JMR & ASSOCIATES LLP
CHARTERED ACCOUNTANTS

Boman House, Office No. 4, 1st Floor, 2nd Homji Street, P. M. Road, Fort, Mumbai - 400 001
Tel:912266102224/25/26•Fax:912266102226•Email:info@jmrassociates.com•Website:www.jmrassociates.com

**INDEPENDENT AUDITOR'S REPORT**

To

The Members of **A. K. STOCKMART PRIVATE LIMITED**

**Report on the Financial Statements**

## Opinion:

We have audited the accompanying financial statements of **A. K. Stockmart Private Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion:**

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder is Information, 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 during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Emphasis of Matter:**

*We draw attention to Note 37 to the Financial Statement, in which the Company describes the continuing uncertainties arising from the COVID 19 pandemic.*

*Our opinion is not modified in respect of above matter.*

**Management's Responsibility for Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act,2013 ("the Act") with respect to the preparation and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibility**

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 skepticism 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

**Report on Other Legal and Regulatory Requirements**

1. 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 purpose of our audit.

b) In our opinion, the Company has kept proper books of account as required by law so far as appears from our examination of those books.

c) the Balance Sheet, the Statement of Profit and Loss (including other comprehensive income),the Statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified u/s. 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014;

e) On the basis of written representations received from the directors as on 31 March 2021, taken on record by the Board of Directors, none of the director is disqualified as on 31 March 2021, from being appointed as a director in terms of Section 164(2) of the Act.;

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to our best of our information and according to the explanations given to us :

   i) The Company does not have any pending litigations that would affect its financial position.

   ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

   iii) There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by Companies (Auditor's report) Order 2016 (hereinafter referred to as '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 B", a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

For **JMR & Associates LLP**
*Chartered Accountants*
Firm Reg. No.: 106912W / W100300

Nikesh Moolchand Jain

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Date: 2021.05.24 22:50:38 +05'30'

**CA Nikesh Jain**
Partner
Membership No.: 114003
UDIN: 21114003AAAADM1761

Place: Mumbai
Date: 24th May 2021

## ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of A.K. Stockmart Private Limited of even date)

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

We have audited the internal financial controls over financial reporting of **A.K. Stockmart Private Limited** ("the Company") as of 31 March 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. In addition, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

*For* **JMR & Associates LLP**
Chartered Accountants
Firm Reg. No.: 106912W / W100300

Nikesh Moolchand Jain

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Date: 2021.05.24 22:51:13 +05'30'

**CA Nikesh Jain**
*Partner*
Membership number: 114003
UDIN: 21114003AAAADM1761
Place: Mumbai
Date: 24th May 2021

## ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.)

1. In respect of its property, plant and equipment:

   a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

   b) The Company has regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner on yearly basis. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

   c) According to information & explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any immoveable property in its Property, Plant and Equipment Schedule (PPE), for which title deeds are to be verified.

2. In respect of its Inventories i.e. stock held as securities i.e. Equity and Debt instruments:

   a) The inventories of shares and securities have been held in the dematerialized form. The shares and securities held in the dematerialized form have been verified with the demat account statements at reasonable intervals, during the year.

   b) The stock of shares and securities is held in dematerialized form, thus, physical verification is not applicable and no discrepancies were noticed on such verification.

3. According to the information and explanation given to us, the Company has, during the year, not granted any loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, Clause (iii) of paragraph 3 of the Order is not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, the Company has complied with Section 185 & 186 with respect to loan given, investments made, guarantee and securities provided.

5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, Clause (v) of paragraph 3 of the Order is not applicable to the Company.

6. In our opinion and according to information and explanation given to us, maintenance of cost records under section (1) of Section 148 of the Companies Act, 2013 is not applicable of the Company, as required under Rule 3 of the Companies (Cost Records and Audit) Amendment Rules, 2014.

7. In respect of statutory dues:

   a) According to the information and the explanations given to us, the Company has been generally regular in depositing undisputed statutory dues including provident fund, income tax, service tax, GST, cess and other

statutory dues applicable to it, with the appropriate authorities. There were no arrears in this respect as at 31March 2021 for a period of more than six months from the date they became payable. As informed, statutory dues in the nature of employee state insurance, custom duty and excise duty are not applicable to the Company.

b) According to information and explanations given to us, there is no dues on account of income tax, service tax, GST and other statutory dues which have not been deposited with the appropriate authorities on account of any dispute.

8. In our opinion and according to the information and explanation given to us, the Company has not defaulted in the repayment of dues to banks.

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been notice or reported during the course of our audit.

11. According to the information and explanations given by the management, the managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

13. The transactions done with the related parties comply with Section 188 and Section 177 of the Act and where applicable the details have been disclosed in the Ind AS Financial Statements as required by the Indian accounting standards and the Act.

14. The Company has not made any preferential allotment/private placement of shares or convertible debentures during the year.

15. The Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **JMR & Associates LLP**
Chartered Accountants
Firm Reg. No.: 106912W / W100300

Nikesh Moolchand Jain

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Date: 2021.05.24 22:51:44 +05'30'

**CA Nikesh Jain**
Partner
Membership No.: 114003
UDIN: 21114003AAAADM1761
Place: Mumbai
Date: 24th May 2021

# *A. K. Stockmart Private Limited*

CIN: U67120MH2006PTC158932

## Balance Sheet as at 31 March 2021

**Rs. In Lacs**

| Particulars | Notes | As at 31-March-2021 | As at 31-March-2020 |
|---|---|---|---|
| **ASSETS** | | | |
| **(1) Financial assets** | | | |
| (a) Cash and cash equivalents | **2 (a)** | 139.71 | 292.64 |
| (b) Bank Balance other than (a) above | **2 (b)** | 75.00 | 65.00 |
| (c) Receivables | **3** | 63.43 | 131.01 |
| (d) Investments | **4** | 16.49 | 168.68 |
| (e) Stock of Securities | **5** | 5,938.30 | 1,474.00 |
| (f) Other financial assets | **6** | 1,775.40 | 687.39 |
| **Total financial assets** | | **8,008.33** | **2,818.72** |
| **(2) Non-financial assets** | | | |
| (a) Current tax assets (net) | | - | 73.41 |
| (b) Deferred tax assets (net) | **7** | 70.36 | 19.30 |
| (c) Property, plant and equipment | **9** | 62.65 | 82.97 |
| (d) Intangible assets | **10** | 0.69 | 3.19 |
| (e) Right to Use | **11** | 57.60 | 132.80 |
| (f) Other non financial assets | **8** | 14.11 | 52.94 |
| **Total non-financial assets** | | **205.41** | **364.61** |
| **TOTAL ASSETS** | | **8,213.74** | **3,183.33** |
| **LIABILITIES AND EQUITY** | | | |
| **LIABILITIES** | | | |
| **(1) Financial liabilities** | | | |
| (a) Trade Payables | **12** | | |
| (i) Total outstanding dues of micro enterprises and small enterprises | | - | - |
| (ii) Total outstanding dues of creditors other than micro and small enterprises | | 1,549.70 | 429.49 |
| (b) Borrowings | **13** | 3,542.31 | - |
| (c) Lease Liability | **14** | 56.91 | 132.84 |
| (d) Other financial liabilities | **15** | 206.89 | 100.10 |
| **Total financial liabilities** | | **5,355.81** | **662.43** |
| **(2) Non-financial liabilities** | | | |
| (a) Current tax liabilities (net) | | 45.40 | - |
| (b) Provisions | **16** | 73.53 | 64.87 |
| (c) Other non-financial liabilities | **17** | 70.50 | 43.59 |
| **Total non-financial liabilities** | | **189.43** | **108.46** |
| **TOTAL LIABILITIES** | | **5,545.24** | **770.89** |
| **EQUITY** | | | |
| (a) Equity share capital | **18 (a)** | 1,200.00 | 1,200.00 |
| (b) Other equity | **18 (b)** | 1,468.50 | 1,212.44 |
| **TOTAL EQUITY** | | **2,668.50** | **2,412.44** |
| **TOTAL LIABILITIES AND EQUITY** | | **8,213.74** | **3,183.33** |

**Significant accounting policies** **1**

The accompanying notes are an integral part of financial statements

As per our report of even date attached

**For JMR & Associates LLP**
Chartered Accountants
Firm Reg. No.: 106912W / W100300

Nikesh Moolchand Jain
Digitally signed by Nikesh Moolchand Jain
Date: 2021.05.24 22:52:14 +05'30'

**CA Nikesh Jain**
Partner
M No. 114003

Place: Mumbai
Dated : May 24, 2021

**For and on behalf of the Board of Directors**

ADITI MITTAL
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DN: c=IN, o=Personal, pseudonym=c3ba8d1421 5bf6e9f23454 29ec5f9b1d782900a0b9fcd1e59a23777 9046d9316, postalCode=400005, st=MAHARASHTRA, serialNumber=1bd4f071dcacf0a9d3bd a89ab3fa626a08e7da836286d87b409e 12c37e68069, cn=ADITI MITTAL
Date: 2021.05.24 21:38:52 +05'30'

**Aditi Mittal**
Managing Director
DIN:00698397

PRASHANT ROONGTA
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DN: cn=PRASHANT ROONGTA, o, ou, email=prashant.roongta@akgroup.co.in, c=IN
Date: 2021.05.24 21:44:54 +05'30'

**Prashant Roongta**
Whole Time Director
DIN:08457264

RANJIT KUMAR DUTTA
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Date: 2021.05.24 22:12:21 +05'30'

**Ranjit Dutta**
Chief Financial Officer

RAM PANNALAL SUTHAR
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Date: 2021.05.24 21:44:16 +05'30'

