



Ladderup

Engineering Growth



28th

ANNUAL

REPORT

2020 – 2021

Ladderup Finance Limited

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CORPORATE INFORMATION

BOARD OF DIRECTORS	:	Mr. Sunil Goyal (Chairman and Managing Director)
	:	Mr. Manoj Singrodia
	:	Mr. Saurabh Sarayan
	:	Mr. Mohan Tanksale
	:	Mrs. Mangala Radhakrishna Prabhu
	:	Mr. T. V. Rao
	:	Mr. Harsha Saksena
REGISTERED OFFICE	:	102-A, 1 st Floor, Hallmark Business Plaza, Guru Nanak Hospital Road, Bandra (East), Mumbai-400 051
BANKERS	:	Axis Bank Limited
	:	Bank of Maharashtra
	:	HDFC Bank Limited
	:	ICICI Bank Limited
	:	Dhanlaxmi Bank Limited
STATURORY AUDITORS	:	M/s. Shah Gupta & Co. Chartered Accountants, Mumbai
INTERNAL AUDITORS	:	M/s. DY & Associates Chartered Accountants, Mumbai
SECRETARIAL AUDITOR	:	M/s. Jajodia and Associates Practicing Company Secretaries, Mumbai
OTHER INFORMATION	:	LISTED ON BSE WEBSITE www.ladderup.com ISIN INE5119D01015 SCRIP CODE 530577
REGISTRAR AND SHARE TRANSFER AGENT	:	Link intime private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai-400083
COMPANY SECRETARY AND COMPLIANCE OFFICER	:	Mr. Dhiraj Gupta

LADDERUP FINANCE LIMITED

Regd. Off: A-102, Hallmark Business Plaza, Sant Dyaneshwar Marg, Opposite Guru Nanak Hospital, Bandra (East), Mumbai-400 051, Maharashtra
CIN: L67120MH1993PLC074278 • Website: www.ladderup.com, • Email: investor@ladderup.com • Tel: +91 22 42466363 • Fax: +91 22 2466364

NOTICE OF 28TH ANNUAL GENERAL MEETING

Notice is hereby given that the 28th Annual General Meeting of the Members of Ladderup Finance Limited will be held on Wednesday 22nd September 2021 at 02.00 pm (Time) through Video Conferencing ("VC")/Other Audio-Visual means ("OAVM") to transact the following business.

ORDINARY BUSINESS

- To receive, consider and adopt:
 - The Audited Standalone Financial Statements of the Company for the financial year ended March 31st, 2021, together with the Reports of the Board of Directors and the Auditors thereon; and
 - The Audited Consolidated Financial Statements of the Company for the financial year ended March 31st, 2021, together with the Report of Auditors thereon.
- To re-appoint Mr. Manoj Singrodia (DIN: 01501529), Non-Executive Director, who retires by rotation in the terms of section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

- To consider, and if thought fit, to pass the following resolution as a **Special Resolution**:
Re-appointment of Mr. Venkateswara Rao Thallapaka (DIN: 05273533) as an Independent Director of the Company.
"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule IV of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. Venkateswara Rao Thallapaka (DIN: 05273533) Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence and who is eligible for re-appointment and in respect of whom Notice has been received from a Members of the company under Section 160 of the Act proposing his re-appointment as Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of three years up to 10th August, 2024 or up to the conclusion of the Annual General Meeting of the Company to held in the calendar year 2024, whichever is earlier."
- To consider, and if thought fit, to pass the following resolution as an **Special Resolution**:
Ratification of decision of change in designation of Mrs. Mangala Prabhu as an Independent Director of the Company.
"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and 160 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Shareholders of the Company, be and is hereby ratify the decision of change in Designation of Mrs. Mangala R. Prabhu (DIN: 06450659) from Non-Executive Non-Independent Director to Non-Executive Independent Director of the Company, who has submitted a declaration that she meets the criteria for independence, to hold the office for the term of five consecutive years from 10th February, 2021."
- To consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution**.
Approval of Remuneration of Mr. Sunil Goyal, the Managing Director of the Company.
RESOLVED THAT pursuant to the provisions of section 197 and 198 of the Companies Act, 2013, and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with schedule V of the Companies Act, 2013 and other applicable provisions, if any, (including any statutory modification or re-enactment thereof for the time being in force) and pursuant to Articles of Association of the company, consent of the Members of the Company be and is hereby accorded to ratify the Board decision with respect to the payment of remuneration to Mr. Sunil Goyal, Managing Director (DIN: 00503570) ₹ 78,00,000/- p.a. (i.e., ₹ 6,50,000/- (Rupees Six Lakhs Fifty Thousand Only) per months), by way of salary, perquisites, allowances etc. in the Financial Year 2020-2021 and approve the Remuneration of ₹ 78,00,000/- p.a. (i.e., ₹ 6,50,000/- (Rupees Six Lakhs Fifty Thousand Only) per months), by way of salary, perquisites, allowances etc. for the Financial Year 2021-22 and Financial Year 2022-23.

Date : 23rd June, 2021

Place : Mumbai

Regd. Office : 102-A, 1st Floor, Hallmark Business Plaza, Sant Dyaneshwar Marg,
Opposite Guru Nanak Hospital Road,
Bandra (East), Mumbai-400 051

By Order of the Board

Sd/-
Dhiraj Gupta
(Company Secretary & Compliance Officer)

NOTES TO NOTICE

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circular 14/2020 dated 8th April 2020, 17/2020 dated 13th April 2020 and 02/2021 dated 13th January 2021 respectively (collectively referred to as "MCA Circulars") has permitted the holding of the annual general meeting through Video Conferencing ("VC") or through Other Audio-Visual Means ("OAVM"), without the physical presence of the Members at a common venue. The Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 ("collectively referred to as SEBI Circulars") has granted relaxation in respect of sending physical copies of annual report to shareholders and requirement of proxy for general meetings held through electronic mode.
2. In compliance with the provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars and SEBI Circulars, the 28th Annual General Meeting ("Meeting" or "AGM") of the Company is scheduled to held through VC/OAVM on Wednesday, 22nd September 2021 at 02:00 P.M.
3. Since this AGM is being held pursuant to the MCA circulars and SEBI circulars through VC or OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA circulars and the SEBI circulars, the facility for appointment of proxies by the members will not be available for this AGM.
4. Corporate Members/Institutional Investors are requested to appoint their authorized representatives pursuant to Section 113 of the Act, to attend the AGM through VC or OAVM or to vote through remote e-voting.
5. The Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act. Since the meeting is being held through VC/OAVM, the route map, proxy form and attendance slip are not annexed to the notice.
6. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item Nos. 2, 3, 4 & 5 of the Notice is annexed hereto. The relevant details, pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standards-2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at the AGM is provided as annexure to the Notice. Requisite declarations have been received from Director/s for seeking appointment/re-appointment.
7. The Registers of Members and Share Transfer Books of the Company shall remain closed from 15th September 2021 till 22nd September 2021 (both days inclusive).
8. The shareholders of the Company are informed that the amount of dividend which remains unclaimed for a period of 7 years would be transferred to the Investor Education and Protection Fund ["the Fund"] constituted by the Central Government and the shareholder(s) would be able to claim any amount of the dividend so transferred to the Fund. All dividend declared for and up to the Financial Year ended 31st March, 2013 have been transferred to the Fund. The unclaimed dividend declared for the Financial Year ended 31st March, 2014 is liable to be transferred to IEPF Account this year.
9. The shareholders who have not encased their earlier dividend warrants are requested to apply online to the Investor Education and Protection Fund Authority for claiming unpaid dividends declared by the Company.
10. Pursuant to the relevant provisions of the Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), as amended, all shares in respect of which dividend has not been paid or claimed by the shareholder for seven consecutive years or more, the Company is required to transfer such Equity Shares of the members to the Demat account of the Investor Education and Protection Fund ('IEPF') Authority. The Company has sent necessary communication to all Shareholders concerned and has also published notices in newspapers in this regard. The Company has also uploaded full details of such shareholders, whose dividend remained unclaimed on its website www.ladderup.com. The Company will do the needful in connection with transfer of such shares to the Demat account of IEPF Authority, as required.
11. However, the members/claimants whose shares and/or dividends, if any, have been transferred to the Fund may claim the shares or apply for refund by making an online application to IEPF Authority in Form IEPF-5 (available on iepf.gov.in).
12. Members holding shares in more than one folio are requested to write to the Company's Registrar & Transfer Agent, namely, Link Intime India Pvt Ltd (Email id- rnt.helpdesk@linkintime.co.in), C 101, 247 Park, Lal Bahadur Shastri Rd, Surya Nagar, Gandhi Nagar, Vikhroli West, Mumbai, Maharashtra 400083 for consolidation of holding into one folio and send the relevant Share Certificates for this purpose.
13. As per SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the

securities are held in the dematerialized form with a depository. Members of the Company who hold securities in physical form and intend to transfer their securities after 1st April 2019, can do so only in dematerialized form. Therefore, Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares for ease of portfolio management as well as for ease of transfer, if required. In view of the same and to avail the in-built advantages of NECS payment, nomination facility and other advantages, the shareholders are requested to dematerialize their shares. The ISIN of the Company is INE519D01015.

14. Pursuant to the MCA Circulars and SEBI Circulars No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 and circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January 2021, and owing to the difficulties involved in dispatching of physical copies of Annual Report to the members, electronic copy of the Annual Report for 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/the Registrar/Depository participant (s) for communication purpose. Members may note that the Notice convening the AGM and Annual Report 2020-21 will also be available on the Company's website at www.ladderup.com and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e., BSE Limited at www.bseindia.com. The AGM Notice is also available on the website of NSDL at www.evoting.nsdl.com.
15. Electronic copy of the Notice of the 28th Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting is being sent to all Members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes. For Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email address by writing to investor@ladderup.com to receive Annual Report. Members holding shares in dematerialized mode and who have not registered their email address are requested to update their email address with the relevant depository participant to receive Annual Report.
16. The Notice of the 28th Annual General Meeting and the Annual Report for 2020-21 will be available on the Company's website www.ladderup.com.
17. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08th, 2020, April 13th, 2020 and May 05th, 2020 and read with General Circular No.02/2021 dated January 13, 2021, the Company is providing facility of remote e-voting to its Members in respect of on all Resolutions set forth in this Notice convening the 28th Annual General Meeting. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
18. The Members can join the AGM through VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
19. The items of business set out in the attached Notice may, however, be transacted also through the electronic voting system as an alternative mode of voting provided that once a vote on a Resolution is cast, a Member shall not be allowed to change it subsequently or cast the vote again. Members who have not cast their votes through remote e-voting may attend and cast their votes at the Annual General Meeting through the e-voting system. Members who have cast their votes through remote e-voting prior to the Meeting may attend the meeting but shall not be entitled to cast their vote again.
20. A Person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the "cut-off date" i.e. 15th September 2021 shall be entitled to avail the facility of either remote e-voting or voting at the Annual General Meeting through e-voting. A Person who is not a Member on the cut-off date should treat this Notice for information purpose only.
21. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Sunday, 19th September, 2021 at 9:00 A.M. and ends on Tuesday, 21st September, 2021 at 5: 00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 15th September, 2021 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 15th September, 2021.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical		Your User ID is:
a)	For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b)	For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c)	For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

- b) **“Physical User Reset Password?”** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to jajodiaassociate@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Sagar Ghosalkar at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@ladderup.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor@ladderup.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1(A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and

Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investor@ladderup.com. The same will be replied by the company suitably.

EXPLANATORY STATEMENT

1) PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

In conformity with the provisions of Section 102 of the Companies Act, 2013 the following Explanatory Statement sets out all the material facts relating to the item No. 2 of Ordinary Business of the Notice and the same should be taken as forming part of the notice.

Item No. 2:

Brief Resume of Mr. Manoj Singrodia:

Name of the Director	Mr. Manoj Singrodia
Date of Birth	10-05-1964
Age	55
Date of Appointment	01/10/1993
Expertise in specific functional area	Having Experience of 30 Years in the field of Tax and Regulatory Matters, International Taxation Foreign Investment Structuring & Approvals.
Qualification	Chartered Accountant.
List of outside Directorship held as on 31 st March 2021 (Excluding Private Limited Companies and Foreign Companies)	<ol style="list-style-type: none"> 1. Sallee Tradefin Limited. 2. Ladderup Wealth Management Private Limited.

Chairman/Member of the Committee of Board of Directors of the Company as on 31 st March 2021.	Ladderup Finance Limited: 1. Investment Committee – Chairman 2. Risk Management Committee-Chairman 3. Nomination and Remuneration Committee - Member 4. Corporate Social Responsibilities Committee - Member
No of Shares held in the Company as on 31 st March, 2021	1,24,193
No. of meetings of the Board attended during the year	4
Inter-se relationship with other Directors and Key Managerial Personnel	Nothing other than his shareholding in the Company

2) PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

In conformity with the provisions of Section 102 of the Companies Act, 2013 the following Explanatory Statement sets out all the material facts relating to the item 3 of Special Business of the Notice and the same should be taken as forming part of the notice.

Item No. 3:

Pursuant to the provisions of sections 149, 150, 152 and 160 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") the Board of Directors based on recommendation of Nomination and Remuneration Committee has proposed to re-appoint Mr. Venkateswara Rao Thallapaka (DIN: 05273533) as an Independent Director of the Company for his second term of three consecutive year (i.e. up to 10th August, 2024 or up to the conclusion of the Annual General Meeting of the Company to held in the calendar year 2024, whichever is earlier).

In the Opinion of the Board, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and rules made thereunder and he is independent of the management. The Board considers that his continued association would be immense benefit to the Company, and it is desirable to continue to avail the services of as an Independent Director.

The Directors had also evaluated the performance of the Mr. Venkateswara Rao Thallapaka and rated him fairly to re-appoint him.

The Board recommends the resolutions at item No. 3 for the approval of members of the Company by way of Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are interested either financially or otherwise, in the resolution set out at Item Nos. 3 of the Notice.

The details pertaining to appointment of the Director as required to be provided pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are as follows:

Brief Resume of Mr. Venkateswara Rao Thallapaka:

Name of the Director	Mr. Venkateswara Rao Thallapaka
Date of Birth	01/07/1952
Age	69
Date of Appointment	11/08/2016
Expertise in specific functional area	Mr. T.V Rao has over 35 years' experience in Banking, Foreign Trade and Housing Finance Sectors with specialization in Management of Treasury, Investment and Corporate Finance Operations, Securitization and Structured Finance, product development (Reverse Mortgage etc.), Training, Research, Capacity Building and Regulation and Supervision of Housing Finance Institutions. He is director on the boards of corporates in NBFC, HFC, Insurance and Manufacturing sectors. Mr. Rao has been the Faculty in several Training Programmes and Symposia on Treasury and Investments, MBS organized by NHB and other renowned Research and Training Institutions in India. He has also been a distinguished speaker in various universities and autonomous educational institutions. He has headed the Treasuries of National Housing Bank, SIDBI and India Exim Bank.

Qualification	Graduate in Commerce and CAIIB (Certified Associate of the Indian Institute of Bankers)
List of outside Directorship held as on 31 st March, 2021 (Excluding Private Limited Companies and Foreign Companies)	<ol style="list-style-type: none"> 1. Natco Pharma Limited 2. Sanvira Industries Limited 3. STCI Primary Dealer Limited 4. Easy Home Finance Limited 5. Lendingkart Finance Limited 6. PNB Metlife India Insurance Company Limited 7. BGSE financials Limited 8. Canara Bank Securities Limited 9. Munz Fintech Pvt Ltd
Chairman/Member of the Committee of the above Companies as on 31 st March 2021.	<p>A. Audit Committee:</p> <ol style="list-style-type: none"> 1. Ladderup Finance Limited-Member 2. Natco Pharma Limited- Member 3. Canara Bank Securities Ltd-Member 4. Easy Home Finance Ltd-Chairman 5. Lending Kart Finance Ltd- Member 6. Sanvira Industries Ltd-Chairman 7. PNB Metlife India Insurance Company Ltd-Member <p>B. Nomination & Remuneration Committee:</p> <ol style="list-style-type: none"> 1. Ladderup Finance Limited-Member 2. Canara Bank Securities Ltd-Member 3. Easy Home Finance Ltd-Member 4. LendingKart Finance Ltd- Member 5. Sanvira Industries Ltd-Member <p>C. Risk Management Committee:</p> <ol style="list-style-type: none"> 1. Canara Bank Securities Ltd-Chairman 2. Easy Home Finance Ltd- Member 3. STCI Primary Dealer Ltd-Chairman <p>D. CSR Committee Canara Bank Securities Ltd</p> <p>E. IT Committee Easy Home Finance Limited</p>
No of Shares held in the Company as on 31 st March, 2021	-
No. of meetings of the Board attended during the year	4
Inter-se relationship with other Directors and Key Managerial Personnel	-

3) PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

In conformity with the provisions of Section 102 of the Companies Act, 2013 the following Explanatory Statement sets out all the material facts relating to the item 4 of Special Business of the Notice and the same should be taken as forming part of the notice.

The Members of the Company be hereby informed that Nomination and Remuneration Committee and Board of Directors of the Company, has proposed the shareholders of the Company to ratify the decision of change in the designation of Mrs. Mangala Prabhu from Non-Executive Non-Independent Director to Non-Executive Independent Director who has submitted a declaration that she meets the criteria of independence under section 149(6) of the Companies Act, 2013 and also as per regulation 16(1)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 to be appointed as an Independent Director of the Company.

The Board recommends the resolutions at item No. 4 for the approval of members of the Company by way of Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives are interested either financially or otherwise, in the resolution set out at Item Nos. 4 of the Notice.

The details pertaining to appointment of the Director as required to be provided pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are as follows:

Brief Resume of Mrs. Mangala Prabhu:

Name of the Director	Mrs. Mangala Prabhu
Date of Birth	15-04-1955
Age	66
Date of Appointment	10/02/2021
Expertise in specific functional area	<p>Specialized in working Capital, Project Finance, Structured Finance, M&A financing and capital Market products. Experienced banking professional with 45 years of experience working at Union Bank of India (Nov 1976 - Apr 2015) across multiple roles spanning corporate credit, foreign exchange, HR and branch banking.</p> <p>Instrumental in formation of business restructuring process of verticalisation of entire credit portfolio of the bank along with The Boston Consulting Group (BCG).</p> <p>Led the Large corporate credit portfolio as General Manager in Union Bank of India in Mumbai for 3 years.</p> <p>Extensive experience in entire value chain of large value credit proposals.</p>
Qualification	M.com, L.L.B and CAIIB
List of outside Directorship held as on 31 st March, 2021 (Excluding Private Limited Companies and Foreign Companies)	<ol style="list-style-type: none"> 1. Aspira Pathlab & Diagnostics Limited 2. Star Agriwarehousing and Collateral Management Limited 3. Bharat Oman Refineries Limited 4. Fort Finance Limited 5. Siyaram Silk Mills Limited 6. Agriwise Finserv Limited
Chairman/Member of the Committee of Board of Directors of the Company as on 31 st March, 2021	<p>A. Audit Committee:</p> <ol style="list-style-type: none"> 1. Siyaram Silk Mills Limited- Member 2. Aspira Pathlab & Diagnostics Limited- Chairperson <p>B. Nomination & Remuneration Committee:</p> <ol style="list-style-type: none"> 1. Ladderup Finance Limited- Chairperson 2. Aspira Pathlab & Diagnostics Limited- Member 3. Siyaram Silk Mills Limited- member <p>C. Stakeholder Relationship Committee:</p> <ol style="list-style-type: none"> 1. Aspira Pathlab & Diagnostics Limited- Member <p>D. Corporate Social Responsibility Committee:</p> <ol style="list-style-type: none"> 1. Ladderup Finance Limited-Member

No of Shares held in the Company as on 31 st March, 2021	NIL
No. of meetings of the Board attended during the year	4
Inter-se relationship with other Directors and Key Managerial Personnel	Mrs. Mangala Prabhu is not related to any Directors of the Company

4) PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

In conformity with the provisions of Section 102 of the Companies Act, 2013 the following Explanatory Statement sets out all the material facts relating to the item 5 of Special Business of the Notice and the same should be taken as forming part of the notice.

The Shareholders be informed that the Shareholders at their meeting held on 22nd September, 2018 had appointed Mr. Sunil Goyal, as Managing Director of the Company and approved the remuneration of ₹ 96,00,000 p.a.

However, the company has incurred loss during the year Financial Year 2019-2020 and 2020-2021. Hence, to conserve the resources, Mr. Sunil Goyal had withdrawn a Salary of ₹ 78 Lakhs p.a. in the financial year 2020-21. It has been proposed to reduce his salary from ₹ 96 Lakhs p.a. to ₹ 78 Lakhs p.a. (i.e. ₹ 6,50,000/- (Rupees Six Lakhs Fifty Thousand Only) per months, by way of salary, perquisites, allowances etc. for the financial year 2021-22 and 2022-23.

Pursuant to Section 197 read with Schedule V of the Companies Act, 2013, the revised remuneration of Mr. Sunil Goyal as decided by the Board is required to be approved by the members at their meeting due to inadequacy of profits.

It is hereby confirmed that the Company has not committed any default in respect any of its debts or interest payable thereon for a continuous period of 30 days in the preceding financial year and in current financial year.

It is that based on the projections, the overall managerial remuneration may exceed the limits specified in Section 197 of the Companies Act, 2013.

The Members are requested to consider the revision in remuneration of Mr. Sunil Goyal, Managing Director and Chairman of the Company.

The Statement containing the information to be given to the members in terms of Schedule V to the Companies Act, 2013 is as under:

I. General Information:

1.	Nature of Industry	The Company being a registered Non-Banking Finance Company with RBI has been primarily engaged in the business of investing in securities of listed and unlisted companies. The investment portfolio of your company is diversified across various sectors such as financial services, healthcare, retail, packaging, information technology, real estate, etc.		
2	Date of Commencement of Activities	1 st October, 1993		
3	Foreign Earnings, Investments or Collaborations	There was no Foreign Investment or Collaboration during the year		
4	Financial performance based on given indicators	Financial performance of the Company for the last 3 years are as under:		
		Particulars	2020-2021	2019-2020
		Operational and other Income	164.52	185.53
		Less: Total Expenses	158.88	326.06
		Profit before Tax	5.64	(140.53)
		Less: Tax expenses (includes provision for deferred tax asset/liability)	12.72	(3.92)
		Profit/(Loss) after Tax	(7.08)	(136.61)
		Other Comprehensive Income	214.73	(1153.35)
		Profit/(Loss) for the period	207.65	(1289.96)
				(978.64)

II. Information about the appointee:

1.	Background details, Recognition, or awards	Mr. Sunil Goyal is a Chartered Accountant by profession having rich experience of more than 30 years in the areas of Management Consultancy, Joint Ventures, Private Equity, Transaction Advisory, Treasury Management, Capital Markets, Turnaround Strategies and Corporate Governance.
2.	Past Remuneration	96,00,000 p.a.
3.	Job Profile and his Suitability	Chairman and Managing Director
4.	Comparative remuneration profile with respects to industry, size of the Company, profile of the position and person	The present job responsibility of the appointee is to manage the whole state of affairs of the Company. Accordingly, keeping in view his qualification, rich experience and varied expertise to deal in financial & corporate advisory matters, the proposed remuneration package of the appointee matches to the prevailing remuneration package in the concerned industry, size of the Company, profile of the position etc.
5	Pecuniary relationship, directly or indirectly, with the Company or relationship with the Key managerial personnel, if any	Except being Promoter and Managing Director of the Company, Mr. Sunil Goyal does not have any pecuniary relationship directly or indirectly with the Company or relationship with the Key Managerial Personnel.

III. Additional information to be given to the members in terms of Secretarial Standard – 2 is as under:

1.	Age	54
2.	Date of first appointment	1 st October, 1993
3.	Shareholding in the Company	1,08,369
4.	Number of Board Meetings attended during the year 2020-2021	4
5.	List of outside Directorship held as on 31st March, 2021 (Excluding Private Limited Companies and Foreign Companies)	1. JSW Energy Limited 2. Indigo Paints Limited 3. JSW Hydro Energy Limited 4. Ladderup Wealth Management Private Limited

IV. Other Information:

1	Reasons of loss or inadequate profits	The present economic condition of the country, due to Covid-19 has hit hard the overall business of the company, however your Board of Directors are working hard to Increase the Business performance of the company. The performance of your Company is improving on regular basis. Your Company is looking for new business opportunities to improve the performance of the company far better.
2	Steps taken or proposed to be taken for improvement	
3	Expected increase in productivity and profits in measurable terms	

Except Mr. Sunil Goyal, none of the other Directors and Key Managerial Personnel of the Company and their relatives are interested financially or otherwise, in the resolution set out at Item No. 5.

The Board recommends the resolutions at item No. 5 for the approval of members of the Company by way of Ordinary Resolution.

Date : 23rd June, 2021

By Order of the Board

Place : Mumbai

Regd. Office : 102-A, 1st Floor, Hallmark Business Plaza,
Sant Dyaneshwar Marg,
Opposite Guru Nanak Hospital Road,
Bandra (East), Mumbai-400 051

Sd/-
Dhiraj Gupta
(Company Secretary & Compliance Officer)

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

NBFCs, particularly in the recent years, have played a much wider role in dissemination of credit in the economy, ably complimenting the banking system. NBFCs form a large part of the market in certain sectors like transport finance, equipment finance, consumer finance, real estate finance and small business finance, where in they have addressed liquidity requirements of a large market segment, undressed by banks on account of reach, regulatory and compliance, and other issues with respect to underwriting norms. It is estimated that NBFCs take care of ~20% of incremental credit requirement of the economy, which reached a high of 35% in 2018 pre-collapse of IL&FS Group and form ~10% of the overall credit outstanding in the economy. A larger systemically important role played by the sector has also led to increased regulatory and compliance coverage of the sector. Through its various regulatory measures NBFCs are brought under stricter supervisory regime of RBI. Further, RBI has stipulated different regulatory and compliance slabs for smaller and systematically important NBFCs (those who have larger net-worth, borrowings and thus, a larger role to play in the market). Though compliance norms are not as strict as those governing banks, they have become progressively more comprehensive and rightly so. The Reserve Bank have proposed a four-layered regulatory structure for non-banking financial companies (NBFCs) with progressive increase in intensity of regulation. According to a discussion paper released by the RBI the NBFCs will be split into four layers such as base, middle, upper and top.

NBFCs, due to better management practices, adoption of technology, corporatization, refined businesses practices, consolidation of the sector and enhanced regulation, have been significantly better governed as compared to governance levels historically seen in the sector. This has led to considerably better resilience in the sector, with larger names able to survive through a relatively difficult phase in the broader economy over the last few years.

BUSINESS & FINANCIAL PERFORMANCE OF THE NBFC SECTOR

De-growth & consolidation post IL&FS crises

NBFC industry has recently witnessed some serious head-winds, beginning with the IL&FS crises of 2018, which led to sudden evaporation of credit lines, especially short term lines available to the sector from various categories of lenders. This led to substantial shrinkage in absolute size of the industry and in number of active players. This also led to consolidation in favor of large group sponsored players like Bajaj, Aditya Birla, Tata, Mahindra etc, who have garnered larger market share from non-conglomerate owned players.

COVID Crisis

With shrinkage of economic activity, especially with self-employed and small businesses, the NBFC sector has borne of dis-proportionate impact of the COVID pandemic. Since NBFC lend mostly to the segments otherwise unaddressed by banks, collection efficiency from loans had plummeted during lock-downs with some loans turning permanently impaired due to loss of life and occupation on a mass scale. The resultant impact on the sector and spill-over to other sectors was relatively muted since governance in larger NBFCs had improved substantially in the recent past, coupled with higher regulatory scrutiny and capital protection. RBI also stepped in with various monetary policy tools to support the sector, including special liquidity windows to NBFC through schemes like TLTRO, moratorium on loan repayments etc.

BUSINESS & FINANCIAL PERFORMANCE OF THE COMPANY

The Company being a registered Non-Banking Finance Company with RBI has been primarily engaged in the business of investing in securities of listed and unlisted companies. The investment portfolio of your company is diversified across various sectors such as financial services, healthcare, retail, packaging, information technology, real estate, etc. Though some of the investments did get impacted due to COVID, due to the diversified nature of the company's investments, both strategic and financial investments have done reasonably well to come out stronger post COVID, and the impact has been relatively muted. We are confident on our thesis of rationale of the underlying investments, which are mostly long term in nature. As these businesses mature and our thesis plays out, we shall gradually create value through realization of profit in the combination of dividends and capital gains, over a period of time in the future.

The details with respect to financial performance has been included in the Boards' Report.

FINANCIAL PERFORMANCE OF (LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED) SUBSIDIARY COMPANY

The financial year 2020-21 was a remarkable year of economic and market recovery. Despite the COVID-19 threats, successful monetary and fiscal measures across the globe, helped the global economy recover. The flush of liquidity available also helped the markets, along with global cues which were highly positive as we saw majority of the Indices trade at their all-time highs. We witnessed global bull markets, the sentiments of which were unfazed by the spike in infection levels. The company has a niche

business of advising clients on right investment across asset classes. It has always been an endeavor of the company to ensure safety first and then maximize the return, thereby safeguarding our clientele from adverse market impacts. On the financial front, the Company's profit after tax stood at INR 135.97 Lacs for the FY 2020-21 as against profit of INR 69.64 Lacs in the previous year. The Company continues to adopt the best practices while continuously evolving to improve the service delivery to clients through integrity, transparency and competence.

IMPACT OF SECOND WAVE OF COVID 19 ON THE COMPANY

On account of second wave of COVID 19, the government of many states including Maharashtra State Government in initial stage has declared weekend lockdown and meanwhile the cases were increased rapidly. Hence, Government of Maharashtra had declared complete lockdown from 5th April, 2021 onwards. In the state wise lockdown some essential services are allowed and were exempted from lockdown. There are no financial difficulties, resulting in additional credit risks, higher than usual bad debts and potential impairments and write-offs because of the second wave of COVID-19. The management has assessed the potential impact of the Second wave of COVID-19 on the Company. Based on the assessment, the management is of the view that there is no severe impact of the COVID-19 on the operations of the Company. The Company has provided work from home facility to the employees of the Company. The employees visit office alternatively and on need basis.

