

## INDEPENDENT AUDITOR'S REPORT

To the Members of Ffreedom Intermediary Infrastructure Private Limited

### Report on the Audit of the Financial Statements:

#### Opinion

We have audited the financial statements of Ffreedom Intermediary Infrastructure Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, and profit, changes in equity and 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 financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

#### Emphasis of Matter – Effects of COVID-19

We draw attention to Note 32 in the financial statements, which describes the uncertainties and the impact of the Covid-19 pandemic on the Company's operations and financial statements as assessed by the management. The actual impacts may differ from such estimates depending on future developments. Our opinion is not modified in respect of this matter.



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## **Information other than the Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises Director's report but does not include the financial statements and our auditor's report thereon.

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

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

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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 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, 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 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 Financial Statements:**

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.



As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with Board of Directors 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 Board of Directors 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 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 the paragraph 3 and 4 of the Order, to the extent applicable.
2. The company is a private limited company and falls within the exemption limit specified 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. Hence, the matter specified in the Order are not enclosed.

3. 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 relating to preparation of the financial statements 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 and the cash flow statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of these financial statements.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021, 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 Auditors' 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. There were no pending litigations which would impact the financial position of the Company.
  - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amount required to be transferred to Investor Education and Protection Fund by the Company in accordance to the provision of the Act, and rules made there under.

4. With respect to the matter to be included in the Auditors' Report under section 197(16):

The company being a private limited company, the provisions of Section 197 with respect to remuneration paid to directors, is not applicable to the company.

For **Bathiya & Associates LLP**  
Chartered Accountants  
Firm Registration No. 101046W / W100063



**Vinod K. Shah**  
Partner  
Membership No.: 032348



**Place:** Mumbai

**Date:** 6<sup>th</sup> May 2021

**UDIN:** 21032348AAAAAX5068

## Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

**Report on Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013 ("the Act") of the Company.**

**i. In respect of Company's fixed assets:**

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The Company has a regular programme of physical verification of its fixed assets by which all the assets have been physically verified by the Management during the year at regular intervals 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 explanation given to us and records examined by us, no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any immovable properties. Accordingly, clause (i) (c) of the order is not applicable.

**ii. In respect of its Inventories:**

The Company being in service industry does not hold inventory. Hence, clause (ii) of the order is not applicable.

**iii. According to the information given to us, the company has granted unsecured loans to one company, covered in register maintained under section 189 of the Act, in respect of which:**

- a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
- b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest has been regular as per stipulations.
- c) There is no amount remaining outstanding as at the year-end.

**iv. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.**

**v. The Company has not accepted any deposits from the public during the year, within the meaning of sections 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed there under and therefore, provisions of clause (v) of the Order is not applicable to the Company.**



- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company. Thus, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. According to the information and explanations given to us,
- a) The Company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other material statutory dues as applicable to the Company. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, cess, goods and service tax and other material statutory dues as applicable were in arrears as at 31<sup>st</sup> March, 2021 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, duty of customs, goods and service tax, as applicable which have not been deposited as at 31<sup>st</sup> March, 2021 with appropriate authorities on account of any dispute.
- viii. To the best of our knowledge and according to the information and explanations given to us, the Company has not obtained loan from financial institution, bank and Government. The Company has not issued debentures. Therefore clause (viii) of the aforesaid Order is not applicable to the Company.
- ix. On the basis of records of the Company examined by us and according to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) or term loan during the year. Therefore, the clause (ix) of the aforesaid Order is not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of fraud by the Company or any fraud on the Company by its officers or employees noticed or reported during the year, nor we have been informed of such case by the management.
- xi. The Company being a private company, section 197 read with schedule V to the act is not applicable to the Company. Hence the clause (xi) of the foresaid order is not applicable to the company.
- xii. The Company is not a Nidhi Company. Accordingly, clause (xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause (xiv) of the Order is not applicable.



xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of the Order is not applicable.

xvi. According to the information and explanation given to us and based on examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **Bathiya & Associates LLP**

Chartered Accountants

Firm Registration No. 101046W / W100063

*Shah*

**Vinod K. Shah**

Partner

Membership No.: 032348



Date : 6<sup>th</sup> May 2021

UDIN: 21032348AAAAAX5068

FFREEDOM INTERMEDIARY INFRASTRUCTURE PRIVATE LIMITED

CIN : U74999MH2013PTC245870

BALANCE SHEET AS AT MARCH 31, 2021

(Rs. In lakhs)

| Particulars  | Note No. | As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|--|----------|-------------------------|-------------------------|
| <b>I ASSETS</b>  |          |                         |                         |
| <b>1 Non-current assets</b>  |          |                         |                         |
| (a) Property, Plant and Equipment  | 3        | 38.47                   | 49.45                   |
| (b) Other Intangible assets  | 4        | 857.43                  | 980.16                  |
| (c) Intangible Assets Under Development  | 5        | -                       | -                       |
| (d) Deferred tax assets(net)   | 6        | 304.46                  | 313.54                  |
| (e) Other non-current assets   | 7        | 16.20                   | 11.23                   |
| <b>Total Non-current assets</b>  |          | <b>1,216.56</b>         | <b>1,354.38</b>         |
| <b>2 Current assets</b>  |          |                         |                         |
| (a) Financial Assets   |          |                         |                         |
| (i) Trade receivables  | 8        | 14.73                   | 3.10                    |
| (ii) Cash and cash equivalents   | 9        | 579.37                  | 209.74                  |
| (iii) Loans  | 10       | 3.30                    | 163.10                  |
| (b) Other current assets   | 11       | 12.59                   | 100.27                  |
| <b>Total Current Assets</b>  |          | <b>609.99</b>           | <b>476.21</b>           |
| <b>Total Assets</b>  |          | <b>1,826.55</b>         | <b>1,830.59</b>         |
| <b>II EQUITY AND LIABILITIES</b>   |          |                         |                         |
| <b>1 Equity</b>  |          |                         |                         |
| (a) Equity Share capital   | 12       | 82.93                   | 82.93                   |
| (b) Other Equity   | 13       | 1,484.63                | 1,445.30                |
| <b>Total Equity</b>  |          | <b>1,567.56</b>         | <b>1,528.22</b>         |
| <b>2 LIABILITIES</b>   |          |                         |                         |
| <b>Non-current liabilities</b>   |          |                         |                         |
| (a) Provisions   | 14(i)    | 7.66                    | 16.05                   |
| <b>Total Non-Current Liabilities</b>   |          | <b>7.66</b>             | <b>16.05</b>            |
| <b>Current Liabilities</b>   |          |                         |                         |
| (a) Financial Liabilities  |          |                         |                         |
| (i) Borrowings   |          | -                       | -                       |
| (ii) Trade payables  | 15       | -                       | -                       |
| (A) Total outstanding dues of micro enterprises and small enterprises            |          | -                       | -                       |
| (B) Total outstanding dues of creditors other than micro enterprises and small   |          | 0.69                    | 3.97                    |
| (iii) Other financial liabilities  | 16       | 15.33                   | 5.69                    |
| (b) Other current liabilities  | 17       | 229.26                  | 268.99                  |
| (c) Provisions   | 14(ii)   | 6.05                    | 7.66                    |
| <b>Total Current Liabilities</b>   |          | <b>251.33</b>           | <b>286.32</b>           |
| <b>Total Equity And Liabilities</b>  |          | <b>1,826.55</b>         | <b>1,830.59</b>         |
| Significant Accounting Policies & Notes Forming Part of the Financial Statements | 1-38     |                         |                         |

As per our attached report of even date

For and on Behalf of Board of Directors

For Bathiya & Associates LLP  
Chartered Accountants  
FRN 101046W/W100063

*Shamir*

Vinod K. Shah  
Partner  
Membership no: 032348  
Mumbai  
Date: 06th May, 2021



*Roop Bhootra*  
Roop Bhootra  
Director  
DIN:00033180  
Mumbai

*Rajesh Bhutara*  
Rajesh Bhutara  
Director  
DIN:01315143  
Mumbai



**FFREEDOM INTERMEDIARY INFRASTRUCTURE PRIVATE LIMITED**  
**CIN : U74999MH2013PTC245870**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2021**