**Ram Suthar**
Company Secretary
M.No.: ACS-A45260

Place: Mumbai
Dated : May 24, 2021

# A. K. Stockmart Private Limited

CIN: U67120MH2006PTC158932

## Statement of profit and loss for the year ended 31 March 2021

**Rs. In Lacs**

| Particulars | Notes | For the year ended 31-March-2021 | For the year ended 31-March-2020 |
|---|---|---|---|
| **Revenue from operations** | | | |
| Brokerage & Fees Income | **19** | 2,783.39 | 5,727.39 |
| Interest Income | **20** | 124.07 | 267.76 |
| Net gain on fair value changes | **21** | 110.18 | 220.04 |
| **Total Revenue from operations** | | **3,017.64** | **6,215.19** |
| Other income | **22** | 11.42 | 0.76 |
| **Total income** | | **3,029.06** | **6,215.95** |
| **Expenses** | | | |
| Finance Costs | **23** | 45.04 | 133.71 |
| Employee Benefit Expense | **24** | 1,204.47 | 973.22 |
| Depreciation, amortization and impairment | **9,10,11** | 99.72 | 105.26 |
| Other expenses | **25** | 1,342.47 | 4,815.40 |
| **Total Expenses** | | **2,691.70** | **6,027.59** |
| **Profit/(loss) before exceptional items and tax** | | **337.36** | **188.36** |
| **Profit / (loss) before tax** | | **337.36** | **188.36** |
| **Tax expense:** | | | |
| Current tax | | 134.70 | 54.70 |
| Earlier year tax adjustments | | (0.04) | (1.73) |
| Deferred tax expense/ (credit) | | (50.91) | (3.05) |
| **Profit/ (loss) for the year after tax [A]** | | **253.61** | **138.44** |
| **Other comprehensive income, net of tax** | | | |
| Item that will not to be reclassified to the statement of profit and loss | | 2.30 | (20.21) |
| Less: Income tax expense on above | | 0.15 | 2.41 |
| **Other comprehensive income for the year [B]** | | **2.45** | **(17.80)** |
| **Total comprehensive income for the year [A+B]** | | **256.06** | **120.64** |
| **Earnings per equity share (Rs.)** | | | |
| Basic and diluted earnings per share | **35** | **2.11** | **1.15** |

**Significant accounting policies** **1**

The accompanying notes are an integral part of financial statements

As per our report of even date attached

**For JMR & Associates LLP**
Chartered Accountants
Firm Reg. No.: 106912W / W100300

Nikesh Moolchand Jain
Digitally signed by Nikesh Moolchand Jain
Date: 2021.05.24 22:52:43 +05'30'

**CA Nikesh Jain**
Partner
M No. 114003

Place: Mumbai
Dated : May 24, 2021

**For and on behalf of the Board of Directors**

ADITI MITTAL
Digitally signed by ADITI MITTAL
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Date: 2021.05.24 21:40:15 +05'30'

PRASHANT ROONGTA
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Date: 2021.05.24 21:45:21 +05'30'

**Aditi Mittal**
Managing Director
DIN:00698397

**Prashant Roongta**
Whole Time Director
DIN:08457264

RANJIT KUMAR DUTTA
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Date: 2021.05.24 22:13:03 +05'30'

RAM PANNALAL SUTHAR
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Date: 2021.05.24 21:43:47 +05'30'

**Ranjit Dutta**
Chief Financial Officer

**Ram Suthar**
Company Secretary
M.No.: ACS-A45260

Place: Mumbai
Dated : May 24, 2021

# A. K. Stockmart Private Limited

CIN: U67120MH2006PTC158932

## Statement of Cash Flow for the year ended 31 March 2021

**Rs. In Lacs**

| Particulars | For the year ended 31-March-2021 | For the year ended 31-March-2020 |
|---|---|---|
| **A. CASH FLOW FROM OPERATING ACTIVITIES** | | |
| **Net profit before tax** | 337.36 | 188.36 |
| **Adjustments for** | | |
| Depreciation | 99.72 | 105.26 |
| Interest income | (24.15) | (28.81) |
| (Gain)/Loss on Lease Modification | (5.89) | - |
| Interest expenses | 45.04 | 133.71 |
| Net (Gain)/loss on fair value changes on stock of securities - Unrealised | 183.66 | - |
| Net (Gain)/loss on fair value changes on investment | (13.25) | (25.77) |
| **Operating profit before working capital adjustments** | **622.49** | **372.75** |
| **Adjustments for** | | |
| (Increasae)/decrease in Trade receivables | 67.58 | 169.16 |
| (Increasae)/decrease in Other Financial Assets | (1,090.87) | (309.30) |
| (Increasae)/decrease in Other Non Financial Assets | 32.66 | 54.08 |
| (Purchase) / sale of inventory | (4,647.96) | 2,770.46 |
| Increasae/(decrease) in Trade payable | 1,120.21 | (101.66) |
| Increasae/(decrease) in Provisions | 8.07 | 3.82 |
| Increasae/(decrease) in Other Financial Liabilities | 105.42 | 46.74 |
| Increasae/(decrease) in Other Non Financial Liabilities | 26.91 | (41.81) |
| **Cash generated from operations** | **(3,755.49)** | **2,964.24** |
| Direct taxes paid | (19.62) | (56.72) |
| **Net cash generated from/(used in) operating activities (A)** | **(3,775.11)** | **2,907.52** |
| **B. CASH FLOW FROM INVESTING ACTIVITIES** | | |
| Payment for acquisition of Property, plant and equipments | (7.79) | (5.33) |
| Proceeds from sale of investments (net) | 168.33 | (129.31) |
| Interest income | 17.01 | 27.91 |
| **Net cash generated from/(used in) investing activities (B)** | **177.55** | **(106.73)** |
| **C. CASH FLOW FROM FINANCING ACTIVITIES** | | |
| Interest paid | (39.89) | (133.71) |
| Proceeds from / (repayment) of short-term borrowings (net) | 3,548.47 | (2,499.57) |
| Repayment of lease liabilities | (63.95) | (63.36) |
| **Net cash generated from/(used in) financing activities (C)** | **3,444.63** | **(2,696.64)** |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | (152.93) | 104.15 |
| Cash and cash equivalents at the beginning of the year | 292.64 | 188.49 |
| Cash and cash equivalents at the end of the year | **139.71** | **292.64** |
| **Cash and cash equivalents at the end of the year comprise of:** | | |
| Cash on hand | 0.02 | 0.22 |
| Balances with banks in current accounts | 139.69 | 292.42 |
| | **139.71** | **292.64** |

Notes:-

1. Cash and cash equivalent is as per balance sheet except for fixed deposits not considered as cash and cash equivalent as the maturity date is beyond three months.
2. The above cash flow statement has been prepared under 'Indirect Method' as set out in the Indian Accounting Standard (AS)-7 on 'Statement of Cash Flow' notified by Companies (Indian Accounting Standards) Rules, 2006.

As per our report of even date attached

**For JMR & Associates LLP**
Chartered Accountants
Firm Reg. No.: 106912W / W100300

Nikesh Moolchand Jain
Digitally signed by Nikesh Moolchand Jain
Date: 2021.05.24 22:53:17 +05'30'

**CA Nikesh Jain**
Partner
M No. 114003

Place: Mumbai
Dated : May 24, 2021

**For and on behalf of the Board of Directors**

ADITI MITTAL
Digitally signed by ADITI MITTAL
DN: c=IN, o=Personal, pseudonym=c3ba8d1421 5bf6e9f2345429e e5f9b1d782900e0b9fcd1e59a237779046d 9316, postalCode=400005, st=MAHARASHTRA, serialNumber=10a84f071dcacf0a9d3bda89 eb3fa626a08b7da836286d87b409e12c37e 68069, cn=ADITI MITTAL
Date: 2021.05.24 21:40:42 +05'30'

**Aditi Mittal**
Managing Director
DIN:00698397

PRASHANT ROONGTA
Digitally signed by PRASHANT ROONGTA
DN: cn=PRASHANT ROONGTA, o, ou, email=prashant.roongta@akgroup.co.in, c=IN
Date: 2021.05.24 21:45:48 +05'30'

**Prashant Roongta**
Whole Time Director
DIN:08457264

RANJIT KUMAR DUTTA
Digitally signed by RANJIT KUMAR DUTTA
Date: 2021.05.24 22:13:46 +05'30'

**Ranjit Dutta**
Chief Financial Officer

RAM PANNALAL SUTHAR
Digitally signed by RAM PANNALAL SUTHAR
DN: c=IN, o=Personal, pseudonym=450162f1c6796cec5240aec1a5f8c2e28e32e027a1dfbee 0b9349da38db87333b, postalCode=401105, st=MAHARASHTRA, serialNumber=d46e4f31097ad3bf646604f0bb6eeb4225e68af2160867 1d078055a25d0f90:1b3, cn=RAM PANNALAL SUTHAR
Date: 2021.05.24 21:43:19 +05'30'

**Ram Suthar**
Company Secretary
M.No.: ACS-A45260

Place: Mumbai
Dated : May 24, 2021

# A. K. Stockmart Private Limited

CIN: U67120MH2006PTC158932

## Statement of Changes in Equity for the year ended 31 March 2021

**Equity share capital**

Rs. In Lacs

| Particulars | Number of shares | Amount |
|---|---|---|
| **At 31 March 2019** | **12,000,000** | **1,200.00** |
| Issue of share capital | - | - |
| **At 31 March 2020** | **12,000,000** | **1,200.00** |
| | | |
| **At 31 March 2020** | **12,000,000** | **1,200.00** |
| Issue of share capital | - | - |
| **At 31 March 2021** | **12,000,000** | **1,200.00** |

**Other equity**

Rs. In Lacs

| Particulars | Reserves and surplus | Items of other comprehensive income | | Total |
|---|---|---|---|---|
| | Retained earnings | Actuarial gain/ (loss) on defined benefits obligations | Remeasurement of equity Instruments | |
| **Balance at 31 March 2019** | **1,194.79** | **(17.15)** | **(85.84)** | **1,091.80** |
| Profit for the year | 138.44 | - | - | **138.44** |
| Other comprehensive income for the year | - | (3.26) | (14.54) | **(17.80)** |
| **Balance at 31 March 2020** | **1,333.23** | **(20.41)** | **(100.38)** | **1,212.44** |
| | | | | |
| **Balance at 31 March 2020** | **1,333.23** | **(20.41)** | **(100.38)** | **1,212.44** |
| Profit for the year | 253.61 | - | - | **253.61** |
| Other comprehensive income for the year | - | (0.44) | 2.89 | **2.45** |
| **Balance at 31 March 2021** | **1,586.84** | **(20.85)** | **(97.49)** | **1,468.50** |

The accompanying notes are an integral part of financial statements

As per our report of even date attached

**For JMR & Associates LLP**
Chartered Accountants
Firm Reg. No.: 106912W / W100300

Nikesh Moolchand Jain
Digitally signed by Nikesh Moolchand Jain
Date: 2021.05.24 22:53:51 +05'30'

