

Walker Chandlok & Co LLP

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Independent Auditor's Report

To the Members of Gilt Edge Finance and Investments Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Gilt Edge Finance and Investments 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 Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. 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 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

The Directors' Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandlok & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

Responsibilities of Management for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. 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.
7. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. 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 Standards on Auditing 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.
9. As part of an audit in accordance with Standards on Auditing, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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;



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- 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;
10. We communicate with board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matter

11. The financial statements of the Company for the year ended 31 March 2020 were audited by the predecessor auditor, BSR & Co LLP, who have expressed an unmodified opinion on those financial statements vide their audit report dated 01 June 2020.

Report on Other Legal and Regulatory Requirements

12. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
13. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
14. Further to our comments in Annexure I, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, 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 of the accompanying financial statements;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;
 - f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 26 April 2021 as per Annexure II expressed unmodified opinion; and
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigation which would impact its financial position as at 31 March 2021;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021; and



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- iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Aasheesh Arjun Singh

Partner

Membership No.: 210122

UDIN: 21210122AAAABK1438



Bengaluru

26 April 2021

Walker ChandioK & Co LLP

Annexure I to the Independent Auditor's Report of even date to the members of Gilt Edge Finance and Investments Private Limited on the financial statements for the year ended 31 March 2021

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i) The Company does not have any fixed assets. Accordingly, the provisions of clause 3(i) of the Order are not applicable.
- ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- vii) (a) The Company is regular in depositing undisputed statutory dues including income-tax, cess and other material statutory dues, as applicable, to the appropriate authorities. The Company did not have any dues on account of Provident Fund, Employees' State Insurance, Duty of customs, Goods and Services tax, Sales-tax, Duty of excise and Value Added Tax during the year. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) There are no dues in respect of income-tax that have not been deposited with the appropriate authorities on account of any dispute. The Company did not have dues on account of Duty of customs, Goods and Services tax, Sales-tax, Duty of excise and Value Added Tax.
- viii) The Company has no loans or borrowings payable to a financial institution or a bank or government. The Company did not have any outstanding debentures during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.
- xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.
- xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.



Walker ChandioK & Co LLP


Annexure I to the Independent Auditor's Report of even date to the members of Gilt Edge Finance and Investments Private Limited on the financial statements for the year ended 31 March 2021 (cont'd)

- xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the company is not required to constitute audit committee under Section 177 of the Act.
- xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Walker ChandioK & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Aasheesh Arjun Singh

Partner

Membership No.: 210122

UDIN: 21210122AAAABK1438



Bengaluru

26 April 2021

Annexure II to the Independent Auditor's Report of even date to the members of Gilt Edge Finance and Investments Private Limited on the financial statements for the year ended 31 March 2021

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Gilt Edge Finance and Investments Private Limited ('the Company') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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. 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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.



Walker ChandioK & Co LLP

Annexure II to the Independent Auditor's Report of even date to the members of Gilt Edge Finance and Investments Private Limited on the financial statements for the year ended 31 March 2021 (cont'd)

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Walker ChandioK & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Aasheesh Arjun Singh

Partner

Membership No.: 210122

UDIN: 21210122AAAABK1438



Bengaluru

26 April 2021

Gilt Edge Finance And Investments Private Limited

Balance sheet

Rs. in thousands

As at	Note	31 March 2021	31 March 2020
I Assets			
(1) Non-current assets			
(a) Financial assets			
(i) Investments	4	2,364	2,309
(b) Income tax-assets, (net)	14	12	-
Total non-current assets		2,376	2,309
(2) Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	5	59	116
(ii) Bank balances other than (i) above	5	23,322	22,294
(iii) Other financial assets	6	484	849
(b) Other current assets	7	12	-
Total current assets		23,877	23,259
Total assets		26,253	25,568
II Equity and liabilities			
(1) Equity			
(a) Equity share capital	8	2,498	2,498
(b) Other equity	9	23,310	22,496
Total equity		25,808	24,994
(2) Liabilities			
(A) Non-current liabilities			
(a) Deferred tax liability	14	379	368
Total non current liabilities		379	368
(B) Current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	10	61	112
(b) Other current liabilities	11	5	5
(c) Current tax liabilities, (net)	14	-	89
Total current liabilities		66	206
Total liabilities		445	574
Total equity and liabilities		26,253	25,568
Significant accounting policies	3		