(Rs. In lakhs)

| Particulars  | Note No. | For the period ended March 31, 2021 | For the year ended March 31, 2020 |
|--|----------|-------------------------------------|-----------------------------------|
| I Revenue From Operations  | 18       | 496.42                              | 455.37                            |
| II Other Income  | 19       | 43.28                               | 174.40                            |
| III Total Revenue (I+II)   |          | <b>539.70</b>                       | <b>629.77</b>                     |
| IV Expenses:   |          |                                     |                                   |
| Employee benefits expense  | 20       | 261.38                              | 390.67                            |
| Finance costs  | 21       | -                                   | 67.98                             |
| Depreciation and amortisation expense  | 3&4&5    | 133.71                              | 202.92                            |
| Other expenses   | 22       | 108.62                              | 215.07                            |
| Total expenses (IV)  |          | <b>503.71</b>                       | <b>876.64</b>                     |
| V Profit/(Loss) before tax (III-IV)  |          | 35.99                               | (246.87)                          |
| VI Tax expense:  |          |                                     |                                   |
| Current Tax  |          | -                                   | -                                 |
| Deferred tax   | 23       | 9.08                                | (29.20)                           |
| Total Tax Expenses   |          | 9.08                                | (29.20)                           |
| VII Profit/(Loss) for the period (V-VI)  |          | <b>26.91</b>                        | <b>(217.67)</b>                   |
| VIII Other Comprehensive Income  |          |                                     |                                   |
| (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                           |          | -                                   | -                                 |
| ii) Income Tax effect  |          | -                                   | -                                 |
| (i) Items that will not be reclassified subsequently                                 |          |                                     |                                   |
| - Remeasurements of the defined employee benefit plans                               |          | 12.43                               | (1.11)                            |
| (ii) Income tax relating to items that will not be reclassified to profit or loss    |          | -                                   | -                                 |
| Total Other comprehensive income   |          | <b>12.43</b>                        | <b>(1.11)</b>                     |
| Total Comprehensive Income for the year (VII+VIII)                                   |          | <b>39.34</b>                        | <b>(218.78)</b>                   |
| VIII Earning Per Equity Share of Rs.10 each  | 27       |                                     |                                   |
| Basic  |          | 3.25                                | (36.31)                           |
| Diluted  |          | 3.25                                | (36.31)                           |
| Significant Accounting Policies & Notes Forming Part of the Financial Statements     | 1-38     |                                     |                                   |

As per our attached report of even date

For and on Behalf of Board of Directors

For Bathiya & Associates LLP  
Chartered Accountants  
FRN 101046W/W100063

*Sham*

Vinod K. Shah  
Partner  
Membership no: 032348  
Mumbai  
Date: 06th May, 2021



*R. Bhootra*

Roop Bhootra  
Director  
DIN:00033180  
Mumbai



*R. Bhutara*

Rajesh Bhutara  
Director  
DIN:01315143  
Mumbai

Freedom Intermediary Infrastructure Pvt. Ltd.  
CIN : U74999MH2013PTC245870  
CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2021

(Rs. In lakhs)

| Particulars   | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---|-----------------------------------|-----------------------------------|
| <b>A. Cash flow from operating activities</b>   |                                   |                                   |
| Net profit before tax and extra ordinary items.   | 35.99                             | (246.87)                          |
| Add / (Less) :  |                                   |                                   |
| Depreciation & amortisation   | 133.71                            | 202.92                            |
| Interest Income   | (43.28)                           | (0.19)                            |
| Interest Expenses   | -                                 | 67.98                             |
| Gratuity Expenses   | 3.57                              | 3.35                              |
| Leave Encashment  | (1.15)                            | 1.24                              |
| <b>Operating profit before working capital changes</b>                                  | <b>128.84</b>                     | <b>28.42</b>                      |
| Adjustment for :  |                                   |                                   |
| (Increase)/decrease in Other current assets   | 87.68                             | (83.73)                           |
| (Increase)/decrease in Trade receivables  | (11.62)                           | (1.73)                            |
| Increase/(decrease) in Trade payables   | (3.28)                            | (9.42)                            |
| Increase/(decrease) in Other Financial liabilities                                      | 9.64                              | (24.43)                           |
| Increase/(decrease) in Other current liabilities  | (39.74)                           | 42.34                             |
| Increase/(decrease) in Provisions   | -                                 | (0.02)                            |
|   | <b>42.68</b>                      | <b>(76.98)</b>                    |
| <b>Cash generated from operations</b>   | <b>171.52</b>                     | <b>(48.55)</b>                    |
| Add / (Less) :  |                                   |                                   |
| Income Tax (Paid)/ Refund   | (4.96)                            | 1.22                              |
| <b>Net cash from operating activities</b>   | <b>166.56</b>                     | <b>(47.33)</b>                    |
| <b>B. Cash flow from investing activities :</b>   |                                   |                                   |
| Purchase of Property, Plant and Equipment including Intangible Assets Under Development | -                                 | (68.26)                           |
| Security Deposit Given  | 0.24                              | (3.00)                            |
| Interest Income   | 43.03                             | -                                 |
| Loan (Given)/Repayment Received   | 159.80                            | (160.04)                          |
| <b>Net cash used in investing activities</b>  | <b>203.07</b>                     | <b>(231.30)</b>                   |
| <b>C. Cash flow from financing activities :</b>   |                                   |                                   |
| Proceeds/(repayment) of short term borrowing  | -                                 | (464.12)                          |
| Issue Of Equity Shares  | -                                 | 1,000.00                          |
| Interest Paid   | -                                 | (67.98)                           |
| <b>Net cash used in financing activities</b>  | <b>-</b>                          | <b>467.90</b>                     |
| <b>Net increase / (decrease) in cash and cash equivalents</b>                           | <b>369.63</b>                     | <b>189.27</b>                     |
| <b>Cash and cash equivalents - opening balance</b>                                      | <b>209.74</b>                     | <b>20.47</b>                      |
| <b>Cash and cash equivalents - closing balance</b>                                      | <b>579.37</b>                     | <b>209.74</b>                     |

Details of cash and cash equivalent at the end of the Period / Year

|   |               |               |
|---|---------------|---------------|
| - Cash in hand                                | -             | -             |
| - Balance in current & fixed deposit accounts | 579.37        | 209.74        |
| <b>Total</b>                                  | <b>579.37</b> | <b>209.74</b> |

Cash flow is prepared under indirect method as specified under IND AS 7- statements of Cash flow.

As per our attached report of even date

For and on behalf of the Board of Directors

For Bathiya & Associates LLP  
Chartered Accountants  
FRN 101046W/W100063

*Shami*

Vinod-K. Shah  
Partner  
Membership no: 032348  
Mumbai  
Date: 06th May, 2021



*Roop Bhootra*

Roop Bhootra  
Director  
DIN:00033180  
Mumbai

*Rajesh Bhutara*

Rajesh Bhutara  
Director  
DIN:01315143  
Mumbai

FFREEDOM INTERMEDIARY INFRASTRUCTURE PRIVATE LIMITED  
 CIN : U74999MH2013PTC245870  
 STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31, 2021

| A. | Equity Share Capital   | (Rs. In lakhs)     |                   |                            |          |
|----|--|--------------------|-------------------|----------------------------|----------|
|    |  | No of Shares       | Amount            |                            |          |
|    | Equity shares of INR 10 each issued, subscribed and fully paid |                    |                   |                            |          |
|    | As At 1 April 2019   | 5,98,837.00        | 59.88             |                            |          |
|    | Changes in equity share capital during the year                | 2,30,415.00        | 23.04             |                            |          |
|    | As At 31 March 2020  | 8,29,252.00        | 82.93             |                            |          |
|    | Changes in equity share capital during the year                | -                  | -                 |                            |          |
|    | As At 31 March 2021  | 8,29,252.00        | 82.93             |                            |          |
| B. | Other Equity   | (Rs. In lakhs)     |                   |                            |          |
|    | For year ended March 31, 2021                                  |                    |                   |                            |          |
|    |  | Securities Premium | Retained Earnings | Other Comprehensive Income | Total    |
|    | Balance as at April 1, 2019                                    | 1,465.12           | (782.16)          | 4.16                       | 687.12   |
|    | Profit/(Loss) for the Year                                     | -                  | (217.67)          | -                          | (217.67) |
|    | Addition during the year                                       | 976.96             | -                 | -                          | 976.96   |
|    | Other Comprehensive Income/(Loss)                              | -                  | -                 | (1.11)                     | (1.11)   |
|    | Total comprehensive Income/(Loss)                              | 2,442.08           | (999.83)          | 3.05                       | 1,445.30 |
|    | Balance as at March 31, 2020                                   | 2,442.08           | (999.83)          | 3.05                       | 1,445.30 |
|    | Balance as at April 1, 2020                                    | 2,442.08           | (999.83)          | 3.05                       | 1,445.30 |
|    | Profit/(Loss) for the Year                                     | -                  | 26.91             | -                          | 26.91    |
|    | Addition during the year                                       | -                  | -                 | -                          | -        |
|    | Other Comprehensive Income/(Loss)                              | -                  | -                 | 12.43                      | 12.43    |
|    | Balance as at March 31, 2021                                   | 2,442.08           | (972.92)          | 15.48                      | 1,484.64 |