**CA Nikesh Jain**
Partner
M No. 114003

Place: Mumbai
Dated : May 24, 2021

**For and on behalf of the Board of Directors**

ADITI MITTAL
Digitally signed by ADITI MITTAL
DN: c=IN, o=Personal, pseudonym=c3ba8d142151bf8e92345429ee5f9b1d782900e0b96cd1e59a2377904fe0f316, postalCode=400005, st=MAHARASHTRA, serialNumber=10ad4f071dcaf0a0d1fbda69ab5fa02da08e7dd0b2d8fdb7b409a12c37e6d069, cn=ADITI MITTAL
Date: 2021.05.24 21:41:00 +05'30'

PRASHANT ROONGTA
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DN: cn=PRASHANT ROONGTA, o, ou, email=prashant.roongta@akgroup.co.in, c=IN
Date: 2021.05.24 21:46:17 +05'30'

**Aditi Mittal**
Managing Director
DIN:00698397

**Prashant Roongta**
Whole Time Director
DIN:08457264

RANJIT KUMAR DUTTA
Digitally signed by RANJIT KUMAR DUTTA
Date: 2021.05.24 22:14:31 +05'30'

RAM PANNALAL SUTHAR
Digitally signed by RAM PANNALAL SUTHAR
DN: c=IN, o=Personal, pseudonym=4501d2f1c6796cac5240aec1a59b2e28e32e027a1df0ea0030349a39b867333b, postalCode=401105, st=MAHARASHTRA, serialNumber=d46a4f31097af5bf6466c49bb6eeb4225a68af21698671d078055a2565f961b3, cn=RAM PANNALAL SUTHAR
Date: 2021.05.24 21:42:50 +05'30'

**Ranjit Dutta**
Chief Financial Officer

**Ram Suthar**
Company Secretary
M.No.: ACS-A45260

Place: Mumbai
Dated : May 24, 2021

# A. K. Stockmart Private Limited

CIN: U67120MH2006PTC158932

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

**1. Significant accounting policies:**

**a. Basis of preparation of financial statements:**

These standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, and on the basis of accounting principle of a going concern in accordance with generally accepted accounting principles (GAAP). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The Financial Statements are presented in Lakhs or decimal thereof unless otherwise specified.

The financial statements have been presented in accordance with Schedule III-Division III General Instructions for Preparation of financial statements of a Non-Banking Financial Company (NBFC) that is required to comply with Ind AS.

**b. Functional and presentation currency**

Items included in the financial statements of Company are measured using the currency of the primary economic environment in which the Company operates (“the functional currency”). Indian rupee is the functional currency of the Company. All amounts are rounded to two decimal places to the nearest lacs, unless otherwise stated.

**c. Use of estimates**

The preparation of financial statements in conformity of Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of financial statements, income and expenses during the year. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Application of accounting policies that require critical accounting estimates and assumption having the most significant effect on the amounts recognised in the financial statements are:

- Valuation of financial instruments
- Measurement of defined employee benefit obligation
- Useful life of property, plant and equipment
- Provisions

**d. Fair value measurement and hierarchy:**

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

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

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

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

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

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2-Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**e. Revenue recognition:**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Ind AS 115 "Revenue from contracts with Customers" provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition.
A) Identify the contract(s) with a customer;
B) Identify the performance obligations;
C) Determine the transaction price;
D) Allocate the transaction price to the performance obligations;
E) Recognise revenue when or as an entity satisfies performance obligation.

1. **Brokerage and Fees Income**
   Revenue from brokerage and fees based activities are recognized when the services are rendered. Fees earned from contract with customer is recognised as and when performance obligation is satisfied.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

**2. Interest Income**

Under Ind AS 109, Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at fair value through Profit and loss (FVTPL).

The EIR in case of a financial asset is computed
a. As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.
b. By considering all the contractual terms of the financial instruments in estimating the cash flows
c. Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premium or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

**3. Net gain on Fair value changes**

Any differences between the fair values of financial assets classified as fair value through the profit or loss held by Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at Fair value through Other Comprehensive Income ("FVTOCI") is recognised in net gain\loss on fair value changes.
However, net gain / loss on derecognition of financial instruments classified as amortised is presented separately under the respective head in the Statement of Profit and Loss.

**f. Tax expenses:**

The tax expense for the period comprises of current tax and deferred tax. Tax is recognised in the Statement of Profit and Loss except to the extent it relates to items recognised in the other comprehensive income or equity. In which case, the tax is also recognised in other comprehensive income or equity.

**Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.
Current income taxes are recognized in profit or loss except to the extent that the tax relates to items recognized outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates position taken in the tax returns with respect to situations in which applicable tax regulations are subjected to interpretation and establishes provisions, where appropriate.

**Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.
Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

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

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exist to set-off current tax assets and current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**g. Property Plant and Equipment:**

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

**Subsequent Cost**

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

**Depreciation**

Depreciation is calculated as per the estimated useful life of assets prescribed by the Schedule II to the Companies Act 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**Derecognition of assets**

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the income statement when the asset is derecognised.

**h. Intangible assets**

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

**Subsequent expenditure**

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, are recognized in profit or loss as incurred.

**Derecognition of assets**

An item of intangible asset and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the income statement when the asset is derecognized.

Intangible assets comprising of Software are amortised on a straight line basis over its estimated useful life or maximum 5 years, whichever is shorter.

**i. Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

**j. Provisions, contingent liabilities and contingent assets**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The contingent liability is not recognized in books of account but its existence is disclosed in financial statements.

A contingent assets, where an inflow of economic benefits is probable, an entity shall disclose a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect, measured using the principles set out for provisions in Ind AS 37.

**k. Impairment of assets**

**a) Financial assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. The Company applies a simplified approach in calculating Expected Credit Losses (ECLs) on trade receivables. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For all other financial assets, expected credit losses are measured at an amount equal to the 12 months ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of profit or loss.

**b) Non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset. unless the asset does not generate cash inflows that are largely independent of those from other assets.

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

**I. Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial assets**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at
**Amortised cost**: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortization of EIR and loss arising from impairment, if any is recognized in the Statement of Profit and Loss.

**Fair value through profit and loss (FVTPL)**: A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, except interest income and dividend income if any, recognized as 'Net gain on fair value changes ' in the Statement of Profit and Loss.

**Fair value through other comprehensive income (FVTOCI)**: Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to the Statement of Profit and Loss.

Financial assets are not reclassified subsequent to their recognition, except if and in the period, the Company changes its business model for managing financial assets.

**Trade Receivables and Loans**:
Trade receivables are initially recognized at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

**Debt Instruments:**
Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVTOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

**(a) Measured at amortised cost**: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.\

**(b) Measured at fair value through other comprehensive income**: Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting

contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(c) **Measured at fair value through profit or loss**: A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, except interest income and dividend income if any, recognized as 'Net gain on fair value changes ' in the Statement of Profit and Loss. Interest income /dividend income on financial assets measured at FVTPL is recognised separately from "net gain on fair value changes in the statement of profit and loss".

**Equity Instruments**:
All investments in equity instruments other than investments in subsidiary companies classified under financial assets are initially measured at fair value , the Company may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVTOCI. Fair value changes excluding dividends, on an equity instrument measured at FVTOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised in the Statement of Profit and Loss.

**Derecognition**
The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

**Financial Liabilities:**
**Initial recognition and measurement**
Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and in the case of borrowings trade payables and other financial liabilities, net of directly attributable transaction costs. The Company's financial liabilities include borrowings, trade payables, deposits and other financial liabilities.

**Subsequent measurement**
Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

(a) **Borrowings**: Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the EIR method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

(b) **Trade and Other Payables:**
These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**(c) Deposits:**

They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**Derecognition**

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**m. Investments in equity instruments**

Investments in equity instruments are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

**n. Segment Reporting**:

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments.

**Segment Policies**:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

**Segment information:**

Company’s whole business is being considered as one segment.

**o. Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

**p. Retirement benefits**

**i) Defined contribution plans (Provident fund)**

In accordance with Indian Law, eligible employees receive benefits from Provident Fund and Labour welfare fund which is defined contribution plan. In case of Provident fund, both the employee and employer make monthly contributions to the plan, which is administrated by the Government authorities, each equal to the specific percentage of employee's basic salary. The Company has no further obligation under the plan beyond its monthly contributions. Obligation for contributions to the plan is recognised as an employee benefit expense in the Statement of Profit and Loss when incurred.

**ii) Defined benefit plans (Gratuity)**

In accordance with applicable Indian Law, the Company provides for gratuity, a defined benefit retirement plan (the Gratuity Plan) covering eligible employees. The Gratuity Plan provides a lumpsum payment to vested employees, at retirement or termination of employment, and amount based on respective last drawn salary and the years of employment with the Company. The Company's net obligation in respect of the

Gratuity Plan is calculated by estimating the amount of future benefits that the employees have earned in return of their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service cost and the fair value of plan assets are deducted. The discount rate is yield at reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligation. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognised asset is limited to the total of any unrecognised past service cost and the present value of the economic benefits available in the form of any future refunds from the plan or reduction in future contribution to the plan.

The Company recognises all re-measurements of net defined benefit liability/asset directly in other comprehensive income and presented within equity.

**iii) Short term benefits**

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as a related service provided. A liability is recognised for the amount expected to be paid under short term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**iv) Compensated absences**

The employees of the Company are entitled to leave as per the leave policy of the Company. The liability in respect of unutilized leave balances is provided at the end of year and charged to the Statement of Profit and Loss.

**q. Lease**

**As a lessee**:

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgment in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

**As a lessor:**

Leases under which the company does not transfer substantially all the risks and rewards of ownership are classified as operating leases. Rental income arises from operating leases is accounted for on straight line basis over the lease term, and is included in rental income in Statement of Profit and Loss, unless the increase is in line with expected general inflation, in which case lease income is recognised based on contractual terms. Contingent rents are recognised as revenue in the period in which they are earned.

**r. Earnings per share**

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

**s. Recent accounting pronouncements**

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

**Balance Sheet**:

• Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

• Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

• Specified format for disclosure of shareholding of promoters.

• Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

• If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

• Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

**Statement of profit and loss**:

• Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

# *A. K. Stockmart Private Limited*

## Notes to the financial statements for the year ended 31 March 2021

**2 (a) Cash and cash equivalents**

**Rs. In Lacs**

| Particulars | As at 31-March-2021 | As at 31-March-2020 |
|---|---|---|
| Cash on hand | 0.02 | 0.22 |
| Balances with banks | 139.69 | 292.42 |
| | **139.71** | **292.64** |

**2 (b) Bank balances other than cash and cash equivalents**

**Rs. In Lacs**

| Particulars | As at 31-March-2021 | As at 31-March-2020 |
|---|---|---|
| Fixed deposits with banks* | 75.00 | 65.00 |
| | **75.00** | **65.00** |

*Lien against security deposit with Stock exchanges & FIMMDA

**3 Receivables**

**Rs. In Lacs**

| Particulars | As at 31-March-2021 | As at 31-March-2020 |
|---|---|---|
| Unsecured considered good | 63.43 | 131.01 |
| | **63.43** | **131.01** |

**4 Investments**

Rs. In Lacs

| Particulars | As at 31-March-2021 | | | | | As at 31-March-2020 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Amortised Cost | At Fair value | | | Total | Amortised Cost | At Fair value | | | Total |
| | | Through Other Comprehensive Income | Through profit or loss | At Cost | | | Through Other Comprehensive Income | Through profit or loss | At Cost | |
| **(I)Mutual Funds** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **155.09** | **-** | **155.09** |
| i)Quoted | - | - | - | - | - | - | - | 155.09 | - | 155.09 |
| **(I)Equity instruments** | | | | | | | | | | |
| **i) Quoted** | **-** | **16.49** | **-** | **-** | **16.49** | **-** | **13.59** | **-** | **-** | **13.59** |
| - in other companies | - | 16.49 | - | - | 16.49 | - | 13.59 | - | - | 13.59 |
| **Total (A)** | **-** | **16.49** | **-** | **-** | **16.49** | **-** | **13.59** | **155.09** | **-** | **168.68** |
| **Less: Allowance for Impairment loss (B)** | - | - | - | - | - | - | - | - | - | - |
| **Total C= (A)-(B)** | **-** | **16.49** | **-** | **-** | **16.49** | **-** | **13.59** | **155.09** | **-** | **168.68** |

**5 Stock of Securities**

Rs. In Lacs

| Particulars | As at 31-March-2021 | | | | | As at 31-March-2020 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Amortised Cost | At Fair value | | | Total | Amortised Cost | At Fair value | | | Total |
| | | Through Other Comprehensive Income | Through profit or loss | At Cost | | | Through Other Comprehensive Income | Through profit or loss | At Cost | |
| **(I)Debt securities** | | | | | | | | | | |
| -Quoted | - | - | 5,938.30 | - | 5,938.30 | - | - | 1,474.00 | - | 1,474.00 |
| **Total (A)** | **-** | **-** | **5,938.30** | **-** | **5,938.30** | **-** | **-** | **1,474.00** | **-** | **1,474.00** |
| (i) Stock of securities outside India | - | - | - | - | - | - | - | - | - | - |
| (ii) Stock of securities in India | - | - | 5,938.30 | - | 5,938.30 | - | - | 1,474.00 | - | 1,474.00 |
| **Total (B)** | **-** | **-** | **5,938.30** | **-** | **5,938.30** | **-** | **-** | **1,474.00** | **-** | **1,474.00** |

**6 Other financial assets**

**Rs. In Lacs**

| Particulars | As at 31-March-2021 | As at 31-March-2020 |
|---|---|---|
| Interest receivable on stock of securities / deposits | 6.49 | 2.55 |
| Receivable from stock exchanges | 2.97 | 2.11 |
| Deposits with Exchanges/Depository/Clearing House | 1,728.60 | 648.60 |
| Rent deposits | 37.08 | 33.88 |
| Other deposits | 0.26 | 0.25 |
| | **1,775.40** | **687.39** |

**7 Deferred tax assets (net)**

**Rs. In Lacs**

| Particulars | As at 31-March-2021 | As at 31-March-2020 |
|---|---|---|
| **Deferred tax assets** | | |
| **On account of:** | | |
| Expenses allowable on payment basis (gratuity) | 18.51 | 16.33 |
| Depreciation | 5.80 | 2.98 |
| Fair valuation of financial assets as at reporting date | 46.22 | - |
| **Less: Deferred tax liabilities** | | |
| **On account of:** | | |
| Right to use and lease liabilities | 0.17 | 0.01 |
| **Deferred tax assets (net)** | **70.36** | **19.30** |

**8 Other non-financial assets**

**Rs. In Lacs**

| Particulars | As at 31-March-2021 | As at 31-March-2020 |
|---|---|---|
| Prepaid Expense | 8.32 | 8.91 |
| Balance with Government authorities | 5.61 | 43.08 |
| Advance to suppliers | 0.18 | 0.95 |
| | **14.11** | **52.94** |

# *A. K. Stockmart Private Limited*

## Notes to the financial statements for the year ended 31 March 2021

**9 Property, plant and equipment**

**Rs. In Lacs**

| Particulars | Computers | Furniture and fixtures | Office equipment | Vehicles | Total |
|---|---|---|---|---|---|
| **Gross block** | | | | | |
| **As at 31 March 2019** | 19.25 | 9.05 | 16.04 | 117.55 | 161.89 |
| Additions | 3.83 | - | 1.48 | - | 5.31 |
| Disposals | - | - | - | - | - |
| **As at 31 March 2020** | **23.08** | **9.05** | **17.52** | **117.55** | **167.20** |
| | | | | | |
| **As at 31 March 2020** | 23.08 | 9.05 | 17.52 | 117.55 | 167.20 |
| Additions | 7.61 | - | 0.18 | - | 7.79 |
| Disposals | - | - | - | - | - |
| **As at 31 March 2021** | **30.69** | **9.05** | **17.70** | **117.55** | **174.99** |
| | | | | | |
| **Accumulated depreciation** | | | | | |
| **As at 31 March 2019** | 8.32 | 2.01 | 7.76 | 36.53 | 54.62 |
| Additions | 6.50 | 0.98 | 3.80 | 18.33 | 29.61 |
| Disposals | - | - | - | - | - |
| **As at 31 March 2020** | **14.82** | **2.99** | **11.56** | **54.86** | **84.23** |
| | | | | | |
| **As at 31 March 2020** | 14.82 | 2.99 | 11.56 | 54.86 | 84.23 |
| Additions | 6.17 | 0.99 | 2.69 | 18.26 | 28.11 |
| Disposals | - | - | - | - | - |
| **As at 31 March 2021** | **20.99** | **3.98** | **14.25** | **73.12** | **112.34** |
| | | | | | |
| **Net Block** | | | | | |
| **As at 31 March 2020** | **8.26** | **6.06** | **5.96** | **62.69** | **82.97** |
| **As at 31 March 2021** | **9.70** | **5.07** | **3.45** | **44.43** | **62.65** |

**10 Intangible assets**

**Rs. In Lacs**

| Particulars | Software | Total |
|---|---|---|
| **Gross block** | | |
| **As at 31 March 2019** | 12.07 | 12.07 |
| Additions during the year | - | - |
| Disposals during the year | - | - |
| **As at 31 March 2020** | **12.07** | **12.07** |
| | | |
| **As at 31 March 2020** | 12.07 | 12.07 |
| Additions during the year | - | - |
| Disposals during the year | - | - |
| **As at 31 March 2021** | **12.07** | **12.07** |
| | | |
| **Accumulated depreciation** | | |
| **As at 31 March 2019** | 5.67 | 5.67 |
| Additions during the year | 3.21 | 3.21 |
| Disposals during the year | - | - |
| **As at 31 March 2020** | **8.88** | **8.88** |
| | | |
| **As at 31 March 2020** | 8.88 | 8.88 |
| Additions during the year | 2.50 | 2.50 |
| Disposals during the year | - | - |
| **As at 31 March 2021** | **11.38** | **11.38** |
| | | |
| **Net Block** | | |
| **As at 31 March 2020** | **3.19** | **3.19** |
| **As at 31 March 2021** | **0.69** | **0.69** |

**11 Right to Use**

**Rs. In Lacs**

| Particulars | Right of Use |
|---|---|
| **Gross block** | |
| **As at 31 March 2019** | - |
| Additions | 205.24 |
| Disposals | - |
| **As at 31 March 2020** | **205.24** |
| | |
| **As at 31 March 2020** | 205.24 |
| Additions | - |
| Disposals | 9.41 |
| **As at 31 March 2021** | **195.83** |
| | |
| **Accumulated depreciation** | |
| **As at 31 March 2019** | - |
| Additions | 72.44 |
| Disposals | - |
| **As at 31 March 2020** | **72.44** |
| | |
| **As at 31 March 2020** | 72.44 |
| Additions | 69.11 |
| Disposals | 3.32 |
| **As at 31 March 2021** | **138.23** |
| | |
| **Net Block** | |
| **As at 31 March 2020** | **132.80** |
| **As at 31 March 2021** | **57.60** |

*Refer Note No. 34

**12 Trade Payables**

**Rs. In Lacs**

| Particulars | As at 31-March-2021 | As at 31-March-2020 |
|---|---|---|
| (i) Total outstanding dues of micro enterprises and small enterprises | - | - |
| (ii) Total outstanding dues of creditors other than micro and small enterprises | 1,549.70 | 429.49 |
| | **1,549.70** | **429.49** |

Following disclosures as required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 has been made to the extent information available with the Company :

**Rs. In Lacs**

| Particulars | As at 31-March-2021 | As at 31-March-2020 |
|---|---|---|
| (i) Principal amount remaining unpaid to any supplier as at the end of the accounting year | - | - |
| (ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year | - | - |
| (iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprise Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year. | - | - |
| (iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006. | - | - |
| (v) The amount of interest accrued and remaining unpaid at the end of each accounting year; and | - | - |
| (vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006 | - | - |

**13 Borrowings**

**Rs. In Lacs**

| Particulars | As at 31-March-2021 | As at 31-March-2020 |
|---|---|---|
| (a)Loans repayable on demand | | |
| (i)from banks | | |
| - Secured* | 3,542.31 | - |
| **Total (A)** | **3,542.31** | **-** |
| Borrowings in India | 3,542.31 | - |
| Borrowings outside India | - | - |
| **Total (B)** | **3,542.31** | **-** |

* Bank overdraft facilities are secured against pledge/ lien of Government securities & Corporate Bonds.