See accompanying notes to the financial statements

As per our report of even date attached

for Walker Chandio & Co LLP
Chartered Accountants
Firm's registration No: 001076N/N500013


Aashresh Arjun Singh
Partner
Membership No: 210123

Place: Bengaluru
Date: 26 April 2021



for and on behalf of the Board of Directors of
Gilt Edge Finance And Investments Private Limited
CIN: U65923MH1983PTC030884


Venkataraman Natarajan
Director
DIN: 05220857

Place: Bengaluru
Date: 26 April 2021



Ramamurthy Jayaraman
Director
DIN: 07206661

Place: Mumbai
Date: 26 April 2021

Gilt Edge Finance And Investments Private Limited

Statement of Profit and Loss

Rs. in thousands

For the year ended	Note	31 March 2021	31 March 2020
I Income			
Other income	12	1,221	1,807
Total Income		1,221	1,807
II Expenses:			
Other expenses	13	90	115
Total expenses		90	115
III Profit before tax (I-II)		1,131	1,692
IV Tax expense:			
(i) Current tax	14	306	405
(ii) Deferred tax	14	11	(2)
Total tax expense		317	403
V Profit for the year (III-IV)		814	1,289
VI Other comprehensive income		-	-
VII Total comprehensive income for the year (V+VI)		814	1,289
Earnings per equity share (nominal value of Re. 10 each)	18		
Basic (in Rs.)		3.26	5.16
Diluted (in Rs.)		3.26	5.16
Weighted average number of equity shares used in computing earnings per share:			
- Basic		2,49,750	2,49,750
- Diluted		2,49,750	2,49,750
Significant accounting policies	3		

See accompanying notes to the financial statements

As per our report of even date attached

for Walker ChandioK & Co LLP
Chartered Accountants
Firm's registration No: 001076N/N500013


Ansheesh Arjun Singh
Partner
Membership No: 210122

Place: Bengaluru
Date: 26 April 2021



for and on behalf of the Board of Directors of
Gilt Edge Finance And Investments Private Limited
CIN: U65923MH1983PTC030884


Venkataraj Natarajan
Director
DIN: 05220857

Place: Bengaluru
Date: 26 April 2021



Ramamurthy Jayaraman
Director
DIN: 07206661

Place: Bengaluru
Date: 26 April 2021

Gilt Edge Finance And Investments Private Limited

Statement of changes in equity

Rs. in thousands

Particulars	Equity share capital		Other equity			Total equity attributable to equity holders of the Company
	Securities premium	Surplus Capital redemption reserve	Retained earnings	Equity instruments through OCI	Other items of OCI	
Balance as at 1 April 2019	2,498	6	21,052	-	-	23,705
Changes in equity for the year ended 31 March 2020	-	-	1,289	-	-	1,289
Profit for the year	-	-	22,341	-	-	22,496
Balance as at 31 March 2020	2,498	6	22,341	-	-	24,994
<hr/>						
Particulars	Equity share capital		Other equity			Total equity attributable to equity holders of the Company
	Securities premium	Surplus Capital redemption reserve	Retained earnings	Equity instruments through OCI	Other items of OCI	
Balance as at 1 April 2020	2,498	6	22,341	-	-	24,994
Changes in equity for the year ended 31 March 2021	-	-	814	-	-	814
Profit for the year	-	-	23,155	-	-	23,310
Balance as at 31 March 2021	2,498	6	23,155	-	-	25,808

See accompanying notes to the financial statements

As per our report of even date attached

for Walker Chandiook & Co LLP
Chartered Accountants
Firm's registration No: 001076N/N500013


Ashesh Arjun Singh
Partner
Membership No: 210122

for and on behalf of the Board of Directors of
Gilt Edge Finance And Investments Private Limited
CIN: U65923MH1983PTC030884