As per our attached report of even date  
 For Bathiya & Associates LLP  
 Chartered Accountants  
 FRN 101046W/W100063

*Shahni*

Vinod K. Shah  
 Partner  
 Membership no: 032348  
 Mumbai  
 Date: 06th May, 2021



For and on behalf of the Board of Directors

*Roop Bhootra*

Roop Bhootra  
 Director  
 DIN:00033180  
 Mumbai

*Rajesh Bhutara*

Rajesh Bhutara  
 Director  
 DIN:01315143  
 Mumbai

## 1 CORPORATE INFORMATION

Freedom intermediary infrastructure is a private limited company incorporated under the provisions of the Companies Act, 1956. The company is engaged in the business of collecting, processing information in various manner using manual, electronic, mobile or any other mediums or devices from clients, intermediaries, corporate and people in general, to create analytics, statistics, reports, collate data and information and to create, design, invent, prepare, own, develop market, distribute, franchise out, rent, outsource, operate as service of software systems, software solution, hardware and to deal with computers data processing machines or any other equipment and materials of every kind and description useful in connection with collections, evaluations & storage of data/information, data input tool, and output reports and provide guidelines and actionable, engage with clients, intermediaries and to deliver as per their requirements in terms of building infrastructure on the basis of information technology (IT) or non IT and make it available worldwide.

## 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").

The financial statements were approved for issue by the Board of Directors of the Company at their meeting held on 06th May 2021.

### (b) Basis Of Measurement

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.

### (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:** The Company depreciate & its tangible assets over the useful life of an Asset as prescribed in Schedule II of Companies Act, 2013. The Company remeasures 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. The 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.

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.

**(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

Assets & liabilities which are going to materialise in one operating cycle i.e. is considered as current and assets & liabilities other than that is considered as non current.

### (e) 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.



(ii) **Intangible Assets:** Intangible assets consists of software. The software had been amortized over a period of 7 Years in FY 2019-20. The estimation of amortisation period for software had been reviewed by Management during the current financial year and the amortisation period has been revised to 10 years accordingly. Intangible assets also contains trade mark which has been amortized over a period of 10 Years on SLM basis.

(iii) **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.

**(f) 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 shall be measured at amortised cost if both the following conditions are met:

- 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 (SPPI) on the principal amount outstanding

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

- the objective of the business model is achieved by both collecting contractual cash flow and selling financial assets; and
- the asset's contractual cash flow represent SPPI

**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 FVOIC is measured at FVTPL.

**Effective Interest Method:** Interest income from 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 group 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.

**Financial Assets at FVTPL:** Investments in equity instruments are classified at FVTPL, unless they were irrevocably elected on initial recognition as FVOIC. 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, FVOIC debt instruments, and other financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 30 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 group 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 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.



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**(g) 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.

**(h) 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

**(i) 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.

**(j) 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.

**(k) 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. Measurement, 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.

**(l) Revenue Recognition**

(a) Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company, the revenue could be measured reliably and there is no uncertainty as to ultimate collection.

Software Licence and Subscription fee is recognised on accrual basis.

(b) Interest income is recognized on time basis.

(c) 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.

(d) The Company derives revenues primarily from Subscription Fees from IT Enable Service.

Effective 01 April 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) 'Revenue from contracts with customers' using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. 01 April 2018. Accordingly, the comparative amounts of revenue and the corresponding contract assets / liabilities have not been retrospectively adjusted. The effect on adoption of Ind-AS 115 was insignificant. (First time adoption impact).

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale. Therefore, a refund liability, included in other current liabilities, are recognized for the products expected to be returned.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance.
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue from services are recognised over a time as and when the performance obligation is satisfied.



**(m) Leases**

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated on a straight-line basis over the lease term. Right of use assets 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.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

**(n) 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 recognized on timing differences between the accounting income and the taxable income for the year. The tax effect is calculated on the accumulated timing differences at the end of the accounting period based on prevailing enacted or substantively enacted regulations. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent there is probability that sufficient future taxable income will be available against which such deferred tax assets can be realized. At each reporting date the Company reassesses the unrecognized deferred tax assets and reviews the deferred tax assets recognized.

Current tax and Deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive income or directly in equity respectively.

**(o) 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.

**(p) 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.

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.

**(q) 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.

**(r) 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.



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**3 PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment consists of the following:

(Rs. In lakhs)

| Description                                   | Computer equipment | Furniture & Fixtures | Office equipments | Total  |
|---|--------------------|----------------------|-------------------|--------|
| As at April 1, 2020                           | 28.11              | 59.44                | 17.54             | 105.08 |
| Additions                                     | -                  | -                    | -                 | -      |
| Disposals                                     | -                  | -                    | -                 | -      |
| As at March 31, 2021                          | 28.11              | 59.44                | 17.54             | 105.08 |
| Accumulated depreciation as at April 1, 2020  | 23.63              | 20.93                | 11.07             | 55.63  |
| Depreciation for the year                     | 2.52               | 5.64                 | 2.82              | 10.98  |
| Disposals                                     | -                  | -                    | -                 | -      |
| Accumulated depreciation as at March 31, 2021 | 26.15              | 26.57                | 13.89             | 66.61  |
| Net carrying amount as at March 31, 2021      | 1.96               | 32.87                | 3.65              | 38.47  |

| Description                                   | Computer equipment | Furniture & Fixtures | Office equipments | Total  |
|---|--------------------|----------------------|-------------------|--------|
| As at April 1, 2019                           | 27.06              | 59.44                | 15.59             | 102.08 |
| Additions                                     | 1.05               | -                    | 1.95              | 3.00   |
| Disposals                                     | -                  | -                    | -                 | -      |
| As at March 31, 2020                          | 28.11              | 59.44                | 17.54             | 105.08 |
| Accumulated depreciation as at April 1, 2019  | 18.00              | 15.28                | 8.14              | 41.43  |
| Depreciation for the year                     | 5.63               | 5.64                 | 2.93              | 14.20  |
| Disposals                                     | -                  | -                    | -                 | -      |
| Accumulated depreciation as at March 31, 2020 | 23.63              | 20.93                | 11.07             | 55.63  |
| Net carrying amount as at March 31, 2020      | 4.48               | 38.51                | 6.47              | 49.45  |

**4 OTHER INTANGIBLE ASSETS**

(Rs. In lakhs)

| Description                                   | OFA Plus | Software | Logo trademark - OFA | Software - DEC 2017 | BOTS Software - Gupshup | Total    |
|---|----------|----------|----------------------|---------------------|-------------------------|----------|
| As at April 1, 2020                           | 398.17   | 356.51   | 1.92                 | 915.05              | 2.80                    | 1,674.45 |
| Additions                                     | -        | -        | -                    | -                   | -                       | -        |
| Disposals                                     | -        | -        | -                    | -                   | -                       | -        |
| As at March 31, 2021                          | 398.17   | 356.51   | 1.92                 | 915.05              | 2.80                    | 1,674.45 |
| Accumulated amortisation as at April 1, 2020  | 42.86    | 299.38   | 0.72                 | 350.32              | 1.02                    | 694.29   |
| Amortisation for the year *                   | 38.43    | 10.94    | 0.18                 | 72.95               | 0.23                    | 122.73   |
| Disposals                                     | -        | -        | -                    | -                   | -                       | -        |
| Accumulated amortisation as at March 31, 2021 | 81.29    | 310.32   | 0.90                 | 423.27              | 1.25                    | 817.02   |
| Net carrying amount as at March 31, 2021      | 316.89   | 46.19    | 1.02                 | 491.78              | 1.55                    | 857.43   |