GLOBAL OUTLOOK

Following the devastating health and economic crisis caused by COVID-19, the global economy appears to be emerging from one of its deepest recessions and beginning a subdued recovery. The incipient recovery was initially supported by a partial easing of stringent lockdowns. Various restrictive measures have been reintroduced, however, as COVID-19 has continued to spread around the world, some areas have experienced a sharp resurgence of infections, and daily new cases remain high. According to World Bank Report there has been substantial progress in the development of effective vaccines, and inoculation has begun in some countries. A more general rollout in advanced economies and major emerging market and developing economies (EMDEs) is expected to proceed early this year. Most other EMDEs, however, face greater constraints in vaccine procurement and distribution. Until vaccines are widely distributed, effective containment strategies to limit the spread of COVID-19 remain critical.

The possibility of a further increase in the spread of the virus, delays in vaccine procurement and distribution, more severe and longer-lasting effects on potential output from the pandemic, and financial stress triggered by high debt levels and weak growth. To confront the adverse legacies of the pandemic, it will be critical to foster resilience by safeguarding health and education, prioritizing investments in digital technologies and green infrastructure, improving governance, and enhancing transparency.

The impact of the pandemic on investment and human capital is expected to erode growth prospects in emerging market and developing economies (EMDEs) and set back key development goals. The global recovery, which has been dampened in the near term by a resurgence of COVID-19 cases, is expected to strengthen over the forecast horizon as confidence, consumption, and trade gradually improve, supported by ongoing vaccination.

According to World Bank Report the global economy are uncertain, and several growth outcomes are possible. In the baseline forecast, global GDP is expected to expand 4 percent in 2021, predicated on proper pandemic management and effective vaccination limiting the community spread of COVID-19 in many countries, as well as continued monetary policy accommodation accompanied by diminishing fiscal support. Nonetheless, the level of global GDP in 2021 is forecast to be 5.3 percent below pre-pandemic projections or about \$4.7 trillion. After this year's pickup, global growth is envisioned to moderate in 2022 to 3.8 percent still above its potential pace, but weighed down by lasting damage from COVID- 19. By 2022, global GDP is still expected to be 4.4 percent below pre-pandemic projection.

According to the International Monetary Fund the global economy is projected to grow at 6 percent in 2021, moderating to 4.4 percent in 2022.

INDIAN ECONOMY

The economic impact of the coronavirus Covid-19 pandemic in India has been largely disruptive. India's growth in the fourth quarter of the fiscal year 2020 went down to 3.1% according to the Ministry of Statistics. However the second wave of the pandemic in India has seen no nationwide lockdown. States and union territories imposed their own state-wide and localized restrictions. Due to limited social movement restrictions during the second of Covid-19 relative to lockdown measures during the first wave, the economic impact of the second wave to date is less severe than that of the first wave.

The Reserve Bank of India in its State of Economy Report intimated that the resurgence of Covid-19 has dented but not debilitated economic activity, the impact of the second wave on the real economy seems to be limited so far in comparison with the first wave.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

RISK AND CONCERN

The disruption in Business activities due to the second wave of COVID-19 have adversely impacted the Business of Company. Due to continuous local lockdown in the state, it has created liquidity risk, credit risk etc. for the business of the company.

However, your Directors have taken necessary measures to manage the Risk on the Business of company. The management of the company has made policies and processes for risk identification, risk assessment and risk mitigation planning for business, strategic, operational, and financial and compliance related issues.

The Directors have made a committee which is known as Risk Management Committee. The Board of Directors with the Aid of such Risk Management committee review and monitor Business risks for your Company. Moreover the management also periodically reviews the policies and procedures and formulates plans for control of identified risks and improvements in the systems.

A risk/compliance update report is regularly placed before the Audit Committee/Board of Directors of the Company. The Directors/ Risk Committee review the risk/compliance update reports and the course of action taken or to be taken, to mitigate and manage the risks is taken.

HUMAN RESOURCES

The Human Resources initiative focuses on structured training programs (both in-house and external) intended to equip employees at all levels, with the necessary knowledge and experience in order to demonstrate high levels of performance. The Company takes further necessary steps to use its human resources in effective manner as well as to provide Good Working Environment as well Good Infrastructure to the Employees of the company. It focuses on the Growth of Employees in terms of monetary as well as non-monetary terms.

Our organization is committed and focused on identifying and retaining the right talent to meet the overall business strategy and objective. The broad range of activity includes viz. robust manpower planning process in line with the business objective, enhancement of employee skill-sets by identifying training and development needs, retention programs, reward and recognition, learning and development.

Your Company believes in taking care of its employees and ensuring that their career aspirations are met through professional growth, personal development and fair economic rewards.

INTERNAL CONTROL AND THEIR ADEQUACY

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations.

The Company being in lending and investment industry, has put in place an adequate internal control system to safeguard all assets and ensure operational excellence. The system also meticulously records all transaction details and ensures regulatory compliance.

The Company's internal control system is commensurate with the size, nature and operations of the Company.

DISCLOSURE OF ACCOUNTING TREATMENT

Your company follows the same accounting procedure and made the Financial Statement as per the Accounting standard, IND – AS, as well as the other laws as applicable to prepare the financial statement. Your company has not changed its Accounting policy.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of the applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic and political conditions in which the Company operates, interest rate fluctuations, changes in Government/RBI regulations, Tax laws, other statutes and incidental factors. This report contains statements extracted from reports of Government Authorities/Bodies, Industry Associations etc.

BOARDS' REPORT

To

The Members,

Ladderup Finance Limited

Your Directors are pleased to present the Twenty Eighth Annual Report, both on Standalone and Consolidated basis together with the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2021.

FINANCIAL RESULTS:

(₹ In Lacs)

Particulars	2020-21	2019-20	2020-21	2019-20
	Consolidated		Standalone	
Operational & Other Income	1650.29	3441.90	164.52	185.53
Less: Total Expenses	1363.31	3158.35	158.88	326.06
Profit/(loss) before Share of Associate and Tax	286.98	283.55	-	-
Share of Profit/(Loss) of Associate	38.04	4.18	-	-
Profit before Tax	248.94	287.73	5.64	(140.53)
Less: Tax expenses (includes provision for deferred tax asset/liability)	87.13	127.65	12.72	(3.92)
Profit after Tax	161.81	160.07	(7.08)	(136.61)
Other Comprehensive Income	216.11	(1157.68)	214.73	(1153.35)
Profit/(Loss) for the period	377.92	(997.61)	207.64	(1289.96)

The Consolidated Statements provide the results of Ladderup Finance Limited together with its Subsidiary and Associates.

FINANCIAL HIGHLIGHTS AND COMPANY AFFAIRS:

Consolidated Performance

Your Company has earned total revenue of INR 1650.29 lakhs in FY 2020-21 as compared to INR 3441.90 lakhs in FY 2019-2020. The profit for the FY 2020-2021 is INR 377.92 lakhs as compared to loss of INR 997.61 lakhs in FY 2019-20. The variation is mainly on account of increase/decrease in fair values of FVTOCI Investments (net of deferred tax).

Standalone Performance

Your Company has earned total Profit of INR 207.64 lakhs during the FY 2020-2021 as against loss of INR 1289.96 lakhs in the FY 2019-2020. The variation is mainly on account of increase/decrease in fair values of FVTOCI Investments (net of deferred tax).

Your company in the last few years continues to invest in asset based transactions with good growth prospects.

The Financial Year 2020-21 continues to be difficult year for Companies operating in the financial services space. The global macroeconomic conditions as well as domestic market conditions converged simultaneously to create strong headwinds. There was perceptible impact on margins and profitability for most companies in the financial services space as well. Again Covid-19 has worsen the situation.

AMOUNT TRANSFERRED TO RESERVE:

During the Financial Year 2020-21 the Company has transferred ₹ 23,27,198/- to Special Reserve Account in compliance with Section 45IC of the RBI Act.

DIVIDEND:

In order to preserve funds for future activities, the Board of Directors of your Company do not recommend any Dividend for the FY 2020-21.

ANNUAL RETURN:

In accordance with the Companies Act, 2013, the annual return in the prescribed format is available at <https://www.ladderup.com>.

MEETINGS OF THE BOARD:

During FY 2020-21, four Meetings of the Board were held. For details of meetings of the Board, please refer to the Corporate Governance Report, which is a part of Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, changes were made in the composition of the Board of Directors of the Company as per the specified provision of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015—

- a) Mr. K.V.S. Shyamsunder had tendered his resigned from the post of Independent Director of the company w.e.f. 15th January 2021. The Board has taken on record the Appreciation for his all the efforts & contributions made to the Growth and Success of the Company.
- b) In accordance with the provisions of Section 152 of the Companies Act, 2013, and that of Articles of Association of the Company, Mr. Manoj Singrodia, Director of the Company retires by rotation at ensuing Annual General Meeting of the Company and being eligible, has offered himself for re-appointment.
- c) In accordance with the provision of section Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule IV of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company recommend the member to re-appoint Mr. Venkateswara Rao Thallapaka (DIN: 05273533) Independent Director of the Company for his second term of three years.

As stipulated under the Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, brief resume of the Director proposed to be re-appointed is given in the Notice convening Twenty Eighth Annual General Meeting.

- d) The Nomination and Remuneration Committee and Board of Directors of the Company, has proposed the shareholders of the Company to ratify the decision of change in the designation of Mrs. Mangala Prabhu from Non-Executive Non-Independent Director to Non-Executive Independent Director who has submitted a declaration that she meets the criteria of independence under section 149(6) of the Companies Act, 2013 and also as per regulation 16(1)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 to be appointed as an Independent Director of The Company.

As stipulated under the Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, brief resume of the Director proposed to be re-appointed is given in the Notice convening Twenty Eighth Annual General Meeting.

- e) Mr. Sunil Goyal was appointed as Chairman of the Company with effect from 10th February, 2021.
- f) Mr. Paresh Patil had resigned as Company Secretary and Compliance Officer of the Company w.e.f. 18th July, 2020.
- g) Mr. Dhiraj Gupta was appointed as Company Secretary and Compliance Officer of the Company w.e.f. 20th July, 2020.

SEPARATE MEETING OF INDEPENDENT DIRECTORS:

Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made thereunder and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Independent Directors of the Company met on 11th March, 2021, without the attendance of Non-Independent Directors and Members of the Management.

The Independent Directors reviewed performance of Non-Independent Directors, Chairman of the Company and the performance of the Board as a whole. The Independent Directors also discussed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The feedback of the Meeting was shared with the Chairman of the Company.

The Company has received declarations from all the Independent Directors confirming that they meet with the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statements in terms of Section 134(3)(c) & 134(5) of the Companies Act 2013:

That in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures;

That such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgments have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2021 and of the profit or loss of the company for the year ended on that date;

That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

That the annual financial statements have been prepared on a going concern basis;

That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.

That systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

NOMINATION AND REMUNERATION POLICY:

Pursuant to Provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and on the recommendation of the Nomination & Remuneration Committee, the Board had adopted policy for selection and appointment of Directors, Senior Management and their remuneration. The details of Remuneration Policy is stated in the Corporate Governance Report. The Nomination and Remuneration Policy is posted on the website of the Company.

AUDITORS & AUDITORS' REPORT:

STATUTORY AUDITORS & STATUTORY AUDITORS' REPORT

The Statutory Auditors, M/s. Shah Gupta & Co., Chartered Accountants, Mumbai (Firm Registration No. 109574W), have issued Audit Report for the Financial Year 2020-21 pursuant to provisions of Section 141(2) of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014.

The Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDITOR & SECRETARIAL AUDITORS' REPORT

The Secretarial Auditors, M/s. Jajodia and Associate, Practicing Company Secretary firm, Mumbai (Certificate of Practice No. 19900), have issued Secretarial Audit Report for the Financial Year 2020-21 pursuant to provisions of Section 204 of the Companies Act, 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, which is annexed as "Annexure I" and forms part of this Report. There is no any observation/qualification reported by the Secretarial Auditor during the FY 2020-21.

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

M/s. Jajodia & Associates, Practicing Company Secretary, have examined the compliance of conditions of Corporate Governance by the Company, for the Financial Year ended on 31st March, 2021, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) and issued a certificate which has been included Corporate Governance Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY UNDER SECTION 186

The details of Loan, Guarantees and Investments made by the Company under the provisions of Section 186 of the Companies Act, 2013 are provided in the notes to the Financial Statements.

RELATED PARTY TRANSACTIONS

During the year under review, the Company has not entered any related party transaction falling within the purview of Section 188(1) of the Companies Act, 2013. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) of the Act in Form AOC-2 is not applicable.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: www.ladderup.com.

The details of the transactions with related parties are provided in the accompanying financial statements.

SUBSIDIARY & ASSOCIATES

The Company has one subsidiary i.e. Ladderup Wealth Management Private Limited and two associate Company i.e. Waterproof Corporation Private Limited and Annapurna Pet Private Limited. During the year, the Board has reviewed the affairs of the subsidiary. In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared consolidated financial statements of the Company and its' subsidiary and associates, which form part of the Annual Report. Further, the statement containing the salient features of the financial statements of its subsidiary in the prescribed format are given in notes to the financial statements. The statement also provides the details of performance and financial position of the subsidiary.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of its subsidiary, are available on website of www.ladderup.com. These documents will also be available for inspection during the business hours at the registered office of the Company.

The Company's policy on material subsidiary as approved by the Board is uploaded on the Company's website at "Investors" section.

MATERIAL CHANGES:

There is no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year of the Company i.e. 31st March, 2021 to which these financial statements relates and the date of this report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

There was no technology absorption and no foreign exchange earnings or outgo, during the year under review. Hence, the information as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is to be regarded as Nil.

The Company has not entered into any technology transfer agreement.

RISK MANAGEMENT POLICY:

As per the provisions of the Companies Act, 2013 and as part of good corporate governance the Company has constituted the Risk Management Committee. The Committee has laid down the procedures to inform to the Board about the risk assessment and minimization procedures and the Board shall be responsible for framing, implementing and monitoring the risk management plan and policy for the Company.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

The Committee reviewed the risk trend, exposure and potential impact analysis carried out by the management. It was specifically confirmed to the Committee by the MD and the CFO that the mitigation plans are finalized and up to date, owners are identified and the progress of mitigation actions are monitored.

CORPORATE SOCIAL RESPONSIBILITY:

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company as adopted by the Board and the initiatives undertaken by the Company on CSR activities during the year under review are set out in Annexure II of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report. The CSR policy is available on website www.ladderup.com.

PREVENTION OF INSIDER TRADING:

As per the provisions of SEBI (Prohibition of insider trading) Regulations, 2015, the Company has adopted a code of conduct for prevention of insider trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Directors and the designated employees have confirmed compliance with the Code.

POLICY ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

The Company has zero tolerance towards sexual harassment at the workplace and towards this end, has adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. All employees (permanent, contractual, temporary, trainees) are covered under the said policy. An Internal Complaints Committee has also been set up to redress complaints received on sexual harassment.

During the financial year under review, the Company has not received any complaints from any of the employees of the Company.

PERFORMANCE EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and provisions of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as stakeholder relationship committee. The Directors expressed their satisfaction with the evaluation process.

NON-DEPOSIT TAKING NON-BANKING FINANCIAL COMPANY:

The Company is registered as a Non-Banking Financial Institution on 24th February, 1998. In terms of the provisions of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, your Company is categorized as a Non-deposit taking Non-Banking Financial Company. The Company has not accepted any deposits from the public during the year pursuant to the provisions of Section 73 of the Companies Act, 2013.

COMMITTEES OF THE BOARD:

There are currently Eight Committees of the Board, as follows:

- 1) Audit Committee
- 2) Stakeholders' Relationship Committee
- 3) Nomination & Remuneration Committee
- 4) Investment Committee
- 5) Risk Management Committee
- 6) Prevention of Sexual Harassment Committee
- 7) Corporate Social Responsibility Committee
- 8) Credit Committee

Details of all the Committees along with their charters, composition and meetings held during the year, are provided in the Corporate Governance Report.

PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company's internal control system is designed to ensure orderly and efficient conduct of its business, compliance with law and regulations including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting record, and the timely preparation of reliable financial information. Internal Control system is supported by an Internal Audit Process. The Internal Audit Plans and Scope are well laid-out to ensure compliance with various applicable laws and internal policies. The Internal Auditors review the systems and procedures and advise on further improvements wherever required. The reports of the Internal Auditors are reviewed by the Audit Committee and the Board of Directors of the Company.

All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behaviour, the company has adopted a vigil mechanism policy. This Policy can be viewed on the Company's website viz. www.ladderup.com in the "Investors" Section.

ACKNOWLEDGEMENT:

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and co-operation received from all our Clients, Financial Institutions, and Bankers, Business Associates and the Government and other regulatory authorities and thank all stakeholders for their valuable sustained support and encouragement towards the conduct of the proficient operation of the Company. Your Directors would like to place on record their gratitude to all the employees who have continued their support during the year.

The Directors thanks to Government of India and Government of Maharashtra and others States, Police, Doctors, Nurses, Sanitary workers, NGOs, and every individual who are risking their lives in the fight against Covid-19.

Date : 23rd June, 2021
Place : Mumbai

For and on behalf of the Board
Sd/-
Sunil Goyal
Chairman and Managing Director
DIN: 00503570

Form No. MR-3
SECRETARIAL AUDIT REPORT
For Financial Year Ended on 31st MARCH, 2021

**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of
the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,
The Members,
LADDERUP FINANCE LIMITED.
A/102, Hall Mark Business Plaza,
Sant Dyaneshwar Marg, Opposite Gurunanak Hospital,
Bandra East, Mumbai- 400051.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by LADDERUP FINANCE LIMITED (hereinafter called "The Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our Opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and provided either as hard copies or scanned copies by email or through permitted access to the Company's in-house portal and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 ("the Financial Year"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and produced before us for the financial year ended on 31st March, 2021 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under ;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings.
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (e) The Securities and Exchange Board of India (Listing Obligation and disclosure Requirement) Regulations, 2015;
 - (f) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

We further report that:

The Company has identified and confirmed the applicable Acts, Laws and Regulations specifically applicable to the Company as mentioned below:

- I) Reserve Bank of India Act, 1934; and
- II) All the Rules, Regulations, Guidelines and Circulars applicable to Non-Banking Financial Companies under the RBI Act, 1934.

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards 1 and Secretarial Standards 2, issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. otherwise as mentioned elsewhere in this report.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions made at Board Meetings and Committee Meetings have unanimous consent as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that:

During the audit period the Company has done the following transactions in due compliance with the applicable provisions of the Act.

- 1) Mr. Paresh Patil has resigned w.e.f 18th July, 2021 as Company Secretary and Compliance Officer of the Company.
- 2) Mr. Dhiraj Gupta was appointed as Company Secretary and Compliance Officer of the Company of the w.e.f. 20th July, 2021.
- 3) The Company has divested the one share of Water Proof Corporation Pvt Ltd (WACO) and thereby WACO has become Joint Venture/Associate Company of the Company.
- 4) Mr. KVS Shyamsunder has resigned from the Independent Directorship of Company w.e.f 15th January, 2021
- 5) Mrs. Mangala Prabhu has been re-designated as Independent Director of the Company, w.e.f 10th February, 2021.
- 6) Mr. Sunil Goyal has been designated as Chairman cum Managing Director of the Company w.e.f 10th February, 2021.

We further report that:

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Date: 23rd June, 2021

Place: Mumbai

For Jajodia and Associates

Sd/-

Priti Nikhil Jajodia
Company Secretary in Practice
Mem. No. 36944
COP No. 19900
UDIN:A036944C000504708

This report is to be read with our letter of even date which is annexed as Annexure – I and forms an integral part of this report.

ANNEXURE TO THE SECRETARIAL AUDIT REPORT

To,
The Members,
LADDERUP FINANCE LIMITED.

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of account of the Company.
4. Wherever required, we have obtained Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 23rd June, 2021

Place: Mumbai

For Jajodia and Associates

Sd/-

Priti Nikhil Jajodia
Company Secretary in Practice
Mem. No. 36944
COP No. 19900
UDIN:A036944C000504708

CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR FINANCIAL YEAR ENDED AS ON 31ST MARCH, 2021

1. Brief outline on CSR Policy of the Company:

1.1. APPLICABILITY:

A brief outline of Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

1.2. VISION & OBJECTIVES:

The Company believes in sustained growth of business which lies on triple bottom line that is growth of people around our operation, protection of environment where we operate and profit from our business. We understand that well-being of the community around our business helps in growth of business and hence we value people around our operational locations and promote inclusive growth.

We endeavour to serve the society and achieve excellence. We continue to remain focused on improving the quality of life and engaging communities through ensuring environment sustainability, promoting healthcare, promoting education and many more activities.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Sunil Goyal	Chairman	1	1
2.	Mrs. Mangala Prabhu	Member	1	1
3.	Mr. Manoj Singrodia	Member	1	1

3. Web-link for CSR Policy:

The policy for determining corporate social responsibilities mentioned on the website of company i.e. www.ladderup.com under the Investor relation section.

Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	2019-2020	—	—
2	2020-2021	—	—
	Total		

4. Average net profit of the company:

The Average net profit of the Company in preceding three financial year is ₹ 1,53,47,006/-.

5. (a) Two percent of average net profit of the company:

The two percent Average net profit of the Company in preceding three financial year is ₹ 306,940/-

(b) Surplus if any: Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year:

The Board was informed that, the company is required to spent ₹ 306,940/- in the financial year 2020-2021 as CSR expenditure, however the company have spent ₹ 4,00,000/- (i.e. excess of ₹ 93,060).

6. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
4,00,000	-			-	

- (b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5	6	7	8
Sr. No.	CSR Project or Activities Identified	Sector in which the activities is covered	Project or Programmes 1. Local area or other 2. State and district	Amount Outlay (Budget) (₹)	Amount Spent in FY 2020-21 (₹)	Cumulative Expenditure up to the reporting period FY 2020-2021	Amount Spent: Direct/ Through implementing agency
1	Donation to Agarwal Global Foundation	Promoting education	State: Maharashtra District: Mumbai	306,940	4,00,000	4,00,000	Through implementing agency Agarwal Global Foundation.

Agarwal Foundation is a Trust of like-minded people from Agarwal Community, the path of Maharaja Agrasen & ancestors, with an aim to return something better to the society. It is an organization dedicated to welfare and growth of Agarwal Community around the Globe. All the member of the trust are well-established businessmen /professionals.

Excess amount for set off, if any:

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	306,940
(ii)	Total amount spent for the Financial Year	4,00,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	93,060
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	93,060

Responsibility Statement

Pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, it is confirmed that the CSR Committee has implemented and monitored the CSR initiatives in line with CSR objective and Policy of the Company. The CSR Committee has monitored the status of the amount spent on the projects through the Social Audit.

Sd/-

Sunil Goyal

Managing Director, Chairperson-CSR Committee

DIN: 00503570

Date: 23rd June, 2021

Place: Mumbai

REPORT ON CORPORATE GOVERNANCE

[Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense.

Ladderup Group continues to be guided by a good corporate governance practice and is committed to follow the spirit of the law and not just letter of the Law. All employees are guided by the vision of the management of the Company to work towards attaining highest levels of transparency, fairness, accountability, and integrity in dealings with all the constituents of the business. It is the endeavor of the management to achieve the highest standards of governance by adopting the best emerging practices and not only adhere to the prescribed corporate governance practices in terms of the regulatory requirements.

1. BOARD OF DIRECTORS:

The Board of Directors ("the Board") of your Company is responsible for and is committed to sound principles of the corporate governance in the Company. The Board plays a crucial role in overseeing how the management serves the interest of the Shareholders and other Stakeholders. This belief is reflected in our governance practice, under which we strive to maintain an effective, informed, and independent Board to ensure best practice.

The composition of the Board is in conformity with the Listing Regulations and the Companies Act, 2013 ('the Act'). As on 31st March 2021, the Board comprised of Seven Directors consisting of four Non-Executive Independent Directors, one Executive Director and two Non-Executive Directors.

The Composition and category of the Board of Directors during the FY 2020-21 was as follows:

Sr. No.	Name of the Directors	Director Identification Number	Category
1.	Mr. Sunil Goyal	00503570	Chairman, Managing Director and Promoter
2.	Mr. Manoj Singrodia	01501529	Non-Executive Director, Promoter
3.	Mr. Saurabh Sarayan	07969125	Non-Executive Director
4.	Mr. Harsha Saxena	01736469	Independent Director
5.	Mr. Mohan Tanksale	02971181	Independent Director
6.	Mrs. Mangala Prabhu	06450659	Independent Director
7.	Mr. T. V. Rao	05273533	Independent Director

Meetings and Attendance

The Company's Governance Policy, which is in pursuance with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is strictly followed by the Board. The Board meets at regular intervals to discuss and decide on Company's business policy along with the other Board business. However, in case of a special and urgent business need, the Board approval is taken by passing resolution by circulation, as permitted by law, which is then confirmed in the ensuing Board Meeting.

Four Board Meetings were held during the Financial Year 2020-21 complying with the requirement of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The maximum interval between any two consecutive Board meetings was well within the allowable gap. The dates on which the meetings were held are 18th July 2020, 14th September, 2020, 11th November, 2020, and 10th February, 2021.

Information placed before the Board:

The Board was provided with all the required information wherever applicable and materially significant. The information is submitted either as a part of agenda papers or is tabled during the meeting for enabling them to give their valuable inputs.

The following are tabled for the Board's periodic review/information/approval::

- Annual Operating Plans of business and any updates thereon.
- Quarterly Results of the Company and its Subsidiaries along with the operating divisions or business segments.
- Statement of significant and other arrangements entered by the Company or its Subsidiaries.

- Status of compliances.
- Formation/Re-constitution of the Board Committees.
- Minutes of Unlisted Subsidiaries and audit committee and other committees of the board.
- Inter-Corporate Investment, Loans and Guarantees.
- Appointment/Resignation of Directors/Senior Managerial Personnel/Key Managerial Personnel.
- Adoption of New Remuneration Policy.
- To Avail the Corporate Internet Banking Facility.
- Transfer of shares to Investor Education and Protection Fund (IEPF) account.
- Reviewed and noted the Investment to be made by Ladderup Wealth Management Private Limited, Subsidiary Company.
- General Notice of Interest of Directors.
- All other matters required to be placed before the Board for its review/information/approval under the statutes including Regulations 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Post-Meeting follow-up mechanism

An effective post meeting follow-up, review and reporting process for the decisions taken by the Board or its Committees are promptly communicated to all those concerned in the Company. Action Taken Report on the progress of the Company is placed at the succeeding Meeting of the Board/Committee for noting.

Attendance of Directors at Board Meetings, Last Annual General Meeting and number of other Directorship and Chairmanship/Membership of Committees of each Director in various Companies are as under:

Name of the Director	Attendance at Meetings held during financial year 2020-21		Directorship in other Indian Public Limited Companies	No. of Board Committees in which Director is Chairman/Member	
	Board Meetings	Last AGM held on 29 th September, 2020		Chairman	Member
Mr. Sunil Goyal	4	Present	4	1	4
Mr. T. V. Rao	4	Present	8	2	6
Mr. Mohan Tanksale	4	Present	8	4	4
Mr. Harsha Saxena	4	Present	1	1	-
Mr. Manoj Singrodia	4	Present	1	-	-
Mrs. Mangala Prabhu	4	Absent	6	2	1
Mr. Saurabh Sarayan	4	Present	-	-	1

1. The Directorships exclude Private Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorship.
2. In accordance with the Section 165 and Provisions to Section 2(71) the Directorships include that "a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its article".
3. In accordance with the Regulation 26 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Membership/Chairmanship include Audit Committee, Stakeholders Relationship Committee in all Public Limited Companies. None of the Director on the Board is a Member of more than Ten Committees or a Chairman of more than Five Committees, across all the Companies in which they are Directors. The Directors have made the necessary disclosures regarding Committee positions.

The details pertaining to the directorships held by Directors in listed companies other than the Company as on March 31, 2021 is as follows:

Name of the Director	Name of the Listed Entity	Category of Directorship
Mr. Sunil Goyal	Indigo Paints Limited	Non-Executive, Independent Director
	JSW Energy Limited	Non-Executive, Independent Director
Mr. T. V. Rao	NATCO Pharma Limited	Non-Executive, Independent Director
Mr. Mohan Tanksale	Raja Bahadur International Limited	Non-Executive, Independent Director
Mr. Harsha Saxena	—	—
Mr. Manoj Singrodia	—	—
Mrs. Mangala Prabhu	Aspira Pathlab & Diagnostics Limited	Non-Executive, Independent Director
	Siyaram Silk Mills Limited	Non-Executive, Independent Director
Mr. Saurabh Sarayan	—	—

Disclosure of Relationship between Directors inter-se:

Mr. Sunil Goyal and Mr. Manoj Singrodia are the part of Promoter Group. None of the other directors are related to any other director on the Board.

Mr. K.V.S. Shyamsunder (79 Years), demitted office as an Independent Director of the Company, w.e.f. January 15, 2021, on account of his advanced age. Other than this, there was no other material reason for demitting office as an Independent Director of the Company.

Shareholding of the Non-Executive Directors (As on 31st March, 2021):

Name of the Non-Executive Directors	Number of Equity Shares
Mr. T. V. Rao	Nil
Mr. Harsha Saxena	Nil
Mrs. Mangala Radhakrishna Prabhu	Nil
Mr. Manoj Singrodia	1,24,193
Mr. Mohan Vasant Tanksale	Nil
Mr. Saurabh Sarayan	Nil

There has been no materially relevant pecuniary transaction or relationship between the Company and its Non-Executive Directors during the year.

The Non-Executive Directors of the Company do not hold any convertible instruments of the Company.

Familiarization Programme:

Pursuant to provisions of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and upon recommendation by the Nomination & Remuneration Committee, the Board of Directors had adopted the procedure for Familiarization Programme for Independent Directors. The details of the Familiarization Programme can be viewed on the Company's website viz. www.ladderup.com in the "Investors" Section.