Venkataraman Natarajan
Director
DIN: 05220857


Ramamurthy Jayaraman
Director
DIN: 07206661

Place: Bengaluru
Date: 26 April 2021

Place: Bengaluru
Date: 26 April 2021



Gilt Edge Finance And Investments Private Limited

Statement of Cash flows

Rs. in thousands

For the year ended	31 March 2021	31 March 2020
Cash flow from operating activities		
Profit before tax	1,131	1,692
Adjustments for :		
Net (gain) / loss on financial asset measured at fair value through profit and loss	(55)	1
Interest income	(1,162)	(1,608)
Provision no longer required written back	(4)	(199)
Changes in		
Other current assets	(12)	49
Other financial liabilities and other current liabilities	(47)	(21)
Cash generated from operating activities	(149)	(86)
Income tax paid, net of refund	(407)	(264)
Net cash used in operating activities	(556)	(350)
Cash flow from investing activities		
Interest income	1,527	759
Bank deposits placed or matured (net)	(1,028)	(13,046)
Net cash from/(used in) investing activities	499	(12,287)
Net change in cash and cash equivalents	(57)	(12,637)
Cash and cash equivalents at beginning of year	116	12,753
Cash and cash equivalents at end of year	59	116
Note:		
Cash and cash equivalent at the end of the year (refer note 5)	59	116
	59	116

Significant accounting policies (refer note 3)

See accompanying notes to the financial statements

As per our report of even date attached

for Walker ChandioK & Co LLP
Chartered Accountants
Firm's registration No: 001076N/N500013


Aasheesh Arjun Singh
Partner
Membership No: 210122

Place: Bengaluru
Date: 26 April 2021



for and on behalf of the Board of Directors of
Gilt Edge Finance And Investments Private Limited
CIN: U65923MH1983PTC030884


Venkataraman Natarajan
Director
DIN: 05220857

Place: Bengaluru
Date: 26 April 2021


Ramamurthy Jayaraman
Director
DIN: 07206661

Place: Bengaluru
Date: 26 April 2021

Gilt Edge Finance And Investments Private Limited

Notes to the financial statements

1. Reporting entity

Gilt Edge Finance and Investments Private Limited (“the Company”) is a private limited company incorporated in 1983 under the provisions of the Indian Companies Act 1956.

2. Basis of preparation

A. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015, as amended, notified under Section 133 of Companies Act, 2013, (‘the Act’) and other relevant provisions of the Act.

The financial statements were authorized for issue by the Company’s Board of Directors on 26 April 2021

Details of the Company’s accounting policies are included in Note 3.

B. Functional and presentation currency

These financial statements are presented in Indian Rupees (Rs.), which is also the Company’s functional currency. All amounts have been rounded off to the nearest thousands, unless otherwise indicated.

C. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair Value

D. Use of estimates and judgements

The preparation of financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realised may differ from these estimates. Estimates and underline assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized prospectively.

Assumptions and estimation uncertainties:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2021 is included in the following notes:

- Note: 22 Financial instruments - Fair values and risk management



Gilt Edge Finance and Investments Private Limited

Notes to the financial statements (continued)

E. Measurement of fair values

Certain accounting policies and disclosures of the Company require the measurement of fair values, for financial instruments.

The Company has an established control framework with respect to the measurement of fair values.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable inputs)

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. (Refer to note 22 for information on detailed disclosures pertaining to measurement of fair values).

3. Significant accounting policies

a. Income taxes

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.



Gilt Edge Finance and Investments Private Limited

Notes to the financial statements (continued)

(ii) *Deferred tax*

"Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction.

- temporary differences related to investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future."

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax assets recognised or unrecognised are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The Credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income-tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists. MAT credit entitlement at year end is grouped with Deferred Tax Asset (net) in the Balance Sheet of an entity.



Gilt Edge Finance and Investments Private Limited

Notes to the financial statements (continued)

b. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, current accounts, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

c. Earnings per share

The basic and diluted earnings per share (EPS) is computed by dividing Net Profit after tax for the year by weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date.

d. Revenue Recognition

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

Other income

1. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the effective interest rate method.
2. Dividend income is recognised when the right to receive payment is established and it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of the revenue can be measured reliably.

e. Provisions and contingencies

- a. *General:* A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes to the financial statements. 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 recognised as a finance cost.
- b. *Contingent liabilities:* A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.
- c. *Onerous contracts:* Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic



Gilt Edge Finance and Investments Private Limited

Notes to the financial statements (continued)

benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

f. Financial instruments

(i) Recognition and initial measurement

The Company initially recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition.