**14 Lease Liability**

**Rs. In Lacs**

| Particulars | As at 31-March-2021 | As at 31-March-2020 |
|---|---|---|
| Lease Liability* | 56.91 | 132.84 |
| | **56.91** | **132.84** |

* Refer Note No. 34

**15 Other financial liabilities**

**Rs. In Lacs**

| Particulars | As at 31-March-2021 | As at 31-March-2020 |
|---|---|---|
| Employee dues | 205.51 | 100.10 |
| Interest accrued but not due on borrowings | 1.38 | - |
| | **206.89** | **100.10** |

**16 Provisions:**

**Rs. In Lacs**

| Particulars | As at 31-March-2021 | As at 31-March-2020 |
|---|---|---|
| **Provision for employee benefits** | | |
| Gratuity | 73.53 | 64.87 |
| | **73.53** | **64.87** |

**17 Other non-financial liabilities**

**Rs. In Lacs**

| Particulars | As at 31-March-2021 | As at 31-March-2020 |
|---|---|---|
| Statutory dues | 70.50 | 43.59 |
| | **70.50** | **43.59** |

**18 (a) Share Capital**

**Equity share capital** **Rs. In Lacs**

| Particulars | As at 31-March-2021 | | As at 31-March-2020 | |
|---|---|---|---|---|
| | Numbers of shares | Amount | Numbers of shares | Amount |
| **Authorized:** | | | | |
| Equity shares of Rs. 10 each | 1,50,00,000 | 1,500.00 | 1,50,00,000 | 1,500.00 |
| **Total** | | **1,500.00** | | **1,500.00** |
| **Issued, subscribed and paid-up:** | | | | |
| Equity shares of Rs. 10 each fully paid up | 1,20,00,000 | 1,200.00 | 1,20,00,000 | 1,200.00 |
| **Total** | | **1,200.00** | | **1,200.00** |

**Details of shareholders holding more than 5% equity shares in the Company :** **Rs. In Lacs**

| Name of the shareholder | As at 31-March-2021 | | As at 31-March-2020 | |
|---|---|---|---|---|
| | Numbers of shares | Percentage of shareholding | Numbers of shares | Percentage of shareholding |
| A.K.Capital Services Ltd. along with its nominees | 1,20,00,000 | 100.00% | 1,20,00,000 | 100.00% |

**The reconciliation of the number of shares outstanding at the beginning and end of the year:**

| Particulars | As at 31-March-2021 | As at 31-March-2020 |
|---|---|---|
| Shares at the beginning of the period | 1,20,00,000 | 1,20,00,000 |
| Add :Shares issued during the year | - | - |
| **Shares at the end of the year** | **1,20,00,000** | **1,20,00,000** |

**Rights, preferences and restrictions attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive assets in proportion to the number of equity shares held by the shareholders.

**18 (b) Other equity**

**Rs. In Lacs**

| Particulars | As at 31-March-2021 | As at 31-March-2020 |
|---|---|---|
| **Opening balance of retained earnings** | 1,333.23 | 1,194.79 |
| Add: Profit for the year | 253.61 | 138.44 |
| **Closing balance of retained earnings (A)** | **1,586.84** | **1,333.23** |
| **Other comprehensive income** | | |
| Opening balance | (120.79) | (102.99) |
| Add: Other comprehensive income for the year | 2.45 | (17.80) |
| **Closing balance of other comprehensive income (B)** | **(118.34)** | **(120.79)** |
| **Total (A+B)** | **1,468.50** | **1,212.44** |

**19 Brokerage & Fees Income**

**Rs. In Lacs**

| Particulars | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|---|---|---|
| Brokerage Income | 1,764.16 | 5,227.75 |
| Fees Income | 1,019.23 | 499.64 |
| | **2,783.39** | **5,727.39** |

**20 Interest Income**

**Rs. In Lacs**

| Particulars | For the year ended 31 March 2021 | | For the year ended 31 March 2020 | |
|---|---|---|---|---|
| | On Financial Assets measured at Amortised Cost | On securities classified at fair value through profit or loss | On Financial Assets measured at Amortised Cost | On securities classified at fair value through profit or loss |
| Interest Income on Securities | - | 99.92 | - | 238.95 |
| Interest Income on fixed deposits | 4.56 | - | 5.38 | - |
| Interest Income on other deposits | 16.39 | - | 20.51 | - |
| Other Interest Income | 3.20 | - | 2.92 | - |
| | **24.15** | **99.92** | **28.81** | **238.95** |

**21 Net gain on fair value changes**

**Rs. In Lacs**

| Particulars | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|---|---|---|
| **Net gain/(loss) on financial instruments at fair value** | | |
| -Investments | 13.25 | 25.77 |
| -Stock of securities | 96.93 | 194.27 |
| **Total** | **110.18** | **220.04** |
| | | |
| **Net gain/(loss) on financial instruments at fair value** | | |
| -Realised | 293.84 | 220.04 |
| -Unrealised | (183.66) | - |
| **Total** | **110.18** | **220.04** |
| | | |
| **Additional Information :** | | |
| Gain / (Loss) on sale of Investments (actual) (A) | 13.25 | 25.77 |
| **Net gain/(loss) on investments due to fair value change (B)** | | |
| -Realised | - | - |
| -Unrealised | - | - |
| **Total (A+B)** | **13.25** | **25.77** |
| | | |
| Gain / (Loss) on sale of stock of securities (actual) (C) | 280.59 | 194.27 |
| **Net gain/(loss) on stock of securities due to fair value change (D)** | | |
| -Realised | - | - |
| -Unrealised * | (183.66) | - |
| **Total (C+D)** | **96.93** | **194.27** |

* Refer Note No. 33

**22 Other income**

**Rs. In Lacs**

| Particulars | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|---|---|---|
| Other Charges Received | 1.25 | 0.25 |
| Interest received on income tax refund | 4.28 | 0.51 |
| Gain/(Loss) on Lease Modification | 5.89 | - |
| | **11.42** | **0.76** |

**23 Finance costs (On Financial liabilities measured at amortised cost)**

**Rs. In Lacs**

| Particulars | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|---|---|---|
| Interest on borrowings | 21.69 | 106.98 |
| Interest on income tax | 3.77 | - |
| Unwinding Interest Cost | 8.65 | 15.84 |
| Other Borrowing Cost | 10.93 | 10.89 |
| | **45.04** | **133.71** |

**24 Employee benefits expenses**

**Rs. In Lacs**

| Particulars | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|---|---|---|
| Salaries and wages | 1,169.43 | 944.45 |
| Gratuity | 20.87 | 16.14 |
| Contribution to provident and other funds | 13.79 | 8.27 |
| Staff welfare expenses | 0.38 | 4.36 |
| | **1,204.47** | **973.22** |

**25 Other expenses**

**Rs. In Lacs**

| Particulars | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|---|---|---|
| Brokerage paid | 987.59 | 4,002.21 |
| Advisory Fees | - | 390.00 |
| Incentive Expenses | 97.71 | 69.80 |
| IPO markerting fees | - | 69.10 |
| Stamp duty charges | 0.50 | 8.91 |
| Stock exchange expenses | 6.74 | 9.06 |
| Processing and other charges | 0.59 | 0.38 |
| Communication Costs | 7.66 | 7.21 |
| Rent, taxes and energy costs | 8.60 | 15.56 |
| Repairs and maintenance | 2.93 | 8.06 |
| Software Expenses | 87.97 | 69.41 |
| Insurance | 10.85 | 7.25 |
| Printing and stationery | 0.26 | 1.06 |
| Bank Charges | 0.08 | 0.16 |
| Auditor"s remuneration | | |
| -for audit fees | 2.50 | 2.50 |
| -for tax audit fees | 0.25 | 0.25 |
| -for other services | 0.83 | 1.33 |
| Legal and Professional charges | 7.80 | 18.16 |
| Postage and courier charges | 0.04 | 0.61 |
| Travelling Expense | 80.54 | 94.73 |
| Advertisement & Business promotion expenses | 16.55 | 15.50 |
| Office expenses | 14.58 | 17.39 |
| Subscription & membership charges | 7.69 | 5.91 |
| Director Sitting Fees | - | 0.08 |
| Other expenditure | 0.21 | 0.77 |
| **Total** | **1,342.47** | **4,815.40** |

**26 DISAGGREGATED REVENUE INFORMATION**

The table below represents disaggregation of Company's revenue from contracts with the customers. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.

**Rs. In Lacs**

| Particulars | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|---|---|---|
| **Type of goods or service** | | |
| Brokerage Income | 1,764.16 | 5,227.75 |
| Fees income | 1,019.23 | 499.64 |
| **Total revenue from contracts with the customers** | **2,783.39** | **5,727.39** |
| **Geographical markets** | | |
| -India | 2,783.39 | 5,727.39 |
| -Outside India | - | - |
| **Total revenue from contracts with the customers** | **2,783.39** | **5,727.39** |
| **Relation with customer** | | |
| -Non related party | 2,705.31 | 5,618.63 |
| -Related Party | 78.08 | 108.76 |
| **Total revenue from contracts with the customers** | **2,783.39** | **5,727.39** |
| **Timing of revenue recognition** | | |
| -Service transferred over a period of time | - | - |
| -Service transferred over a point of time | 2,783.39 | 5,727.39 |
| **Total revenue from contracts with the customers** | **2,783.39** | **5,727.39** |

Geographical revenue is allocated based on the location of the services.

**27 Employee Benefit Obligation**

**A. Defined Contribution Plans**

The following amount recognized as an expense in statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

**Rs. In Lacs**

| Particulars | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|---|---|---|
| Contribution to provident and other funds | 13.79 | 8.27 |

**B. Defined Benefit Plans**

The Company has a unfunded defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972 with total ceiling on gratuity of Rs.20.00 Lacs.