Board-Skills/expertise/competencies:

The core skills/expertise/competencies identified by the Board pursuant to Regulation 34(3) Read with Schedule V of the SEBI Listing Regulations and available with the Board are as given below:

1. Leadership quality
2. Financial expertise
3. Industry knowledge and experience
4. Experience and exposure in policy shaping and industry advocacy.
5. Understanding of relevant laws, rules regulations and policies
6. Corporate Governance

7. Risk Management
8. Global experience
9. Information Technology

Skills/Expertise/Competencies of Directors:

Sr. No	Name of Directors	Area of Skills/Expertise/Competencies
1.	Mr. Sunil Goyal	Mr. Sunil Goyal is a qualified Chartered Accountant with over 30 Years of rich experience in the areas of Management/Financial Consultancy, Mergers & Acquisitions, Private Equity, Business Structuring and Capital Markets. His technical expertise, incisive knowledge and understanding of the global business environment is pivotal from both advisory and implementation perspectives.
2.	Mr. Manoj Singrodia	Mr. Manoj Singrodia Goyal is a qualified Chartered Accountant with over 30 Years of rich experience in the areas of Tax and Regulatory Matters, International Taxation Foreign Investment Structuring & Approvals.
3.	Mr. Saurabh Sarayan	Mr. Saurabh Sarayan is qualified CFA, MBA (Finance) from University of Mumbai and CAIIB having experience in raising growth capital for early stage Companies, structured, and special situation finance for matured companies and Debt resolution cases.
4	Mrs. Mangala Prabhu	Mrs. Mangala Prabhu is a Post-Graduate in Commerce and CAIIB (Certified Associate of the Indian Institute of Bankers) with over 45 years' experience and specialized in working Capital, NBFC, Corporate Advisory, Project Finance, Structured Finance, M&A financing, Capital Market products, HR and Branch Banking.
5.	Mr. Harsha Saxena	Mr. Harsha Saxena is Chartered Accountant and Cost Accountant having experience in raising Debt Syndication, Corporate Finance, and Investor Relations
6.	Mr. T.V. Rao	<p>Mr. T.V. Rao is Graduate in Commerce and CAIIB (Certified Associate of the Indian Institute of Bankers) with over 35 years' experience in Banking, Foreign Trade and Housing Finance Sectors with specialization in Management of Treasury, Investment and Corporate Finance Operations, Securitization and Structured Finance, product development (Reverse Mortgage etc.), Training, Research, Capacity Building and Regulation and Supervision of Housing Finance Institutions. He is director on the boards of corporates in NBFC, HFC, Insurance and Manufacturing sectors.</p> <p>Mr. Rao has been the Faculty in several Training Programmes and Symposia on Treasury and Investments, MBS organized by NHB and other renowned Research and Training Institutions in India. He has also been a distinguished speaker in various universities and autonomous educational institutions. He has headed the Treasuries of National Housing Bank, SIDBI and India Exim Bank.</p>
7.	Mr. Mohan Tanksale	<p>Mr. Mohan Tanksale holds Bachelor's Degree in Science and Master's Degree in English Literature. He is also Fellow Member of the Institute of Cost Accountants of India and Certified Associate of the Indian Institute of Banking and Finance (CAIIB). He also holds Diploma in the Russian Language and has Completed professional Company Secretary Course (Inter) from the Institute of Company Secretaries of India (ICSI).</p> <p>Mr. Mohan Tanksale is a career banker having spent over four decades in the Indian banking industry. He retired as Chairman & Managing Director of Central Bank of India, one of India's largest banks, in 2013. Prior to this, he held senior positions with Union Bank of India and Punjab National Bank. Given his wealth of experience, Mr. Tanksale then became CEO of Indian Banks' Association (IBA) and in this role represented the entire banking industry for the period from December 2013 to August 2016. Mr. Tanksale is very passionate about the role of Technology and Innovation in Banking and is recognized as a change agent.</p> <p>A prolific speaker, Mr. Tanksale has delivered keynote addresses at numerous seminars, forums, workshops, management associations, educational institutions. He speaks on subjects related to Banking, Economics, Compliance, Strategy and Leadership.</p>

Confirmation of Independence:

The Board of Directors of the Company hereby confirms that the Independent Directors are complying with the Provision of Section 149(6) and (7) of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Schedule IV of the Companies Act, 2013 as well as Regulation 16(1)(b) and Regulation 25 of SEBI (LODR) Regulation, 2015.

In the opinion of Board of Directors of the Company, the independent directors fulfill the conditions Specified in these regulations and are independent of the Management.

Separate Meeting of Independent Directors

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on 11th March 2021 as required under Schedule IV to the Act (Code of Independent Directors) and Regulation 25(3) of the Listing Regulations at which Independent Directors-

- Reviewed the performance of Non-Independent Directors and the Board as a whole.
- Reviewed the performance of the Chairman of the Company, considering the views of Executive and Non-Executive Directors; and
- Assessed the quality and timelines of flow of information between the Company management and the Board that is necessary for the Board to perform the duties effectively and reasonably.

BOARD COMMITTEES

Currently, there are 8 Board Committees – Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Investment Committee, Risk Management Committee, Prevention of Sexual Harassment Committee, Corporate Social Responsibility Committee and Credit Committee. The terms of reference of these Committees are defined by the Board from time to time. Meeting of each Board Committee is convened by the respective Committee Chairman. The signed minutes of the Committee Meetings are placed before the Board for information and noting. Matters requiring Board's attention are generally discussed with the Board members. The role and composition of these Committees including the number of Meetings held during the financial year and their respective attendance details are provided below.

a) Audit Committee

All the items listed in Regulation 18(3) read with Part C of Schedule II of the Listing Regulations and in Section 177 of the Act are covered in the terms of reference.

Terms of Reference

- a) Oversight of the Company's financial reporting process and disclosure of its financial information.
- b) Recommending to the Board the appointment, re-appointment and removal of statutory auditors, cost auditors, branch auditors and fixation of their remuneration.
- c) Approval of payments to statutory auditors for any other services rendered by them.
- d) Reviewing with management the annual financial statements and auditor's report thereon before submission to the Board for approval, focusing primarily on.
 - Matters required to be included in the Director's Responsibility statement to be included in the Board Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - Any changes in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on exercise of judgments by management.
 - Qualifications in draft audit report.
 - Significant adjustments made in the financial statements arising out of audit.
 - The going concern assumption.
 - Compliance with accounting standards.
 - Compliance with listing and legal requirements concerning financial statements.
 - All related party transactions i.e., transactions of the Company of material nature, with promoters or the management, their subsidiaries, or relatives etc.

- e) Reviewing with the management, statutory and internal auditors, internal financial controls and risk management system.
- f) Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board.
- g) Reviewing with the management the quarterly and half yearly financial results before submission to the Board.
- h) Reviewing the adequacy of internal audit functions, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- i) Scrutinizing the inter-corporate loans & investments.
- j) Discussion with Internal Auditors, any significant findings and follow up thereon.
- k) Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- k) Approval or any subsequent modification of transactions of the Company with related parties.
- l) To look into reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- m) Review and monitor the auditor's independence and performance, and effectiveness of audit processes.
- n) To review the functioning of the Whistle Blower and Vigil mechanism.
- o) Valuation of undertaking or assets of the company wherever it is necessary.
- p) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- q) Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including loans/advances/investments.
- r) All such other functions as may be specified from time to time.
- s) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

Composition, Meetings and Attendance

The Board has constituted a well-qualified Audit Committee. The majority members of the Committee are Non-Executive Independent Directors including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc. The Company Secretary acts as secretary to the committee in terms of Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

During the Financial Year 2020-21 four Meetings were held 18th July 2020, 14th September 2020, 11th November 2020 and 10th February, 2021.

Name of the Members	Category	No. of meetings attended
Mr. Harsha Saxena	Member (Chairman & Independent Director)	4
Mr. T. V. Rao	Member (Non-Executive, Independent Director)	4
Mr. Mohan Tanksale	Member (Non-Executive, Independent Director)	4
Mr. Sunil Goyal	Member (Managing Director)	4

b) Stakeholders Relationship Committee

This Committee is responsible for satisfactory redressal of investors' complaints and recommends measures for overall improvement in the quality of investor services.

This Committee oversees redressal of Shareholders'/Investors' Grievances and is empowered to perform the following functions on behalf of the Board in relation to handling of Shareholder's'/Investors' Grievances. The Broad terms of reference and functions of the Stakeholders Relationship Committee are as follows:

1. Reviewing of cases for refusal of transfer/transmission of shares, debentures and other securities, if any.
2. Redressal of stakeholders and investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of interest, etc.
3. Reference to statutory and regulatory authorities regarding security holders' grievances.
4. Ensuring proper and timely attendance and redressal of security holders' queries and grievances.
5. Reviewing of measures taken for effective exercise of voting rights by shareholders.
6. Reviewing of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
7. Reviewing of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and
8. And ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Composition, Meetings and Attendance

The Committee presently comprises of three Members, one of whom is Independent Director. The Chairman of the Committee is an Independent Non-Executive Director.

During the Financial Year 2020-21 four meetings were held on 18th July 2020, 14th September 2020, 11th November 2020 & 10th February 2021.

Name of the Members	Category	No. of meetings attended
Mr. Mohan Tanksale	Chairman (Non-Executive, Independent Director)	4
Mr. Sunil Goyal	Member (Managing Director)	4
Mr. Saurabh Sarayan	Member (Non-Executive Director)	4

Compliance Officer

The Company has appointed Mr. Dhiraj Gupta, Company Secretary of the Company as a Compliance Officer of the Company w.e.f. 20th July, 2020.

Shareholders'/Investors' Redressal

During the year under review, the Company did not receive any complaints for non-receipt of transferred Share Certificates, Annual Reports, and Warrants etc. and hence question of Complaints not solved and complaints pending as on 31st March 2021 does not arise. To expedite these processes the Board has delegated necessary powers to the Registrar and Share Transfer Agents Viz. M/s. Link intime Pvt. Ltd.

Disclosures in relation to the Investor Complaint is herewith as follows for the financial year 2020-2021:

Particulars	Number
Number of complaints pending at the beginning of the financial year.	NIL
Number of Complaints received during the financial year.	1
Number of Complaints disposed of during the financial year.	1
Number of Complaints unresolved at the end of the financial year.	NIL

c) Nomination & Remuneration Committee

The Broad terms of reference and functions of the Nomination and Remuneration Committee are as follows:

- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carrying out evaluation of every director's performance.

- Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- Ensuring that:
 - a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
 - b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
 - c) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- Laying down the evaluation criteria for performance evaluation of Independent Directors and the Board.
- Devising a policy on Board diversity.
- Formulating the Employee Stock Option Scheme (ESOS), decide the terms and conditions, make appropriate recommendations to the Board of Directors and administering and superintending ESOS; and
- Determining the remuneration payable to the senior management as defined under the SEBI Listing Regulations including Chief Financial Officer and Company Secretary of the Company.

Composition, Meetings and Attendance:

The Nomination & Remuneration Committee comprises of three Non-Executive Directors, and the Chairman is an Independent Non-Executive Director.

During the Financial Year 2020-21, one meeting of the Committee were held on 18th July, 2020.

Name of the Members	Category	No. of meeting attended
Mrs. Mangala Prabhu	Chairman (Non-Executive, Independent Director)	1
Mr. T. V. Rao	Member (Non-Executive, Independent Director)	1
Mr. Manoj Singrodia	Member (Non-Executive Director)	1

Performance Evaluation Criteria

Pursuant to the provisions of the Companies Act, 2013 and provisions of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board also carried out annual performance evaluation of the working of its committees. The Directors expressed their satisfaction with the evaluation process.

Nomination & Remuneration Policy

Pursuant to the provisions of SEBI (Listing Obligation & Disclosure Requirements) Rules, 2015 and upon recommendation by the Nomination & Remuneration Committee, the Board of Directors has approved and adopted the Nomination & Remuneration Policy. This Policy can be viewed on the Company's website viz. www.ladderup.com in the "Investors" Section.

The Nomination & Remuneration Policy aims at attracting and retaining high caliber talent. The policy of the Company is in consonance with the existing industry practice. The remuneration package of the Executive Director(s) is determined by the Nomination and Remuneration Committee within the permissible limits, subject to approval by the Board and Shareholders in the General Meeting and as per applicable provisions of the Companies Act, 2013. The Executive Director(s) is paid remuneration as fixed by the Board/ Shareholder. However, the Non-Executive Independent Directors do not receive any remuneration except sitting fees.

Details of sitting fees paid to the Directors during the Financial Year 2020-21

Name of Director	Sitting Fees (₹)
Mr. Manoj Singrodia	-
Mr. Saurabh Mahesh Sarayan	-
Mr. T. V. Rao	1,00,000
Mr. Harsha Saxena	1,00,000
Mrs. Mangala Radhakrishna Prabhu	1,00,000
Mr. Mohan Vasant Tanksale	1,00,000
Mr. K.V.S. Shyamsunder	75,000

Remuneration of Non-Executive Directors:

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board/Committee meetings. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him not exceeding the sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Independent Directors of the Company shall not be entitled to participate in Stock Option Scheme of the Company, if any, introduced by the Company.

Details of Remuneration paid to the Managing Director during the Financial Year

2020-21

Sr. No.	Particulars of Remuneration	Amount in ₹
I.	Gross Salary	78,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	
II.	Stock Option	—
III.	Sweat Equity	—
IV.	Commission	—
	— As % of profit	
	— Others, specify..	
V.	Others, please specify	—
	Total	78,00,000

d) Investment Committee

The Investment Committee constituted by the Board performs the following functions:

- To invest surplus funds of the Company in all types of securities as defined in the Investment Policy.
- To execute necessary investment documents.
- To buy, sell, trade, hold, pledge in all types of securities.
- To take any other necessary actions related to investment/disinvestment.
- To report to the Board about the investments/disinvestments in securities at regular intervals.

Composition, Meetings and Attendance

The Investment Committee consists of three Members and the Chairman is a Non-Executive Director. During the financial year 2020-21, one meeting was held on 10th February 2021.

Name of the Members	Category	No. of meeting attended
Mr. Manoj Singrodia	Chairman (Non-Executive Director)	1
Mr. Sunil Goyal	Member (Managing Director)	1
Mr. Harsha Saxena	Member (Non-Executive, Independent Director)	1

e) Risk Management Committee

As per the Companies Act, 2013 and as part of good corporate governance the Company has constituted the Risk Management Committee. The Committee is required to lay down the procedures to inform to the Board about the risk assessment and minimization procedures and the Board shall be responsible for framing, implementing and monitoring the risk management plan of the Company.

The Committee reviewed the risk trend, exposure and potential impact analysis carried out by the management. It was specifically confirmed to the Committee by the MD & CEO and the CFO that the mitigation plans are finalized and up to date, owners are identified, and the progress of mitigation actions are monitored. The Risk Management Committee met once in the Financial Year.

Composition, Meetings and Attendance

The Risk Management Committee consists of three Members and the Chairman is a Non-Executive Director. During the Financial Year 2020-21, one meeting was held on 10th February 2021.

Name of the Members	Category	No. of meeting attended
Mr. Manoj Singrodia	Chairman (Non-Executive Director)	1
Mr. Saurabh Sarayan	Member (Non-Executive Director)	1
Mrs. Mangala Prabhu	Member (Non-Executive Independent Director)	1

f) Prevention of Sexual Harassment Committee

The Company has constituted Prevention of Sexual Harassment Committee as required under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review no complaint was filed before the said Committee.

Composition, Meetings and Attendance

Prevention of Sexual Harassment Committee consists of three Members and the Chairman is a Non-Executive Independent Director. During the Financial Year 2020-21, one meeting was held on 10th February, 2021.

Name of the Members	Category	No. of meeting attended
Mrs. Mangala Prabhu	Chairman (Non-Executive Independent Director)	1
Mr. Saurabh Sarayan	Member (Non-Executive Director)	1
Mr. Sunil Goyal	Member (Executive Director)	1

DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Number of complaints filed during the financial year 2020-2021	Number of complaints disposed during the financial year 2020-2021	Number of complaints pending as on end of financial year 2020-2021
NIL	NIL	NIL

g) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee constituted by the Board performs the following functions:

- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;

- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
- To monitor the implementation of the CSR policy of the Company from time to time;
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

Composition, Meetings and Attendance:

The Corporate Social Responsibility Committee comprises of three Directors, and the Chairman is Managing Director. During the financial year 2020-21, one meeting of the Committee was held on 10th February, 2021.

Name of the Members	Category	No. of meeting attended
Mr. Sunil Goyal	Chairman (Managing Director)	1
Mrs. Mangala Prabhu	Member (Non-Executive, Independent Director)	1
Mr. Manoj Singrodia	Member (Non-Executive Director)	1

h) Credit Committee:

The Company has constituted Credit Committee for overall management including reviewing, assessing, monitoring etc. of the lending activities of the Company.

The Company has formulated Loan Policy and this policy on Loans & Advances outlines the guiding principles in respect of formulation of various products offered by the Company, the terms and conditions governing the conduct of account, the delegated power to the committee/officials and other terms & conditions applicable to such loans.

The Board of Directors has delegated all the powers of credit decision within the limit specified in Loan Policy.

Composition, Meetings and Attendance:

The Credit Committee comprises of three Directors, and the Chairman is Managing Director. During the financial year 2020-21, one meeting of the Committee was held on 10th February, 2021.

Name of the Members	Category	No. of meeting attended
Mr. Sunil Goyal	Chairman (Managing Director)	1
Mrs. Mangala Prabhu	Member (Non-Executive Independent Director)	1
Mr. Saurabh Sarayan	Member (Non-Executive Director)	1

GENERAL BODY MEETINGS:

Annual General Meeting:

The Venue, Date, Time of the Annual General Meeting and Special Resolutions passed during the preceding three years are as follows:

2019-20

Tuesday, September 29, 2020 through video conferencing/other Audio Visual Means As set out in the notice of convening the Annual general Meeting.

Special Resolutions passed: Nil

2018-19

Venue: Hotel Mirage, International Airport Approach Road, Marol, Andheri (East), Mumbai 400 059.

Date and Time: 26th September, 2019 at 11.00 a.m.

Special Resolutions passed:

- 1) Re-appointment of Mr. K.V.S Shyamsunder as Independent Director for second term of five consecutive year's up to 31st March, 2024

2017-18

Venue: Hotel Mirage, International Airport Approach Road, Marol, Andheri (East), Mumbai 400 059.

Date and Time: 22nd September, 2018 at 11.00 a.m.

Special Resolutions passed:

- Reappointment of Mr. Sunil Goyal as Managing Director of the Company for a term of five years
- Approval for continuation of current term of Mr. KVS Shyamsunder, Independent Director.
- Approval of Borrowing Limit
- Creation of charge on the assets of the Company

No special resolution was passed through the postal ballot in the last three financial year.

2. MEANS OF COMMUNICATION

The quarterly results as reviewed and recommended by the Audit Committee are taken on record by the Board of Directors and submitted to the Stock Exchange in terms of the requirements of Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015. The Audited/ Unaudited Results are published in Business Standard, English daily and in Mumbai Lakshadweep, Marathi daily being the regional language and displayed on the website of the Company www.ladderup.com shortly after its submission to the Stock Exchange.

The Company's website is a comprehensive reference on Ladderup's vision, mission, policies, corporate governance, investor relation, updates, and news. The section on "Investor Relations" on the website serves to inform the shareholders, by giving complete financial details, shareholding pattern, and information relating to Stock Exchange, Registrars, and Share Transfer Agents, among others.

3. GENERAL SHAREHOLDER INFORMATION

3.1.	Annual General Meeting: Day, Date and Time Venue	:	Wednesday, 22 nd September 2021 at 02: 00 P.M. Through Video conferencing or other Audio Visuals Means.
3.2.	Financial Year 2021-2022 – Board Meeting Calendar Results for first quarter ended 30 th June, 2021 Results for second quarter ending 30 th September, 2021 Results for third quarter ending 31 st December, 2021 Results for financial year ending 31 st March, 2022	:	On or before 14 th August, 2021 On or before 14 th November, 2021 On or before 14 th February, 2022 On or before 30 th May, 2022
3.3.	Cut Off Date and Book Closure date:	:	Cut Off Date: 15 th September, 2021 Book Closure Date: From: 15 th September, 2021 To: 22 nd September, 2021
3.4.	Listing of Equity Shares on Stock Exchange:	:	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001. The Company has paid the listing fees to the Stock Exchanges.
3.5.	Stock Code:	:	530577

3.6.	Demat ISIN Number in NSDL and CDSL:	:	INE519D01015
3.7.	Registrar and Share Transfer Agents:	:	M/s. Link intime Private Limited C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai - 400 083, Maharashtra, India. Tel: +91 22 28515606, Fax: +91 22 28512885 Email: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in
3.8	Share Transfer System:	:	Share Transfers and Share Certificates are processed and returned within 30 days from the date of receipt subject to the documents being valid and complete in all respects. A summary of transfers/transmission of securities of the Company from the Registrar and Transfer Agent is placed before every Stakeholders Relationship Committee Meeting.
3.9	Name and Address of the Compliance Officer	:	Mr. Dhiraj Gupta (Company Secretary and Compliance Officer) Ladderup Finance Limited 102-A, Hallmark Business Plaza, Near Gurunanak Hospital Bandra East, Mumbai-400051. Tel: +91 22 42466363 Fax: +91 22 42466364, Email: info@ladderup.com Website: www.ladderup.com
3.10	Plant Location:	:	Since the Company is dealing in shares, stocks, and other non-fund based activities, the information about Plant Location is not applicable.
3.11	Outstanding GDRs/ADRs/Warrants or any Convertible Instruments:	:	The Company has not issued any ADR or GDR or warrants or any convertible instruments, which was likely to impact on equity share capital.

3.12 The Market Price Data of the Company are as given below: (2020-2021)

No.	Period	BSE Limited	
		High (Rupees)	Low (Rupees)
1.	April	28.75	19.10
2.	May	23.50	20.05
3.	June	23.10	17.15
4.	July	21.35	14.25
5.	August	29.40	20.25
6.	September	26.50	21.00
7.	October	21.50	18.10
8.	November	29.25	22.40
9.	December	23.45	14.95
10.	January	18.90	13.80
11.	February	15.38	12.60
12.	March	15.44	12.78

3.13 Share Price performance in comparison to broad-based indices – BSE Sensex during the year

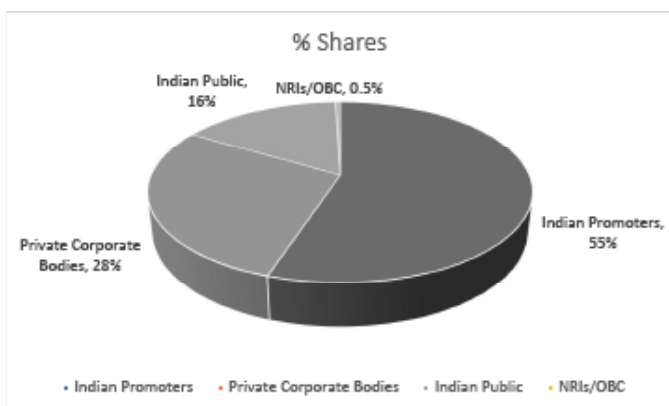
No.	Period	BSE Limited		BSE Sensex	
		High (Rupees)	Low (Rupees)	High (Rupees)	Low (Rupees)
1.	April	28.75	19.10	33,887.25	27,500.79
2.	May	23.50	20.05	32,845.48	29,968.45
3.	June	23.10	17.15	35,706.55	32,348.10
4.	July	21.35	14.25	38,617.03	34,927.20
5.	August	29.40	20.25	40,010.17	36,911.23
6.	September	26.50	21.00	39,359.51	36,495.98
7.	October	21.50	18.10	41,048.05	38,410.20
8.	November	29.25	22.40	44,825.37	39,334.92
9.	December	23.45	14.95	47,896.97	44,118.10
10.	January	18.90	13.80	50,184.01	46,160.46
11.	February	15.38	12.60	52,516.76	46,433.65
12.	March	15.44	12.78	51,821.84	48,236.35

3.14 Distribution of Shareholding as on 31st March, 2021

Distribution of Shares (Slab-Wise)	Shareholders		Share Amount (₹ In Lakhs)	
	Nos.	% of Total Nos.	Amt.	% of Total Amt.
Up to 5,000	820	91.93	40.92	3.18
5,001-10,000	23	2.58	16.23	1.26
10,001- 100,000	30	3.36	100.61	7.83
1,00,000 & above	20	2.24	1127.5	87.73
Total	892	100	1285.26	100

Shareholding Pattern as on 31st March 2021:

Category	No. of Shares	% of Shares
Indian Promoters	70,86,834	55.14
Private Corporate Bodies	36,52,430	28.42
Indian Public	20,51,576	15.96
NRIs/OBC	61760	0.48
Total	1,28,52,600	100.00



Physical/NSDL/CDSL/Summary Report as on 31st March, 2021

Particulars	Number of Shares	% of Total Issued Capital
Held in Dematerialized form in CDSL	98,93,707	76.98%
Held in Dematerialized form in NSDL	24,42,293	19.00%
Physical	5,16,600	4.02%
Total No. of Shares	128,52,600	100.00%

3.15	Address for Correspondence:	
	(i) Investors Correspondence	: For Shares held in Physical Form M/s. Link intime Private Limited C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai - 400 083, Maharashtra, India. Tel: +91 22 28515606 Fax: +91 22 28512885 For Shares held in Demat Form To the respective Depository Participants.
	(ii) Any query on Annual Report	: Mr. Dhiraj Gupta (Company Secretary and Compliance Officer) Ladderup Finance Limited A-102, Hallmark Business Plaza, Opposite Gurunanak Hospital Road, Bandra (East), Mumbai-400 051
	(iii) E-mail ID for Investor Grievance	: investor@ladderup.com
	(iv) Corporate Website	: www.ladderup.com

4. DISCLOSURES

Materially significant related party transactions which may have potential conflict with the interests of the Company at large;

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. As provided under section 134(3)(h) of the Act and Rules made thereunder disclosure of particulars of material transactions with related parties entered into by the Company with related parties in the prescribed format form part of Directors report.

The web link with respect to the policy for determining 'material subsidiaries' and policy on dealing with related party transactions is www.ladderup.com in the "Investors" Section.

Details of non-compliances, penalties, strictures imposed on the Company by Stock Exchange/SEBI/Statutory Authorities on any matter related to Capital Markets during last three years:

The Company has complied with the requirements of the Stock Exchanges/SEBI and other Statutory Authorities on all matters related to Capital Markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any other statutory authorities.

Details of utilization of funds raised through preferential allotment or qualified institutions placement:

During the Financial Year 2020-21, the Company had not raised any funds through preferential allotment or qualified institutions placement.

Directors' disqualification under Section 164 and any other provisions of Companies Act, 2013.

None of the Directors are disqualified under Section 164 of the Companies Act, 2013.

The Company has received the Certificate from M/s. Jajodia & Associates certifying that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

In terms of amendments made to the SEBI Listing Regulations, the Board of Directors confirm that during the year, it has accepted all recommendations received from its mandatory committees

During the year the Company has paid fees of ₹ 120,000/- plus GST to Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditors are a part of, for all the services rendered to the Company and its subsidiaries.

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements pursuant to SEBI (LODR) Regulations, 2015:

The Company has complied with all the mandatory requirements pursuant to SEBI (LODR) Regulations, 2015 in letter as well as in spirit. The details of these compliances have been given in the relevant sections of this Report.

Policy for determining the Material Subsidiaries:

The policy for determining material subsidiary is mentioned on the website of company i.e. www.ladderup.com under the Investor relation section.

Policy for determining the related party transaction:

The policy for determining related party transactions mentioned on the website of company i.e. www.ladderup.com under the Investor relation section.

Reconciliation of Share Capital Audit

As stipulated by Securities and Exchange Board of India (SEBI), a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report there on is submitted to Stock Exchanges and is also placed before the Board of Directors. No discrepancies were noticed during these audits.

Adoption of Insider Trading Policy

The Company has implemented a policy prohibiting Insider Trading in conformity with applicable regulations of the Securities Exchange Board of India ("SEBI"), which has been laid down for employees, connected persons and persons deemed to be connected, while trading in the securities of the Company. The policy lays down procedures to be followed and disclosures to be made while dealing with shares of the Company and cautioning them of the consequences of violations. The Code of Conduct for Insider Trading is adopted by the Board and uploaded on the website of the Company.

Whistle Blower Policy

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of its business operations. To maintain these standards, the Company has implemented the Whistle Blower Policy ("the Policy"), to provide an avenue for employees to report matters without the risk of subsequent victimization, discrimination or disadvantage. The Policy applies to all employees working for the Company and its subsidiaries. Pursuant to the Policy, the whistle blowers can raise concerns relating to matters such as breach of Company's Code of Conduct, fraud, bribery, corruption, employee misconduct, illegality, misappropriation of Company's funds/assets etc. A whistle-blowing or reporting mechanism, as set out in the Policy, invites all employees to act responsibly to uphold the reputation of the Company and its subsidiaries. The Policy aims to ensure that serious concerns are properly raised and addressed and are recognized as an enabling factor in administering good governance practices. The details of the Whistle Blower Policy are available on the website of the Company i.e. (www.ladderup.com).

Compliance Certificate from the Practicing Company Secretary

A certificate from a Practicing Company Secretary certifying the Company's compliance with the provisions of Corporate Governance as stipulated in Regulation 34(3) read with Schedule-V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, is annexed to and forms a part of this Report.

Code of Conduct for Board Members and Senior Management

The Board has laid down the code of conduct for all the Board members and members of the Management of the Company. Additionally, all independent directors of the company shall be bound by duties of independent directors as set out in the Companies Act, 2013 read with the Schedules and Rules thereunder.

All the Board members and Management personnel have affirmed compliance with the code of conduct. The Code of Conduct is available on the website of the company.

DECLARATION BY THE MANAGING DIRECTOR

I, Sunil Goyal, Managing Director of Ladderup Finance Limited, hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Regulation 26(3) of the Listing Regulations for the year ended 31st March, 2021.