(ii) Classification and subsequent measurement

Financial assets

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

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

Financial liabilities

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

Investment in subsidiaries, joint venture and associates

Investment in equity shares in subsidiaries, joint venture and associates is carried at cost in the financial statements.



Gilt Edge Finance and Investments Private Limited

Notes to the financial statements (continued)

(iii) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognised in the Statement of Profit and Loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously.

g. Cash flow statement

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

h. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.



Gilt Edge Finance and Investments Private Limited

Notes to the financial statements (continued)

i. Recent accounting pronouncements

On 24 March 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 1 April 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 financial statements.

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



Gilt Edge Finance And Investments Private Limited

Notes to the financial statements (continued)

Rs. in thousands

4 Non current investments

Face value per share/unit	Units/Nos.		Amount	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Rs.10	700	700	-	-
Rs.10	25,120	25,120	2,222	2,133
Rs.10	9,225	9,225	142	176
Total investments			2,364	2,309

Unquoted

(i) Investments in equity instruments (fully paid)

At fair value through profit and loss

Vasana Agrex and Herbs Private Limited

Flora Investments Company Private Limited

Sunrise Biscuit Company Private Limited

Total investments

Total quoted non-current investments

Total unquoted non-current investments

Aggregate market value of quoted non-current investments

-

2,364

2,309

-

-

5 Cash and bank balances

Cash and cash equivalents:

-Current accounts

59

116

59

116

Other bank balances

-Bank deposits with original maturity of more than 3 months but less than 12 months

23,322

22,294

23,322

22,294

Total

23,381

22,410

6 Other financial assets

Interest accrued but not due

484

849

484

849

7 Other current assets

Unsecured and Considered good:

Advances other than capital advances

Other Receivable

12

-

12

-



Gilt Edge Finance And Investments Private Limited

Notes to the financial statements (continued)

Rs. in thousands

As at	31 March 2021	31 March 2020
8 Equity share capital		
(a) Authorised Capital		
250,000 equity shares of Rs.10/- each (31 Mar 2020: 250,000 equity shares of Rs.10/- each)	2,500	2,500
	2,500	2,500
Issued, subscribed and paid up		
249,750 equity shares of Rs. 10/- each (31 Mar 2020: 249,750 equity shares of Rs. 10/- each)*	2,498	2,498
	2,498	2,498

Note:

- (a) Shares in respect of equity in the Company held by its holding or ultimate holding company, including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate:

	31 March 2021		31 March 2020	
	Number of shares *	Amount	Number of shares *	Amount
Subsidiaries of holding company				
Boribunder Finance & Investments Private Limited	78,660	787	78,660	787
Flora Investment Company Private Limited	36,561	366	36,561	366
Britannia Employees General Welfare Association Private Limited	44,865	449	44,865	449
Britannia Employees Medical Welfare Association Private Limited	44,820	448	44,820	448
Britannia Employees Educational Welfare Association Private Limited	44,844	448	44,844	448
	2,49,750	2,498	2,49,750	2,498

- (b) Details of shareholders' holding more than 5% of total number of equity shares, including amount:

	31 March 2021		31 March 2020	
	Number of sh	% Holding	Number of shar	% Holding
Subsidiaries of holding company				
Boribunder Finance & Investments Private Limited	78,660	31%	78,660	31%
Flora Investment Company Private Limited	36,561	15%	36,561	15%
Britannia Employees General Welfare Association Private Limited	44,865	18%	44,865	18%
Britannia Employees Medical Welfare Association Private Limited	44,820	18%	44,820	18%
Britannia Employees Educational Welfare Association Private Limited	44,844	18%	44,844	18%
	2,49,750	100%	2,49,750	100%

- (c) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year:

	31 March 2021		31 March 2020	
	Number of shares *	Amount	Number of shares *	Amount
Opening balance at the beginning of the reporting year	2,49,750	2,498	2,49,750	2,498
Additions	-	-	-	-
Closing balance at the end of the reporting year	2,49,750	2,498	2,49,750	2,498

- (d) Aggregate number of bonus shares issued and shares issued for consideration other than cash during the year of five years immediately preceding the reporting date is Nil (31 March 2020 : Nil).
- (e) Shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment, including the terms and amounts is Nil (31 March 2020 : Nil).