The following tables summaries the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

**Rs. In Lacs**

| Particulars | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|---|---|---|
| **(a) Statement of profit and loss** | | |
| **Net employee benefit expense recognised in the employee cost** | | |
| Current service cost | 16.38 | 12.41 |
| Past service cost | 0.00 | 0.00 |
| Interest cost on defined benefit obligation | 4.48 | 3.73 |
| (Gain) / losses on settlement | - | - |
| **Total expense charged to profit and loss account (included in salaries, wages and incentives) (A)** | **20.87** | **16.14** |
| **(b) Amount recorded in Other Comprehensive Income (OCI)** | | |
| **Opening amount recognised in Other Comprehensive Income outside profit and loss account** | **-** | **-** |
| **Remeasurement during the period due to :** | | |
| Actuarial loss / (gain) arising from change in financial assumptions | 1.68 | 2.22 |
| Actuarial loss / (gain) arising from change in demographical assumptions | - | (0.27) |
| Actuarial loss / (gain) arising on account of experience changes | (1.09) | 3.72 |
| **Amount recognised in Other Comprehensive Income (B)** | **0.59** | **5.67** |
| **Gratuity expense recognised in the statement of profit and loss and Other Comprehensive Income (A+B)** | **21.46** | **21.81** |
| **(c) Reconcilation of net liability / assset** | | |
| Opening defined benefit liability / (assets) | 64.87 | 48.71 |
| Expense charged to profit & loss account | 20.87 | 16.14 |
| Amount recognised in outside profit and loss account | 0.59 | 5.67 |
| Benefit Paid | (12.80) | (5.65) |
| **Closing net defined benefit liabiity / (asset)** | **73.53** | **64.87** |

**Rs. In Lacs**

| Particulars | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|---|---|---|
| **(d) Movement in benefit obligation and balance sheet** | | |
| Opening defined benefit obligation | 64.87 | 48.71 |
| Current service cost | 16.38 | 12.41 |
| Past service cost | - | - |
| Interest on defined benefit obligation | 4.48 | 3.73 |
| **Remeasurement during the period due to :** | | |
| Actuarial loss / (gain) arising from change in financial assumptions | 1.68 | 2.22 |
| Actuarial loss / (gain) arising from change in demographic assumptions | - | (0.27) |
| Actuarial loss / (gain) arising on account of experience changes | (1.09) | 3.72 |
| Benefits paid | (12.80) | (5.65) |
| **Closing defined benefit obligation [liability / (asset)] recognised in balance sheet** | **73.53** | **64.87** |
| | | |
| **(e) Net liability is bifurcated as follows :** | | |
| Current | 12.63 | 19.26 |
| Non-current | 60.90 | 45.61 |
| **Net liability** | **73.53** | **64.87** |

**(f) The principal assumptions used in determining gratuity benefit obligation for the company's plans are shown below:**

| | | |
|---|---|---|
| Discount rate | 6.91% | 6.91% |
| Expected rate of return on plan assets (p.a.) | | |
| Salary escalation rate (p.a.) | 5.00% | 5.00% |
| Withdrawal rate | 20% upto 30 years<br>16% from 31 to 44 years<br>19% above 45 years | 27% upto 30 years<br>20% from 31 to 44 years<br>30% above 45 years |
| Mortality pre-retirement | 100% of Indian Assured Lives Mortality (2012-14) | 100% of Indian Assured Lives Mortality (2012-14) |

**(g) A quantitative analysis for significant assumption is as shown below:**

**Indian gratuity plan:**

**Rs. In Lacs**

| Particulars | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|---|---|---|
| **Assumptions -Discount rate** | | |
| Sensitivity Level (a hypothetical increase / (decrease) by) | 0.50% | 0.50% |
| Impact on defined benefit obligation -increase of sentivity level | (1.70) | (1.18) |
| Impact on defined benefit obligation -decrease of sentivity level | 1.77 | 1.22 |
| **Assumptions -Future salary escalations rates** | | |
| Sensitivity Level (a hypothetical increase / (decrease) by) | 0.50% | 0.50% |
| Impact on defined benefit obligation-increase of sentivity level | 1.80 | 1.24 |
| Impact on defined benefit obligation-decrease of sentivity level | (1.74) | (1.21) |

The following payments are expected contributions to the defined benefit plant in future years.

**Rs. In Lacs**

| Particulars | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|---|---|---|
| Within 1-2 year | 21.76 | 24.89 |
| 2-3 year | 27.64 | 31.17 |
| 3-4 year | 33.79 | 37.87 |
| 5-6 year | 40.72 | 44.79 |
| 6-7 year | 54.62 | 54.25 |

The average duration of the defined benefit plan obligation at the end of the reporting period is 7.44 years (31 March 2020- 8.57 years)

**28 RELATED PARTY DISCLOSURES**

**i Related party relationships:**

**a Holding company**
A. K. Capital Services Limited

**b Fellow subsidiary**
A. K. Capital Finance Limited
A K Capital Corporation Private Limited
A K Wealth Management Private Limited
Family Home Finance Private Limited
A K Capital (Singapore) Pte. Limited

**c Key Managerial Personnel (KMP)**
Aditi Mittal (Managing Director)
Prashant Roongta (Whole Time Director)
Ankit Gupta (Director) (Resignation w.e.f. 31st December 2020)
Ranjit Dutta (CFO)
Ram Suthar (CS)

**d Relatives of KMP**
Anshu (Mother of Aditi Mittal)
A.K. Mittal (Father of Aditi Mittal)
A.K. Mittal (HUF) (Member of KMP)
Abhinav Kumar Mittal (Brother of Aditi Mittal)
Purvi Jain (Wife of Ankit Gupta)

**e Enterprises in which relative of KMP is having influence**
M Square Financial Consultants and Auto Private Limited
A. K. Capital Markets Limited
A. K. Services Private Limited
Family Home Consultancy Services Private Limited
M Square Advisors Private Limited
Goodwill Capital Services Pvt. Ltd.
Indiabond Private Limited

**Notes:**

**a** The related party relationships have been determined on the basis of the requirements of the Indian Accounting Standards (IND AS) - 24 'Related Party Disclosures' and the same have been relied upon by the auditors.

**b** The relationship as mentioned above pertains to those related parties with whom transactions have taken place during the year and the previous year, except where control exist, in which case the relationship has been mentioned irrespective of the transaction with the related parties.

**ii Details of transactions with related parties are given as under:**

**Rs. In Lacs**

| | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|---|---|---|
| **A) Transaction with related parties:*** | | |
| **Brokerage received** | | |
| A. K. Capital Services Limited | 11.57 | 13.01 |
| A. K. Capital Finance Limited | 63.96 | 89.23 |
| Purvi Jain | - | 0.02 |
| A. K. Services Private Limited | 0.96 | 1.59 |
| Family Home Consultancy Services Private Limited | 0.02 | 0.14 |
| A. K. Wealth Management Private Limited | 0.07 | - |
| Aditi Mittal | 0.09 | 0.00 |
| A. K Mittal | 0.01 | 0.72 |
| Anshu | - | 0.36 |
| Abhinav Kumar Mittal | 0.00 | 0.47 |
| A. K Mittal (HUF) | 0.23 | - |
| **Demat charges received** | | |
| A. K. Capital Services Limited | 0.02 | 0.17 |
| A. K. Capital Finance Limited | 0.05 | 1.11 |
| A. K. Capital Markets Limited | 0.02 | 0.02 |
| A. K. Capital Corporation Private Limited | 0.02 | 0.03 |
| Aditi Mittal | 0.02 | 0.00 |
| A. K Mittal | 0.05 | - |
| Anshu | 0.00 | 0.01 |
| Purvi Jain | 0.00 | 0.00 |
| Abhinav Kumar Mittal | 0.00 | 0.01 |
| A. K. Services Private Limited | 0.92 | 1.71 |
| M Square Financial Consultants and Auto Private Limited | 0.01 | - |
| M Square Advisors Private Limited | 0.01 | - |
| Family Home Consultancy Services Private Limited | 0.02 | 0.05 |
| A. K. Wealth Management Private Limited | 0.01 | 0.05 |
| Family Home Finance Private Limited | 0.03 | 0.06 |
| Goodwill Capital Services Pvt. Ltd. | 0.01 | 0.01 |

Rs. In Lacs

| | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|---|---|---|
| **Key managerial remuneration **** | | |
| Short term benefits | 265.49 | 216.34 |
| **Purchase of Securities (Excluding Accrued Interest)** | | |
| A. K. Capital Finance Limited | 515.15 | 10,275.53 |
| A. K. Services Private Limited | - | 672.16 |
| A. K. Wealth Management Private Limited | - | 140.02 |
| Family Home Consultancy Services Private Limited | - | 40.01 |
| A. K. Capital Services Limited | 2,511.53 | 1,499.72 |
| **Sales of Securities (Excluding Accrued Interest)** | | |
| A. K. Capital Finance Limited | 71,717.99 | 60,528.59 |
| A.K. Capital Corporation Private Limited | - | 25.00 |
| A. K. Services Private Limited | - | 438.84 |
| A. K. Capital Services Limited | 3,572.96 | 4,550.00 |
| **Interest Income on Debentures** | | |
| A. K. Capital Finance Limited | - | 0.34 |
| **Brokerage Paid** | | |
| A. K. Wealth Management Private Limited | - | 217.18 |
| M Square Financial Consultants and Auto Private Limited | 292.49 | - |
| A. K. Services Private Limited | 111.00 | - |
| M Square Advisors Private Limited | 168.00 | - |
| **Repairs & Maintenance expenses** | | |
| M Square Financial Consultants and Auto Private Limited | - | 3.77 |
| **Software Expenses** | | |
| Indiabond Private Limited | 60.00 | 60.00 |

Rs. In Lacs

| B) **Balances of related parties:** | As at 31-March-2021 | As at 31 March 2020 |
|---|---|---|
| **Balances payable** | | |
| A. K. Capital Finance Limited - Margin Money for Stock Exchange | 1,400.00 | - |
| A. K. Capital Finance Limited - Stock Exchange Payout | - | 42.59 |
| **Balances receivable** | | |
| A. K. Capital Finance Limited | 0.05 | 0.60 |
| A.K. Capital Corporation Private Limited | - | 0.02 |
| Anshu | - | 0.01 |
| Abhinav Kumar Mittal | - | 0.01 |
| Purvi Jain | 0.00 | - |
| A. K. Services Private Limited | - | 0.04 |
| Family Home Finance Private Limited | - | 0.02 |

* Transaction amount are excluding taxes wherever applicable

** Key managerial remuneration related to retirement benefits (i.e. gratuity ) are recognised under employee benefits expenses in statement of profit and loss along with other employees gratuity costs of the Company based on the actuarial valuation carried out by independent actuary.