\* Software had been amortized over a period of 7 Years till FY 2019-20 however the same has been revised during the current financial year and the amortisation period has been revised to 10 years accordingly.

| Description                                   | OFA Plus | Software | Logo trademark - OFA | Software - DEC 2017 | BOTS Software - Gupshup | Total    |
|---|----------|----------|----------------------|---------------------|-------------------------|----------|
| As at April 1, 2019                           | -        | 356.51   | 1.92                 | 915.05              | 2.80                    | 1,276.28 |
| Additions                                     | 398.17   | -        | -                    | -                   | -                       | 398.17   |
| Disposals                                     | -        | -        | -                    | -                   | -                       | -        |
| As at March 31, 2020                          | 398.17   | 356.51   | 1.92                 | 915.05              | 2.80                    | 1,674.45 |
| Accumulated amortisation as at April 1, 2019  | -        | 273.25   | 0.53                 | 231.14              | 0.65                    | 505.58   |
| Amortisation for the year                     | 42.86    | 26.13    | 0.18                 | 119.18              | 0.37                    | 188.71   |
| Disposals                                     | -        | -        | -                    | -                   | -                       | -        |
| Accumulated amortisation as at March 31, 2020 | 42.86    | 299.38   | 0.72                 | 350.32              | 1.02                    | 694.29   |
| Net carrying amount as at March 31, 2020      | 355.32   | 57.13    | 1.21                 | 564.73              | 1.78                    | 980.16   |

**5 INTANGIBLE ASSETS UNDER DEVELOPMENT**

(Rs. In lakhs)

| Description                    | Capital WIP |
|--------------------------------|-------------|
| As at April 1, 2020            | -           |
| Additions                      | -           |
| Capitalisation during the year | -           |
| As at March 31, 2021           | -           |
| Description                    | Capital WIP |
| As at April 1, 2019            | 332.92      |
| Additions                      | 65.25       |
| Capitalisation during the year | 398.17      |
| As at March 31, 2020           | -           |



*PK*

*PK*



|             |   | (Rs. In lakhs)          |                         |
|-------------|---|-------------------------|-------------------------|
|             |   | As at<br>March 31, 2021 | As at<br>March 31, 2020 |
| <b>6</b>    | <b>DEFERRED TAX ASSETS (NET)</b>  |                         |                         |
|             | <b>Deferred Tax Assets</b>  |                         |                         |
|             | Business Loss   | 355.16                  | 340.35                  |
|             | Leave Encashment  | 1.49                    | 1.78                    |
|             | Gratuity Provisions   | 1.96                    | 4.18                    |
|             |   | <b>358.61</b>           | <b>346.32</b>           |
|             | <b>Deferred Tax Liabilities</b>   |                         |                         |
|             | Property, Plant and Equipment   | 54.15                   | 32.78                   |
|             |   | 54.15                   | 32.78                   |
|             |   | <b>304.46</b>           | <b>313.54</b>           |
| <b>7</b>    | <b>OTHER NON-CURRENT ASSETS</b>   |                         |                         |
|             | Advance Tax Including Tax Deducted at source  | 16.20                   | 11.23                   |
|             |   | <b>16.20</b>            | <b>11.23</b>            |
| <b>8</b>    | <b>TRADE RECEIVABLES</b>  |                         |                         |
|             | <u>Unsecured:</u>   |                         |                         |
|             | Considered Good   | 14.73                   | 3.10                    |
|             |   | <b>14.73</b>            | <b>3.10</b>             |
|             | Since the company received payment in advance there is no expected credit loss as per past trend and hence no ageing in terms of percentage loss shall be available |                         |                         |
| <b>(i)</b>  | <b>AGE OF RECEIVABLES</b>   |                         |                         |
|             | Within the credit period  |                         |                         |
|             | 1-30 days Past Dues   | 3.33                    | 1.95                    |
|             | 31-60 days Past Dues  | 2.78                    | 0.29                    |
|             | 61-90 days Past Dues  | 1.01                    | 0.86                    |
|             | More than 90 days past dues   | 7.61                    | -                       |
| <b>(ii)</b> | <b>MOVEMENT IN THE EXPECTED CREDIT LOSS ALLOWANCE</b>   |                         |                         |
|             | 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  | -                       | -                       |
| <b>9</b>    | <b>CASH AND CASH EQUIVALENTS</b>  |                         |                         |
|             | Balances with Banks   |                         |                         |
|             | - in Current Accounts   | 19.37                   | 209.74                  |
|             | - in Deposit Accounts   | 560.00                  | -                       |
|             |   | <b>579.37</b>           | <b>209.74</b>           |
| <b>10</b>   | <b>LOAN</b>   |                         |                         |
|             | Unsecured, Consider Good  |                         |                         |
|             | Security Deposits - Rent  | 2.80                    | 2.56                    |
|             | Security Deposit -Telemarketing Primary Rate Interface Line   | 0.50                    | 0.50                    |
|             | <b>Loan to Related Parties</b>  |                         |                         |
|             | Unsecured, Consider Good  |                         |                         |
|             | Anand Rathi Financial Services Limited  | -                       | 160.04                  |
|             |   | <b>3.30</b>             | <b>163.10</b>           |



*PK*

|           |   | (Rs. In lakhs)                        |   |
|-----------|---|---------------------------------------|---|
|           |   | As at<br>March 31, 2021               | As at<br>March 31, 2020                                 |
| <b>11</b> | <b>OTHER CURRENT ASSETS</b>   |                                       |   |
|           | Unsecured, considered good  |                                       |   |
|           | Staff Advances  | 0.12                                  | 0.24  |
|           | Advances to Vendor  | 0.91                                  | 88.34   |
|           | Interest Accrued  | 0.08                                  | -   |
|           | Advance Tax Including Tax Deducted at source  | -                                     | 4.71  |
|           | Prepaid Expenses  | 11.48                                 | 5.69  |
|           | GST Input Credit  | -                                     | 1.28  |
|           |   | 12.59                                 | 100.27  |
| <b>12</b> | <b>EQUITY SHARE CAPITAL</b>   |                                       |   |
|           | The authorised, issued, subscribed and fully paid up share capital comprises of equity shares having a par value of INR 10 each as follows:   |                                       |   |
|           | <b>Authorised</b><br>2,000,000 (2,000,000) Equity Shares of Rs.10/-each   | 200.00                                | 200.00  |
|           |   | 200.00                                | 200.00  |
|           | <b>Issued, Subscribed And Paid Up</b><br>8,29,252 (8,29,252) Equity Shares of Rs.10/-each Fully Paid Up   | 82.93                                 | 82.93   |
|           |   | 82.93                                 | 82.93   |
| (i)       | <b>Reconciliation for No. of shares outstanding during the year</b>   |                                       |   |
|           | <b>Equity Shares</b>  | As at<br>March 31, 2021               | As at<br>March 31, 2020                                 |
|           | Shares outstanding at the beginning of the year   | 8,29,252.00                           | 5,98,837.00   |
|           | Shares issued during the year by capitalising of reserve  | -                                     | -   |
|           | Shares Issued during the year for consideration   | -                                     | 2,30,415.00   |
|           | Shares outstanding at the end of the year   | 8,29,252.00                           | 8,29,252.00   |
| (ii)      | The Company has issued 4,999 nos. of shares other than cash for Rs. 49,990/- in FY 2014-15  |                                       |   |
|           | <b>Terms/Rights attached to the Equity Shares</b>   |                                       |   |
|           | <b>Equity Shares</b><br>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 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)     | <b>Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:</b>  |                                       |   |
|           | <b>Name of Shareholders</b>   | As at March 31, 2021                  | As at March 31, 2020                                    |
|           |   | No. of shares held                    | No. of shares held                                      |
|           |   | %                                     | %   |
|           | <b>Holding company</b><br>Anand Rathi Wealth Services Limited (Holding Company w.e.f. 13.02.2020)   | 8,29,252.00                           | 8,29,252.00   |
|           |   | 100.00                                | 100.00  |
|           | *Out of the Total shares 1 share is held by a nominee on behalf of Holding Company.   |                                       |   |
| (iv)      | <b>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 reporting date:</b>   |                                       |   |
|           |   | Bonus shares issued<br>by the Company | Issue of shares for<br>consideration other<br>than cash |
|           | March 31, 2021  | -                                     | -   |
|           | March 31, 2020  | -                                     | -   |
|           | March 31, 2019  | -                                     | -   |
|           | March 31, 2018  | -                                     | -   |
|           | March 31, 2017  | -                                     | -   |
|           |   |                                       | (Rs. In lakhs)  |
| <b>13</b> | <b>OTHER EQUITY</b>   | As at<br>March 31, 2021               | As at<br>March 31, 2020                                 |
| (i)       | <b>Securities Premium</b>   |                                       |   |
|           | Opening balance   | 2,442.08                              | 1,465.12  |
|           | Less: Utilised for Bonus Issue  | -                                     | -   |
|           | Add: Addition During the Year   | -                                     | 976.96  |
|           | Balance as at the year end  | 2,442.08                              | 2,442.08  |
| (ii)      | <b>Retained earnings</b>  |                                       |   |
|           | Opening Balance   | (999.83)                              | (782.16)  |
|           | Add: Profit/(loss) During the Year  | 26.91                                 | (217.67)  |
|           | Balance as at the year end  | (972.92)                              | (999.83)  |