Terms / Rights attached to equity shares:

* The Company has only one class of equity shares with voting rights having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. In the event of liquidation of the Company, the shareholders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



Gilt Edge Finance And Investments Private Limited
Notes to the financial statements (continued)

Rs. in thousands

9 Other equity

Particulars	Securities premium	Capital redemption reserve	Retained earnings	Other items of OCI	Total other equity
Balance as at 1 April 2019	149	6	21,052	-	21,207
Changes in equity					
Profit for the year	-	-	1,289	-	1,289
Balance as at 31 March 2020	149	6	22,341	-	22,496

Particulars	Securities premium	Capital redemption reserve	Retained earnings	Other items of OCI	Total other equity
Balance as at 1 April 2020	149	6	22,341	-	22,496
Changes in equity					
Profit for the year	-	-	814	-	814
Balance as at 31 March 2021	149	6	23,155	-	23,310

Nature and purpose of other reserves

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Capital redemption reserve

The Company had purchased its own shares and as per the provisions of the applicable laws, a sum equal to the nominal value of the shares so purchased is required to be transferred to the capital redemption reserve.

Retained earnings

Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserves, dividend (Including dividend distribution tax) and other distributions made to the shareholders.

As at	31 March 2021	31 March 2020
10 Other financial liabilities		
Accrued expenses	61	112
	61	112
11 Other current liabilities		
Statutory related liabilities	5	5
	5	5
For the year ended	31 March 2021	31 March 2020
12 Other income		
Net gain on financial asset measured at fair value through profit and loss	55	-
Interest income	1,162	1,608
Provision no longer required written back	4	199
	1,221	1,807
13 Other expenses		
Audit fees	35	45
Net loss on financial asset measured at fair value through profit and loss	-	1
Bank and others	0	24
Professional Charges	49	22
Miscellaneous	6	23
	90	115



Gilt Edge Finance And Investments Private Limited
Notes to the financial statements (continued)

Rs. in thousands

14 Income tax

(a) Amounts recognised in statement of profit and loss

For the year ended	31 March 2020	31 March 2020
Current tax	306	441
Deferred tax	11	(2)
For earlier years	-	(36)
Tax expense for the year	317	403

(b) Reconciliation of effective tax rate

For the year ended	31 March 2021		31 March 2020	
Profit before tax		1,131		1,692
Tax using the Company's domestic tax rate	26.00%	294	26.00%	440
Others	2.06%	23	-2.19%	(37)
	28.06%	317	23.81%	403

(c) Recognised deferred tax liabilities

Deferred tax assets and liabilities are attributable to the following:

Particulars	Deferred tax assets		Deferred tax liabilities		Deferred tax (liabilities) / asset, net	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Investments at fair value through profit or loss	-	-	379	368	379	368
	-	-	379	368	379	368

(d) Movement in temporary differences

Particulars	As at 1 April 2019	Recognised in statement of profit and loss	Recognised in OCI	Recognised directly in equity	Others	As at 31 March 2020
Investments at fair value through profit or loss	370	(2)	-	-	-	368
	370	(2)	-	-	-	368

Particulars	As at 1 April 2020	Recognised in statement of profit and loss	Recognised in OCI	Recognised directly in equity	Others	As at 31 March 2021
Investments at fair value through profit or loss	368	11	-	-	-	379
	368	11	-	-	-	379

The following table provides the details of income tax assets and income tax liabilities as of 31 March 2021 and 31 March 2020

As at	31 March 2021	31 March 2020
Income tax assets (net)	12	-
Current tax liabilities (net)	-	89
Net current income tax asset / (liability) at the end	12	(89)