**29 Income Tax**

**(a) Amounts recognised in the statement of profit and loss**

**(Rs. in lacs)**

| Particulars | As at 31-March-2021 | As at 31 March 2020 |
|---|---|---|
| **Current income tax:** | | |
| Current income tax charge | 134.70 | 54.70 |
| Short / (excess) provision for tax relating to earlier year | -0.04 | -1.73 |
| **Deferred tax:** | | |
| Relating to origination and reversal of temporary differences | (50.91) | (3.05) |
| **Income tax expense reported in the statement of profit or loss** | **83.75** | **49.92** |

**(b) Reconciliation of effective tax rate**

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

**(Rs. in lacs)**

| Particulars | As at 31-March-2021 | As at 31 March 2020 |
|---|---|---|
| **Profit before income tax as per Income Statement** | 337.36 | 188.36 |
| Rate of Income tax | 25.17% | 25.17% |
| Computed expected tax expenses | 84.91 | 47.41 |
| Temporary difference recognised in deferred taxes | - | 3.16 |
| Tax effect due to non-deductable expenses | 0.95 | 0.29 |
| Tax effect due to deductable expenses | (2.11) | (0.74) |
| Short / (excess) provision for tax relating to earlier year | (0.04) | (1.73) |
| Previous year deferred tax adjustment | (0.02) | - |
| Tax effect due to change in tax rates | - | 1.32 |
| Other | 0.06 | 0.21 |
| **Income tax expense reported in the statement of profit or loss** | **83.75** | **49.92** |

**(c) Movement in deferred tax balances**

The balance comprises temporary differences attributable to the below items and corresponding movement in deferred tax liabilities / assets:-

**(Rs. in lacs)**

| Particulars | As at 31-March-2021 | As at 31 March 2020 |
|---|---|---|
| Net deferred tax asset/(liability) at the beginning | 19.30 | 13.82 |
| Property plant and equipments | 2.82 | 2.71 |
| Gratuity | 2.18 | 2.78 |
| Fair value gain/(loss) on financial Assets | 46.22 | - |
| Lease liability | (0.16) | (0.01) |
| **Net deferred tax asset/(liability) at the end** | **70.36** | **19.30** |

The Gross movement in the current income tax asset/(Liability) for the year ended March 31, 2021 and March 31, 2020 is as follows:-

**(Rs. in lacs)**

| Particulars | As at 31-March-2021 | As at 31 March 2020 |
|---|---|---|
| Net current income tax asset/(liability) at the beginning | 73.41 | 69.66 |
| Income tax paid | 19.62 | 56.72 |
| Current tax expenses | (134.70) | (54.70) |
| Interest on tax expenses | (3.77) | - |
| Short / (Excess) provision for tax relating to earlier year | 0.04 | 1.73 |
| **Net current income tax asset/(liability) at the end** | **(45.40)** | **73.41** |

**30 Financial Instruments**

The carrying value and fair value of financial instrument by categories as of 31 March 2021 were as follows:

**Rs. In Lacs**

| Particulars | At amortised cost | At Fair value through profit and loss | At fair value through Other Comprehensive Income | Total carrying value | Total fair value |
|---|---|---|---|---|---|
| **Assets:** | | | | | |
| Cash and cash equivalents | 139.71 | - | - | 139.71 | 139.71 |
| Bank Balance other than (a) above | 75.00 | - | - | 75.00 | 75.00 |
| Receivables | 63.43 | - | - | 63.43 | 63.43 |
| Investments | - | - | 16.49 | 16.49 | 16.49 |
| Stock of securities | - | 5,938.30 | - | 5,938.30 | 5,938.30 |
| Other financial assets | 1,768.91 | 6.49 | - | 1,775.40 | 1,775.40 |
| **TOTAL** | **2,047.05** | **5,944.79** | **16.49** | **8,008.33** | **8,008.33** |
| **Liabilities:** | | | | - | - |
| Trade payables | 1,549.70 | - | - | 1,549.70 | 1,549.70 |
| Borrowings | 3,542.31 | - | - | 3,542.31 | 3,542.31 |
| Lease Liability | 56.91 | - | - | 56.91 | 56.91 |
| Other financial liabilities | 206.89 | - | - | 206.89 | 206.89 |
| **TOTAL** | **5,355.81** | **-** | **-** | **5,355.81** | **5,355.81** |

The carrying value and fair value of financial instrument by categories as of 31 March 2020 were as follows:

**Rs. In Lacs**

| Particulars | At amortised cost | At Fair value through profit and loss | At fair value through Other Comprehensive Income | Total carrying value | Total fair value |
|---|---|---|---|---|---|
| **Assets:** | | | | | |
| Cash and cash equivalents | 292.64 | - | - | 292.64 | 292.64 |
| Bank Balance other than (a) above | 65.00 | - | - | 65.00 | 65.00 |
| Receivables | 131.01 | - | - | 131.01 | 131.01 |
| Investments | - | 155.09 | 13.59 | 168.68 | 168.68 |
| Stock of securities | - | 1,474.00 | - | 1,474.00 | 1,474.00 |
| Other financial assets | 684.84 | 2.55 | - | 687.39 | 687.39 |
| **TOTAL** | **1,173.49** | **1,631.64** | **13.59** | **2,818.72** | **2,818.72** |
| **Liabilities:** | | | | - | - |
| Trade payables | 429.49 | - | - | 429.49 | 429.49 |
| Lease Liability | 132.84 | - | - | 132.84 | 132.84 |
| Other financial liabilities | 100.10 | - | - | 100.10 | 100.10 |
| **TOTAL** | **662.43** | **-** | **-** | **662.43** | **662.43** |

**31 Risk Management**

**Financial Risk management**

The risk management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Management has overall responsibility for the establishment and oversight of the Company's risk management framework.In performing its operating, investing and financing activities, the Company is exposed to the Credit risk, Liquidity risk and Market risk.

**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: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

**Credit Risk**

**Revenue/Trade receivables**

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Company have provided details of revenue from revenue from single largest customer, revenue from top 5 customer and ageing of trade receivable below:

a) The following table gives details in respect of revenues generated from top customer and top 5 customers:

**Rs. In Lacs**

| **Particulars** | **As at 31-March-2021** | **As at 31 March 2020** |
|---|---|---|
| Revenue from top customer | 803.73 | 1,410.62 |
| Revenue from top 5 customers | 1,881.00 | 4,061.99 |

(b) Ageing analysis of the age of trade receivable amounts that are not due as at the end of reporting year:

**Rs. In Lacs**

| **Particulars** | **As at 31-March-2021** | **As at 31 March 2020** |
|---|---|---|
| Within credit days | 62.29 | 122.57 |

(c) Ageing analysis of the age of trade receivable amounts that are past due as at the end of reporting year but not impaired:

**Rs. In Lacs**

| **Particulars** | **As at 31-March-2021** | **As at 31 March 2020** |
|---|---|---|
| **Trade receivables:** | | |
| Less than 90 days | 0.03 | 0.03 |
| 91 to 180 days | - | - |
| 181 to 270 days | - | - |
| 271 to 360 days | 0.80 | 0.26 |
| Over 360 days | 0.31 | 8.15 |
| **Total** | **1.14** | **8.44** |

**Exposure to credit risk**

Financial asset for which loss allowance is measured using expected credit loss model:

**Rs. In Lacs**

| **Particulars** | **As at 31-March-2021** | **As at 31 March 2020** |
|---|---|---|
| **Financial assets** | | |
| Receivables | 63.43 | 131.01 |
| Other financial assets | 1,768.91 | 684.84 |
| **At end of the year** | **1,832.34** | **815.85** |

**Balances with banks and other financial assets:**

The Company holds cash and cash equivalents with bank, which are having highest safety ratings based on ratings published by various credit rating agencies. The Company considers that its cash and cash equivalents have low credit risk based on external credit ratings of the counterparties.

For other financial assets, the Company assesses and manages credit risk based on reasonable and supportive forward looking information. The Company does not have significant credit risk exposure for these items.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables taking into account historical credit loss experience.

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

**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.

Company has interest rate risk exposure mainly from changes in rate of interest on fixed deposits. The following table analyse the breakdown of the financial assets and liabilities by type of interest rate:

**Rs. In Lacs**

| Particulars | As at 31-March-2021 | As at 31 March 2020 |
|---|---|---|
| **Financial assets** | | |
| **Interest bearing** | | |
| - fixed interest rate | | |
| Stock of securities | 5,938.30 | 1,474.00 |
| | | |
| **Non interest bearing** | | |
| Cash and cash equivalents | 139.71 | 292.64 |
| Bank Balance other than above | 75.00 | 65.00 |
| Receivables | 63.43 | 131.01 |
| Investments | 16.49 | 168.68 |
| Other financial assets | 1,775.40 | 687.39 |
| **Financial Liabilities** | | |
| **Interest bearing** | | |
| - floating interest rate | | |
| Borrowings | 3,542.31 | - |
| - fixed interest rate | | |
| Lease Liability | 56.91 | 132.84 |
| **Non interest bearing** | | |
| Trade payables | 1,549.70 | 429.49 |
| Other financial liabilities | 206.89 | 100.10 |

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the excluding the credit exposure for which interest rate swap has been taken and hence the interest rate is fixed. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

**Rs. In Lacs**

| Particulars | As at 31-March-2021 | As at 31 March 2020 |
|---|---|---|
| Increase in basis points | 50 | 50 |
| Effect on profit before tax | (17.71) | - |
| | | |
| Decrease in basis points | 50 | 50 |
| Effect on profit before tax | 17.71 | - |

**32 Liquidity Risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from banks at an optimised cost.

The Company maximum exposure to credit risk for the components of the balance sheet at 31 March 2021 and 31 March 2020 is the carrying amounts. The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 30 days. The other payables are with short-term durations. The carrying amounts are assumed to be a reasonable approximation of fair value. The following table analysis financial liabilities by remaining contractual maturities:

**Rs. In Lacs**

| Particulars | On demand | Less than 3 months | 3 to12 months | 1 to 5 years | >5 years | Total |
|---|---|---|---|---|---|---|
| **Year ended 31 March 2021** | | | | | | |
| Trade payables | 0.00 | 1,549.70 | 0.00 | 0.00 | 0.00 | **1,549.70** |
| Borrowings | 0.00 | 3,542.31 | 0.00 | 0.00 | 0.00 | **3,542.31** |
| Lease Liability | 0.00 | 17.82 | 41.58 | 0.00 | 0.00 | **59.40** |
| Other financial liabilities | 0.00 | 206.89 | 0.00 | 0.00 | 0.00 | **206.89** |
| | **0.00** | **5,316.72** | **41.58** | **0.00** | **0.00** | **5,358.30** |
| **Year ended 31 March 2020** | | | | | | |
| Trade payables | 0.00 | 429.49 | 0.00 | 0.00 | 0.00 | **429.49** |
| Lease Liability | 0.00 | 19.80 | 59.40 | 66.00 | 0.00 | **145.20** |
| Other financial liabilities | 0.00 | 100.10 | 0.00 | 0.00 | 0.00 | **100.10** |
| | **0.00** | **549.39** | **59.40** | **66.00** | **0.00** | **674.79** |

**Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep optimum gearing ratio. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

**Rs. In Lacs**

| Particulars | As at 31-March-2021 | As at 31 March 2020 |
|---|---|---|
| Trade payables | 1,549.70 | 429.49 |
| Borrowings | 3,542.31 | - |
| Lease Liability | 56.91 | 132.84 |
| Other financial liabilities | 206.89 | 100.10 |
| **Net debt (A)** | **5,355.81** | **662.43** |
| Equity share capital | 1,200.00 | 1,200.00 |
| Other equity | 1,468.50 | 1,212.44 |
| **Total member's capital (B)** | **2,668.50** | **2,412.44** |
| **Capital and net debt (C=A+B)** | **8,024.31** | **3,074.87** |
| **Gearing ratio (%) (A/C)** | **66.74** | **21.54** |

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 31 March 2020.