For Ladderup Finance Limited

Sd/-

Sunil Goyal
Managing Director
DIN: 00503570

Place: Mumbai
Date : 23rd June, 2021

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mandatory Requirements:

The Company has complied with all the corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (Listing Obligation and Disclosures) Regulation, 2015.

Non-Mandatory Requirements:

The Company has complied with the following non-mandatory requirements of the Listing Regulations relating to Corporate Governance. The status of compliance with the non-mandatory requirements listed in Regulation 27(1) read with Part E of Schedule II of the Listing Regulations are as under:

- During the year under review, there is no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.
- The Internal Auditor reports to the Audit Committee.

5. MD/CFO Certification

The MD and Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Regulation 17(8) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

Date : 23rd June, 2021
Place : Mumbai
Regd. Office : A-102, Hallmark Business Plaza,
Sant Dyaneshwar Marg,
Opposite Guru Nanak Hospital,
Bandra (East), Mumbai- 400051

By Order of the Board

Sd/-
Sunil Goyal
Chairman and Managing Director
DIN: 00503570

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members of
Ladderup Finance Limited

1. We, Jajodia & Associates, Practicing Company Secretary, have examined the compliance of conditions of Corporate Governance by the Company, for the Financial Year ended on 31st March, 2021, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design/ implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations and as required by the provisions of the Companies Act, 2013 and rules framed thereunder.

Opinion

1. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the Financial Year ended on 31st March, 2021.
2. We state that compliance is an assurance as to the future viability of the Company and the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Date: 23rd June, 2021
Place: Mumbai

For Jajodia and Associates

Sd/-
Priti Jajodia
M. No. 36944
COP No.: 19900
UDIN:A036944C000504752

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Ladderup Finance Limited

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by M/s. Ladderup Finance Limited, having its Registered office at 102-A, Hallmark Business Plaza, Sant Dyaneshwar Marg, Near Gurunank Hospital Bandra East, Mumbai-400051 and also the information provided by the Company, its officers, agents and authorized representatives, we hereby report that during the Financial Year ended on 31st March, 2021, in our opinion, none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of Company by the Securities Exchange Board of India /Ministry of Corporate Affairs or any such Statutory authority.

Date: 23rd June, 2021
Place: Mumbai

For Jajodia and Associates

Sd/-
Priti Jajodia
M. No. 36944
COP No.: 19900
UDIN: A036944C000504774

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

The Board of Directors,
LADDERUP FINANCE LIMITED
A-102, Hallmark Business Plaza,
Sant Dyaneshwar Marg,
Opposite Guru Nanak Hospital,
Bandra (East) Mumbai- 400 051

We have reviewed the financial statements and the cash flow statement of Ladderup Finance Limited for the year ended 31st March, 2021 and that to the best of our knowledge and belief, we state that—

- (a) (i) These statements do not contain any materially untrue statement or omit any material fact or Contain statements that may be misleading;
- (ii) These statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.

- (b) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
 - (i) significant changes, if any, in the internal control over financial reporting during the year.
 - (ii) significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours Sincerely,
For Ladderup Finance Limited

Date: 23rd June, 2021
Place: Mumbai

Sd/-
(Sunil Goyal)
Managing Director
DIN: 00503570

Sd/-
(Suresh Kumawat)
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To

To, the Members of LADDERUP FINANCE LIMITED
Report on the Standalone IND AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of LADDERUP FINANCE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 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 then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("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 March 31, 2021, its loss 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 in accordance with the Standards on Auditing, as specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the Standalone 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 Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules 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 Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of the most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there is no key audit matter to communicate in our report.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the standalone financial statements and our auditor's report thereon.

The Board's Report including Annexures to Board's Report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone Ind AS 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.

INDEPENDENT AUDITOR'S REPORT

Responsibilities of Management and those charged with Governance for the Standalone Financial Statements:

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

In preparing the Standalone Financial Statements, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone 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 Standalone 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.

INDEPENDENT AUDITOR'S REPORT

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.

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 the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the '**ANNEXURE A**' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 with reference to these Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate report in "**ANNEXURE B**"; Our report expresses an unmodified opinion on adequacy and operative effectiveness of the Company's internal financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Auditor's report in accordance with the requirements of the sub-section 16 of Section 197 of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 31 to the Standalone Financial Statements.
 - ii. The Company did not have any long-term contracts including derivative contracts on which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **SHAH GUPTA & CO.**
Chartered Accountants
Firm Registration No.: 109574W

Sd/-

Vedula Prabhakar Sharma
Partner
Membership No.: 123088
UDIN: 21123088AAAADA1835
Place: Mumbai
Date: June 23, 2021

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

he Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

- i.
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were verified during the year by the Management. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company as at the balance sheet date.
- ii. Since the Company does not have inventory, the Clause 3(ii) of the Order is not applicable to the Company.
- iii. According to the information and explanations given by the Management, the Company has granted unsecured loans to companies covered in the register maintained under section 189 of the Companies Act, 2013.
 - a. In our opinion, the rate of interest and the other terms and conditions of the grant of such loans were not, prima facie, prejudicial to the company's interest;
 - b. The borrowers have been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of repayment of the principal amount;
 - c. There are no overdue amounts in respect of such loans.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of the investments made by it.
The Company has not granted any loans, provided any guarantee or security to the parties covered under section 185 and has not granted any loans, provided any security or guarantee under section 186 of the Companies Act, 2013.
- v. According to the information and explanations given to us, the Company has not accepted any deposit from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 21th regard to the deposits accepted from the public are not applicable. Further, according to the information and explanations given to us, by the Management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.
- vi. To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, for the services rendered by the Company.
- vii.
 - a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has generally been regular in depositing undisputed statutory dues including provident fund, Income-Tax, Cess, Goods and Service Tax and other material statutory dues applicable to it to the appropriate authorities.
 - b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, undisputed statutory dues including provident fund, Income-Tax, Cess, Goods and Service Tax and other material statutory dues, in arrears as at March 31, 2021 for a period of more than six months from the date they became payable are as follows:

Name of the status	Nature of dues	Amount (₹)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Tax	1,33,250	AY 2016-17	Not paid
Income Tax Act, 1961	Tax	21,260	AY 2010-11	Not paid

- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are dues of Income tax which have not been deposited as at March 31, 2021 on account of any disputes, are as follows:

Name of the status	Nature of dues	Amount (₹)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Tax	5,74,760#	A.Y. 2017-18	CIT Appeals
Income Tax Act, 1961	Tax	7,37,091	A.Y. 2015-16	CIT Appeals
Income Tax Act, 1961	Tax	61,200	A.Y. 2013-14	ITAT
# Net of deposit ₹ 1,43,940.				

- viii. According to the information and explanations give to us, the Company does not have any loans or borrowings from any financial institution, banks, and government or debenture holders during the year. Accordingly, Clause 3(viii) of the Order is not applicable to the Company.
- ix. 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, Clause 3(ix) of the Order is not applicable to the Company.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employee has been noticed or reported during the year.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, Clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, Clause 3(xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them and hence provisions of section 192 of the Act are not applicable. Accordingly, clause 3(xv) of the Order is not applicable to the Company.
- xvi. The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.

For SHAH GUPTA & Co.

Chartered Accountants

Firm Registration No.: 109574W

Sd/-

Vedula Prabhakar Sharma

Partner

Membership No.: 123088

UDIN: 21123088AAAADA1835

Place: Mumbai

Date: June 23, 2021

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

The Annexure referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

We have audited the internal financial controls over financial reporting of **LADDERUP FINANCE LIMITED** ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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 (The "Guidance Note"). 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 Companies Act, 2013 ("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 and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to Standalone Financial Statements, 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 auditors' 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 with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting with reference to Standalone 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 control over financial reporting with reference to these Standalone Financial Statements 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with reference to these Standalone 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 over financial reporting with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to Standalone Financial Statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For SHAH GUPTA & Co.

Chartered Accountants

Firm Registration No.: 109574W

Sd/-

Vedula Prabhakar Sharma

Partner

Membership No.: 123088

UDIN: 21123088AAAADA1835

Place: Mumbai

Date: June 23, 2021

Standalone Balance Sheet

as at 31st March 2021

(Amount in ₹)

Particulars	Note No.	As at 31 March 2021	As at 31 March 2020
Assets			
Financial assets			
Cash and cash equivalents	2	35,64,655	1,10,82,053
Bank balance other than cash and cash equivalents	3	81,957	1,37,042
Trade receivables	4	1,06,44,280	1,06,44,280
Loans	5	6,98,86,664	8,80,15,391
Investments	6	34,91,43,311	31,48,72,652
Other financial assets	7	63,01,792	33,06,949
Total financial assets		43,96,22,659	42,80,58,367
Non-financial assets			
Current tax assets (net)	8	49,66,734	29,49,320
Deferred tax assets (net)	9	5,25,54,558	5,91,35,859
Property, plant and equipment	10A	27,53,342	31,62,610
Right to use assets	10B	3,08,655	6,76,405
Other non-financial assets	11	6,88,48,568	5,98,88,303
Total non-financial assets		12,94,31,857	12,58,12,497
Total assets		56,90,54,516	55,38,70,864
Liabilities and equity			
Liabilities			
Financial liabilities			
Trade payables	12	—	—
Total outstanding dues to micro enterprises and small enterprises		13,586	10,900
Borrowings (other than debt securities)	13	90,00,000	1,51,67,484
Other financial liabilities	14	72,29,158	70,21,351
Total financial liabilities		1,62,42,744	2,21,99,735
Non-financial liabilities			
Current tax liabilities (net)	15	—	2,71,985
Provisions	16	18,19,624	16,58,978
Other non - financial liabilities	17	7,96,308	9,21,348
Total non-financial liabilities		26,15,932	28,52,311
Equity			
Equity share capital	18	12,85,26,000	12,85,26,000
Other equity	19	42,16,69,841	40,02,92,818
Total equity		55,01,95,841	52,88,18,818
Total liabilities and equity		56,90,54,516	55,38,70,864
<i>Significant accounting policies, key accounting estimates and judgements</i>	1		
<i>See accompanying notes to the standalone financial statements</i>			

In terms of our Report of even date attached

For Shah Gupta & Co.

Chartered Accountants

Firm Registration No. : 109574W

Sd/-

Vedula Prabhakar Sharma

Partner

Membership Number: 123088

Place : Mumbai

Date : June 23, 2021

For and on behalf of the Board of Directors

Sd/-

Sunil Goyal

Managing Director

DIN:00503570

Sd/-

Dhiraj Gupta

Company Secretary

Membership No.: A47161

Place : Mumbai

Date : June 23, 2021

Sd/-

Manoj Singrodia

Director

DIN : 01501529

Sd/-

Suresh Kumawat

Chief Financial Officer

Standalone Statement of Profit and Loss

for the year ended 31st March 2021

(Amount in ₹)

Particulars	Note No.	Year ended 31 March 2021	Year ended 31 March 2020
Revenue from operations			
Interest income	20	1,09,79,865	1,65,86,940
Dividend income	21	3,83,223	11,83,362
Net gain on fair value changes of financial assets	22	49,61,768	—
Other operating income	23	1,26,636	7,83,458
Total revenue from operation		1,64,51,492	1,85,53,760
Other income		—	—
Total revenue		1,64,51,492	1,85,53,760
Expenses			
Finance costs	24	6,08,008	1,21,68,424
Net loss on fair value changes of financial assets	25	—	18,24,583
Employee benefits expenses	26	1,02,54,919	1,19,58,278
Depreciation, amortization and impairment	27	10,26,578	10,86,796
Other expenses	28	39,98,363	55,68,042
Total expenses		1,58,87,868	3,26,06,124
Profit/(loss) before tax		5,63,624	(1,40,52,364)
Less : Tax expense:	34		
-Current tax		1,03,490	17,31,965
-Minimum alternative tax of earlier year		—	(17,31,965)
-Reversal for current tax of earlier years		(17,31,965)	—
-Deferred tax		29,01,077	(3,92,236)
Net loss after tax		(7,08,977)	(1,36,60,128)
Other comprehensive income / (loss)			
Items that will not be reclassified subsequently to profit or loss (net of tax)			
- Remeasurement of post employment benefit obligation		1,18,265	(92,934)
- Fair value of equity instruments through OCI		2,13,54,379	(11,52,42,399)
Other comprehensive income/ (loss)		2,14,72,644	(11,53,35,333)
Total comprehensive income/ (loss)		2,07,63,666	(12,89,95,461)
Earnings per equity share (face value ₹ 10 each)	29		
Basic (in ₹)		(0.06)	(1.06)
Diluted (in ₹)		(0.06)	(1.06)
<i>Significant accounting policies, key accounting estimates and judgements</i>	1		
<i>See accompanying notes to the standalone financial statements</i>			

In terms of our Report of even date attached

For Shah Gupta & Co.

Chartered Accountants
Firm Registration No. : 109574W

Sd/-

Vedula Prabhakar Sharma

Partner

Membership Number: 123088

Place : Mumbai

Date : June 23, 2021

For and on behalf of the Board of Directors

Sd/-

Sunil Goyal
Managing Director
DIN:00503570

Sd/-

Dhiraj Gupta
Company Secretary
Membership No.: A47161
Place : Mumbai
Date : June 23, 2021

Sd/-

Manoj Singrodia
Director
DIN : 01501529

Sd/-

Suresh Kumawat
Chief Financial Officer

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

A) Equity share capital

(Amount in ₹)

Particulars	No.	Amount
Equity shares of ₹ 10 each issued, subscribed and fully paid		
Balance as at 1 April, 2020	1,28,52,600	12,85,26,000
Changes in equity share capital for the year ended 31 March 2021	—	—
Balance as at the 31 March, 2021	1,28,52,600	12,85,26,000

B) Other equity

(Amount in ₹)

Particulars	Reserves and surplus				Other comprehensive income			Total
	Capital reserve	Securities premium reserve	General reserve	Statutory reserve pursuant to section 45-IC of the RBI Act, 1934	Retained earnings	Fair value of equity instruments through OCI	Remeasurement of post employment benefit obligation	
Balance as at 1 April 2019	300,000	13,85,00,000	2,50,000	6,85,25,603	23,00,75,077	9,17,29,233	14,642	52,93,94,554
Loss for the year	—	—	—	—	(1,36,60,128)	—	—	(1,36,60,128)
Other comprehensive (loss) for the year	—	—	—	—	—	(11,52,42,399)	(92,934)	(11,53,35,333)
Transition adjustment on adoption of Ind AS 116	—	—	—	—	(1,06,275)	—	—	(1,06,275)
Transfer to special reserve under section 45-IC RBI Act	—	—	—	25,12,402	(25,12,402)	—	—	—
Balance as at 31 March 2020	3,00,000	13,85,00,000	2,50,000	7,10,38,005	21,37,96,272	(2,35,13,166)	(78,292)	40,02,92,818
Loss for the year	—	—	—	—	(7,08,977)	—	—	(7,08,977)
Other comprehensive income for the year	—	—	—	—	—	2,13,54,379	1,18,265	2,14,72,644
Adjustment on lease modification	—	—	—	—	6,13,356	—	—	6,13,356
Balance as at 31 March 2021	3,00,000	13,85,00,000	2,50,000	7,10,38,005	21,37,00,650	(21,58,788)	39,973	42,16,69,841

Significant accounting policies, key accounting estimates and judgements

1

See accompanying notes to the standalone financial statements

In terms of our Report of even date attached

For Shah Gupta & Co.

Chartered Accountants

Firm Registration No. : 109574W

Sd/-

Vedula Prabhakar Sharma

Partner

Membership Number: 123088

Place : Mumbai

Date : June 23, 2021

For and on behalf of the Board of Directors

Sd/-

Sunil Goyal

Managing Director

DIN:00503570

Sd/-

Dhiraj Gupta

Company Secretary

Membership No.: A47161

Place : Mumbai

Date : June 23, 2021

Sd/-

Manoj Singrodia

Director

DIN : 01501529

Sd/-

Suresh Kumawat

Chief Financial Officer

Standalone Statement of Cash Flow

for the year ended 31st March 2021

(Amount in ₹)

Particulars		Year ended 31 March 2021	Year ended 31 March 2010
A. Cash flow from operating activities			
Net (loss)/profit before tax		5,63,624	(1,40,52,364)
Add / (less): Adjustments for:			
Depreciation		10,26,578	10,86,796
Finance cost		6,08,008	1,21,68,424
Net (gain)/loss on fair value of instruments thought profit & loss		(49,61,768)	1,824,583
(Profit)/loss on sale of current investments		74,18,204	(91,90,752)
Notional (gain)/loss on value of current investments measured at FVTOCI		1,75,70,818	(12,32,69,625)
Remeasurement of post employment benefit obligation		1,63,847	(92,934)
Operating profit before working capital changes		2,23,89,310	(13,15,25,871)
Adjustments for changes in working capital :			
(Increase) / decrease in loans		1,81,28,728	6,50,14,235
(Increase) / decrease in trade receivables		—	(1,06,44,280)
(Increase) / decrease in other financial assets		(29,94,843)	34,97,104
(Increase) / decrease in other non financial assets		(89,60,265)	146,693
Increase / (decrease) in trade payables		2,686	(28,902)
Increase / (decrease) in provisions		1,60,646	3,82,173
Increase / (decrease) in other financial liabilities		11,94,896	44,38,785
Increase / (decrease) in other non financial liabilities		(1,25,040)	(11,20,538)
Cash generated from / (used in) operations		2,97,96,119	(6,98,40,599)
Income tax paid (net of refund)		(6,60,924)	(14,59,978)
Net cash inflow / (outflow) from operating activities	(A)	2,91,35,195	(7,13,00,577)
B. Cash flow from investing activities			
(Purchase)/ proceeds of property, plant & equipment & right to use asset		(2,49,557)	(13,52,811)
(Purchase)/ proceeds of deposit		55,085	3,07,078
Proceeds from investments valued at FVTPL		(1,11,48,456)	23,81,08,350
(Purchase) of investments		(1,81,60,435)	(3,23,75,355)
Net cash inflow / (outflow) from investing activities	(B)	(2,95,03,364)	20,46,87,263
C. Cash flow from financing activities			
(Repayment)/proceeds from long-term borrowings (other the debt securities)		(61,67,484)	(12,68,63,735)
(Payment) of finance lease obligation		(4,30,148)	(4,30,148)
Interest paid		(5,51,593)	(1,20,41,228)
Net cash outflow from financing activities	(C)	(71,49,228)	(13,93,35,112)
Net increase/ (decrease) in cash and cash equivalents	(A+B+C)	(75,17,396)	(59,48,425)
Cash and cash equivalents at the beginning of the year		1,10,82,053	1,70,30,478
Cash and cash equivalents at the end of the year (refer note 2)		35,64,655	1,10,82,053

Standalone Statement of Cash Flow

for the year ended 31st March 2021

Notes:

1. The Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard - 7 ('Ind AS 7') on Cash Flow Statement prescribed in Companies (Indian Accounting Standard) Rules, 2015, notified under section 133 of the Companies Act, 2013.
2. Previous year's figures have been regrouped whenever necessary.

In terms of our Report of even date attached

For Shah Gupta & Co.

Chartered Accountants

Firm Registration No. : 109574W

Sd/-

Vedula Prabhakar Sharma

Partner

Membership Number: 123088

Place : Mumbai

Date : June 23, 2021

For and on behalf of the Board of Directors

Sd/-

Sunil Goyal

Managing Director

DIN:00503570

Sd/-

Dhiraj Gupta

Company Secretary

Membership No.: A47161

Place : Mumbai

Date : June 23, 2021

Sd/-

Manoj Singrodia

Director

DIN : 01501529

Sd/-

Suresh Kumawat

Chief Financial Officer

Notes forming part of the standalone financial statements

Note 1.1 Corporate information

Ladderup Finance Limited (CIN L67120MH1993PLC074278) ("the Company") is domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company is listed in Bombay Stock Exchange and is a registered Non Banking Financial Company (NBFC).

Note 1.2 Significant accounting policies

i Basis of preparation

The standalone financial statements ("financial statements") of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015 (as amended from time to time).

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting and defined benefit plans where assets are measured at fair value.

The Company is covered in the definition of Non-Banking Financial Company as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the format prescribed under Division III of Schedule III to the Companies Act, 2013 on 11 October 2018, the Company presents the Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the order of liquidity. A maturity analysis of recovery or settlement of assets and liabilities within 12 months after the reporting date and more than 12 months after the reporting date is presented in the financials.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency.

ii Accounting estimates

The preparation of the financial statements, in conformity with the Ind AS, requires the management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognized in the period in which they are determined.

iii Historical cost convention

These financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities which are measured at fair value (refer accounting policy regarding financial instruments).

1. Financial instruments measured at fair value through profit or loss, if applicable
2. Financial instruments measured at fair value through other comprehensive income, if applicable

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Deferred tax assets

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Notes forming part of the standalone financial statements

Provision and contingent liability

On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies, the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

Allowance for impairment of financial asset

The Company applies expected credit loss model (ECL) for measurement and recognition of impairment loss. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. At each reporting date, the Company assesses whether the loans have been impaired. The Company is exposed to credit risk when the customer defaults on his contractual obligations. For the computation of ECL, the loan receivables are classified into three stages based on the default and the aging outstanding. The Company recognises life time expected credit loss for trade receivables and has adopted simplified method of computation as per Ind AS 109.

Property, plant and equipment and Intangible Assets

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

Defined benefit plans

The cost of defined benefit plans and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long - term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Determining whether an arrangement contains a lease

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 judgement 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.

iv Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognized in the Statement of Profit and Loss.

v Depreciation/amortization

Depreciation on property, plant and equipments is provided on 'Straight Line Method' considering their useful lives and residual value as provided in Schedule II of Companies Act, 2013.

vi 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.

a) Financial assets

A financial asset is

- (i) a contractual right to receive cash or another financial asset; to exchange financial assets or financial liabilities under potentially favourable conditions;

Notes forming part of the standalone financial statements

- (ii) or a contract that will or may be settled in the entity's own equity instruments and a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Initial recognition

In the case of financial assets, not recorded at fair value through profit or loss (FVTPL), financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

Financial assets measured at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business model with an objective to hold these assets 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. Interest income from these financial assets is included in finance income using the Effective Interest Rate (EIR) method. Impairment gains or losses arising on these assets are recognized in the Statement of Profit and Loss.

Financial assets measured at fair value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these 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. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the Statement of Profit and Loss.

Financial asset not measured at amortized cost or at fair value through OCI is carried at FVTPL.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies the Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss.

De-recognition of financial assets

The Company de-recognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

Notes forming part of the standalone financial statements

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

b) Equity instruments and financial liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

Financial liabilities

A financial liability is

- (i) a contractual obligation to deliver cash or another financial asset to another entity; or to exchange financial instruments under potentially unfavourable conditions;
- (ii) or a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be obliged to deliver a variable number of its own equity instruments; or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Initial recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings and payables as appropriate. All financial liabilities are recognized initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization. Amortization is recognized as finance income in the Statement of Profit and Loss.

Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in the Statement of Profit and Loss.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

De-recognition of financial liabilities

Financial liabilities are de-recognized when the obligation specified in the contract is discharged, cancelled or expired. 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 de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Notes forming part of the standalone financial statements

c) Offsetting 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.

vii Employee benefits

a Defined benefit plan

The company provides for retirement benefits in the form of Gratuity. Benefits payable to eligible employees of the company with respect to gratuity is accounted for on the basis of an actuarial valuation as at the Balance Sheet date. The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the balance sheet date through which the obligations are to be settled.

Remeasurements, comprising of actuarial gains and losses and the return on plan assets (excluding net interest) is reflected immediately in the balance sheet with a charge/credit recognised in Other Comprehensive Income ("OCI") in the period in which they occur.

Remeasurements recognised in OCI is reflected immediately in retained earnings and is not reclassified to profit or loss in subsequent periods.

b Leave entitlement and compensated absences

Accumulated leave which is expected to be utilized within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on a actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognized in the Statement of Profit and Loss in the period in which they occur.

c Short-term benefits

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognized as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognized in the period in which the absences occur.

viii Cash and cash equivalents

Cash and cash equivalents include cash in hand and at bank and term deposits with bank, with original maturities of 3 months or less.

ix Revenue recognition

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115, Revenue from Contracts with Customers, to determine when to recognize revenue and at what amount. Revenue is measured based on the consideration specified in the contract with a customer. Revenue from contracts with customers is recognised when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur. Revenue is measured at fair value of the consideration received or receivable. Revenue is recognised when (or as) the Company satisfies a performance obligation by transferring a promised service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. When (or as) a performance obligation is satisfied, the Company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Company recognizes revenue from contracts with customers based on a five step model as set out in Ind AS 115 :

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognize revenue when (or as) the Company satisfies a performance obligation.

Notes forming part of the standalone financial statements

x Income Tax

Income tax comprises of current and deferred income tax. Income tax is recognized as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognized in equity or in OCI.

a Current income tax

Current income tax is recognized based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

b Deferred income tax

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognized for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date. Deferred tax assets are only recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Such assets are reviewed at each Balance Sheet date to reassess realization.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Minimum Alternative Tax (MAT)

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent it is probable that the Company will pay normal income tax during the specified period. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as 'MAT Credit Entitlement'. The Company reviews the 'MAT Credit Entitlement' asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will be able to utilize the MAT Credit Entitlement within the period specified under the Income-tax Act, 1961.

xi Leases

The company has adopted Ind AS 116-Leases effective 1 April 2019, using the modified retrospective method. The company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1 April, 2019).

The company's lease asset classes primarily consist of leases for Premises. The company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the company has the right to direct the use of the asset

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

The right-to-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-to-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability

Notes forming part of the standalone financial statements

and right-to-use asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

xii **Impairment of non-financial assets**

As at each Balance Sheet date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In case of an individual asset, at the higher of the assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation.

When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through the Statement of Profit and Loss.

Functional currency and foreign currency transactions

(a) Functional and presentation currency

The financial statements are presented in Indian rupee (INR/₹), which is the firm's functional and presentation currency. Foreign currency transactions are recorded and presented in the functional currency by applying the exchange rate between the functional currency and the foreign currency prevailing at the dates of the transactions.

(b) Translations

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

All monetary items in foreign currencies are restated at the end of each reporting period at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Foreign exchange differences arising between the transaction date and the settlement/reporting date are recognised in the Statement of Profit and Loss.

xiii **Earnings per share**

Basic earnings per share is computed by dividing the net profit or loss 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.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

xiv **Provisions, contingent liabilities and contingent assets**

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of

Notes forming part of the standalone financial statements

which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects 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. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognized because it cannot be measured reliably.

Contingent assets are disclosed in the financial statements.

xv **Borrowing costs**

"Borrowing costs consist of interest and other ancillary costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All borrowing costs are charged to the Statement of Profit and Loss except:

- a) Borrowing costs directly attributable to the acquisition or construction of assets that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of such assets.
- b) Expenses incurred on raising long term borrowings are amortised using effective interest rate method over the period of borrowings.

Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation."

xvi **Income**

(i) Interest income

The Company recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost or fair value through other comprehensive income (FVOCI). EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

The Company recognises interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets [as set out in note no. 3.4(i)] regarded as 'stage 3', the Company recognises interest income on the amortised cost net of impairment loss of the financial asset at EIR. If the financial asset is no longer credit-impaired [as outlined in note no. 3.4(i)], the Company reverts to calculating interest income on a gross basis.

Delayed payment interest (penal interest) levied on customers for delay in repayments/non payment of contractual cashflows is recognised on realisation.

Interest on financial assets subsequently measured at fair value through profit or loss (FVTPL) is recognised at the contractual rate of interest.

(ii) Dividend income

Dividend income on equity shares is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(iii) Rental income

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(iv) Other revenue from operations

The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract

Notes forming part of the standalone financial statements

and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

(a) Fees and commission

The Company recognises service and administration charges towards rendering of additional services to its loan customers on satisfactory completion of service delivery.

Fees on value added services and products are recognised on rendering of services and products to the customer.

Distribution income is earned by selling of services and products of other entities under distribution arrangements. The income so earned is recognised on successful sales on behalf of other entities subject to there being no significant uncertainty of its recovery.

Foreclosure charges are collected from loan customers for early payment/closure of loan and are recognised on realisation.

(b) Net gain on fair value changes

Financial assets are subsequently measured at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI), as applicable. The Company recognises gains/losses on fair value change of financial assets measured as FVTPL and realised gains/losses on derecognition of financial asset measured at FVTPL and FVOCI.

(c) Recoveries of financial assets written off

The Company recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

(v) **Taxes**

Incomes are recognised net of the Goods and Services Tax, wherever applicable.

xvii Expenditures

(i) Finance costs

Borrowing costs on financial liabilities are recognised using the EIR.

(ii) Fees and commission expenses

Fees and commission expenses which are not directly linked to the sourcing of financial assets, such as commission/incentive incurred on value added services and products distribution, recovery charges and fees payable for management of portfolio etc., are recognised in the Statement of Profit and Loss on an accrual basis.

(iii) Taxes

Expenses are recognised net of the Goods and Services Tax, except where credit for the input tax is not statutorily permitted.

xviii Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). The Company's operating businesses are organized and managed separately according to the nature of services provided, with each segment representing a strategic business unit that offers different markets. The Company has identified three business segments - Investment & Trading in Shares & Securities, Finance activities & Unallocable. Unallocable item include income, expenses, assets and liabilities which are not allowed to any reportable business segment. The segment revenues, results, assets and liabilities include the respective amounts identifiable to each of the segment and amounts allocated on a reasonable basis. Accordingly, these financial statements are reflective of the information required by the Ind AS 108 "Operating segments".

xix Provision for standard assets and non-performing assets

The Company makes provision for standard assets and non-performing assets as per Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016. Provision for standard assets in excess of the prudential norms, as estimated by the management, is categorised under Provision for Standard Assets, as General provisions and/or as Gold Price Fluctuation Risk provisions.

Note 1.3 Applicability of new Indian Accounting Standards ('Ind AS'), amendments and interpretations:

The Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2020, has notified the following major amendments, which became applicable with effect from 1 April, 2020.

