquidity risk

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all derivative financial liabilities

31 March, 2019	Carrying amount	Total	Contractual cash flows (Rs in Lakhs)			
			On Demand	Less than 3 months	3-12 months	1-5 years
Borrowings	456.38	456.38	456.38	-	-	-
Trade Payables	42.90	42.90	-	42.90	-	-
Other Financial Liabilities	26.47	26.47	-	26.47	-	-

31 March, 2018	Carrying amount	Total	Contractual cash flows (Rs in Lakhs)			
			On Demand	Less than 3 months	3-12 months	1-5 years
Borrowings	2,101.19	2,101.19	2,101.19	-	-	-
Trade Payables	11.23	11.23	-	11.23	-	-
Other Financial Liabilities	28.54	28.54	-	28.54	-	-

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities.

Customer credit risk is managed by company as per its policy, procedures and control relating to customer credit risk. Credit quality of a customer credit risk is assessed based on an extensive credit rating scoreboard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and all possible steps taken to timely realise them.

The credit risk on Fixed Deposits with Banks, investments in Mutual Fund and Derivative Financial Instruments is limited because the counterparties are Banks, Exchanges and Mutual Fund houses who are structured market players.

In addition the Company has loan exposure to Subsidiaries and group entities.

As on reporting date credit risk exposure are as on following:

	31/Mar/19	31/Mar/18
Security Deposit	2.99	2.83
Trade Receivables	26.39	22.73
Bank Balances in Current Account	1.83	3.89



Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market Risk comprises three types of risk: a.) Interest Rate Risk, b.) Currency Risk and c.) Other Price Risk such as equity price risk etc.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company don't have any debt obligation of floating interest rate, so no interest rate risk exists.

Equity Price Risk

The Company's Board of Directors reviews and approves all equity investment decisions. At the reporting date, there is no exposure to equity securities of other entities.

37 The figures of the previous years have been regrouped / rearranged wherever necessary.

As per our attached report of even date.

For Bagaria & Co. LLP
Chartered Accountants
Firm Reg No.113447W/W-100019



For and on Behalf of Board of Directors


Pratha Agrawal
Partner
M.No. 179436
Place: Mumbai
Date: 28th June, 2019




Sriram R Iyer
Director
DIN : 01809214


Vishal Laddha
Director
DIN : 0033628


Hardik Chauhan
Company Secretary