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|  |              |             |
|--|--------------|-------------|
| <b>(iii) Other Comprehensive Income</b>        |              |             |
| Opening Balance                                | 3.05         | 4.16        |
| Remeasurement Of Defined Employee Benefit Plan | 12.43        | (1.11)      |
| Balance as at the year end                     | <u>15.48</u> | <u>3.05</u> |

**TOTAL OTHER EQUITY**

|  |                 |                 |
|--|-----------------|-----------------|
|  | <u>1,484.63</u> | <u>1,445.30</u> |
|--|-----------------|-----------------|

**Securities Premium**

Balance of Security premium consist on issue of share over its face value. The balance will be utilised for as per provisions of the Companies Act,2013.

**Retained earnings**

Retained earnings comprises of the of the amounts that can be distributed by the company as dividends to its equity shareholders

**Remeasurement Of Defined Employee Benefit Plan**

Remeasurement of defined employee benefit plan represents as per Ind AS 19, Employee Benefits:

- Actuarial Gains and Losses

|                      |   | (Rs. In lakhs)          |                         |
|----------------------|---|-------------------------|-------------------------|
|                      |   | As at<br>March 31, 2021 | As at<br>March 31, 2020 |
| <b>14 PROVISIONS</b> |   |                         |                         |
| (i)                  | Employee Benefit Liabilities - Non current<br>Gratuity Provisions | 7.66                    | 16.05                   |
|                      |   | <u>7.66</u>             | <u>16.05</u>            |

|      |                              | (Rs. In lakhs)          |                         |
|------|------------------------------|-------------------------|-------------------------|
|      |                              | As at<br>March 31, 2021 | As at<br>March 31, 2020 |
| (ii) | Current                      |                         |                         |
| (a)  | Employee Benefit Liabilities |                         |                         |
|      | Gratuity Provisions          | 0.11                    | 0.58                    |
|      | Leave Encashment             | 5.94                    | 7.09                    |
|      |                              | <u>6.05</u>             | <u>7.66</u>             |

|                          |  | (Rs. In lakhs)          |                         |
|--------------------------|--|-------------------------|-------------------------|
|                          |  | As at<br>March 31, 2021 | As at<br>March 31, 2020 |
| <b>15 TRADE PAYABLES</b> |  |                         |                         |
| (A)                      | Total outstanding dues of micro enterprises and small enterprises                      | -                       | -                       |
| (B)                      | Total outstanding dues of creditors other than micro enterprises and small enterprises | 0.69                    | 3.97                    |
|                          |  | <u>0.69</u>             | <u>3.97</u>             |

\*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)          |                         |
|---------------------------------------|---------------------------|-------------------------|-------------------------|
|                                       |                           | As at<br>March 31, 2021 | As at<br>March 31, 2020 |
| <b>16 OTHER FINANCIAL LIABILITIES</b> |                           |                         |                         |
|                                       | Employee Benefits Payable | 7.17                    | 0.90                    |
|                                       | Provision for Expenses    | 8.16                    | 4.79                    |
|                                       |                           | <u>15.33</u>            | <u>5.69</u>             |

|                                     |                       | (Rs. In lakhs)          |                         |
|-------------------------------------|-----------------------|-------------------------|-------------------------|
|                                     |                       | As at<br>March 31, 2021 | As at<br>March 31, 2020 |
| <b>17 OTHER CURRENT LIABILITIES</b> |                       |                         |                         |
|                                     | Statutory Dues        | 11.43                   | 62.05                   |
|                                     | Advance from Customer | 217.83                  | 206.94                  |
|                                     |                       | <u>229.26</u>           | <u>268.99</u>           |



*[Handwritten mark]*

|  |  | (Rs. In lakhs)                       |                                      |
|--|--|--------------------------------------|--------------------------------------|
| 18   | REVENUE FROM OPERATIONS  | For the year<br>ended March 31, 2021 | For the year<br>ended March 31, 2020 |
|  | Revenue from sale of services  |                                      |                                      |
|  | IT Enabled Services  | 454.42                               | 455.37                               |
|  | Referral fees  | 42.00                                | -                                    |
|  |  | <b>496.42</b>                        | <b>455.37</b>                        |
|  |  | (Rs. In lakhs)                       |                                      |
| 19   | OTHER INCOME   | For the year<br>ended March 31, 2021 | For the year<br>ended March 31, 2020 |
|  | Interest Income  | 43.28                                | 0.19                                 |
|  | Other Non Operating Income - Business Support Charges                                | 0.00                                 | 174.21                               |
|  |  | <b>43.28</b>                         | <b>174.40</b>                        |
|  |  | (Rs. In lakhs)                       |                                      |
| 20   | EMPLOYEE BENEFITS EXPENSE  | For the year<br>ended March 31, 2021 | For the year<br>ended March 31, 2020 |
|  | Salary Incentive & Allowances  | 240.31                               | 364.70                               |
|  | Gratuity Expenses  | 3.57                                 | 3.35                                 |
|  | Contribution to Provident and Other Funds  | 17.12                                | 18.96                                |
|  | Staff Welfare expenses   | 0.38                                 | 3.66                                 |
|  |  | <b>261.38</b>                        | <b>390.67</b>                        |
|  |  | (Rs. In lakhs)                       |                                      |
|  |  | 2020-21                              | 2019-20                              |
| Amounts recognized in the Balance Sheet in respect of gratuity (funded by the Company):  |  |                                      |                                      |
|  | Present value of the funded defined benefit obligation at the end of the period/year | 7.77                                 | 16.63                                |
|  | Less: Fair value of plan assets  | -                                    | -                                    |
|  | Net Liability/( Asset)   | 7.77                                 | 16.63                                |
| Amounts recognized in Salary, Wages and Employee Benefits in the Profit and Loss Account in respect of gratuity (funded by the Company): |  |                                      |                                      |
|  | Current Service cost   | 2.50                                 | 0.90                                 |
|  | Interest on Defined Benefit Obligations  | 1.08                                 | 2.45                                 |
|  | Expected return on plan assets   | -                                    | -                                    |
|  | Past Service Cost - Vested Benefit recognised during the period/year                 | -                                    | -                                    |
|  | Net Gratuity Cost  | 3.58                                 | 3.35                                 |
| Amount recognized in Other Comprehensive Income (OCI)  |  |                                      |                                      |
|  | Amount recognized in OCI in beginning of the period/year                             | (3.05)                               | (4.16)                               |
| Remeasurement due to:  |  |                                      |                                      |
|  | Effect of Change in financial assumptions  | 1.50                                 | 0.35                                 |
|  | Effect of Change in demographic assumptions  | -                                    | (0.03)                               |
|  | Effect of experience adjustments   | (13.93)                              | 0.79                                 |
|  | Actuarial (Gains)/Losses   | (12.43)                              | 1.11                                 |
|  | Less : Return on plan assets (excluding interest)                                    | -                                    | -                                    |
|  | Total remeasurements recognized in OCI   | (12.43)                              | 1.11                                 |
|  | Amount recognized in OCI, End of period/year   | (15.49)                              | (3.05)                               |
| Actual Return on Plan Assets :   |  |                                      |                                      |
|  | Expected Return on Plan Assets   | -                                    | -                                    |
|  | Actuarial gain/(loss) on Plan Assets   | -                                    | -                                    |
|  | Actual Return on Plan Assets   | -                                    | -                                    |