Notes forming part of the standalone financial statements

Amendments to Ind AS 103- Business combinations

The Company has adopted the amendments to Ind AS 103 for the first time in the current year. The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after 1 April, 2020.

The adoption of these amendments has not had any impact on the disclosures or reported amounts in these financial statements.

Amendments to Ind AS 116 – Leases

The Company has adopted the amendments to Ind AS 116 for the first time in the current year. The amendments provide practical relief, subject to certain conditions, to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying Ind AS 116 if the change were not a lease modification.

The adoption of these amendments has not had any impact on the disclosures or reported amounts in these financial statements.

Amendment to Ind AS 109 and Ind AS 107 – Interest rate benchmark reform

These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments affected by the current interest rate benchmarks are amended as a result of the on-going interest rate benchmark reforms.

The adoption of these amendments has not had any impact on the disclosures or reported amounts in these financial statements.

Amendment to Ind AS 1 and Ind AS 8 – Definition of “Material”

The Company has adopted the amendments to Ind AS 1 and Ind AS 8 for the first time in the current year. The amendments make the definition of material in Ind AS 1 easier to understand and are not intended to alter the underlying concept of materiality in Ind ASs. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition.

The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in Ind AS 8 has been replaced by a reference to the definition of material in Ind AS 1. In addition, the MCA amended other Standards that contain the definition of 'material' or refer to the term 'material' to ensure consistency.

The adoption of these amendments did not have any material impact on its evaluation of materiality in relation to the consolidated financial statements.

Note 1.4 Recent accounting pronouncements which are not yet effective

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

Note 1.5 Amendment to Schedule III of the Companies Act, 2013:

On 24 March 2021, MCA through a notification, amended Schedule III of the Companies Act, 2013, with effect from 1 April, 2021. Key amendments relevant for the Company are:

- a. Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- b. Current maturities of long-term borrowings should be disclosed separately within borrowings instead of earlier disclosure requirement under Other Financial Liabilities.

Notes forming part of the standalone financial statements

- c. Specified format for disclosure of shareholding of promoters.
- d. Additional disclosures relating to Corporate Social Responsibility, undisclosed income and crypto or virtual currency.
- e. Disclosure of specified ratios along with explanation for items included in numerator and denominator and explanation for change in any ratio is excess of 25% compared to preceding year.
- f. 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.
- g. 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 and related parties and details of benami property held.

The Company is evaluating the impact of these amendments.

Note 2 : Cash and cash equivalents

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Balances with banks		
- in current accounts	35,37,268	1,10,50,606
Cash on hand	27,387	31,447
Total cash and cash equivalents	35,64,655	1,10,82,053

Note 3 : Bank balance other than cash and cash equivalents

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
On account of unpaid dividend	81,957	1,37,042
Total bank balances other than cash and cash equivalents	81,957	1,37,042

Note 4 : Trade receivables

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good	1,06,44,280	1,06,44,280
Total trade receivables	1,06,44,280	1,06,44,280

Note 5 : Loans

(Amount in ₹)

Particulars	As at 31 March 2021				As at 31 March 2020			
	At fair value				At fair value			
	Amortised cost	Through other comprehensive income	Through profit or loss	Total	Amortised cost	Through other comprehensive income	Through profit or loss	Total
Unsecured, considered good								
- To related parties	79,49,398	—	—	79,49,398	1,19,96,976	—	—	1,19,96,976
- To others	6,19,37,266	—	—	6,19,37,266	7,60,18,415	—	—	7,60,18,415
Total loans				6,98,86,664				8,80,15,391

Notes forming part of the standalone financial statements

Note 6 : Investments

Particulars	As at 31 March 2021				As at 31 March 2020			
	At fair value				At fair value			
	At cost	Through profit or loss	Through other comprehensive income	Total	At cost	Through profit or loss	Through other comprehensive income	Total
(a) Traded, unquoted								
I) Investments in subsidiaries								
In equity instruments :								
Ladderup Wealth Management Private Limited	40,80,000	—	—	40,80,000	40,80,000	—	—	40,80,000
102,000 (31.03.2020:102,000) fully paid up shares of ₹ 40 each								
Waterproof Corporation Private Limited (earlier Godland Enterprises Private Limited)*	—	—	—	—	2,73,00,364	—	—	2,73,00,364
75,000 (31.03.2020:75,001) fully paid up shares of ₹ 10 each								
*(Merged with Waterproof Corporation Private Limited)								
Investments in optional convertible preference shares								
Waterproof Corporation Private Limited (earlier Godland Enterprises Private Limited)*	—	—	—	—	2,00,00,708	—	—	2,00,00,708
54,947 (31.03.2020: 54,947) fully paid up shares of ₹ 10 each								
*(Merged with Waterproof Corporation Private Limited)								
II) Investments in associates								
In equity instruments :								
Annapurna Pet Private Limited	8,96,88,250	—	—	8,96,88,250	8,96,88,250	—	—	8,96,88,250
30,95,650(31.03.2020:30,95,650) fully paid up shares of ₹ 10 each								
III) Investment in joint venture								
Waterproof Corporation Private Limited (earlier Godland Enterprises Private Limited)*	2,73,00,000	—	—	2,73,00,000	—	—	—	—
75,000 (31.03.2020:75,001) fully paid up shares of ₹ 10 each								
*(Merged with Waterproof Corporation Private Limited)								
Investments in optional convertible preference shares								
Waterproof Corporation Private Limited (earlier Godland Enterprises Private Limited)*	2,00,00,708	—	—	2,00,00,708	—	—	—	—
54,947 (31.03.2020: 54,947) fully paid up shares of ₹ 10 each								
*(Merged with Waterproof Corporation Private Limited)								
(b) Non - traded, quoted								
I) Investments in other companies								
In equity instruments :								
Aarvi Encon Limited	—	—	23,26,500	23,26,500	—	—	10,17,600	10,17,600
45,000 (31.03.2020:48,000) fully paid up shares of ₹ 10 each								
Arlhant Superstructures Limited	—	—	51,25,750	51,25,750	—	—	43,74,620	43,74,620
1,45,000 (31.03.2020:2,03,945) fully paid up shares of ₹ 10 each								
AU Small Finance Bank Limited	—	—	30,65,625	30,65,625	—	—	—	—
2,500 (31.03.2020:Nil) fully paid up shares of ₹ 10 each								
Capman Financials Limited	—	—	2,60,000	2,60,000	—	—	2,60,000	2,60,000
50,000 (31.03.2020 : 50,000) fully paid up shares of ₹ 10 each								

Notes forming part of the standalone financial statements

Particulars	As at 31 March 2021				As at 31 March 2020			
	At fair value				At fair value			
	At cost	Through profit or loss	Through other comprehensive income	Total	At cost	Through profit or loss	Through other comprehensive income	Total
Gujarat Narmada Valley Fertilisers & Chemicals Limited	—	—	—	—	—	—	5,735	5,735
Nil (31.03.2020 : 50) fully paid up shares of ₹ 10 each	—	—	9,04,475	9,04,475	—	—	—	—
HDFC Life Insurance Company Limited	—	—	—	—	—	—	—	—
1,300 (31.03.2020 : Nil) fully paid up shares of ₹ 10 each	—	—	6,80,44,625	6,80,44,625	—	—	4,07,02,200	4,07,02,200
Hester Biosciences Limited	—	—	—	—	—	—	—	—
35,500 (31.03.2020 : 44,000) fully paid up shares of ₹ 10 each	—	—	2,22,625	2,22,625	—	—	—	—
ICICI Prudential Life Insurance Company Limited	—	—	—	—	—	—	—	—
500 (31.03.2020 : Nil) fully paid up shares of ₹ 10 each	—	—	—	—	—	—	3,01,175	3,01,175
(ON Exchange (India) Limited	—	—	—	—	—	—	—	—
Nil (31.03.2020:500) fully paid up shares of ₹ 10 each	—	—	—	—	—	—	—	—
IndiaNivesh Limited	—	—	1,61,87,500	1,61,87,500	—	—	6,37,00,000	6,37,00,000
17,50,000 (31.03.2020 : 17,50,000) fully paid up shares of ₹ 1 each	—	—	—	—	—	—	—	—
Kisan Mouldings Limited	—	—	1,74,89,793	1,74,89,793	—	—	94,53,197	94,53,197
10,47,293 (31.03.2020 : 13,12,944) fully paid up shares of ₹ 10 each	—	—	—	—	—	—	—	—
Nikhil Adhesives Limited	—	—	49,17,250	49,17,250	—	—	12,21,854	12,21,854
13,000 (31.03.2020 : 12,519) fully paid up shares of ₹ 10 each	—	—	—	—	—	—	—	—
SBI Life Insurance Company Limited	—	—	4,40,250	4,40,250	—	—	—	—
500 (31.03.2020 : Nil) fully paid up shares of ₹ 10 each	—	—	3,72,400	3,72,400	—	—	—	—
Syaram Silk Mills Limited	—	—	—	—	—	—	—	—
2,000 (31.03.2020 : Nil) fully paid up shares of ₹ 2 each	—	—	—	—	—	—	—	—
South India Paper Mills Limited	—	—	—	—	—	—	13,15,374	13,15,374
Nil (31.03.2020 : 31,170 ;) fully paid up shares of ₹ 10 each	—	—	—	—	—	—	—	—
Titagarh Wagons Limited	—	—	6,23,700	6,23,700	—	—	3,49,300	3,49,300
14,000 (31.03.2020 : 14,000) fully paid up shares of ₹ 2 each	—	—	9,21,585	9,21,585	—	—	3,80,925	3,80,925
Aarti Industries Limited	—	—	—	—	—	—	—	—
700 (31.03.2020 : 500) fully paid up shares of ₹ 5 each	—	—	—	—	—	—	16,639	16,639
Grasim Industries Limited	—	—	—	—	—	—	—	—
Nil (31.03.2020 : 35) fully paid up shares of ₹ 2 each	—	—	—	—	—	—	31,400	31,400
Gujarat Mineral Development Corporation Limited	—	—	—	—	—	—	—	—
Nil (31.03.2020 : 1000) fully paid up shares of ₹ 2 each	—	—	7,46,775	7,46,775	—	—	4,31,000	4,31,000
HDFC Bank Limited	—	—	—	—	—	—	—	—
500 (31.03.2020 : 500) fully paid up shares of ₹ 1 each	—	—	23,12,500	23,12,500	—	—	—	—
Vodafone Idea Limited	—	—	—	—	—	—	—	—
2,50,000 (31.03.2020 : Nil) fully paid up shares of ₹ 10 each	—	—	—	—	—	—	64,750	64,750
Vedanta Limited	—	—	—	—	—	—	—	—
1000 (31.03.2020 : Nil) fully paid up shares of ₹ 1 each	—	—	9,93,000	9,93,000	—	—	—	—
Usha Martin Limited	—	—	—	—	—	—	—	—
30,000 (31.03.2020 : Nil) fully paid up shares of ₹ 1 each	—	—	—	—	—	—	—	—

Notes forming part of the standalone financial statements

Particulars	As at 31 March 2021				As at 31 March 2020			
	At fair value				At fair value			
	At cost	Through profit or loss	Through other comprehensive income	Total	At cost	Through profit or loss	Through other comprehensive income	Total
Aarti Surfactants Limited	—	—	10,25,530	10,25,530	—	—	—	—
Career Point Limited, 25,000 (31.03.2020 : Nil) fully paid up shares of ₹ 10 each	—	—	32,76,250	32,76,250	—	—	—	—
Dish TV India Limited, 25,000 (31.03.2020 : Nil) fully paid up shares of ₹ 10 each	—	—	2,30,750	2,30,750	—	—	—	—
Parag Milk Foods Limited	—	—	5,54,138	5,54,138	—	—	—	—
Welspun Corporation Limited	—	—	2,78,300	2,78,300	—	—	—	—
Yes Bank Limited	—	—	10,14,000	10,14,000	—	—	—	—
Investments in mutual funds								
Blue Lotus Capital Multi Bagger Fund I 1,03,160.78 (31.03.2020 : 1,03,160.78) units	—	1,18,77,664	—	1,18,77,664	—	73,89,489	—	73,89,489
Nippon India Liquid Fund 2912.234 (31.03.2020: 493.647) units	—	1,45,53,711	—	1,45,53,711	—	23,80,617	—	23,80,617
(c) Non - traded, unquoted								
I) Investments in other companies								
In equity instruments :-								
Algorhythm Tech Private Limited 17 (31.03.2020 :17) fully paid up shares of ₹ 10 each	—	—	6,375	6,375	—	—	6,375	6,375
Jumboking Foods Private Limited 98,901 (31.03.2020 :98,901) fully paid up shares of ₹ 10 each	—	—	2,16,59,319	2,16,59,319	—	—	88,55,155	88,55,155
Lotus Spaces Private Limited 90,000 (31.03.2020 :90,000) fully paid up shares of ₹ 10 each	—	—	1,94,93,100	1,94,93,100	—	—	1,73,74,500	1,73,74,500
Ladderup Corporate Advisory Private Limited 43,500 (31.03.2020 :43,500) fully paid up shares of ₹ 10 each	—	—	22,72,440	22,72,440	—	—	43,50,000	43,50,000
Tops Security Limited 40,900 (31.03.2020 :40,900) fully paid up shares of ₹ 10 each	—	—	—	—	—	—	28,63,000	28,63,000
Chemnal Superking Private Limited 8,000 (31.03.2020 :8,000) fully paid up shares of ₹ 10 each	—	—	—	—	—	—	80,000	80,000
Ranjani Sugar and Industries Limited 3,83,556 (31.03.2020 :3,83,556) fully paid up shares of ₹ 10 each	—	—	63,28,674	63,28,674	—	—	63,28,674	63,28,674
Investments in preference shares								
Algorhythm Tech Private Limited 1,466 (31.03.2020 :1,466) fully paid up shares of ₹ 10 each	5,49,750	—	—	5,49,750	5,49,750	—	—	5,49,750
Total investments	14,16,18,708	2,64,31,375	18,10,99,229	34,91,43,311	14,16,19,072	97,70,106	16,34,83,473	31,48,72,652

Notes forming part of the standalone financial statements

Note 7 : Other financial assets

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good		
Interest receivables	63,01,792	33,06,949
Total other financial assets	63,01,792	33,06,949

Note 8 : Current tax assets (net)

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Advance tax & TDS receivable (net of provision for tax)	49,66,734	29,49,320
Total current tax assets (net)	49,66,734	29,49,320

Note 9 : Deferred tax assets (net)

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Deferred tax asset		
Fixed assets : Impact of difference between tax depreciation and depreciation charged for the financial reporting	47,122	24,834
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis.	3,95,055	3,50,364
On account of fair value of financial instruments	36,35,412	86,01,681
On account of amortisation of processing fees on loan given	24,350	24,350
Minimum alternative tax credit entitlement	4,86,20,718	5,02,51,553
Deferred tax liability		
On account of amortisation of processing fees on loan taken	(11,469)	(11,469)
Adjustment on account of Ind AS 116 transition	-	(1,05,454)
Adjustment of lease modification	(1,56,630)	
Total deferred tax assets (net)	5,25,54,558	5,91,35,859

Note 10A : Property, plant and equipment

(Amount in ₹)

Particulars	Premises	Furniture & fixtures	Vehicles	Total
Gross carrying value				
Balance as at 1 April 2020	12,75,648	83,621	26,23,007	39,82,276
Additions	—	—	—	—
Deletions	—	—	—	—
Balance as at 31 March 2021	12,75,648	83,621	26,23,007	39,82,276
Accumulated amortisation				
Balance as at 1 April 2020	64,959	22,230	7,32,477	8,19,666
Additions	32,432	11,100	3,65,736	4,09,268
Deletions	—	—	—	—
Balance as at 31 March 2021	97,391	33,330	10,98,213	12,28,934
Net carrying value				
Balance as at 1 April 2020	12,10,689	61,391	18,90,530	31,62,610
Balance as at 31 March 2021	11,78,257	50,291	15,24,794	27,53,342

Notes forming part of the standalone financial statements

Note 10B : Right to use assets

(Amount in ₹)

Particulars	Leasehold premises
Gross carrying value	
Balance as at 1 April 2020	40,58,433
Additions	—
Deletions	2,49,559
Balance as at 31 March 2021	43,07,992
Accumulated amortisation	
Balance as at 1 April 2020	33,82,027
Additions	6,17,310
Deletions	—
Balance as at 31 March 2021	39,99,337
Net carrying value	
Balance as at 1 April 2020	6,76,405
Balance as at 31 March 2021	3,08,655

Note 11 : Other non-financial assets

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Capital advances	6,87,80,497	5,97,80,497
Advance recoverable in cash or in kind	44,990	45,991
Prepaid expenses	23,085	61,815
Total other non - financial assets	6,88,48,568	5,98,88,303

Note 12 : Trade payables

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
- Total outstanding dues of micro enterprises and small enterprises (refer note below)	—	—
- Total outstanding dues of creditors other than micro enterprises and small enterprises.	13,586	10,900
Total trade payables	13,586	10,900

Note:

The Company had sought confirmation from the vendors whether they fall in the category of Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') which came into force from 2 October 2006. On the basis of the information and records available with the management, the required disclosure for Micro, Small and Medium Enterprises under the above Act is given below :

Particulars	As at 31 March 2021	As at 31 March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year.	—	—
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the due date during each accounting year;	—	—
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	—	—

Notes forming part of the standalone financial statements

Particulars	As at 31 March 2021	As at 31 March 2020
The amount of interest accrued and remaining unpaid at the end of accounting year; and	—	—
The amount of further interest due and payable even in the succeeding year, 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.	—	—

Note 13 : Borrowings (other than debt securities)

(Amount in ₹)

Particulars	As at 31 March 2021			As at 31 March 2020		
	At amortised cost	At fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Total
Secured loan						
Loan from banks	—	—	—	92,518	—	92,518
Unsecured loan						
From others						
Inter corporate deposit	90,00,000	—	90,00,000	1,50,74,966	—	1,50,74,966
Total borrowings			90,00,000			1,51,67,484

Loan from banks

'Secured loan taken from ICICI Bank' amounting to ₹ NIL (31.3.2020 : 92,518) carrying interest rate of 9.10% p.a. The loan is repaid in May, 2020. The loan is secured against vehicle.

Unsecured loan from others includes:

- Unsecured loan taken from E-City Property Management & Services Private Limited amounting to ₹ Nil (31.03.2020: ₹ 1,50,74,966) carrying interest rate of 12% p.a.
- Unsecured interest free loan taken from Sattadhar Construction Private Limited amounting to ₹ 90,00,000 (31.03.2020:Nil)

Note 14 : Other financial liabilities

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Unclaimed dividend	81,957	1,37,042
Other payables	4,01,296	4,40,352
Employee benefit payable	65,02,686	54,16,459
Lease obligation	2,43,219	10,27,498
Total other financial liabilities	72,29,158	70,21,351

Note 15 : Current tax liabilities (net)

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for tax (net of advance tax)	—	2,71,985
Total current tax liabilities (net)	—	2,71,985

Notes forming part of the standalone financial statements

Note 16 : Provisions

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for gratuity (refer note 30)	14,20,040	12,29,700
Contingent provision against standard assets (as per RBI regulations)	3,99,584	3,99,584
Provision for bonus	—	29,694
Total provisions	18,19,624	16,58,978

Note 17 : Other non - financial liabilities

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Duties & taxes payable	7,96,308	7,94,712
Deferred income on amortisation of processing fees	-	1,26,636
Total other non - financial liabilities	7,96,308	9,21,348

Note 18 : Equity share capital

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Authorised share capital		
1,50,00,000 (31 March 2020: 1,50,00,000) equity shares of ₹ 10 each	15,00,00,000	15,00,00,000
Issued, subscribed and fully paid up		
1,28,52,600 (31 March 2020: 1,28,52,600) equity shares of ₹ 10 each, fully paid up	12,85,26,000	12,85,26,000
Total issued, subscribed and paid-up equity share capital	12,85,26,000	12,85,26,000

(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2021		As at 31 March 2020	
	No.	Amount in ₹	No.	Amount in ₹
Equity shares				
At the beginning of the year	1,28,52,600	12,85,26,000	1,28,52,600	12,85,26,000
Shares issued during the year	—	—	—	—
Outstanding at the end of the year	1,28,52,600	12,85,26,000	1,28,52,600	12,85,26,000

(b) Rights, preferences and restrictions attached to equity shares:

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the company, the holder 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.

Notes forming part of the standalone financial statements

(Amount in ₹)

(c) The details of shareholders holding more than 5% of the equity shares of the company as at year end are as below :

Names of equity shareholders	As at 31 March 2021		As at 31 March 2020	
	Number of equity shares held	% of holding	Number of equity shares held	% of holding
Quiet Enterprises LLP	40,29,447	31.35%	38,44,447	29.91%
Sonu Portfolio Services Private Limited	16,43,350	12.79%	16,43,350	12.79%
Edelweiss Custodial Services Limited	8,51,259	6.62%	8,51,259	6.62%
Nabhshika Financial Advisory Private Limited	6,85,002	5.33%	6,85,002	5.33%

Note 19 : Other equity

(Amount in ₹)

Particulars		As at 31 March 2021	As at 31 March 2020
(i)	Capital reserve		
	Opening balance	3,00,000	3,00,000
	Closing balance	3,00,000	3,00,000
(ii)	Securities premium reserve		
	Opening balance	13,85,00,000	13,85,00,000
	Closing balance	13,85,00,000	13,85,00,000
(iii)	General reserve		
	Opening balance	2,50,000	2,50,000
	Closing balance	2,50,000	2,50,000
(iv)	Statutory reserve pursuant to Section 45-IC of the RBI Act, 1934		
	Opening balance	7,10,38,005	6,85,25,603
	Transferred from retained earnings	—	25,12,402
	Closing balance	7,10,38,005	7,10,38,005
(v)	Retained earnings		
	Opening balance	21,37,96,272	23,00,75,077
	Loss for the year	(7,08,977)	(1,36,60,128)
	Transfer to special reserve under section 45-IC RBI Act	—	(25,12,402)
	Transition adjustment on adoption of Ind AS 116	—	(1,06,275)
	Adjustment on lease modification	6,13,356	—
	Closing balance	21,37,00,650	21,37,96,272
(vi)	Other Comprehensive Income/Loss		
	Opening balance	(2,35,91,458)	9,17,43,875
	Add: Income / (loss) on fair value of defined benefit plans	1,18,265	(92,934)
	Add: Income / (loss) on fair value of investments	2,13,54,379	(11,52,42,399)
	Closing balance	(21,18,815)	(2,35,91,458)
	Total other equity	42,16,69,841	40,02,92,818

Notes forming part of the standalone financial statements

Nature and purpose of reserves:

Capital reserve

The company recognises profit and loss on purchase, sale, issue or cancellation of the its own equity instruments to capital reserve.

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the statement of profit and loss.

Statutory reserve

No amount is transferred to statutory reserve fund pursuant to sec 45-IC of the Reserve Bank of India Act, 1934, as company has incurred loss during the current year.

Note 20 : Interest income

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
On financial assets measured at amortised cost		
Interest on loans	1,09,79,865	1,65,64,511
Interest on deposits with banks	—	22,429
Total Interest Income	1,09,79,865	1,65,86,940

Note 21 : Dividend income

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Dividend income from investments	3,83,223	11,83,362
Total dividend income	3,83,223	11,83,362

Note 22 : Net gain on fair value changes of financial assets

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
(A) Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i) On trading portfolio	—	—
(ii) On financial instruments designated at fair value through profit or loss	49,61,768	—
(B) Others	—	—
Total net gain/(loss) on fair value changes (C)	49,61,768	—
Fair value changes:		
-Realised	2,54,912	—
-Unrealised	47,06,856	—
Total net gain /(loss) on fair value changes (D) to tally with (C)	49,61,768	—

Notes forming part of the standalone financial statements

Note 23 : Other operating income

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Loan processing fees	1,26,636	7,83,458
Total other operating income	1,26,636	7,83,458

Note 24 : Finance costs

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
On financial liabilities measured at amortised cost		
Interest on borrowings	4,65,522	1,20,36,653
Finance cost on lease obligation	56,415	1,27,196
Other interest expense	86,071	4,575
Total finance costs	6,08,008	1,21,68,424

Note 25 : Net loss on fair value changes of financial assets

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
(A) Net (gain)/ loss on financial instruments at fair value through profit or loss		
(i) On trading portfolio	—	—
(ii) On financial instruments designated at fair value through profit or loss	—	18,24,583
(B) Others	—	—
Total net (gain)/loss on fair value changes (C)	—	18,24,583
Fair value changes:		
-Realised	—	18,78,097
-Unrealised	—	(53,514)
Total net (gain)/loss on fair value changes (D) to tally with (C)	—	18,24,583

Note 26 : Employee benefits expenses

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Salaries, bonus and incentives	1,02,54,118	1,19,45,588
Staff welfare expenses	801	12,690
Total employee benefits expenses	1,02,54,919	1,19,58,278

Note 27 : Depreciation, amortization and impairment

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Depreciation on tangible assets	4,09,268	4,10,391
Amortisation on right to use assets	6,17,310	6,76,405
Total depreciation, amortization and impairment	10,26,578	10,86,796

Notes forming part of the standalone financial statements

Note 28 : Other expenses

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Professional fees	17,92,037	2,47,714
CSR expenses	2,05,250	18,00,000
Director sitting fees	4,75,000	3,40,000
Listing fees	3,00,000	3,54,000
Payment to auditors (refer note 28(a))	1,20,000	1,42,500
Stipend	2,71,717	4,92,001
Travelling & conveyance	28,537	70,302
Miscellaneous expenses	8,05,822	21,21,525
Total Other expenses	39,98,363	55,68,042

Note 28(a) : Payment to auditors

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
- Statutory audit	1,00,000	1,00,000
- Tax audit fees	20,000	42,500
	1,20,000	1,42,500

Note 29 : Earnings per equity share (face value ₹ 10 each)

A reconciliation of profit for the year and equity shares used in the computation of basic and diluted earnings per equity share is set out below:

Basic: Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the year, excluding equity shares purchased by the company and held as treasury shares.

Diluted: Diluted earnings per share is calculated by adjusting the weighted average number of equity shares outstanding during the year for assumed conversion of all dilutive potential equity shares. Employee share options are dilutive potential equity shares for the company.

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Weighted average number of equity shares of ₹ 10 each		
Number of shares at the beginning and end of the year	1,28,52,600	1,28,52,600
Weighted average number of shares outstanding during the year	1,28,52,600	1,28,52,600
Weighted average number of potential equity shares outstanding during the year	—	—
Total number of potential equity share for calculating diluted earning per share	1,28,52,600	1,28,52,600
Net profit after tax available for equity shareholders	(7,08,977)	(1,36,60,128)
Basic earning per share (in ₹)	(0.06)	(1.06)
Diluted earning per share (in ₹)	(0.06)	(1.06)

Notes forming part of the standalone financial statements

Note 30 : Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'

Defined benefit obligation

Gratuity

The company provides for the gratuity, a defined benefit retirement plan covering qualifying employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated period mentioned under the payment of Gratuity Act, 1972.

The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Details of defined benefit plans as per actuarial valuation are as follows:

(Amount in ₹)

Particulars	Unfunded plan	
	31 March 2021	31 March 2020
Expenses recognized in the statement of profit and loss		
Current service cost	2,78,144	2,31,331
Net interest cost	76,043	60,557
Components of defined benefit costs recognized in profit or loss	3,54,187	2,91,888

(Amount in ₹)

Included in other comprehensive income	31 March 2021	31 March 2020
Components of actuarial gain/losses on obligations:		
- financial assumptions	14,126	62,494
- demographic assumptions	—	(558)
- experience adjustments	(1,77,973)	30,998
Actuarial (gain) / loss recognized in OCI	(1,63,847)	92,934

(Amount in ₹)

Changes in the defined benefit obligation	31 March 2021	31 March 2020
Opening defined benefit obligation	12,29,700	8,44,878
Transfer in/(out) obligation		
Current service cost	2,78,144	2,31,331
Interest expense	76,043	60,557
Components of actuarial gain/losses on obligations:		
- financial assumptions	14,126	62,494
- demographic assumptions	—	(558)
- experience adjustments	(1,77,973)	30,998
Present value of obligation as at the end of the year	14,20,040	12,29,700

(Amount in ₹)

Recognized in balance sheet	31 March 2021	31 March 2020
Present value of obligation as at the end of the year	14,20,040	12,29,700
Net liability/(asset)	14,20,040	12,29,700

Notes forming part of the standalone financial statements

(Amount in ₹)

Reconciliation of net defined benefit liability	31 March 2021	31 March 2020
Net opening provision in books of accounts	12,29,700	8,44,878
Expense charged to statement of profit and loss	3,54,187	2,91,888
Amount recognised in other comprehensive income	(1,63,847)	92,934
Benefits paid	—	—
Closing provision in books of accounts	14,20,040	12,29,700

(Amount in ₹)

Bifurcation of liability as per schedule III	31 March 2021	31 March 2020
Current liability*	32,337	26,010
Non-current liability	13,87,703	12,03,690
Net liability	14,20,040	12,29,700

* The current liability is calculated as expected benefits for the next 12 months.

Maturity analysis of defined benefit obligation

(Amount in ₹)

Particulars	31 March 2021	31 March 2020
Expected benefits for year 1	32,337	26,010
Distribution (%)	1.60%	1.50%
Expected benefits for year 2	33,549	27,908
Distribution (%)	1.70%	1.60%
Expected benefits for year 3	35,822	28,939
Distribution (%)	1.80%	1.60%
Expected benefits for year 4	14,07,247	31,187
Distribution (%)	71.30%	1.80%
Expected benefits for year 5	5,957	13,14,269
Distribution (%)	0.30%	74.10%
Sum of Year 6 to 10 Year	33,395	23,772
Distribution (%)	1.70%	1.30%

Expected contribution to fund in the next year

(Amount in ₹)

Particulars	31 March 2021	31 March 2020
Expected contribution to fund in the next year	32,337	26,010

Notes forming part of the standalone financial statements

The following table summarizes the principal assumptions used for defined benefit obligation :

(Amount in ₹)

Particulars	31 March 2021	31 March 2020
Actuarial assumptions		
Discount rate (p.a.)	6.05%	6.25%
Withdrawal rates	5.00% p.a at younger ages reducing to 1.00% p.a % at older ages	5.00% p.a at younger ages reducing to 1.00% p.a % at older ages
Rate of salary increase (p.a.)	6.00%	6.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Sensitivity to key assumptions

(Amount in ₹)

Particulars	Gratuity	
	31 March 2021	31 March 2020
	0.5% increase	
i. Discount rate	13,85,209	11,96,166
ii. Salary escalation rate - over a long-term	14,33,964	12,40,553
	10% increase	
iii. Withdrawal rate (W.R.)	14,21,554	12,30,989
	0.5% decrease	
i. Discount rate	14,56,540	12,64,757
ii. Salary escalation rate - over a long-term	14,07,008	10,94,334
	10% decrease	
iii. Withdrawal rate (W.R.)	14,18,504	12,28,397

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant.