The gross movement in the current income tax asset / (liability) for the year ended 31 March 2021 and 31 March 2020 is as follows:

For the year ended	31 March 2021	31 March 2020
Net current income tax asset / (liability) at the beginning	(89)	52
Income tax paid (Net of refund)	407	264
Current income tax expense	(306)	(405)
Net current income tax asset / (liability) at the end	12	(89)



Gilt Edge Finance And Investments Private Limited

Notes to the financial statements (continued)

Rs. in thousands

15 Micro, Small and Medium Enterprises

Based on the information and records available with the management, there are no dues outstanding to micro and small enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006 as at 31 March 2021 and as at 31 March 2020.

For the year ended	31 March 2021	31 March 2020
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year:	-	-
-Principal		
-Interest		
(b) The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed date during the year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period) but without adding the interest specified under MSMED Act, 2006	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) 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 the MSMED Act, 2006.	-	-

16 Details of non-current investments purchased and sold during the year:

	Face value per unit	As at 1 April 2020	Purchased during the year	Sold during the year	Fair value Gain / (Loss)	As at 31 March 2021
Trade investments - Unquoted						
Investments in equity instruments (fully paid)						
Flora Investments Company Private Limited	Rs.10	2,134	-	-	89	2,223
Sunrise Biscuit Co Private Limited	Rs.10	176	-	-	(34)	141
Vasana Agrex and Herbs Private Limited	Rs.10	-	-	-	-	-
		2,309	-	-	55	2,364
	Face value per unit	As at 1 April 2019	Purchased during the year	Sold during the year	Fair value Gain / (Loss)	As at 31 March 2020
Trade investments - Unquoted						
Investments in equity instruments (fully paid)						
Flora Investments Company Private Limited	Rs.10	2,054	-	-	79	2,134
Sunrise Biscuit Co Private Limited	Rs.10	256	-	-	(80)	176
Vasana Agrex and Herbs Private Limited	Rs.10	-	-	-	-	-
		2,310	-	-	(1)	2,309

17 Contingent liabilities and commitments

(i) **Contingent liabilities** : Claims / demands against the Company not acknowledged as debts including excise duty, income tax, sales tax and trade and other demands of Rs. Nil (31 March 2020: Rs. Nil).

(ii) **Commitments** : Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil (31 March 2020: Nil).



18 Earnings per equity share

	As at 31 March 2021	As at 31 March 2020
(a) Net profit attributable to the equity shareholders	814	1,289
(b) Weighted average number of equity shares outstanding during the year	2,49,750	2,49,750
(c) Nominal value of equity shares (Rs.)	10	10
(d) Basic earnings per share (Rs.)	3.26	5.16
(e) Diluted earnings per share (Rs.)	3.26	5.16

19 Segmental information

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by industry classes. Accordingly, segment information has been presented for industry classes.

The operating segment of the Company is identified to be "Investments" as the CODM reviews business performance at an overall Company level as one segment.

20 Related parties

Relationships

A) Parties where control exists:

- | | |
|-----------------------------|---|
| 1. Ultimate holding company | The Bombay Burmah Trading Corporation Limited |
| Holding company | Britannia Industries Limited |

B) Other Related parties:

- | | |
|--|------------------------|
| 1 Key management personnel (KMP):Directors | Venkataraman Natarajan |
| | Ramamurthy Jayaraman |

Transactions with related parties during the year is nil. (31 March 2020: Nil)

Balance outstanding with related parties during the year is nil. (31 March 2020: Nil)

21 Capital management

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, creditors and market confidence and to sustain future development and growth of its business. In order to maintain the capital structure the Company monitors the return on capital, as well as the level of dividends to equity shareholders. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to all its shareholders. For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves and debt includes maturities of finance lease obligations.



22 Financial instruments - fair values and risk management

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2021.

Particulars	Note	Carrying amount				Fair value			
		FVTPL*	FVOCI	Other financial assets - amortised cost	Other financial liabilities - amortised cost	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value									
Investments in equity instruments	4	2,364	-	-	-	-	-	2,364	2,364
		2,364	-	-	-	-	-		2,364
Financial assets not measured at fair value									
Cash and cash equivalents	5	-	-	59	-	-	-	59	
Bank balances	5	-	-	23,322	-	-	-	23,322	
		-	-	23,381	-	-	-	23,381	
Financial liabilities not measured at fair value									
Other financial liabilities	10	-	-	-	61	-	-	61	
		-	-	-	61	-	-	61	

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2020.