|   |         |       |
|---|---------|-------|
| <b>Reconciliation of present value of the obligation and the fair value of the plan assets:</b> |         |       |
| <b>Change in present value of obligation:</b>   |         |       |
| Opening Defined Benefit Obligation  | 16.63   | 12.17 |
| Interest Cost   | 1.08    | 2.45  |
| Current Service Cost  | 2.50    | 0.90  |
| Past Service Cost   | -       | -     |
| Liability Transferred In/ Acquisitions  | -       | -     |
| Benefits Paid   | -       | -     |
| Total Actuarial (Gain)/ Loss on obligation  | (12.43) | 1.11  |
| Closing Defined Benefit Obligation  | 7.77    | 16.63 |
| <b>Change in fair value plan assets:</b>  |         |       |
| <b>Opening Fair Value of the plan assets</b>  |         |       |
| Expected return on plan assets  | -       | -     |
| Actual Enterprise's Contribution  | -       | -     |
| Actual Benefits Paid  | -       | -     |
| Actuarial Gain/(loss)   | -       | -     |
| Closing Fair value of the plan assets   | -       | -     |
| <b>Investment details of plan assets</b>  |         |       |
| Government of India Securities  | -       | -     |
| Corporate Bonds   | -       | -     |
| Special Deposit Scheme  | -       | -     |
| Insurer Managed Fund  | -       | -     |
| Others  | -       | -     |
| Total   | -       | -     |
| <b>Experience Adjustment</b>  |         |       |
| Defined Benefit Obligation  | 7.77    | 16.63 |
| Plan Assets   | -       | -     |
| (Surplus)/deficit   | 7.77    | 16.63 |
| Actuarial (Gains)/Losses on Obligations - Due to Experience                                     | (12.43) | 1.11  |
| Actuarial (Gains)/Losses on Plan Assets - Due to Experience                                     | -       | -     |
| Weighted average duration of Define benefit obligation  | 14.72   | 13.32 |
| <b>Maturity profile of defined benefit obligation</b>   |         |       |
| Within next 12 months   | 0.11    | 0.58  |
| Between 1 and 5 Years   | 0.92    | 2.64  |
| Between 5 and 10 Years  | 1.55    | 3.90  |
| <b>Current/Non Current Bifurcation</b>  |         |       |
| Current Liability-Provisions for Employee benefits  | 0.11    | 0.58  |
| Non- Current Liability-Provisions for employee benefits   | 7.66    | 16.05 |

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

There are no amounts included in the fair value of plan assets for:

- Company's own financial instrument
- Property occupied by or other assets used by the Company

**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.

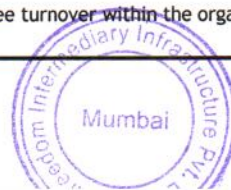
For valuation as at March 31, 2021 the estimated term of liabilities is 14.72 years, corresponding to which YTM on government bonds is 6.90%, after rounding to nearest 0.05%.

**Salary Escalation Rate:**

Salary escalation assumption is based on estimates of over all long-term salary growth rates after taking in to consideration expected earnings inflation as well as performance and seniority related increases.

**Withdrawal Rate:**

Assumptions regarding withdrawal rates is based on the estimated of expected long term employee turnover within the organization.



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**Mortality Rate**

It is based on Indian Assured Lives Mortality (2006-08) Ult. as issued by Institute of Actuaries of India for the actuarial valuation.

**Principal Actuarial Assumptions:**

|                        |   |   |
|------------------------|---|---|
| Discount rate          | 6.90%   | 6.60%   |
| Salary Escalation Rate | 5.00%   | 3.50%   |
| Attrition Rate         | For Service 4 yrs & below<br>20% p.a. & service 4 yrs<br>and above 2% p.a | For Service 4 yrs & below<br>20% p.a. & service 4 yrs<br>and above 2% p.a |
| Retirement Age         | 60 years  | 60 years  |

**Sensitivity Analysis**

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognized in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

|  |        |        |
|--|--------|--------|
| Defined Benefit Obligation (Base)          | 7.77   | 16.63  |
| <b>Discount Rate</b>                       |        |        |
| Increase by 50 bps                         | 7.12   | 15.66  |
| Impact of increase by 50 bps in Percentage | -8.14% | -5.82% |
| Decrease by 50 bps                         | 8.51   | 17.69  |
| Impact of decrease by 50 bps in Percentage | 9.47%  | 6.36%  |
| <b>Salary Growth Rate</b>                  |        |        |
| Increase by 50 bps                         | 8.48   | 17.20  |
| Impact of increase by 50 bps in Percentage | 9.09%  | 3.43%  |
| Decrease by 50 bps                         | 7.11   | 16.12  |
| Impact of decrease by 50 bps in Percentage | -8.59% | -3.08% |

**Plan Information And Characteristics**

|                    |   |
|--------------------|---|
| Eligibility        | All Employees   |
| Qualifying Salary  | Monthly Basic Salary  |
| Qualifying Service | Completed years of continuous service with part thereof in excess of six months |
| Form of Payment    | Lumpsum   |
| Retirement Benefit | 15/26*Last Drawn salary*Service   |
| Withdrawal Limit   | Same as Retirement Benefit  |
| Death Benefit      | Same as Retirement Benefit  |
| Vesting Period     | 5 years on Retirement & withdrawal  |
| Maximum Ceiling    | 20 Lacs   |

**Defined Contribution Plans**

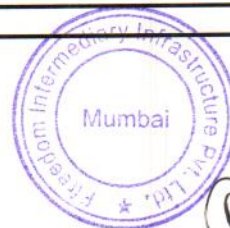
Amount recognized as an expense under the head Contribution to Provident and other Funds in note 20 Employee Benefit Expenses of Statement of Profit and Loss towards Group's Contribution to Provident Fund is Rs 13.83 Lakhs (FY 2019-20 Rs 15.54 Lakhs).

21 FINANCE COSTS

Interest to related parties

(Rs. In lakhs)

| For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|-----------------------------------|-----------------------------------|
| -                                 | 67.98                             |
| -                                 | 67.98                             |



P

|  |  | (Rs. In lakhs)                       |                                      |
|--|--|--------------------------------------|--------------------------------------|
| 22 OTHER EXPENSES                            |  | For the year<br>ended March 31, 2021 | For the year<br>ended March 31, 2020 |
| Rent   |  | 11.12                                | 14.60                                |
| Communication expenses                       |  | 6.75                                 | 7.74                                 |
| Electricity expenses                         |  | 2.05                                 | 9.77                                 |
| Networking expenses                          |  | 42.38                                | 69.37                                |
| Insurance premium                            |  | 4.29                                 | 4.28                                 |
| Legal & professional charges                 |  | 3.95                                 | 0.13                                 |
| Membership & subscriptions charges           |  | 3.29                                 | 6.21                                 |
| Business promotion and advertisement expense |  | 3.53                                 | 31.09                                |
| Data Processing Charges                      |  | 14.58                                | 35.54                                |
| Printing & stationery charges                |  | 0.02                                 | 0.90                                 |
| Repairs & maintenance - computer             |  | -                                    | 0.51                                 |
| Repairs & maintenance - others               |  | 1.90                                 | 5.48                                 |
| Training and Recruitment expenses            |  | 1.74                                 | -                                    |
| Conveyance expenses                          |  | 1.32                                 | 3.49                                 |
| Travelling expenses                          |  | 0.08                                 | 5.75                                 |
| Auditors remuneration                        |  |                                      |                                      |
| - Audit fees                                 |  | 3.15                                 | 3.00                                 |
| - Tax Audit fess                             |  | 0.30                                 | 0.40                                 |
| - Other Services                             |  | 0.75                                 | 1.00                                 |
| Computer expenses                            |  | 0.64                                 | 2.72                                 |
| Office Expenses                              |  | 0.85                                 | 7.00                                 |
| Miscellaneous & other expenses               |  | 5.93                                 | 6.08                                 |
|  |  | <b>108.62</b>                        | <b>215.07</b>                        |