Note 30 : Contingent liabilities disclosures as required under Ind AS 37, “provisions, contingent liabilities and contingent assets” are given below:

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Claims not acknowledged as debts :		
Disputed liability in respect of income-tax	16,72,493	5,48,097

Note 31 : Leases

The company has entered into long term lease agreements for premises. The company does not have an option to purchase the leased asset at the expiry of the lease period. These are generally cancellable and are renewable by mutual consent on mutually agreed terms. Future lease rentals are determined on the basis of agreed terms. There are no restrictions imposed by lease arrangements. There are no subleases.

Notes forming part of the standalone financial statements

Following are the changes in the carrying value of right of use assets for the year ended 31 March 2021:

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance as at 1 April 2020	6,76,405	—
Transition impact on account of adoption of Ind As 116 - Leases	—	13,52,811
Deletion/adjustments	2,49,560	—
Depreciation	(6,17,310)	(6,76,406)
Balance as at 31 March 2021	3,08,655	6,76,405

The following is the break-up of current and non-current lease liabilities as at 31 March 2021:

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Current lease liabilities	2,43,219	10,27,498
Non-current lease liabilities	-	-
	2,43,219	10,27,498

The following is the movement in lease liabilities during the year ended 31 March 2021:

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Balance as at 1 April 2020	10,27,498	—
Transition impact on account of adoption of Ind As 116 - Leases	—	14,96,426
Additions	1,14,278	—
Finance cost accrued during the period	56,415	1,27,196
Deletion/Adjustments	(4,78,075)	—
Payment of lease liabilities	(4,76,897)	(5,96,124)
Balance as at 31 March 2021	2,43,219	10,27,498

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2021 on an undiscounted basis :

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
- Less than one year	2,53,350	9,54,967
- Later than one year but not later than five years	—	2,53,350
- Later than five years	—	—
	2,53,350	12,08,317

Notes forming part of the standalone financial statements

Note 32: Related party disclosures as required under Indian Accounting Standard 24, “Related party disclosures” are given below :

- a) **Names of related parties and nature of relationship (to the extent of transactions entered into during the year except for control relationships where all parties are disclosed)**

For the year ended 31 March, 2021

Name of related party	Nature of relationship
1) Key managerial personnel	
Mr. Sunil Goyal	Managing director
Mr. T V Rao Mr. Mohan Tanksale Mr. Harsha Saksena Mr. K.V.S. Shyamsunder (up to 15/01/2021)	Independent director
Mrs. Mangala Radhakrishna Prabhu Mr. Manoj Singrodia Mr. Saurabh Sarayan	Non - executive director
Mr. Suresh Kumawat	Chief financial officer
Mr. Dhiraj Gupta (from 20/07/2020) Mr. Paresh Patil (up to 18/07/2020)	Company secretary
Others	
Ladderup Wealth Management Private Limited Water Proof Corporation Private Limited (up to 11/10/2020)	Subsidiary company
Annapurna Pet Private Limited	Associate company
Water Proof Corporation Private Limited (from 12/10/2020)	Joint venture
Ladderup Foundation	A trust in which directors of company are trustees
Mrs. Usha Goyal Mrs. Santosh Singrodia	Relative of key managerial personnel
Ladderup Corporate Advisory Private Limited Ladderup Venture LLP SGCO & Co. LLP K.L. Venture & Enterprises	Enterprises over which key managerial personnel or their relatives are able to exercise significant influence

Notes forming part of the standalone financial statements

b) Transactions carried out with related parties referred to above, in ordinary course of business and balances outstanding:

(Amount in ₹)				
Name of Party	Relationship	Nature of Transaction	Year ended 31 March, 2021	Year ended 31 March, 2020
Ladderup Corporate Advisory Private Limited	Enterprises over which key managerial personnel or their relatives are able to exercise significant influence	Loan granted	3,50,000	96,00,000
		Repayment of loan given	49,86,575	70,36,449
		Interest income	11,54,328	16,70,682
		Allocation of expenses	4,32,621	6,29,807
Mr. Sunil Goyal	Managing director	Director remuneration	78,00,000	96,00,000
Mr. T V Rao	Independent director	Director sitting fees	1,00,000	70,000
Mr. Mohan Tanksale	Independent director	Director sitting fees	1,00,000	80,000
Mr. Harsha Saksena	Independent director	Director sitting fees	1,00,000	45,000
Mr. K.V.S. Shyamsunder	Independent director	Director sitting fees	75,000	90,000
Mrs. Mangala Radhakrishna Prabhu	Non - executive director	Director sitting fees	1,00,000	55,000
Mr. Suresh Kumawat	Chief financial officer	Salary paid	11,00,832	12,00,000
Mr. Dhiraj Gupta (from 20/07/2020)	Company secretary	Salary paid	5,43,633	—
Mr. Paresh Patil (upto 18/07/2020)		Salary paid	1,07,265	2,87,587
Ladderup Foundation	A trust in which directors of company are trustees	Donation (CSR expenses)	2,00,000	3,00,000
Annapurna Pet Private Limited	Associate company	Repayment of loan given	—	8,76,213
SGCO & Co. LLP	Enterprises over which key managerial personnel or their relatives are able to exercise significant influence	Loan taken	62,00,000	—
		Repayment of loan taken	62,14,230	
		Interest expenses	14,230	—

Notes forming part of the standalone financial statements

(Amount in ₹)

Name of Party	Relationship	Receivable/ payable	Year end balances	
			As at 31 March 2021	As at 31 March 2020
Ladderup Corporate Advisory Private Limited	Enterprises over which key managerial personnel or their relatives are able to exercise significant influence	Receivable	80,82,108	1,19,96,977
Mr. Sunil Goyal	Managing director	Payable	63,07,684	52,32,416
Mr. Harsha Saksena	Independent director	Payable	—	22,500
Mr. K.V.S. Shyamsunder	Independent director	Payable	—	15,500
Mr. Mohan Tanksale	Independent director	Payable	—	15,500
Mr. T V Rao	Independent director	Payable	—	15,500
Mr. Suresh Kumawat	Chief financial officer	Payable	78,590	81,097
Mr. Dhiraj Gupta (from 20/07/2020)	Company secretary	Payable	64,868	—
Mr. Paresh Patil (up to 18/07/2020)		Payable	—	27,857

Note: Related parties as disclosed by management and relied upon by auditors.

Note 33: Segment Reporting

The Company is primarily engaged in the business of financing. All the activities of the company revolve around the main business. Further, the company does not have any separate geographic segments other than India.

During the year ending 31 March 2021, for management purposes, the company has been organised into two operating segments based on products and services.

In computing the segment information, certain estimates and assumptions have been made by the management, which have been relied upon.

The Chief Operating Decision Maker (CODM) monitors the operating results of its business units separately for making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profits or losses and is measured consistently with operating profits or losses in the financial statements. However, income taxes are managed on a entity as whole basis and are not allocated to operating segments.

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Segment revenue:		
i) Investment activities	53,44,991	11,83,362
ii) Finance activities	1,11,06,501	1,73,70,398
Total segment revenue	1,64,51,492	1,85,53,760
Less : Inter segment revenue	—	—
Net income from operations	1,64,51,492	1,85,53,760
Segment Results :		
i) Investment activities	53,44,991	11,83,362
ii) Finance activities	1,03,71,857	44,18,516
Total	1,57,16,848	56,01,877
Add : Unallocable income	—	—
Less : Unallocable expenses	1,51,53,224	1,96,54,241
Total profit/(loss) before tax	5,63,624	(1,40,52,364)

Notes forming part of the standalone financial statements

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Other comprehensive income		
i) Investment Activities	2,14,72,644	(11,53,35,333)
Capital employed		
(Segment assets - segment liabilities)		
i) Investment & finance activities*	55,01,95,841	52,88,18,818

*Fixed assets and other assets used in the company's operations or liabilities contracted have not been identified to the reportable segments, as the assets are used interchangeably between segments. Hence, it is not practicable to provide segment disclosures relating to total assets and liabilities for investment and finance activity.

Note 34 : Tax Expense

(a) Amount recognized in statement of profit and loss

(Amount in ₹)

Particulars	2020-21	2019-20
Current tax expense (A)		
Current tax	1,03,490	17,31,965
Minimum alternative tax of earlier year	—	(17,31,965)
Reversal for current tax of earlier years	(17,31,965)	—
	(16,28,475)	—
Deferred tax expense (B)		
Origination and reversal of temporary differences	29,01,077	(3,92,236)
Tax expense recognized in the income statement (A+B)	12,72,602	(3,92,236)

(b) Reconciliation of effective tax rate

(Amount in ₹)

Particulars	2020-21	2019-20
Profit/(loss) before tax	5,63,624	(1,40,52,364)
Tax using the company domestic tax rate (current year 27.82% previous year 27.82%)	1,56,800	(39,09,368)
Tax effect of:		
Others	(6,16,163)	35,17,132
Adjustment recognized in current year in relation to the current tax of prior years	17,31,965	—
Tax expense as per statement of the profit and loss	12,72,602	(3,92,236)
Effective tax rate	225.79%	2.79%

(Amount in ₹)

Particulars	Net balance as at 1 April 2020	Recognized in profit or loss	Recognized in OCI	Recognized directly in equity	Net balance as at 31 March 2021	Deferred tax liability	Deferred tax asset
Deferred tax asset/ (liabilities)							
Fixed assets : impact of difference between tax depreciation and depreciation charged for the financial reporting	24,834	22,288	—	—	47,122	47,122	—

Notes forming part of the standalone financial statements

(Amount in ₹)

Particulars	Net balance as at 1 April 2020	Recognized in profit or loss	Recognized in OCI	Recognized directly in equity	Net balance as at 31 March 2021	Deferred tax liability	Deferred tax asset
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis.	3,50,364	44,691	—	—	3,95,055	3,95,055	—
On account of fair value of financial instruments	86,01,681	(12,86,044)	(36,80,225)	—	36,35,412	36,35,412	—
On account of amortisation of processing fees on loan given	24,350	—	—	—	24,350	24,350	—
Minimum alternative tax credit entitlement	5,02,51,553	(16,30,835)	—	—	4,86,20,718	4,86,20,718	—
On account of amortisation of processing fees on loan taken	(11,469)	—	—	—	(11,469)	—	(11,469)
Adjustment on account of Ind AS 116 transition	(1,05,454)	—	—	—	—	—	—
Adjustment on lease modification	—	(51,175)	—	—	(1,56,630)	—	(1,56,630)
Deferred tax asset/(liabilities)	5,91,35,859	29,01,077	(36,80,225)	—	5,25,54,558	5,27,22,657	(1,68,099)

Note 35 : Financial risk management framework

In the course of its business, the company is exposed to certain financial risks namely credit risk, interest risk, currency risk & liquidity risk. The company's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The financial risks are managed in accordance with the company's risk management policy which has been approved by its board of directors.

Market risk

Market risk is the risk that the fair value of future cash flow of financial instruments will fluctuate due to changes in the market variables such as interest rates, foreign exchange rates and equity prices. The company do not have any exposure to foreign exchange rate.

Interest rate risk

The company uses a mix of cash and borrowings to manage the liquidity & fund requirements of its day-to-day operations. Further, certain interest bearing liabilities carry variable interest rates.

Notes forming part of the standalone financial statements

The interest rate profile of the company's interest-bearing financial instruments as reported to the management of the company is as follows:

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Variable-rate instruments:		
Financial liabilities (Borrowings)	(90,00,000)	(1,51,67,484)

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the company's loss before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
Increase in basis points	50 basis points	
Effect on loss before tax, increase by	(45,000)	(75,837)
Decrease in basis points	50 basis points	
Effect on loss before tax, decrease by	45,000	75,837

Currency risk:

Currently company does not have transaction in foreign currencies and hence the company is not exposed to currency risk.

Price risk:

The Company is exposed to equity price risk arising from investments held by the company and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss. To manage its price risk arising from investment in equity securities, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the company. The majority of the company's equity investments are listed on the Bombay Stock Exchange (BSE) or the National Stock Exchange (NSE) in India.

On investments- sensitivity analysis

As at 31 March 2021

(Amount in ₹)

Particulars	Carrying value	Fair value	Sensitivity to fair value	
			1% increase	1% decrease
Investment at FVTPL	2,64,31,375	2,64,31,375	2,66,95,688	2,61,67,061
Investment at FVOCI	18,10,93,229	18,10,93,229	18,29,04,162	17,92,82,297
	20,75,24,604	20,75,24,604	20,95,99,850	20,54,49,358

As at 31 March, 2020

(Amount in ₹)

Particulars	Carrying value	Fair value	Sensitivity to fair value	
			1% increase	1% decrease
Investment at FVTPL	97,70,106	97,70,106	98,67,807	96,72,405
Investment at FVOCI	16,34,83,473	16,34,83,473	16,51,18,309	16,18,48,639
	17,32,53,580	17,32,53,580	17,49,86,116	17,15,21,044

Profit for the period would increase/decrease as a result of gains/losses on exchange traded funds equity securities classified as fair value through profit or loss, if any. Other components of equity would increase/decrease as a result of gain/losses on equity securities classified as fair value through other comprehensive income.

Credit risk

Credit risk is the risk of financial loss arising out of a customer or counterparty failing to meet their repayment obligations to the company. The company assesses the credit quality of all financial instruments that are subject to credit risk.

Notes forming part of the standalone financial statements

Classification of financial assets under various stages :

The company classifies its financial assets in three stages having the following characteristics:

Stage 1: unimpaired and without significant increase in credit risk since initial recognition on which a 12 month allowance for ECL is recognised;

Stage 2: a significant increase in credit risk since initial recognition on which a lifetime ECL is recognised;

Stage 3: objective evidence of impairment, and are therefore considered to be in default or otherwise credit impaired on which a lifetime ECL is recognised.

Financial instruments were not subjected to simplified ECL approach under Ind AS 109 'Financial Instruments' and accordingly were not subject to sensitivity of future economic conditions.

Liquidity risk

Liquidity is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The company's management is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity profile of non-derivative financial liabilities

The following tables detail the company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The tables include both interest and principal cash flows.

(Amount in ₹)

Particulars	Less than 1 year	1 years to 3 years	3 years to 5 years	5 years and above
Non-derivative financial liabilities				
31 March 2021				
Trade payables	13,586	—	—	—
Borrowings (other than debt securities)	90,00,000	—	—	—
Other financial liabilities	72,29,158	—	—	—
Total	1,62,42,744	—	—	—
1 April 2020				
Trade payables	10,900	—	—	—
Borrowings (other than debt securities)	1,51,67,484	—	—	—
Other financial liabilities	70,21,351	—	—	—
Total	2,21,99,735	—	—	—

Note 35 : Financial risk management framework (continued)

The company measures financial instruments at fair value at each balance sheet date. 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.

Notes forming part of the standalone financial statements

(i) Financial instruments by category

(Amount in ₹)

Particulars	Refer note	31 March 2021			31 March 2020		
		FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial assets:							
Cash and cash equivalents	2	—	—	35,64,655	—	—	1,10,82,053
Bank balance other than cash and cash equivalents	3	—	—	81,957	—	—	1,37,042
Trade receivables	4	—	—	1,06,44,280	—	—	1,06,44,280
Loans	5	—	—	6,98,86,664	—	—	8,80,15,391
Investments	6	2,64,31,375	18,10,93,229	14,16,18,708	97,70,106	16,34,83,473	14,16,19,072
Other financial assets	7	—	—	63,01,792	—	—	33,06,949
Total financial assets		2,64,31,375	18,10,93,229	23,20,98,056	97,70,106	16,34,83,473	25,48,04,787
Financial liabilities:							
Trade payables	12	—	—	13,586	—	—	10,900
Borrowings (other than debt securities)	13	—	—	90,00,000	—	—	1,51,67,484
Other financial liabilities	14	—	—	72,29,158	—	—	70,21,351
Total financial liabilities		—	—	1,62,42,744	—	—	2,21,99,735

The company has not disclosed the fair values for financial instruments for other financial assets, loans, trade receivables, cash and cash equivalents, bank balances other than cash & cash equivalents, Trade payables, borrowings and financial liabilities because their carrying amounts are reasonable approximation of their fair values.

(ii) Fair value hierarchy

Fair value hierarchy explains the judgement and estimates made in determining the fair values of the financial instruments that are -

- recognized and measured at fair value
- measured at amortized cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard.

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)

Notes forming part of the standalone financial statements

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

Assets and liabilities that are disclosed at fair values through other comprehensive income

(Amount in ₹)

Particulars	Refer note	31 March 2021		31 March 2020	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:					
Investments	6	18,10,93,229	18,10,93,229	16,34,83,473	16,34,83,473

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investments in equity shares	The fair values of investments in equity shares is based on the quotes of listed companies as stated on BSE/NSE website as at balance sheet date.	Not applicable	Not applicable

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)

Assets and liabilities that are disclosed at fair values through profit & loss

(Amount in ₹)

Particulars	Refer note	31 March 2021		31 March 2020	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:					
Investments	6	2,64,31,375	2,64,31,375	97,70,106	97,70,106

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investments in mutual funds	The fair values of investments in mutual fund units is based on the net asset value ("NAV") as stated by the issuer of these mutual fund units in the published statements as at balance sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which the issuers will redeem such units from the investor.	Not applicable	Not applicable

Assets and liabilities that are disclosed at amortized cost for which fair values are disclosed are classified as level 3.

Set out below is a comparison, by class, of the carrying amounts and fair values of the company's financial instruments that are not carried at fair value in the balance sheet. This table does not include the fair values of non-financial assets and non-financial liabilities.

Notes forming part of the standalone financial statements

(iii) Fair value of financial assets and liabilities measured at amortized cost

(Amount in ₹)

Particulars	Refer note	31 March 2021		31 March 2020	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:					
Cash and cash equivalents	2	35,64,655	35,64,655	1,10,82,053	1,10,82,053
Bank balance other than cash and cash equivalents	3	81,957	81,957	1,37,042	1,37,042
Trade receivables	4	1,06,44,280	1,06,44,280	1,06,44,280	1,06,44,280
Loans	5	6,98,86,664	6,98,86,664	8,80,15,391	8,80,15,391
Investments	6	14,16,18,708	14,16,18,708	14,16,19,072	14,16,19,072
Other financial assets	7	63,01,792	63,01,792	33,06,949	33,06,949
Total financial assets		23,20,98,056	23,20,98,056	25,48,04,787	25,48,04,787
Financial liabilities:					
Trade payables	12	13,586	13,586	10,900	10,900
Borrowings (other than debt securities)	13	90,00,000	90,00,000	1,51,67,484	1,51,67,484
Other financial liabilities	14	72,29,158	72,29,158	70,21,351	70,21,351
Total financial liabilities		1,62,42,744	1,62,42,744	2,21,99,735	2,21,99,735

Note 36: Capital management

The company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets in order to maintain or adjust the capital structure.

The company determines the amount of capital required on the basis of operations, capital expenditure and strategic investment plans. The capital structure is monitored on the basis of net debt to equity and maturity profile of overall debt portfolio.

(Amount in ₹)

Particulars	31 March 2021	31 March 2020
Total debts	90,00,000	1,51,67,484
Less : Cash and cash equivalents	35,64,655	1,10,82,053
Less : Bank balance other than cash and cash equivalents	81,957	1,37,042
Net debts	53,53,388	39,48,389
Total equity	55,01,95,841	52,88,18,818
Capital gearing ratio	0.01	0.01

Notes forming part of the standalone financial statements

As per RBI guidelines, the non-deposit-taking NBFCs (NBFCs-ND) shall maintain a Leverage Ratio. "Leverage Ratio" means the total outside liabilities/owned funds.

(Amount in ₹)

Particulars	31 March 2021	31 March 2020
Outside liabilities	1,88,58,676	2,50,52,046
Owned funds	55,01,95,841	52,88,18,818
Leverage ratio	0.03	0.05

"Owned fund" means paid up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any.

"Outside liabilities" means total liabilities as appearing on the liabilities side of the balance sheet excluding 'paid up capital' and 'reserves and surplus', instruments compulsorily convertible into equity shares within a period not exceeding 10 years from the date of issue but including all forms of debt and obligations having the characteristics of debt, whether created by issue of hybrid instruments or otherwise, and value of guarantees issued, whether appearing on the balance sheet or not.

Note 37 : Additional information pursuant to regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 :

a) Details of loans to associate

(Amount in ₹)

Name of the company	As at 31 March 2021		As at 31 March 2020	
	Amount in ₹	Maximum amount outstanding	Amount in ₹	Maximum amount outstanding
Annapurna Pet Private Limited	—	—	—	8,76,213

b) Details of investments in subsidiaries

(Amount in ₹)

Name of the company	As at 31 March 2021		As at 31 March 2020	
	No. of shares	Amount in ₹	No. of Shares	Amount in ₹
Ladderup Wealth Management Private Limited	1,02,000	40,80,000	1,02,000	40,80,000
Water Proof Corporation Private Limited - Equity Shares	—	—	75,001	2,73,00,364

Optional convertible preference shares :

(Amount in ₹)

Name of the company	As at 31 March 2021		As at 31 March 2020	
	No. of shares	Amount in ₹	No. of Shares	Amount in ₹
Water Proof Corporation Private Limited - OCPS	—	—	54,947	2,00,00,708

c) Details of investments in associate

(Amount in ₹)

Name of the company	As at 31 March 2021		As at 31 March 2020	
	No. of Shares	Amount in ₹	No. of Shares	Amount in ₹
Annapurna Pet Private Limited	30,95,650	8,96,88,250	30,95,650	8,96,88,250

Notes forming part of the standalone financial statements

d) Details of investments in joint venture

(Amount in ₹)

Name of the company	As at 31 March 2021		As at 31 March 2020	
	No. of Shares	Amount in ₹	No. of Shares	Amount in ₹
Waterproof Corporation Private Limited -Equity	75,000	2,73,00,000	—	—
Waterproof Corporation Private Limited -OCPS	54,947	2,00,00,708	—	—

Note 38 : Corporate social responsibility

As per provisions of section 135 of the companies Act, 2013, the company has to incur at least 2% of average net profits of the immediately preceding three financial years towards corporate social responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013.

Details of CSR expenditure:

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Amount required to be spent as per section 135 of the Act.	3,06,940	13,33,880
Amount spent during the year on:		
i) Construction /acquisition of any asset	—	—
ii) On purpose other than (i) above	2,00,000	18,00,000

Note 39 : The novel coronavirus (COVID-19) pandemic continues to spread across the globe including India. COVID-19 has taken its toll on not just human life, but business and financial markets too. With substantial increase in COVID-19 cases across different parts of country, government have introduced a various measures to contain the spread of virus, including lockdown and restrictions on movement of people and goods across different geographies. The Company's operations, revenue and consequently profit during the current quarter were not materially impacted due to COVID -19. Based on the current assessment of the potential impact of the COVID-19 on the Company, management is of the view that the balance sheet of the Company has adequate liquidity to service its obligations and sustain its operations. The Management and Directors are actively engaged and will continue to closely monitor the future developments during this pandemic.

Note 40 : The Code on Social Security, 2020 (Code) relating to employee benefits during employment and post- employment benefits has received Presidential assent on in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code comes into effect has not been notified. The company will assess the impact of the Code when it comes into effect and will record any related impact in the period of the Code becomes effective.

Note 41 : Disclosure as required in terms of Paragraph 18 of Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

(Amount in ₹)

Particulars		FY: 2020-21	
Liabilities side :			
1	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :	Amount outstanding	Amount overdue out of amount outstanding
a	Debentures : Secured	—	—
	: Unsecured	—	—
	(others than falling within the meaning of public deposits*)		
b	Deferred credits	—	—
c	Term loans	—	—
d	Inter-Corporate loans and borrowing	90,00,000	—
e	Commercial paper	—	—
f	Public deposits	—	—
g	Other loans	—	—

Notes forming part of the standalone financial statements

(Amount in ₹)

	Particulars	FY: 2020-21	
2	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
a	In the form of unsecured debentures	—	—
b	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	—	—
c	Other public deposits	—	—
	Assets Side :		
3	Break-up of loans and advances including bills receivables [others than those included in (4) below] :		
a	Secured	—	—
b	Unsecured	6,98,86,664	—
4	Break up of leased assets and stock on hire and other assets counting towards AFC activities		
i)	Lease assets including lease rentals under sundry debtors :		
a	Financial lease	—	—
b	Operating lease	—	—
ii)	Stock on hire including hire charges under sundry debtors :		
a	Assets on hire	—	—
b	Reposessed assets	—	—
iii)	Other loans counting towards AFC activities		
a	Loans where assets have been reposessed	—	—
b	Loans others than (a) above	—	—
5	Break-up of Investments:		
	Current Investments:		
1	Quoted :		
i)	Shares :		
a	Equity	—	—
b	Preference	—	—
ii)	Debentures and bonds	—	—
iii)	Units of mutual funds	2,64,31,375	—
iv)	Government securities	—	—
v)	Others (please specify)		
2	Unquoted :		
i)	Shares :		
a	Equity	—	—
b	Preference	—	—
ii)	Debentures and bonds	—	—
iii)	Units of mutual funds	—	—
iv)	Government securities	—	—
v)	Others (please specify)	—	—
	Long Term investments :		
1	Quoted :		
i)	Shares :		
a	Equity	22,51,01,571	—
b	Preference	—	—
ii)	Debentures and bonds	—	—
iii)	Units of mutual funds	—	—

Notes forming part of the standalone financial statements

(Amount in ₹)

	Particulars	FY: 2020-21	
iv)	Government securities	—	—
v)	Others (please specify)	—	—
2	Unquoted :		
i)	Shares :		
a	Equity		
b	Preference	4,97,59,908	—
ii)	Debentures and bonds	5,49,750	—
iii)	Units of mutual funds	—	—
iv)	Government securities	—	—
v)	Others (please specify)	—	—
	Total	30,18,42,603	—

(Amount in ₹)

6	Borrow group-wise classification of assets financed as in (3) and (4) above :			
	Category	Amount net of provisions*		
		Secured	Unsecured	Total
1	Related parties			
i)	Subsidiaries	—	—	—
ii)	Companies in the same group	—	79,49,398	79,49,398
iii)	Other related parties	—	—	—
2	Other than related parties	—	6,19,37,266	6,19,37,265
	Total	—	6,98,86,663	6,98,86,664
	* The figures are not netted with provision against standard assets as it is not a specific provision.			

(Amount in ₹)

7	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)		
	Category	Market value/ break up or fair value or NAV	Book value (net of provisions)
1	Related Parties		
i)	Subsidiaries	40,80,000	40,80,000
ii)	Companies in the same group	9,19,60,690	9,19,60,690
iii)	Other related parties	—	—
2	Other than related parties	20,58,01,913	20,58,01,913
	Total	30,18,42,603	30,18,42,603

(Amount in ₹)

8	Other information	
	Particulars	Amount
i)	Gross non-performing assets	
a	Related parties	—
b	Other than related parties	—
ii)	Net non-performing assets	
a	Related parties	—
b	Other than related parties	—
iii)	Assets acquired in satisfaction of debt	—

Notes forming part of the standalone financial statements

(Amount in ₹)

	Particulars	FY: 2019-20	
	Liabilities side :		
1	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :	Amount outstanding	Amount overdue out of amount outstanding
a	Debentures : Secured	—	—
	: Unsecured	—	—
	(others than falling within the meaning of public deposits*)		
b	Deferred Credits	—	—
c	Term loans	92,518	—
d	Inter-corporate loans and borrowing	1,50,74,966	—
e	Commercial paper	—	—
f	Public deposits	—	—
g	Other loans	—	—
2	Break-up of (1)(f) above (outstanding public deposits inclusive of interest accrued thereon but not paid):		
a	In the form of unsecured debentures	—	—
b	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	—	—
c	Other public deposits	—	—
	Assets Side :		
3	Break-up of loans and advances including bills receivables [others than those included in (4) below] :		
a	Secured		
b	Unsecured	8,80,15,391	
4	Break up of leased assets and stock on hire and other assets counting towards AFC activities		
i)	Lease assets including lease rentals under sundry debtors :		
a	Financial lease	—	—
b	Operating lease	—	—
ii)	Stock on hire including hire charges under sundry debtors :		
a	Assets on hire	—	—
b	Reposessed assets	—	—
iii)	Other loans counting towards AFC activities		
a	Loans where assets have been reposessed	—	—
b	Loans others than (a) above	—	—
5	Break-up of investments:		
	Current investments:		
1	Quoted :		
i)	Shares :		
a	Equity	—	—
b	Preference	—	—
ii)	Debentures and bonds	—	—
iii)	Units of mutual funds	97,70,106	—
iv)	Government securities	—	—
v)	Others (please specify)		
2	Unquoted :		
i)	Shares :		
a	Equity	—	—
b	Preference	—	—
ii)	Debentures and bonds	—	—
iii)	Units of mutual funds	—	—
iv)	Government securities	—	—

Notes forming part of the standalone financial statements

(Amount in ₹)

	Particulars	FY: 2019-20	
v)	Others (please specify)	—	—
	Long term investments :		
1	Quoted :		
i)	Shares :		
a	Equity	24,46,94,383	—
b	Preference	2,00,00,708	—
ii)	Debentures and bonds	—	—
iii)	Units of mutual funds	—	—
iv)	Government Securities	—	—
v)	Others (please specify)	—	—
2	Unquoted :		
i)	Shares :		
a	Equity	3,98,57,704	—
b	Preference	5,49,750	—
ii)	Debentures and bonds	—	—
iii)	Units of mutual funds	—	—
iv)	Government securities	—	—
v)	Others (please specify)	—	—
	Total	31,48,72,652	—

(Amount in ₹)

6	Borrow group-wise classification of assets financed as in (3) and (4) above :			
	Category	Amount net of provisions*		
		Secured	Unsecured	Total
1	Related parties			
i)	Subsidiaries	—	—	—
ii)	Companies in the same group	—	1,19,96,976	1,19,96,976
iii)	Other related parties	—	—	—
2	Other than related parties	—	7,60,18,415	7,60,18,415
	Total	—	8,80,15,391	8,80,15,391
	* The figures are not netted with provision against standard assets as it is not a specific provision.			