Particulars	Note	Carrying amount				Fair value			
		FVTPL	FVOCI	Other financial assets - amortised cost	Other financial liabilities - amortised cost	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value									
Investments in equity instruments	4	2,309	-	-	-	-	-	2,309	2,309
		2,309	-	-	-	-	-		2,309
Financial assets not measured at fair value									
Cash and cash equivalents	5	-	-	116	-	-	-	116	
Bank balances	5	-	-	22,294	-	-	-	22,294	
		-	-	22,410	-	-	-	22,410	
Financial liabilities not measured at fair value									
Other financial liabilities	10	-	-	-	112	-	-	112	
		-	-	-	112	-	-	112	

The fair value of cash and cash equivalents, bank balances, and other financial assets approximate their carrying amount largely due to the short-term nature of these instruments.

(a) Investments in Flora Investment Company Private Limited financial instruments, which are classified as FVTPL are measured using net assets value at the reporting date multiplied by the quantity held.

(b) Investments in Sunrise Biscuit Co Private Limited financial instruments, which are classified as FVTPL are measured using discounting cash flow method at the reporting date. The following are the assumptions below:

- (i) CA GR : 11.50%
- (ii) WACC : 10.00%
- (iii) Growth to Perpetuity : 3.00%



Gilt Edge Finance And Investments Private Limited
Notes to the financial statements (Continued)

Rs. in thousands

22 Financial instruments - Fair values and risk management (continued)

Financial risk management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's management risk policy is set by the Managing Board. The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. A summary of the risks have been given below.

Price risk

Sensitivity analysis

The sensitivity analysis have been determined based on the exposure to WACC rate, Growth to Perpetuity and CAGR used in discounting cash flow for the fair valuation of investments. The impact on the Company of movement in WACC rate, Growth to Perpetuity and CAGR by 50 basis points higher or lower and considering all other variables constant, on investment value is 3.

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, that it will always have sufficient liquidity to meet its liabilities when due. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by the senior management.

The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities over the next six months. The Company also monitors the level of expected cash inflows on cash and bank balances together with expected cash outflows on accrued expenses. At 31 March 2021, the expected cash flows from cash and bank balances is Rs. 23,381 (31 March 2020: Rs.22,410). This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2021 and 31 March 2020 :

Particulars	As at 31 March 2021		
	Less than 1 year	1-2 years	2 years and above
Non-derivative financial liabilities			
Accrued expenses	61	-	-
	61	-	-
Particulars	As at 31 March 2020		
	Less than 1 year	1-2 years	2 years and above
Non-derivative financial liabilities			
Accrued expenses	112	-	-
	112	-	-

Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Impact of COVID-19

The Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financial assets as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information. Having reviewed the underlying data and based on current estimates, the company does not expect any material impact on the carrying amount of these assets & liabilities. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

The Company has also evaluated the impact of the same on the aforementioned risks i.e. credit risk, liquidity risk, market risk and interest risk and does not foresee any material impact on account of the same.

23 During the year ended 31 March 2021, no material foreseeable loss (31 March 2020: Nil) was incurred for any long-term contract including derivative contracts.

24 Comparative figures have been regrouped/ reclassified wherever necessary to conform to current period's presentation.

As per our report of even date attached

for Walker Chandio & Co LLP
Chartered Accountants
Firm's registration No: 001076N/N500013

Ashesh Arjun Singh
Partner
Membership No: 210122
Place: Bengaluru
Date: 26 April 2021



for and on behalf of the Board of Directors of
Gilt Edge Finance And Investments Private Limited
CIN: U65923MH1983PTC030884

Venkatraman Natarajan
Director
DIN: 05220857
Place: Bengaluru
Date: 26 April 2021

Ramamurthy Jayaraman
Director
DIN: 07206661
Place: Bengaluru
Date: 26 April 2021