|   |  | (Rs. In lakhs)                       |                                      |
|---|--|--------------------------------------|--------------------------------------|
| 23 INCOME TAX EXPENSE                             |  | For the year<br>ended March 31, 2021 | For the year<br>ended March 31, 2020 |
| Current Tax                                       |  |                                      |                                      |
| Current tax on profit for the year                |  | -                                    | -                                    |
| Adjustments for current tax of prior periods      |  | -                                    | -                                    |
| <b>Total Current tax expenses</b>                 |  | -                                    | -                                    |
| Deferred Tax                                      |  |                                      |                                      |
| Decrease / (Increase) in deferred tax assets      |  | (12.30)                              | (61.98)                              |
| (Decrease) / Increase in deferred tax liabilities |  | 21.37                                | 32.78                                |
| <b>Total deferred tax expenses / benefit</b>      |  | <b>9.08</b>                          | <b>(29.20)</b>                       |
| <b>Total Income Tax Expenses</b>                  |  | <b>9.08</b>                          | <b>(29.20)</b>                       |

|  |  | (Rs. In lakhs)                       |                                      |
|--|--|--------------------------------------|--------------------------------------|
| Particulars                                  |  | For the year<br>ended March 31, 2021 | For the year<br>ended March 31, 2020 |
| Applicable Tax Rate                          |  | 25.17                                | 25.17                                |
| Profit before tax                            |  | 35.99                                | (246.87)                             |
| Tax Expenses as per above rate               |  | 9.06                                 | (62.14)                              |
| Expenses Disallowed                          |  | 0.90                                 | -                                    |
| Items not offered for tax in earlier years   |  | -                                    | 5.85                                 |
| Deferred Tax Asset on c/f losses             |  | -                                    | -                                    |
| Net impact on adoption of new tax rate (net) |  | -                                    | 27.08                                |
| Others                                       |  | (0.88)                               | -                                    |
| <b>Total Tax Expenses Recognised</b>         |  | <b>9.08</b>                          | <b>(29.20)</b>                       |
| <b>Effective Tax Rate</b>                    |  | <b>25.23%</b>                        | <b>11.83%</b>                        |

The Government of India has inserted section 115BAA in the Income Tax Act, 1961 which provides domestic companies an option to pay corporate tax at reduced rate of 22% plus applicable surcharge and cess subject to certain conditions. The Company has adopted the option of reduced rate and accordingly income tax and deferred tax have been calculated.



**24 INDIAN ACCOUNTING STANDARD 108:- OPERATING SEGMENTS**

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The Company is engaged in providing IT Enabled Services. As such there is no other reportable segment.

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided, the information is future analysed based on the different classes of customers. The directors of the Company have chosen to organise the group around difference in the products and services. No operating segments have been aggregated in arriving at the reportable segments of the Group.

**25 Leases**

The Company has accounted for short term lease as per paragraph 6 of Ind AS 116. The Expense relating to short term lease debited in profit & loss account during the period is Rs. 10.88 Lakh (FY 2019-20 Rs. 14.40 Lakh).

**26 RELATED PARTY DISCLOSURE - Ind AS****(a) List of Related Parties****(i) Ultimate Holding Company**

Anand Rathi Wealth Limited (formerly known as Anand Rathi Wealth Services Limited) (till 12.02.2020)

**(ii) Holding Companies**

Anand Rathi Wealth Limited (formerly known as Anand Rathi Wealth Services Limited) (w.e.f. 13.02.2020)

A R Digital Wealth Private Limited (Formerly known as A R Wealth Management Private Limited) (till 12.02.2020)

**(iii) Fellow Subsidiary**

A R Digital Wealth Private Limited (Formerly known as A R Wealth Management Private Limited) (w.e.f. 13.02.2020)

Freedom Wealth Solutions Private Limited

**(iv) Key Managerial Persons**

Anand Nandkishore Rathi

Roop Kishore Bhootra

Bishnupada Sahu, Director, CEO

Rajesh Kumar Bhutara

Narendra Bansilal Jain

**(v) Entity of which the Holding Company is an Associate**

Anand Rathi Financial Services Limited

**(vi) Other Related Parties :**

Anand Rathi Share and Stock Brokers Limited

Anand Rathi Global Finance Limited

**(b) The following transactions were carried out with the related parties in the ordinary course of business:****(Rs. In lakhs)**

| Nature of Transaction/Relationship       |   |         |          |
|--|---|---------|----------|
|  |   | 2020-21 | 2019-20  |
| <b>(i) Loan Taken</b>                    |   |         |          |
| Anand Rathi Wealth Limited               | Ultimate Holding Company                            | -       | 769.60   |
| Freedom Wealth Solutions Private Limited | Fellow Subsidiary                                   | -       | 96.70    |
| <b>(ii) Loan Repaid</b>                  |   |         |          |
| Anand Rathi Wealth Limited               | Ultimate Holding Company                            | -       | 971.97   |
| Freedom Wealth Solutions Private Limited | Fellow Subsidiary                                   | -       | 358.45   |
| <b>(iii) Loan Given</b>                  |   |         |          |
| Anand Rathi Financial Services Limited   | Entity of which the Holding Company is an Associate | 742.95  | 160.00   |
| <b>(iv) Loan Given Repaid</b>            |   |         |          |
| Anand Rathi Financial Services Limited   | Entity of which the Holding Company is an Associate | 903.00  | -        |
| <b>(v) Equity Shares Issued</b>          |   |         |          |
| Anand Rathi Wealth Limited               | Ultimate Holding Company                            | -       | 1,000.00 |



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**FFREEDOM INTERMEDIARY INFRASTRUCTURE PRIVATE LIMITED**

CIN : U74999MH2013PTC245870

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED ON MARCH 31, 2021

|        |   |   |       |        |
|--------|---|---|-------|--------|
| (vi)   | Reimbursement of Expenses incurred by<br>Freedom Wealth Solutions Private Limited | Fellow Subsidiary                                   | 0.53  | 2.83   |
| (vii)  | Payment of Reimbursement of Expenses<br>Freedom Wealth Solutions Private Limited  | Fellow Subsidiary                                   | 0.53  | 2.83   |
| (viii) | Interest Expenses<br>Anand Rathi Wealth Limited                                   | Ultimate Holding Company                            | -     | 39.39  |
|        | Freedom Wealth Solutions Private Limited  | Fellow Subsidiary                                   | -     | 28.64  |
| (ix)   | Interest Income<br>Anand Rathi Financial Services Limited                         | Entity of which the Holding Company is an Associate | 42.48 | 0.05   |
| (x)    | Support Service Taken<br>A R Digital Wealth Private Limited                       | Fellow Subsidiary                                   | -     | 2.20   |
|        | Anand Rathi Share and Stock Brokers Limited                                       | Other Related Parties                               | 20.88 | 48.25  |
|        | Anand Rathi Global Finance Limited  | Other Related Parties                               | 1.50  | 0.92   |
| (xi)   | Support Service Given<br>A R Digital Wealth Private Limited                       | Fellow Subsidiary                                   | -     | 173.87 |
|        | Anand Rathi Share and Stock Brokers Limited                                       | Other Related Parties                               | -     | 0.29   |
| (xii)  | Remuneration paid to KMP<br>Short Term Employee Benefits - Bishnupada Sahu        | Key Managerial Person                               | 36.53 | 76.20  |

(Rs. In lakhs)

| (c) Outstanding Balances |   | As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|--------------------------|---|-------------------------|-------------------------|
| (i)                      | Loan Given<br>Anand Rathi Financial Services Limited          | -                       | 160.00                  |
| (ii)                     | Interest Receivable<br>Anand Rathi Financial Services Limited | -                       | 0.05                    |