(Amount in ₹)

7	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)		
	Category	Market value/Break up or fair value or NAV	Book value (net of provisions)
1	Related parties		
i)	Subsidiaries	5,13,81,072	5,13,81,072
ii)	Companies in the same group	9,40,38,250	9,40,38,250
iii)	Other related parties	—	—
2	Other than related parties	16,94,53,330	16,94,53,330
	Total	31,48,72,652	31,48,72,652

Notes forming part of the standalone financial statements

(Amount in ₹)

8	Other information	
	Particulars	Amount
i)	Gross non-performing assets	
a	Related parties	—
b	Other than related parties	—
ii)	Net non-performing assets	
a	Related parties	—
b	Other than related parties	—
iii)	Assets acquired in satisfaction of debt	—

Note 42 : Other additional information's as per Schedule III part II is either nil or not applicable to the company.

Note 43 : Previous year figures have been regrouped / reclassified wherever necessary to conform to current year figures.

Note 44 : The Financial Statements were approved by the Audit Committee and Board of Directors on 23 June 2021.

In terms of our Report of even date attached

For Shah Gupta & Co.

Chartered Accountants

Firm Registration No. : 109574W

Sd/-

Vedula Prabhakar Sharma

Partner

Membership Number: 123088

Place : Mumbai

Date : June 23, 2021

For and on behalf of the Board of Directors

Sd/-

Sunil Goyal

Managing Director

DIN:00503570

Sd/-

Dhiraj Gupta

Company Secretary

Membership No.: A47161

Place : Mumbai

Date : June 23, 2021

Sd/-

Manoj Singrodia

Director

DIN : 01501529

Sd/-

Suresh Kumawat

Chief Financial Officer

AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To,

The Members of LADDERUP FINANCE LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of **LADDERUP FINANCE LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which includes the Group's share of profit in its associate and its joint venture, which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate financial statements of the associate referred to below in the Other Matter section below, the aforesaid Consolidated 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 consolidated state of affairs of the Group, its associate and its joint venture as at March 31, 2021, and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing, as specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 Consolidated 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there is no key audit matter to communicate in our report.

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

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated 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 Consolidated 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.

Management Responsibilities for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate and its joint venture in accordance with Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group, its associate and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the

AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

assets of the Group, its associate and its joint venture 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 the 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company's, as aforesaid. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group, its associate and its joint venture are responsible for assessing the ability of the Group, its associate and its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies included in the Group and of its associate and its joint venture is also responsible for overseeing the financial reporting process of the Group, its associate and its joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the Consolidated 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 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 Holding 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 ability of the Group, its associate and its joint venture 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 Consolidated 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 Group, its associate and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, its associate and its joint venture to express an opinion on the Consolidated Financial Statements.

We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities or business activities included in the Consolidated Financial Statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated 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 Consolidated Financial Statements. We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated

AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

Financial Statements of which we are the independent auditors 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 Consolidated 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.

Other Matter

The Statement also includes the Group's share of net loss after tax of ₹ 38,04,433/- and total comprehensive loss of ₹ 40,83,576/- for the year ended March 31, 2021, in respect of one joint venture and one associate, in respect of the associate, whose results / financial information are unaudited. These unaudited financial statements / financial information have been approved and furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amount and disclosures included in respect of associate, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial results are not material to the Group. Our opinion on the Statement is not modified in respect of the above matter with respect to our reliance on the work done by and reports of the other auditor and financial statements / financial information certified by the Management.

Report on other legal and regulatory requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of other auditor on separate financial statements of subsidiary, its associate and its joint venture incorporated in India, referred in the Other Matters paragraph above 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 purposes of our audit of the aforesaid Consolidated Financial Statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor of its subsidiary incorporated in India, none of the directors of the Holding Company and its subsidiary incorporated in India is disqualified as on March 31, 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 Group, associate and joint venture covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'ANNEXURE A';
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion, and based on the consideration of report of other statutory auditor of the associate, the managerial remuneration for the year ended March 31, 2021 has been paid/provided by the Group, its associate and its joint venture incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V of the Act;
- (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and its joint venture - Refer Note 38 to the Consolidated Financial Statements;

AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

- ii. The Group, its associate and its joint venture did not have any material foreseeable losses on long-term contracts including derivative contracts.; and
- iii. There has been no delay in transferring amount required to be transferred, to the Investor Education and Protection Fund by the Group, its associate and its joint venture companies incorporated in India.

For SHAH GUPTA & Co.

Chartered Accountants

Firm Registration No.: 109574W

Sd/-

Vedula Prabhakar Sharma

Partner

Membership No.: 123088

UDIN: 21123088AAAADB2976

Place: Mumbai

Date: June 23, 2021

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report 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")

In conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of **LADDERUP FINANCE LIMITED** ("the Company" or "the Holding Company") and its subsidiary, its associate and joint venture, which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary, its associate and its joint venture which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 respective 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company, its subsidiary, its associate and its joint venture, which are companies incorporated in India, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to Consolidated Financial Statements, 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.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the associate incorporated in India, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company, its subsidiary, its associate and its joint venture which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting with reference to Consolidated 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 control over financial reporting with reference to Consolidated Financial Statements 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 Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to

AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to Consolidated Financial Statements 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, to the best of our information and according to the explanations given to us and based on the consideration of other auditors referred to in the Other Matters paragraph below, the Holding Company, its subsidiary, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal control over financial reporting established by the respective companies 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.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to an associate, which is company incorporated in India, is based solely on the corresponding reports of the auditors of such company incorporated in India. Our opinion is not modified in respect of this matter.

For SHAH GUPTA & Co.

Chartered Accountants

Firm Registration No.: 109574W

Sd/-

Vedula Prabhakar Sharma

Partner

Membership No.: 123088

UDIN: 21123088AAAADB2976

Place: Mumbai

Date: June 23, 2021

Consolidated Balance Sheet

as at 31st March 2021

(Amount in ₹)

Particulars	Note No	As at 31 March 2021	As at 31 March 2020
Assets			
Financial assets			
Cash and cash equivalents	2	2,10,95,080	2,61,82,960
Bank balance other than cash and cash equivalents	3	81,957	8,94,721
Trade receivables	4	1,97,61,611	3,14,76,782
Loans	5	7,50,80,527	9,17,75,812
Investments	6	21,39,92,620	19,22,19,319
Other financial assets	7	6,30,17,92	33,06,949
Total financial assets		33,63,13,587	34,58,56,543
Non-financial assets			
Inventories	8	—	2,12,45,535
Current tax assets (net)	9	50,63,823	35,50,891
Deferred tax assets (net)	10	5,35,31,635	2,95,78,033
Property, plant and equipment	11A	30,93,210	29,00,89,381
Right to use assets	11B	15,47,593	34,65,076
Goodwill		—	18,06,279
Other intangible assets	12	1,77,00,000	2,27,90,403
Investment in associate / joint venture	6	19,17,05,693	10,83,83,441
Other non-financial assets	13	6,99,14,689	7,01,98,603
Total non-financial assets		34,25,56,643	55,11,07,642
Total assets		67,88,70,229	89,69,64,185
Liabilities and equity			
Liabilities			
Financial liabilities			
Trade payables	14	—	—
Total outstanding dues to micro enterprises and small enterprises		24,65,573	1,02,26,142
Borrowings (other than debt securities)	15	90,00,000	19,49,16,961
Other financial liabilities	16	1,40,06,600	2,36,88,160
Total financial liabilities		2,54,72,173	22,88,31,263
Non-financial liabilities			
Current tax liabilities (net)	17	15,33,733	5,67,598
Provisions	18	44,54,549	53,46,615
Other non - financial liabilities	19	29,20,950	43,86,946
Total non-financial liabilities		89,09,232	1,03,01,159
Equity			
Equity share capital	20	12,85,26,000	12,85,26,000
Other equity	21	49,42,66,035	46,00,04,703
Equity attributable to owner of the company		62,27,92,035	58,85,30,703
Non - controlling interest		2,16,96,789	6,93,01,061
Total equity		64,44,88,824	65,78,31,764
Total liabilities and equity		67,88,70,229	89,69,64,185
Significant accounting policies, key accounting estimates and judgements	1		
See accompanying notes to the consolidated financial statements			

In terms of our Report of even date attached

For Shah Gupta & Co.

Chartered Accountants

Firm Registration No. : 109574W

Sd/-

Vedula Prabhakar Sharma

Partner

Membership Number: 123088

Place : Mumbai

Date : June 23, 2021

For and on behalf of the Board of Directors

Sd/-

Sunil Goyal

Managing Director

DIN:00503570

Sd/-

Dhiraj Gupta

Company Secretary

Membership No.: A47161

Place : Mumbai

Date : June 23, 2021

Sd/-

Manoj Singrodia

Director

DIN : 01501529

Sd/-

Suresh Kumawat

Chief Financial Officer

Consolidated Statement of Profit and Loss

for the year ended 31st March 2021

(Amount in ₹)

Particulars	Note No	Year ended 31 March 2021	Year ended 31 March 2020
Revenue from operations			
Interest income	22	1,10,11,637	1,67,08,000
Dividend income	23	383,223	14,73,118
Fees and commission income	24	5,69,37,909	5,31,19,712
Net gain on fair value changes of financial assets	29	56,66,551	-
Sale of products	25	8,71,96,374	26,56,37,786
Other operating income	26	1,26,636	7,83,458
Total revenue from operation		16,13,22,330	33,77,22,074
Other income	27	37,06,292	64,67,656
Total revenue		16,50,28,622	34,41,89,730
Expenses			
Finance costs	28	60,23,672	3,81,08,530
Net loss on fair value changes of financial assets	29	—	23,59,747
Cost of materials consumed	30	4,99,13,048	13,27,55,107
Employee benefits expenses	31	4,87,93,940	6,55,70,511
Purchases of stock-in-trade	32	48,472	38,68,957
Changes in inventories of finished goods, stock-in-trade and work-in- progress	33	(95,11,598)	32,36,086
Depreciation, amortization and impairment	34	43,23,109	52,03,179
Other expenses	35	3,67,40,522	6,47,32,552
Total expenses		13,63,31,165	31,58,34,669
Profit before share of associate/joint venture and tax		2,86,97,457	2,83,55,061
Shares of profit / (loss) of associate / joint venture		(38,04,433)	4,18,136
Profit before tax		2,48,93,024	2,87,73,197
Less : Tax expense	43		
- Current tax		67,32,389	1,22,79,276
- Minimum alternative tax credit (entitlement) / utilised		11,83,366	—
- Short MAT credit entitlement related to previous years		(11,83,366)	—
- Reversal for current tax of earlier years		(12,49,630)	27,66,878
- Deferred tax		32,29,327	(22,80,683)
Net profit after tax		16,180,939	1,60,07,726
Other comprehensive income / (loss)			
Items that will not be reclassified subsequently to profit or loss (net of tax)			
- Remeasurement of post employment benefit obligation		2,56,896	(6,00,903)
- Fair value of equity instruments through OCI		2,13,54,379	(14,97,53,901)
Other comprehensive income / (loss)		2,16,11,275	(15,03,54,804)
Total comprehensive income / (loss)		3,77,92,213	(13,43,47,078)
Net profit for the period attributable to:			
Owners of the company		59,88,445	16,31,783
Non- controlling interest		1,01,92,494	1,43,75,944
Other comprehensive income/(loss) for the period attributable to :			
Owners of the company		2,15,43,345	(11,55,53,910)
Non-controlling interest		67,929	(2,13,846)
Total comprehensive income/(loss) for the period attributable to :			
Owners of the company		2,75,31,790	(11,39,22,127)
Non- controlling interest		1,02,60,423	1,41,62,098
Earnings per equity share (face value ₹ 10 each)	36		
Basic (in ₹)		0.47	0.13
Diluted (in ₹)		0.47	0.13
<i>Significant accounting policies, key accounting estimates and judgements</i>		1	
<i>See accompanying notes to the consolidated financial statements</i>			

In terms of our Report of even date attached

For Shah Gupta & Co.

Chartered Accountants

Firm Registration No. : 109574W

Sd/-

Vedula Prabhakar Sharma

Partner

Membership Number: 123088

Place : Mumbai

Date : June 23, 2021

For and on behalf of the Board of Directors

Sd/-

Sunil Goyal

Managing Director

DIN:00503570

Sd/-

Dhiraj Gupta

Company Secretary

Membership No.: A47161

Place : Mumbai

Date : June 23, 2021

Sd/-

Manoj Singrodia

Director

DIN : 01501529

Sd/-

Suresh Kumawat

Chief Financial Officer

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

A) Equity share capital

Particulars	No.	Amount in ₹
Equity shares of ₹ 10 each issued, subscribed and fully paid		
Balance as at 1 April 2020	1,28,52,600	12,85,26,000
Changes in equity share capital for the year ended 31 March 2021	—	—
Balance as at 31 March 2021	1,28,52,600	12,85,26,000

B) Other equity

(Amount in ₹)

Particulars	Reserves and surplus									
	Capital reserve on merger	Capital redemption reserve on merger	Capital reserve	Securities premium reserve	General reserve	Statutory reserve pursuant to section 45-IC of the RBI Act, 1934	Retained earnings	Other comprehensive income	Equity component of OPCS	Total other equity
Balance as at 1 April 2019	(10,80,35,047)	2,00,003	3,18,230	13,85,00,000	1,01,66,752	6,85,25,603	34,87,42,823	9,22,81,740	2,44,64,067	57,51,64,170
Profit for the year	—	—	—	—	—	—	16,31,783	—	—	16,31,783
Other comprehensive loss for the year	—	—	—	—	—	—	—	(11,55,53,910)	—	(11,55,53,910)
Retained earnings adjustment on adoption of Ind AS 116	—	—	—	—	—	—	(12,37,340)	—	—	(12,37,340)
Balance as at 31 March 2020	(10,80,35,047)	2,00,003	3,18,230	13,85,00,000	1,01,66,752	6,85,25,603	34,91,37,266	(2,32,72,170)	2,44,64,067	46,00,04,703
Profit for the year	—	—	—	—	—	—	59,88,445	—	—	59,88,445
Other comprehensive income for the year	—	—	—	—	—	—	—	2,15,43,345	61,16,186	2,76,59,531
Adjustment on lease modification	—	—	—	—	—	—	6,13,356	—	—	6,13,356
Balance as at 31 March 2021	(10,80,35,047)	2,00,003	3,18,230	13,85,00,000	1,01,66,752	6,85,25,603	35,57,39,067	(17,28,825)	3,05,80,253	49,42,66,035

Significant accounting policies, key accounting estimates and judgements

1

See accompanying notes to the consolidated financial statements

In terms of our Report of even date attached

For Shah Gupta & Co.

Chartered Accountants

Firm Registration No. : 109574W

Sd/-

Vedula Prabhakar Sharma

Partner

Membership Number: 123088

Place : Mumbai

Date : June 23, 2021

For and on behalf of the Board of Directors

Sd/-

Sunil Goyal

Managing Director

DIN:00503570

Sd/-

Dhiraj Gupta

Company Secretary

Membership No.: A47161

Place : Mumbai

Date : June 23, 2021

Sd/-

Manoj Singrodia

Director

DIN : 01501529

Sd/-

Suresh Kumawat

Chief Financial Officer

Consolidated Statement Cash Flow

for the year ended 31st March 2021

(Amount in ₹)

Particulars		Year ended 31 March 2021	Year ended 31 March 2020
A.	Cash flow from operating activities		
	Net profit before tax	2,48,93,024	2,87,73,197
	Add / (less): Adjustments for:		
	Depreciation	43,23,109	52,03,179
	Finance cost	60,23,672	3,81,08,530
	Reversal of provision for expected credit loss	(11,50,488)	(16,56,794)
	Net (gain)/loss on fair value of instruments through profit & loss	(56,66,551)	23,59,747
	(Profit) / loss on sale of current investments	71,33,117	(91,90,376)
	Notional (gain) on value of current investments measured at FVTOCI	(3,21,22,138)	(12,32,70,001)
	Remeasurement of post employment benefit obligation	3,51,186	(6,00,903)
	Operating profit before working capital changes	37,84,931	(6,02,73,421)
	Adjustments for changes in working capital :		
	(Increase) / decrease in loans	1,65,19,509	8,45,57,043
	(Increase) / decrease in trade receivables	(14,66,111)	(1,54,37,714)
	(Increase) / decrease in other financial assets	(40,29,395)	(28,38,024)
	(Increase) / decrease in other non financial assets	(64,54,877)	(26,96,352)
	(Increase) / decrease in inventories	(22,81,959)	(22,11,649)
	Increase / (decrease) in trade payables	(15,65,377)	13,03,307
	Increase / (decrease) in provisions	3,44,038	(1,20,451)
	Increase / (decrease) in other financial liabilities	(69,90,487)	(1,74,52,169)
	Increase / (decrease) in impact on cessation of subsidiary	2,61,70,152	—
	Increase / (decrease) in other non financial liabilities	1,07,46,585	(9,73,046)
	Cash generated from / (used in) operations	3,47,77,009	(1,61,42,478)
	Income tax paid (net of refund)	(60,29,556)	(1,82,65,056)
	Net cash inflow / (outflow) from operating activities	(A) 2,87,47,451	(3,44,07,534)
B.	Cash flow from investing activities		
	(Purchase)/proceeds of property, plant & equipment & right to use assets	(21,47,760)	(89,72,975)
	(Purchase)/proceeds of goodwill	18,06,279	—
	(Purchase)/ proceeds of deposit	(49,44,915)	(4,00,601)
	Proceeds from investments valued at FVTPL	(7,03,45,081)	25,14,64,402
	(Purchase) of investments	(2,23,19,953)	(3,72,23,339)
	Consideration received on partial disposal of subsidiary (loss of control)	364	—
	(Purchase)/proceeds of other intangible assets	—	(14,22,52)
	Impact on cessation of subsidiary	30,02,35,525	—
	Net cash inflow from investing activities	(B) 20,22,84,459	20,47,25,235
C.	Cash flow from financing activities		
	(Repayment) / proceeds from long-term borrowings (other the debt securities)	35,97,891	(13,61,10,685)
	Movement in non controlling interest	(4,76,04,272)	(71,21,476)
	Payment of finance lease obligation	(26,91,073)	(36,49,771)
	Interest paid	(60,23,672)	(3,81,08,530)
	Impact on cessation of subsidiary	(18,33,98,666)	—
	Net cash outflow from financing activities	(C) (23,61,19,792)	(18,49,90,462)
	Net increase/ (decrease) in cash and cash equivalents	(A+B+C) (50,87,881)	(1,46,72,761)
	Cash and cash equivalents at the beginning of the year	2,61,82,960	4,08,55,721
	Cash and cash equivalents at the end of the year (refer note 2)	2,10,95,080	2,61,82,960

Consolidated Statement Cash Flow

for the year ended 31st March 2021

Note :

1. The Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard - 7 ('Ind AS 7') on Cash Flow Statement prescribed in Companies (Indian Accounting Standard) Rules, 2015, notified under section 133 of the Companies Act, 2013.
2. Previous year's figures have been regrouped wherever necessary.

In terms of our Report of even date attached

For Shah Gupta & Co.

Chartered Accountants

Firm Registration No. : 109574W

Sd/-

Vedula Prabhakar Sharma

Partner

Membership Number: 123088

Place : Mumbai

Date : June 23, 2021

For and on behalf of the Board of Directors

Sd/-

Sunil Goyal

Managing Director

DIN:00503570

Sd/-

Dhiraj Gupta

Company Secretary

Membership No.: A47161

Place : Mumbai

Date : June 23, 2021

Sd/-

Manoj Singrodia

Director

DIN : 01501529

Sd/-

Suresh Kumawat

Chief Financial Officer

Notes forming part of the consolidated financial statements

Note 1.1 Corporate Information

Ladderup Finance Ltd (CIN L67120MH1993PLC074278) and its Subsidiaries (referred collectively as the “Group”) are domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The Company is listed in Bombay Stock Exchange and is a registered Non Banking Financial Company (NBFC). These consolidated financial statements of the Group also include the Group’s interest in associates/Joint Venture.

Note 1.2 Significant accounting policies

i Statement of compliance with Ind AS and basis of preparation of consolidated financial statements

In accordance with the notification issued by the Ministry of Corporate Affairs, the Group has adopted Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time with effect from 1 April, 2018. For all periods upto and including the year ended 31 March, 2019, the Group prepared its financial statements in accordance with the requirements of the accounting standards notified under section 133 of Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). These Consolidated financial statements for the year ending 31 March, 2020 are the first Consolidated financial statements that the Group has prepared under Ind AS. The date of transition to Ind AS is April 1, 2018 and the adoption was carried out in accordance with Ind AS 101 – First time adoption of Indian Accounting Standards. The Group has presented a reconciliation from the presentation of financial statements under accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (“Previous GAAP”) to Ind AS of total equity as at April 1, 2018 and March 31, 2019, total comprehensive income and cash flow for the year ended March 31, 2019. These Consolidated financial statements have been prepared on accrual basis under the historical cost convention except for certain financial instruments measured at fair value at the end of each reporting period as explained in accounting policies below. The financial statements are presented in Indian Rupees (INR) and all values are rounded off to nearest rupees, unless otherwise indicated.

ii Principles of consolidation

The consolidated financial statements incorporate the financial statements of the Group and entity controlled by the Group i.e. its subsidiary. It also includes the Group’s share of profits, net assets and retained post acquisition reserves of associates that are consolidated using the equity method of consolidation. Control is achieved when the Group is exposed to, or has rights to the variable returns of the entity and the ability to affect those returns through its power over the entity.

Subsidiary company

The Group combines the financial statements of the parent and its subsidiary company line-by-line adding together like items of assets, liabilities, equity, income and expenses. The intra group balances and intra group transactions between the entities within the Group are fully eliminated. Non Controlling interests in the results and equity of subsidiary are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet respectively. The Consolidated Financial Statements include the share of profits / (losses) of the Associate / joint venture companies which have been accounted as per the ‘Equity method’, and accordingly, the share of profits / (losses) of each of the Associate / joint venture companies has been added to the cost of investments. The excess of cost to the parent company of its investments in the subsidiary company over its share of equity of the subsidiary company at the dates on which the investments in the subsidiary company are made, is recognised as ‘Goodwill’ being an asset in the Consolidated Financial statements.

Associate / joint venture company

Associates are those entities over which the Group has significant influence, but not control or joint control. Investments in associates are accounted for using the equity method and are initially recognised at cost from the date significant influence commences, and thereafter to recognise the Group’s share of post acquisition profits or losses of the investee in the Consolidated Statement of Profit and Loss, and the Group’s share of Other Comprehensive Income of the investee in other comprehensive Income. Dividend received or receivable from associates are recognised as a reduction in the carrying amount of the investment. When the Group’s share of losses exceeds the carrying value of the associate, the carrying value is reduced to nil and recognition of further losses is discontinued, except to the extent that the Group has incurred obligations in respect of the associate. The Financial Statements of the Subsidiary and Associates used in the consolidation are drawn up to the same reporting date as that of the Company i.e. 31 March 2020.

Notes forming part of the consolidated financial statements

Information on subsidiary and associate / joint venture companies

Sr. No.	Name of the company	Relationship	Country of incorporation	% Holding as on 31 March 2021	% Holding as on 31 March 2020
1	Ladderup Wealth Management Private Limited	Subsidiary Company	India	51%	51%
2	Waterproof Corporation Limited (up to 11.10.2020)	Subsidiary Company	India	—	50.0006%
3	Waterproof Corporation Limited	Joint venture	India	50.00%	-
4	Annapurna Pet Private Limited	Associate Company	India	49.18%	49.18%

iii Accounting estimates

The preparation of the financial statements, in conformity with the Ind AS, requires the management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognized in the period in which they are determined.

Historical cost convention

These financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities which are measured at fair value (refer accounting policy regarding financial instruments).

1. Financial instruments measured at fair value through profit or loss, if applicable
2. Financial instruments measured at fair value through other comprehensive income, if applicable

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Deferred tax assets

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Group will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Provision and contingent liability

On an ongoing basis, Group reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss contingencies that are considered possible are not provided for but disclosed as contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

Notes forming part of the consolidated financial statements

Allowance for impairment of financial asset:

The Group applies expected credit loss model (ECL) for measurement and recognition of impairment loss. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. At each reporting date, the Group assesses whether the loans have been impaired. The Group is exposed to credit risk when the customer defaults on his contractual obligations. For the computation of ECL, the loan receivables are classified into three stages based on the default and the aging outstanding. The Group recognises life time expected credit loss for trade receivables and has adopted simplified method of computation as per Ind AS 109.

Property, plant and equipment and Intangible Assets

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Group's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

Defined benefit plans:

The cost of defined benefit plans and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long - term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Determining whether an arrangement contains a lease

The group 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 group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The group 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 group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the group is reasonably certain not to exercise that option.

Defined benefit plans

The cost and present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iv Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognized in the statement of profit and loss.

On transition to Ind AS, the Group has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2018 of its property, plant and equipment and use that carrying value as the deemed cost on the date of transition i.e. 1 April 2018.

Intangible assets

Intangible assets are stated at cost less accumulated amortization and net of impairment if any. An intangible asset is recognized if it is probable that future expected future economic benefits that are attributable to the asset will flow to the group and its cost can be measured reliably. Intangible assets having finite useful life are amortized over the estimated useful life.

On transition to Ind AS, the group has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2018 of its intangible assets and used that carrying value as the deemed cost of the intangible assets on the date of transition i.e. 1 April 2018.

Notes forming part of the consolidated financial statements

Goodwill arising out of consolidation of financial statements of subsidiaries and associates is not amortised. However the same is tested for impairment at each balance sheet date.

v Depreciation/ amortization

Depreciation on property plant and equipments is provided on 'Straight Line Method' considering their useful lives and residual value as provided in schedule II of Companies Act, 2013.

vi 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.

a) Financial assets

A financial asset is

- (i) a contractual right to receive cash or another financial asset; to exchange financial assets or financial liabilities under potentially favourable conditions;
- (ii) or a contract that will or may be settled in the entity's own equity instruments and a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Initial recognition

In the case of financial assets, not recorded at fair value through profit or loss (FVTPL), financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business model with an objective to hold these assets 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. Interest income from these financial assets is included in finance income using the Effective Interest Rate (EIR) method. Impairment gains or losses arising on these assets are recognized in the statement of profit and loss.

Financial assets measured at fair value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these 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. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the statement of profit and loss.

Financial asset not measured at amortized cost or at fair value through OCI is carried at FVTPL.

Impairment of financial assets

In accordance with Ind AS 109, the group applies the Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a

Notes forming part of the consolidated financial statements

subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss.

De-recognition of financial assets

The group de-recognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the group retains substantially all the risks and rewards of ownership of a transferred financial asset, the group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

b) Equity instruments and financial liabilities

Financial liabilities and equity instruments issued by the group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

Financial liabilities

A financial liability is

- (i) a contractual obligation to deliver cash or another financial asset to another entity; or to exchange financial instruments under potentially unfavourable conditions;
- (ii) or a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be obliged to deliver a variable number of its own equity instruments; or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Initial recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings and payables as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial guarantee contracts issued by the group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of

Notes forming part of the consolidated financial statements

the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization. Amortization is recognized as finance income in the statement of profit and loss.

Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in the Statement of Profit and Loss.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

De-recognition of financial liabilities

Financial liabilities are de-recognized when the obligation specified in the contract is discharged, cancelled or expired. 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 de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

c) Offsetting 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.

vii Employee benefits

a Defined contribution plan

Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Group has no further obligations beyond the monthly contributions.

b Defined benefit plan

The group provides for retirement benefits in the form of gratuity. Benefits payable to eligible employees of the group with respect to gratuity is accounted for on the basis of an actuarial valuation as at the balance sheet date. The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the balance sheet date through which the obligations are to be settled.

Remeasurements, comprising of actuarial gains and losses and the return on plan assets (excluding net interest) is reflected immediately in the balance sheet with a charge/credit recognised in Other Comprehensive Income ("OCI") in the period in which they occur.

Remeasurements recognised in OCI is reflected immediately in retained earnings and is not reclassified to profit or loss in subsequent periods.

c Leave entitlement and compensated absences

Accumulated leave which is expected to be utilized within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on a actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognized in the Statement of Profit and Loss in the period in which they occur.

d Short-term benefits

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognized as expenses at the undiscounted amounts in the statement of profit and loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognized in the period in which the absences occur.

e Termination benefits

Termination benefits are recognized as an expense as and when incurred.

Notes forming part of the consolidated financial statements

viii Cash and cash equivalents

Cash and cash equivalents include cash in hand and at bank and term deposits with bank, with original maturities of 3 months or less.

ix Revenue recognition

The Group recognises revenue from contracts with customers based on a five step model asset out in Ind AS 115, revenue from contracts with customers, to determine when to recognize revenue and at what amount. Revenue is measured based on the consideration specified in the contract with a customer. Revenue from contracts with customers is recognised when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur. Revenue is measured at fair value of the consideration received or receivable. Revenue is recognised when (or as) the Group satisfies a performance obligation by transferring a promised service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. When (or as) a performance obligation is satisfied, the group recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Group recognizes revenue from contracts with customers based on a five step model as set out in Ind 115 :

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognize revenue when (or as) the group satisfies a performance obligation.

x Income tax:

Income tax comprises of current and deferred income tax. Income tax is recognized as an expense or income in the statement of profit and loss, except to the extent it relates to items directly recognized in equity or in OCI.

a Current income tax

Current income tax is recognized based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

b Deferred income tax

Deferred tax is determined by applying the balance sheet approach. Deferred tax assets and liabilities are recognized for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the balance sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date. Deferred tax assets are only recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Such assets are reviewed at each balance sheet date to reassess realization.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Minimum Alternative Tax (MAT)

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent it is probable that the group will pay normal income tax during the specified period.