**33 Fair Value hierarchy**

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

**Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2021:

**Rs. In Lacs**

| Particulars | As at 31-March-2021 | Fair value measurement at end of the reporting year using | | |
|---|---|---|---|---|
| | | Level I | Level 2 | Level 3 |
| **Financial Assets** | | | | |
| Investments | 16.49 | 16.49 | - | - |
| Stock of Securities | 5,938.30 | - | 5,938.30 | - |

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2020:

**Rs. In Lacs**

| Particulars | As at 31 March 2020 | Fair value measurement at end of the reporting year using | | |
|---|---|---|---|---|
| | | Level I | Level 2 | Level 3 |
| **Financial Assets** | | | | |
| Investments | 168.68 | 168.68 | - | - |
| Stock of Securities | 1,474.00 | - | 1,474.00 | - |

| Assets class | Fair value hierarchy | Valuation techniques and inputs |
|---|---|---|
| Debt instruments, Government securities, commercial paper and state development loan measured at FVTPL | Level II | Valuation techniques and inputs in order of first preference are as under: |
| | | 1.As at 31 March 2021, the Cost of securities only if the securities are allotted within last 20 days or purchased within 14 days from the measurement date. In FY 2020-21, the cost of securities is further discounted by 3% of carrying value based on the best managment estimate on account of COVID-19. |
| | | 2.Latest traded price reported on recognised stock exchange or settlement house close to measurement date i.e. in the range of 0-14 days. Further the resulted valuation gain have been discounted at appropriate rate due to market condition arising on account of COVID-19. |
| | | 3. Latest subsequent traded price reported on recognised stock exchange or settlement house close to measurement date i.e. in the range of 0-14 days. Further the resulted valuation gain have been discounted at appropriate rate due to market condition arising on account of COVID-19. |
| | | 4.Future cash flows are discounted using a discount rate arrived at by adding the spread provided by FIMMDA or other approved agencies and annualised government security yield provided by regulatory authorities Further the resulted valuation gain have been discounted at appropriate rate due to market condition arising on account of COVID-19. |
| Unquoted equity instruments measured at FVOCI | Level III | Based on unobservable inputs which generally approximates to the carrying value of the investments unless significantly impaired. Fair value has been considered Nil for significantly impaired investments. Sensitivity change in the unobservable input does not have a significant impact in its value and accordingly, sensitivity disclosure is not given. |

The management assessed that cash and cash equivalents, Trade receivable and other financial asset, trade payables and other financial liabilities approximate their carrying amount largely due to short term maturity of these instruments.

**34 LEASES**

**(i) Lease commitments as lessee:**

The Company has entered into agreements for taking on lease certain office on lease and licence basis. The lease term is for a period of 60 months. The Company has contracts which have fixed rentals.

Transition

From 01 April 2019, the Indian Accounting Standard i.e. IND-AS 116 "Leases" became effective, the Company has adopted the standard with modified retrospective approach as per Para C8 (c) (ii) of IND AS 116.

The following is the summary of practical expedients elected on initial application:

- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application

- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS116 is applied only to contracts that were previously identified as leases under Ind AS 17.

Based on use of practical expedients, the Company did not have any lease requiring reclassification or/ and measurement on initial application date. Consequently, the Company has reclassified the "Right to use asset", (representing its right to use the leased asset over the lease term) from other financial assets to property, plant and equipment.

The Company has also recognised liability towards the present value of the balance of future lease payments for the leases.

**Following are the changes in the carrying value of right to use assets for the period ended March 31, 2021:-** **Rs. In Lacs**

| | **Category of RTU Assets** |
|---|---|
| **Particulars** | **Building** |
| **Balance as at March 31, 2020** | 132.80 |
| Reclassified on account of adoption of Ind AS 116 | - |
| Additions | - |
| Deletions/Modification | 6.09 |
| Depreciation | 69.11 |
| **Balance as at March 31, 2021** | **57.60** |

**The following is the movement in lease liabilities during the period ended March 31, 2021:** **Rs. In Lacs**

| **Particulars** | **Amount** |
|---|---|
| **Balance at the beginning** | 132.84 |
| Additions | - |
| Finance cost accrued during the period | 8.65 |
| Deletions/Modification | 11.98 |
| Payment of lease liabilities | 72.60 |
| Translation Difference | - |
| **Balance at the end** | **56.91** |

**Contractual maturities of lease liabilities:**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis: **Rs. In Lacs**

| **Particulars** | **Amount** |
|---|---|
| Less than one year | 59.40 |
| One to five years | - |
| More than five years | - |
| **Total** | **59.40** |

The cash outflow of lease payments with respect to the above lease recognised in the statement of profit and loss for the financial year 2020-2021 is Rs.72.60 lakhs.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

**35 EARNINGS PER SHARE:**

| Particulars | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|---|---|---|
| Net profit after tax as per statement of profit and loss (Rs. in lacs) | 253.61 | 138.44 |
| Weighted average number of equity shares outstanding during the year for basic and diluted earnings per share (Nos.) | 12,000,000 | 12,000,000 |
| Basic and diluted earnings per share (Rs.) | 2.11 | 1.15 |
| Nominal value of share (Rs.) | 10.00 | 10.00 |

**36 Segment reporting**

In accordance with Indian Accounting Standard (Ind AS) 108, the Company operates in a single operating segment i.e. "Stock Broking Activity" within India. Accordingly, no separate disclosure is required. The Board of Directors of the Company are collectively Chief Operating Decision Makers (CODMs) of the Company.

**37** The COVID-19 pandemic has significantly impacted economic activities, businesses, individuals across the spectrum in the Country. The impact of COVID-19 on the global economy and how governments, businesses and consumers respond is uncertain. In relation to COVID-19, judgements and assumption include the extent and duration of the pandemic, the impact of actions of government and other authorities and the responses of business and consumers in different industries, along with the associated impact on the global economy. In view of these uncertainty, the Management in its assessment of carrying value of securities has considered discount to the fair value on an estimated basis. The final impact of this pandemic is very uncertain and the actual impact may be different than that estimated. The Company has been duly servicing its debt obligations and has adequate capital and financial resources to run its business. The management will continue to closely monitor the material changes in the macro-economic factors impacting the operations of the Company.

**38** There was no impairment loss on the non-financial assets on the basis of review carried out by the management in accordance with Indian Accounting Standard (Ind AS) – 36 'Impairment of Assets'.

**39 Code On Social Security, 2020**

The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and the Rules thereunder. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020, and has invited suggestions from the stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any, and account the same once the rules are notified and become effective.

**40** Balances of certain trade receivables, trade payables are subject to confirmation/reconciliation, if any. The management does not expect any material difference affecting the financial statements on such reconciliation/adjustments.

**41** In the opinion of management, financial & non financial assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet. The provision for depreciation and all known liabilities is adequate and not in excess of the amount reasonably stated.

**42** Previous year figures have been regrouped or rearranged wherever considered necessary,to confirm with the current year's presentation.

**Signatures to 1 to 42**

As per our report of even date attached

**For JMR & Associates LLP**
Chartered Accountants
Firm Reg. No.: 106912W / W100300

Nikesh Moolchand Jain
Digitally signed by Nikesh Moolchand Jain
Date: 2021.05.24 22:55:17 +05'30'

**CA Nikesh Jain**
Partner
M No. 114003

Place: Mumbai
Dated : May 24, 2021

**For and on behalf of the Board of Directors**

ADITI MITTAL
Digitally signed by ADITI MITTAL
DN: c=IN, o=Personal, pseudonym=c3ba8d14215bf6e9f2345429ee5f9b1d782900e0b9fcd1e59a237779046d9316, postalCode=400005, st=MAHARASHTRA, serialNumber=10a84f071dcacf0a9d3bda89eb3fa626a08e7da836286d87b409e12c37e68069, cn=ADITI MITTAL
Date: 2021.05.24 21:41:34 +05'30'

**Aditi Mittal**
Managing Director
DIN:00698397

PRASHANT ROONGTA
Digitally signed by PRASHANT ROONGTA
DN: cn=PRASHANT ROONGTA, o, ou, email=prashant.roongta@akgroup.co.in, c=IN
Date: 2021.05.24 21:47:11 +05'30'

**Prashant Roongta**
Whole Time Director
DIN:08457264

RANJIT KUMAR DUTTA
Digitally signed by RANJIT KUMAR DUTTA
Date: 2021.05.24 22:16:09 +05'30'

**Ranjit Dutta**
Chief Financial Officer

RAM PANNALAL SUTHAR
Digitally signed by RAM PANNALAL SUTHAR
DN: c=IN, o=Personal, pseudonym=450162f1c6796ee5240aec1a59b2e28e32e027a1df8eed0359349a39b867333b, postalCode=401105, st=MAHARASHTRA, serialNumber=c940ef01097af3b5840c4908deeb4225a66df2169867d07807025a25d0f9610c3, cn=RAM PANNALAL SUTHAR
Date: 2021.05.24 21:42:09 +05'30'

**Ram Suthar**
Company Secretary
M.No.: ACS-A45260

Place: Mumbai
Dated : May 24, 2021