(Rs. In lakhs)

| 27 Earning Per Share |  | As at<br>March 31, 2021 | As at<br>March 31, 2020 |
|----------------------|--|-------------------------|-------------------------|
|                      | Net Profit after tax                             | 26.91                   | (217.67)                |
|                      | Number of equity shares                          | 8,29,252                | 8,29,252                |
|                      | Face Value Per Share (in Rs)                     | 10                      | 10                      |
|                      | Weighted Average number of equity shares         | 8,29,252                | 5,99,467                |
|                      | Diluted Weighted Average number of equity shares | 8,29,252                | 5,99,467                |
|                      | Earnings Per Share (in Rs)                       |                         |                         |
|                      | - Basic  | 3.25                    | (36.31)                 |
|                      | - Diluted  | 3.25                    | (36.31)                 |

**28 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 continues as a 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 :

(Rs. In lakhs)

|                                       | March 31, 2021  | March 31, 2020  |
|---------------------------------------|-----------------|-----------------|
| Equity                                | 82.93           | 82.93           |
| Other Equity                          | 1,484.63        | 1,445.30        |
| <b>Total Equity (A)</b>               | <b>1,567.56</b> | <b>1,528.22</b> |
| Borrowings                            | -               | -               |
| <b>Net Debt (B)</b>                   | <b>-</b>        | <b>-</b>        |
| <b>Net Debt to Equity Ratio (B/A)</b> | <b>-</b>        | <b>-</b>        |



29 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.

| Particulars                      | Note No. | Carrying Amount | Fair value                                |   |   | (Rs. In lakhs) |
|----------------------------------|----------|-----------------|---|---|---|----------------|
|                                  |          |                 | Quoted prices in active markets (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) | Total          |
| <b>March 31, 2021</b>            |          |                 |   |   |   |                |
| <b>Financial assets</b>          |          |                 |   |   |   |                |
| <b>Amortised Cost</b>            |          |                 |   |   |   |                |
| (i) Trade receivables            | 8        | 14.73           | -   | -                                       | -   | -              |
| (ii) Cash and cash equivalents   | 9        | 579.37          | -   | -                                       | -   | -              |
| (iii) Loan                       | 10       | 3.30            | -   | -                                       | -   | -              |
|                                  |          | <b>597.40</b>   | <b>-</b>                                  | <b>-</b>                                | <b>-</b>                                  | <b>-</b>       |
| <b>Financial liabilities</b>     |          |                 |   |   |   |                |
| <b>Amortised Cost</b>            |          |                 |   |   |   |                |
| (i) Trade Payables               | 15       | 0.69            | -   | -                                       | -   | -              |
| (ii) Other Financial Liabilities | 16       | 15.33           | -   | -                                       | -   | -              |
|                                  |          | <b>16.02</b>    | <b>-</b>                                  | <b>-</b>                                | <b>-</b>                                  | <b>-</b>       |

| Particulars                      | Note No. | Carrying Amount | Fair value                                |   |   | (Rs. In lakhs) |
|----------------------------------|----------|-----------------|---|---|---|----------------|
|                                  |          |                 | Quoted prices in active markets (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) | Total          |
| <b>March 31 2020</b>             |          |                 |   |   |   |                |
| <b>Financial assets</b>          |          |                 |   |   |   |                |
| <b>Amortised Cost</b>            |          |                 |   |   |   |                |
| (i) Trade receivables            | 8        | 3.10            | -   | -                                       | -   | -              |
| (ii) Cash and cash equivalents   | 9        | 209.74          | -   | -                                       | -   | -              |
| (iii) Loan                       | 10       | 163.10          | -   | -                                       | -   | -              |
|                                  |          | <b>375.94</b>   | <b>-</b>                                  | <b>-</b>                                | <b>-</b>                                  | <b>-</b>       |
| <b>Financial liabilities</b>     |          |                 |   |   |   |                |
| <b>Amortised Cost</b>            |          |                 |   |   |   |                |
| (i) Trade Payables               | 15       | 3.97            | -   | -                                       | -   | -              |
| (ii) Other Financial Liabilities | 16       | 5.69            | -   | -                                       | -   | -              |
|                                  |          | <b>9.66</b>     | <b>-</b>                                  | <b>-</b>                                | <b>-</b>                                  | <b>-</b>       |

- (i) The fair value of the financial assets and liabilities are included at the amount at which the instrument can be exchanged in the current transaction between willing parties, other than in a forced or liquidation sale.
- (ii) Financial instruments carried at amortised cost such as cash deposits, trade and other receivables, trade payables, borrowings and other current financial instruments approximate at their fair values largely due to short term maturities of these instruments.



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30 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 analyse 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 financial liabilities

| Particulars                 | Contractual cash flows (INR lacs) |       |           |                    |             | (Rs. In lakhs) |   |
|-----------------------------|-----------------------------------|-------|-----------|--------------------|-------------|----------------|---|
|                             | Carrying amount                   | Total | On Demand | Less than 3 months | 3-12 months | 1-5 years      |   |
| 31 March, 2021              |                                   |       |           |                    |             |                |   |
| Trade Payables              | 0.69                              | 0.69  | -         | 0.69               | -           | -              | - |
| Other Financial Liabilities | 15.33                             | 15.33 | -         | 15.33              | -           | -              | - |

| Particulars                 | Contractual cash flows (INR lacs) |       |           |                    |             | (Rs. In lakhs) |   |
|-----------------------------|-----------------------------------|-------|-----------|--------------------|-------------|----------------|---|
|                             | Carrying amount                   | Total | On Demand | Less than 3 months | 3-12 months | 1-5 years      |   |
| 31 March, 2020              |                                   |       |           |                    |             |                |   |
| Trade Payables              | 3.97                              | 3.97  | -         | 3.97               | -           | -              | - |
| Other Financial Liabilities | 5.69                              | 5.69  | -         | 5.69               | -           | -              | - |

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, security deposits, capital advances 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.

Since the company receives payment in advance there is no expected credit loss as per past trend and hence no ageing in terms of percentage loss shall be available.

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

|                                  | (Rs. In lakhs) |                |
|----------------------------------|----------------|----------------|
|                                  | March 31, 2021 | March 31, 2020 |
| Loans                            | 3.30           | 163.10         |
| Trade Receivables                | 14.73          | 3.10           |
| Bank Balances in Current Account | 19.37          | 209.74         |
| Fixed Deposit                    | 560.00         |                |

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 group's Board of Directors reviews and approves all equity investment decisions. Reports on the equity portfolio are submitted to the group's senior management on a regular basis.

At the reporting date, there is no exposure to equity securities of other entities.

Currency Risk

The Company's primary business activities are within India and does not have significant exposure in foreign currency.



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**31 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 2021 and March 31, 2020 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 latest payable in accordance with the provision of the act. The Company has not received any claim for interest from any supplier as at the balance sheet date.

| Particulars  | March 31, 2021 | March 31, 2020 |
|--|----------------|----------------|
| 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 | -              | -              |
|  | -              | -              |

The COVID-19 pandemic is an evolving human tragedy declared a global pandemic by the World Health Organisation with adverse impact on economy and business globally. The Company has considered the possible effects COVID-19 may have on the recoverability of Trade Receivables and impact on revenue. Based on current indicators there is no impact of COVID-19 on the company as we have seen no significant change in revenue during the FY 2020-21 in comparison with revenue of FY 2019-20 inspite of lockdown condition.

**33 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.

**34** In the opinion of the Management, the value of all Current Assets, Loans and Advances and other receivables is not less than their realisable value in the ordinary course of business.

**35** The Company does not have any pending litigation which would impact its financial position.

**36** The Company does not have any capital commitments as on the balance sheet date.


**37** The Company, as a process, reviews and ensures to make adequate provisions for material foreseeable loss, if any, on all long-term contracts. As on the reporting date there is no material foreseeable loss on any long-term contract.

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

As per our attached report of even date

For and on Behalf of Board of Directors

For Bathiya & Associates LLP  
 Chartered Accountants  
 FRN 101046W/W100063

  
 Vinod K. Shah  
 Partner  
 Membership no: 032348  
 Mumbai  
 Date: 06th May, 2021





Roop Bhootra  
 Director  
 DIN:00033180  
 Mumbai



Rajesh Bhutara  
 Director  
 DIN:01315143  
 Mumbai