Notes forming part of the consolidated financial statements

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent it is probable that the group will pay normal income tax during the specified period. In the year in which the group recognizes MAT credit as an asset in accordance with the Guidance Note on accounting for credit available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as 'MAT Credit Entitlement'. The group reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will be able to utilize the MAT credit entitlement within the period specified under the Income-tax Act, 1961.

xi Leases

The Group has adopted Ind AS 116-Leases effective 1 April, 2019, using the modified retrospective method. The Group has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1 April, 2019).

The Group's lease asset classes primarily consist of leases for premises. The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- (i) The contract involves the use of an identified asset
- (ii) The Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) The Group has the right to direct the use of the asset.

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

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

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

xii Impairment of non-financial assets

As at each balance sheet date, the group assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the group determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In case of an individual asset, at the higher of the assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation.

Notes forming part of the consolidated financial statements

When the group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through the statement of profit and loss.

Functional currency and foreign currency transactions

(a) Functional and presentation currency

The financial statements are presented in Indian rupee (INR/₹), which is the firm's functional and presentation currency. Foreign currency transactions are recorded and presented in the functional currency by applying the exchange rate between the functional currency and the foreign currency prevailing at the dates of the transactions.

(b) Translations

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

All monetary items in foreign currencies are restated at the end of each reporting period at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Foreign exchange differences arising between the transaction date and the settlement/reporting date are recognised in the statement of profit and loss.

xiii Earnings per share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the group 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.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Group and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

xiv Provisions, contingent liabilities and contingent assets

A provision is recognized when the group has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the balance sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects 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. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent liability also arises, in rare cases, where a liability cannot be recognized because it cannot be measured reliably.

Contingent assets are disclosed in the financial statements.

xv Borrowing costs

Borrowing costs consist of interest and other ancillary costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All borrowing costs are charged to the statement of profit and loss except:

- a) Borrowing costs directly attributable to the acquisition or construction of assets that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of such assets.
- b) Expenses incurred on raising long term borrowings are amortised using effective interest rate method over the period of borrowings.

Notes forming part of the consolidated financial statements

Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

xix Business combinations

Business combinations are accounted for using the acquisition method. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognized in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively.

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the Group after assessing fair value of all identified assets and liabilities, record the difference as a gain in other comprehensive income and accumulate the gain in equity as capital reserve. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Statement of Profit and Loss in the period in which they are incurred.

In case of business combinations involving entities under common control, the above policy does not apply. Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonies accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognized as capital reserve under equity.

xvi Income

(i) Interest income

The group recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost or fair value through other comprehensive income (FVOCI). EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

The group recognises interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets [as set out in note no. 3.4(i)] regarded as 'stage 3', the group recognises interest income on the amortised cost net of impairment loss of the financial asset at EIR. If the financial asset is no longer credit-impaired, the group reverts to calculating interest income on a gross basis.

Delayed payment interest (penal interest) levied on customers for delay in repayments/non payment of contractual cash flows is recognised on realisation.

Interest on financial assets subsequently measured at fair value through profit or loss (FVTPL) is recognised at the contractual rate of interest.

(ii) Dividend income

Dividend income on equity shares is recognised when the group's right to receive the payment is established, which is generally when shareholders approve the dividend.

(iii) Rental income

Lease income from operating leases where the group is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(iv) Other revenue from operations

The group recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The group identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

Notes forming part of the consolidated financial statements

(a) Fees and commission

The group recognises service and administration charges towards rendering of additional services to its loan customers on satisfactory completion of service delivery.

Fees on value added services and products are recognised on rendering of services and products to the customer.

Distribution income is earned by selling of services and products of other entities under distribution arrangements. The income so earned is recognised on successful sales on behalf of other entities subject to there being no significant uncertainty of its recovery.

Foreclosure charges are collected from loan customers for early payment/closure of loan and are recognised on realisation.

(b) Net gain on fair value changes

Financial assets are subsequently measured at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI), as applicable. The Group recognises gains/losses on fair value change of financial assets measured as FVTPL and realised gains/losses on derecognition of financial asset measured at FVTPL and FVOCI.

(c) Recoveries of financial assets written off

The group recognises income on recoveries of financial assets written off on realisation or when the right to receive the same without any uncertainties of recovery is established.

(v) Taxes

Incomes are recognised net of the Goods and Services Tax/Service Tax, wherever applicable.

xvii Expenditures

(i) Finance costs

Borrowing costs on financial liabilities are recognised using the EIR

(ii) Fees and commission expenses

Fees and commission expenses which are not directly linked to the sourcing of financial assets, such as commission/incentive incurred on value added services and products distribution, recovery charges and fees payable for management of portfolio etc., are recognised in the Statement of Profit and Loss on an accrual basis.

(iii) Taxes

Expenses are recognised net of the Goods and Services Tax except where credit for the input tax is not statutorily permitted

xviii Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM"). The Group's operating businesses are organized and managed separately according to the nature of services provided, with each segment representing a strategic business unit that offers different markets. The Group has identified three business segments - Investment & Trading in Shares & Securities, Finance activities & Unallocable. Unallocable item include income, expenses, assets and liabilities which are not allowed to any reportable business segment. The segment revenues, results, assets and liabilities include the respective amounts identifiable to each of the segment and amounts allocated on a reasonable basis. Accordingly, these financial statements are reflective of the information required by the Ind AS 108 "Operating segments".

xix Provision for standard assets and non-performing assets

The group makes provision for standard assets and non-performing assets as per non-banking financial group – Systemically Important Non-Deposit taking Group and Deposit taking Group (Reserve Bank) Directions, 2016. Provision for standard assets in excess of the prudential norms, as estimated by the management, is categorised under Provision for Standard Assets, as General provisions

Notes forming part of the consolidated financial statements

Note 2 : Cash and cash equivalents

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Balances with banks		
- in current accounts	2,09,66,194	2,59,35,378
Fixed deposit with banks (maturity within 3 months)	—	50,000
Cash on hand	1,28,886	1,97,582
Total cash and cash equivalents	2,10,95,080	2,61,82,960

Note 3 : Bank balance other than cash and cash equivalents

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
On account of unpaid dividend	81,957	1,37,042
Term deposits (with maturity within 3 - 12 months)	—	7,57,679
Total bank balance other than cash and cash equivalents	81,957	8,94,721

Note 4 : Trade receivables

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
a) Secured, considered good	—	1,84,54,836
b) Unsecured, considered good	1,97,71,452	1,41,83,720
Less:- allowances for impairment loss	(9,841)	(11,61,774)
Total trade receivables	1,97,61,611	3,14,76,782

Note 5 : Loans

(Amount in ₹)

Particulars	As at 31 March 2021				As at 31 March 2020			
	At fair value				At fair value			
	Amortised cost	Through other comprehensive income	Through profit or loss	Total	Amortised cost	Through other comprehensive income	Through profit or loss	Total
Unsecured, considered good								
- To employees	—	—	—	—	2,59,400	—	—	2,59,400
- To related parties	1,30,20,762	—	—	1,30,20,762	1,19,96,976	—	—	1,19,96,976
- To others	6,19,37,265	—	—	6,19,37,265	7,60,18,415	—	—	7,60,18,415
Security deposits	1,22,500	—	—	1,22,500	10,24,552	—	—	10,24,552
Other receivables	—	—	—	—	24,76,468	—	—	24,76,468
Total loans	7,50,80,527	—	—	7,50,80,527	9,17,75,812	—	—	9,17,75,812

Notes forming part of the consolidated financial statements

Note 6 : Investments

Particulars	As at 31 March 2021				As at 31 March 2020			
	At Fair Value				At Fair Value			
	At cost	Through profit or loss	Through other comprehensive income	Total	At cost	Through profit or loss	Through other comprehensive income	Total
(a) Traded, unquoted								
I) Investments in associate								
In equity instruments :								
Annapurna Pet Private Limited	9,30,28,950	—	—	9,30,28,950	10,83,83,441	—	—	10,83,83,441
30,95,650 (31.03.2020: 30,95,650) fully paid up shares of ₹ 10 each								
II) Investment in joint venture								
Waterproof Corporation Private Limited (earlier Godland Enterprises Private Limited)*	7,86,76,035	—	—	7,86,76,035	—	—	—	—
75,000 (31.03.2020:75,001) fully paid up shares of ₹ 10 each								
*(Merged with Waterproof Corporation Private Limited)								
Investments in optional convertible preference shares								
Waterproof Corporation Private Limited (earlier Godland Enterprises Private Limited)*	2,00,00,708	—	—	2,00,00,708	—	—	—	—
54,947 (31.03.2020: 54,947) fully paid up shares of ₹ 10 each								
*(Merged with Waterproof Corporation Private Limited)								
(b) Non - traded, quoted								
I) Investments in other companies								
In equity instruments :								
Aarvi Encon Limited	—	—	23,26,500	23,26,500	—	—	10,17,600	10,17,600
45,000 (31.03.2020:48,000) fully paid up shares of ₹ 10 each								
Arihant Superstructures Limited	—	—	51,25,750	51,25,750	—	—	43,74,620	43,74,620
1,45,000 (31.03.2020:2,03,945) fully paid up shares of ₹ 10 each								
AU Small Finance Bank Limited	—	—	30,65,625	30,65,625	—	—	—	—
2,500 (31.03.2020:Nil) fully paid up shares of ₹ 10 each								
Capman Financials Limited	—	—	2,60,000	2,60,000	—	—	2,60,000	2,60,000
50,000 (31.03.2020 : 50,000) fully paid up shares of ₹ 10 each								
Gujarat Narmada Valley Fertilisers & Chemicals Limited	—	—	—	—	—	—	5,735	5,735
Nil (31.03.2020 : 50) fully paid up shares of ₹ 10 each								
HDFC Life Insurance Company Limited	—	—	9,04,475	9,04,475	—	—	—	—
1,300 (31.03.2020 : Nil) fully paid up shares of ₹ 10 each								
Hest er Biosciences Limited	—	—	6,80,44,625	6,80,44,625	—	—	4,07,02,200	4,07,02,200
35,500 (31.03.2020 :44,000) fully paid up shares of ₹ 10 each								

Notes forming part of the consolidated financial statements

Particulars	As at 31 March 2021				As at 31 March 2020			
	At Fair Value				At Fair Value			
	At cost	Through profit or loss	Through other comprehensive income	Total	At cost	Through profit or loss	Through other comprehensive income	Total
ICICI Prudential Life Insurance Company Limited 500 (31.03.2020 : Nil) fully paid up shares of ₹ 10 each	—	—	2,22,625	2,22,625	—	—	—	—
ION Exchange (India) Limited Nil (31.03.2020:500) fully paid up shares of ₹ 10 each	—	—	—	—	—	—	3,01,175	3,01,175
India Nivesh Limited 17,50,000 (31.03.2020 : 17,50,000) fully paid up shares of ₹ 1 each	—	—	1,61,87,500	1,61,87,500	—	—	6,37,00,000	6,37,00,000
Kisan Mouldings Limited 10,47,293 (31.03.2020 : 13,12,944) fully paid up shares of ₹ 10 each	—	—	1,74,89,793	1,74,89,793	—	—	94,53,197	94,53,197
NIKHIL Adhesives Limited 13,000 (31.03.2020 : 12,519) fully paid up shares of ₹ 10 each	—	—	49,17,250	49,17,250	—	—	12,21,854	12,21,854
SBI Life Insurance Company Limited 500 (31.03.2020 : Nil) fully paid up shares of ₹ 10 each	—	—	4,40,250	4,40,250	—	—	—	—
Siyaram Silk Mills Limited 2,000 (31.03.2020 : Nil) fully paid up shares of ₹ 2 each	—	—	3,72,400	3,72,400	—	—	—	—
South India Paper Mills Limited Nil (31.03.2020 : 31,170 ;) fully paid up shares of ₹ 10 each	—	—	—	—	—	—	13,15,374	13,15,374
Titagarh Wagons Limited 14,000 (31.03.2020 : 14,000) fully paid up shares of ₹ 2 each	—	—	6,23,700	6,23,700	—	—	3,49,300	3,49,300
Aarti Industries Limited 700 (31.03.2020 : 500) fully paid up shares of ₹ 5 each	—	—	9,21,585	9,21,585	—	—	3,80,925	3,80,925
Grasim Industries Limited Nil (31.03.2020 : 35) fully paid up shares of ₹ 2 each	—	—	—	—	—	—	16,639	16,639
Gujarat Mineral Development Corporation Limited Nil (31.03.2020 : 1000) fully paid up shares of ₹ 2 each	—	—	—	—	—	—	31,400	31,400
HDFC Bank Limited 500 (31.03.2020 : 500) fully paid up shares of ₹ 1 each	—	—	7,46,775	7,46,775	—	—	4,31,000	4,31,000
Vodafone Idea Limited 2,50,000 (31.03.2020 : Nil) fully paid up shares of ₹ 10 each	—	—	23,12,500	23,12,500	—	—	—	—
Vedanta Limited 1000 (31.03.2020 : Nil) fully paid up shares of ₹ 1 each	—	—	—	—	—	—	64,750	64,750

Notes forming part of the consolidated financial statements

Particulars	As at 31 March 2021				As at 31 March 2020			
	At Fair Value				At Fair Value			
	At cost	Through profit or loss	Through other comprehensive income	Total	At cost	Through profit or loss	Through other comprehensive income	Total
Usha Martin Limited 30,000 (31.03.2020 : Nil) fully paid up shares of Re 1 each	—	—	9,93,000	9,93,000	—	—	—	—
Aarti Surfactants Limited 1,100 (31.03.2020 : Nil) fully paid up shares of Rs 10 each	—	—	10,25,530	10,25,530	—	—	—	—
Career Point Limited, 25,000 (31.03.2020 : Nil) fully paid up shares of ₹ 10 each	—	—	32,76,250	32,76,250	—	—	—	—
Dish TV India Limited, 25,000 (31.03.2020 : Nil) fully paid up shares of ₹ 1 each	—	—	2,30,750	2,30,750	—	—	—	—
Parag Milk Foods Limited 5,250 (31.03.2020 : Nil) fully paid up shares of ₹ 10 each	—	—	5,54,138	5,54,138	—	—	—	—
Welspun Corporation Limited 2,000 (31.03.2020 : Nil) fully paid up shares of ₹ 5 each	—	—	2,78,300	2,78,300	—	—	—	—
Yes Bank Limited 65,000 (31.03.2020 : Nil) fully paid up shares of ₹ 2 each	—	—	1014000	1014000	—	—	—	—
Investments in mutual funds								
Blue Lotus Capital Multi Bagger Fund I 1,03,160.78 (31.03.2020 : 1,03,160.78) units	—	1,18,77,664	—	1,18,77,664	—	73,89,489	—	73,89,489
Nippon India Liquid Fund 2912.234 (31.03.2020: 493.647) units	—	1,45,53,711	—	1,45,53,711	—	23,80,617	—	23,80,617
Aditya Birla Sunlife Liquid Fund Collection Nil (31.03.2019 : 12,790,328)units	—	—	—	—	—	40,64,127	—	40,64,127
Aditya Birla Sunlife Midcap Fund - Direct 4647.487 (31.03.2019 : 3788.401) units	—	17,58,749	—	17,58,749	—	7,83,858	—	7,83,858
Investment in bonds / securities Aditya Birla Sunlife Liquid_ Fund - Growth (formerly known as Aditya Birla SunLife Cash Plus)	—	41,59,518	—	41,59,518	—	—	—	—
Nil (31.03.2020 : 24,51,318) units	—	—	—	—	—	53,63,721	—	53,63,721
Aditya Birla Sun Life Medium Term Plan - Growth-Regular Plan Nil (31.03.2020 : 3,51,102.021) units	—	—	—	—	—	77,12,026	—	77,12,026
Northern ARC Capital Limited 9% PREF 29SP19 Preferential Shares Nil (31.03.2019 : 2,25,890 ; 01.04.2018 : Nil) shares	—	—	—	—	—	—	3,06,858	3,06,858

Notes forming part of the consolidated financial statements

Particulars	As at 31 March 2021				As at 31 March 2020			
	At Fair Value				At Fair Value			
	At cost	Through profit or loss	Through other comprehensive income	Total	At cost	Through profit or loss	Through other comprehensive income	Total
(c) Non - traded, unquoted								
I) Investments in other companies								
Algorithm Tech Private Limited	—	—	6,375	6,375	—	—	6,375	6,375
17 (31.03.2020 : 17) fully paid up shares of ₹ 10 each)	—	—	2,16,59,319	2,16,59,319	—	—	88,55,155	88,55,155
Jumboking Foods Private Limited	—	—	1,94,93,100	1,94,93,100	—	—	1,73,74,500	1,73,74,500
98,901 (31.03.2020 : 98,901) fully paid up shares of ₹ 10 each	—	—	—	—	—	—	—	—
Lotus Spaces Private Limited	—	—	22,72,440	22,72,440	—	—	43,50,000	43,50,000
90,000 (31.03.2020 : 90,000) fully paid up shares of ₹ 10 each	—	—	—	—	—	—	28,63,000	28,63,000
Ladderup Corporate Advisory Private Limited	—	—	—	—	—	—	80,000	80,000
43,500 (31.03.2020 : 43,500) fully paid up shares of ₹ 10 each	—	—	—	—	—	—	—	—
Tops Security Limited	—	—	—	—	—	—	—	—
40,900 (31.03.2020 : 40,900) fully paid up shares of ₹ 10 each	—	—	—	—	—	—	—	—
Chennai Superking Private Limited	—	—	—	—	—	—	—	—
8,000 (31.03.2020 : 8,000) fully paid up shares of ₹ 10 each	—	—	63,28,674	63,28,674	—	—	63,28,674	63,28,674
Ranjani Sugar and Industries Limited	—	—	—	—	—	—	95,000	95,000
3,83,556 (31.03.2020 : 3,83,556) fully paid up shares of ₹ 10 each	—	—	—	—	—	—	90,400	90,400
Ladderup Enterprises Private Limited	—	—	—	—	—	—	—	—
Nil (31.03.2020 : 9,500) fully paid up shares of ₹ 10 each	—	—	—	—	—	—	—	—
Sonu Portfolio Service Private Limited	—	—	—	—	—	—	—	—
Nil (31.03.2020 : 9,040) fully paid up shares of ₹ 10 each	—	—	—	—	—	—	—	—
Investments in preference shares								
Algorithm Tech Private Limited	5,49,750	—	—	5,49,750	—	—	549,750	549,750
1,466 (31.03.2020 : 1,466) fully paid up shares of ₹ 10 each	—	—	—	—	—	—	—	—
Total investments	19,22,55,443	3,23,49,641	18,10,93,229	40,56,98,312	10,83,83,441	2,76,93,838	16,45,25,481	30,06,02,761

Notes forming part of the consolidated financial statements

Note 7 : Other financial assets

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good		
Interest receivable	63,01,792	33,06,949
Total other financial assets	63,01,792	33,06,949

Note 8 : Inventories

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Raw material	—	1,42,17,021
Finished goods	—	56,14,173
Stock-in-trade	—	8,08,042
Packing material	—	3,38,160
Furnace oil	—	2,68,139
Total inventories (refer note 48)	—	2,12,45,535

Note 9 : Current tax assets (net)

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Advance tax & TDS receivable (net of provision for tax)	50,63,823	35,50,891
Total current tax assets (net)	50,63,823	35,50,891

Note 10 : Deferred tax assets (net)

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Deferred tax asset		
Fixed assets : Impact of difference between tax depreciation and depreciation charged for the financial reporting	37,173	4,71,436
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis.	10,80,136	13,27,042
On account of fair value of financial instruments	34,40,822	99,89,645
On account of amortisation of processing fees on loan given	24,350	24,350
On expected credit loss of financial assets	2,559	3,01,686
Adjustment on account of Ind AS 116 transition	—	3,29,597
Adjustment on lease modification	34,922	—
Minimum alternative tax credit and entitlement	4,88,25,847	5,04,88,051
Deferred tax liability		
On account of amortisation of processing fees on loan taken	(11,469)	(11,469)
On land & building as per books of accounts and Indexed cost for tax purposes	—	(3,33,42,306)
Total deferred tax assets (net)	5,35,31,635	2,95,78,033

Notes forming part of the consolidated financial statements

Note 11A : Property, plant and equipment

Particulars	Premises	Land	Plant and machinery	Furniture & fixtures	Office equipment	Electrical fittings	Laboratory equipment	Computers	Vehicles	Total
Gross carrying value										
Balance as at 1 April 2020	1,95,46,698	26,72,93,750	11,80,547	1,87,035	4,80,334	1,32,962	2,61,472	9,79,750	26,47,621	29,27,10,169
Additions	—	—	—	—	—	—	—	129,641	—	129,641
Deletions	1,82,71,050	26,72,93,750	11,80,547	1,03,413	4,01,192	1,32,962	2,61,472	2,83,650	37,131	28,79,65,166
Balance as at 31 March 2021	127,56,48	—	—	83,622	79,142	—	—	8,25,741	26,10,490	48,74,644
Accumulated depreciation										
Balance as at 1 April 2020	11,74,898	—	47,965	28,421	66,973	7,816	37,694	4,56,040	7,53,738	25,73,545
Additions	32,432	—	—	11,100	14,925	—	—	1,76,540	3,65,736	6,00,733
Deletions	11,09,939	—	47,965	6,190	48,550	7,816	37,694	1,00,911	33,778	13,92,844
Balance as at 31 March 2021	97,391	—	—	33,331	33,348	—	—	5,31,669	10,85,696	17,81,435
Net carrying value										
Balance as at 1 April 2020	1,83,71,800	26,72,93,750	11,32,582	1,58,614	4,13,361	1,25,146	2,23,778	5,23,709	18,93,883	29,00,89,381
Balance as at 31 March 2021	11,78,257	—	—	50,291	45,794	—	—	2,94,072	15,24,794	30,93,210

Notes forming part of the consolidated financial statements

Note 11B : Right to use assets

(Amount in ₹)

Particulars	Leasehold premises
Gross carrying value	
Balance as at 1 April 2020	2,07,90,455
Additions	11,77,705
Deletions	—
Balance as at 31 March 2021	2,19,68,160
Accumulated amortisation	
Balance as at 1 April 2020	1,73,25,379
Additions	30,95,188
Deletions	—
Balance as at 31 March 2021	2,04,20,567
Net carrying value	
Balance as at 1 April 2020	34,65,076
Balance as at 31 March 2021	15,47,593

Note 12 : Other Intangible assets

(Amount in ₹)

Particulars	Computer software	Goodwill	Total
Gross carrying value			
Balance as at 1 April 2020	79,341	2,27,90,403	2,28,69,744
Additions	—	—	—
Deletions	—	50,90,403	50,90,403
Balance as at 31 March 2021	79,341	1,77,00,000	1,77,79,341
Accumulated amortisation			
Balance as at 1 April 2020	79,341	—	79,341
Additions	—	—	—
Deletions	—	—	—
Balance as at 31 March 2021	79,341	—	79,341
Net carrying value			
Balance as at 1 April 2020	—	2,27,90,403	2,27,90,403
Balance as at 31 March 2021	—	1,77,00,000	1,77,00,000

Note 13 : Other non-financial assets

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Capital advances	6,87,80,497	5,97,80,497
Advance recoverable in cash or in kind	7,33,734	13,33,413
Other advances	—	1,08,932
Advances to suppliers	—	49,59,895
Prepaid expenses	4,00,458	21,45,209
Duties and taxes	—	18,70,657
Total other non - financial assets	6,99,14,689	7,01,98,603

Notes forming part of the consolidated financial statements

Note 14 : Trade payables

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
- Total outstanding dues of micro enterprises and small enterprises (refer note below)	—	—
- Total outstanding dues of creditors other than micro enterprises and small enterprises.	24,65,573	1,02,26,142
Total trade payables	24,65,573	1,02,26,142

Note:

The Group had sought confirmation from the vendors whether they fall in the category of Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') which came into force from 2 October 2006. On the basis of the information and records available with the management, the required disclosure for Micro, Small and Medium Enterprises under the above Act is given below :

Particulars	As at 31 March 2021	As at 31 March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year.	—	—
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the due date during each accounting year;	—	—
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	—	—
The amount of interest accrued and remaining unpaid at the end of accounting year; and	—	—
The amount of further interest due and payable even in the succeeding year, 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.	—	—

Note 15 : Borrowings (other than debt securities)

(Amount in ₹)

Particulars	As at 31 March 2021			As at 31 March 2020		
	At amortised cost	At fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Total
Secured Loan						
Loan from banks	—	—	—	92,518	—	92,518
Term loan from HDFC bank limited	—	—	—	11,98,70,678	—	11,98,70,678
	—	—	—	11,99,63,196	—	11,99,63,196
Issued optionally convertible preference share of ₹ 10/- each (refer note below and refer note 48)	—	—	—	3,50,78,244	—	3,50,78,244
Loan from others	—	—	—	2,48,00,555	—	2,48,00,555
Unsecured loan						
From others						
Inter corporate deposit	90,00,000	—	90,00,000	1,50,74,966	—	1,50,74,966
Total borrowings	90,00,000	—	90,00,000	19,49,16,961	—	19,49,16,961

Notes forming part of the consolidated financial statements

Loan from banks

Secured Loan taken from ICICI Bank amounting to ₹ Nil (31.03.2020: 92,518) carrying interest rate of 9.10% p.a. The loan is repaid in May, 2020. The loan is secured against vehicle.

Term loan from HDFC Bank Limited amounting to ₹ Nil (31.03.2020: ₹ 11,98,70,678) is secured by hypothecation on stock, book debts, export debtors, stock for export. It carries interest rate of 8.75% per annum. The loan is repayable in 65 equal monthly installments of ₹ 24,76,468/- each commencing from 7 June 2020. (refer note 48)

Issue of optionally convertible preference share

- The OCPS shall carry a Coupon rate of 3% payable cumulatively only on redemption of OCPS after a period of Ten Years from the date of allotment;
- The OCPS are redeemable after a period of Ten years from the date of allotment at a price ₹ 364/ in accordance with Section 55 of the Companies Act, 2013 read with rules framed thereunder;
- The OCPS shall be convertible upon exercise of option of either party and 1 [One] fully paid-up Equity Share having face value of ₹ 10/- carrying voting rights for Every 1 [One] fully paid up OCPS held in the company having face value of ₹ 10/- each will be issued;
- The OCPS shall carry a preferential right vis-a-vis equity shares with respect to payment of dividend or repayment of capital;
- In cases OCPS are converted into equity shares, OCPS holder shall not have any right to receive preference dividend;
- The OCPS shall be non-participating in the surplus funds/ surplus assets and profits, on winding up which may remain after the entire capital has been repaid;
- Subject to the provisions for variation of the shareholder's right as envisaged in Section 106 of Companies Act, 1956/ Section 48 of the Companies Act, 2013, as may be applicable, the terms & conditions of this issue shall be subject to modification as may be deemed fit by the parties, by passing of a special resolution by 3/4th majority of the shareholder.

Unsecured loan from others includes :

- Unsecured loan taken from E-City Property Management & Services Private Limited amounting to ₹ Nil (31.03.2020: ₹ 1,50,74,966) carrying interest rate of 12% p.a.
- Unsecured interest free loan taken from Sattadhar Construction Private Limited amounting to ₹ 90,00,000 (31.03.2020:Nil)

Note 16 : Other financial liabilities

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Advance from customer	20,55,124	30,37,607
Liabilities for expenses	—	70,01,515
Unclaimed dividend	81,957	1,37,042
Lease obligation	22,18,897	54,89,441
Other payables	4,01,296	4,40,352
Employee benefit payable	92,49,325	75,82,203
Total other financial liabilities	1,40,06,600	2,36,88,160

Note 17 : Current tax liabilities (net)

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for tax (net of advance tax)	15,33,733	5,67,598
Total Current tax liabilities (net)	15,33,733	5,67,598

Notes forming part of the consolidated financial statements

Note 18 : Provisions

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for gratuity (refer note 37)	38,78,695	34,49,805
Provision for compensated absences	—	12,82,258
Contingent provision against standard assets (as per RBI regulations)	3,99,584	3,99,584
Provision for bonus	1,76,270	2,14,968
Total provisions	44,54,549	53,46,615

Note 19 : Other non - financial liabilities

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Duties & taxes payable	29,20,950	42,60,310
Deferred income on amortisation of processing fees	—	1,26,636
Total other non - financial liabilities	29,20,950	43,86,946

Note 20 : Equity share capital

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Authorised share capital		
1,50,00,000 (31 March 2020: 1,50,00,000) equity shares of ₹ 10 each	15,00,00,000	15,00,00,000
Issued, subscribed and fully paid up		
1,28,52,600 (31 March 2020: 1,28,52,600) equity shares of ₹ 10 each, fully paid up	12,85,26,000	12,85,26,000
Total issued, subscribed and paid-up equity share capital	12,85,26,000	12,85,26,000

(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2021		As at 31 March 2020	
	No.	Amount in ₹	No.	Amount in ₹
Equity shares				
At the beginning of the year	1,28,52,600	12,85,26,000	1,28,52,600	12,85,26,000
Shares issued during the year	—	—	—	—
Outstanding at the end of the year	1,28,52,600	12,85,26,000	12,85,2600	12,85,26,000

(b) Rights, preferences and restrictions attached to equity shares:

The Group has only one class of Equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the company, the holder 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.

Notes forming part of the consolidated financial statements

(c) The details of shareholders holding more than 5% of the equity shares of the company as at year end are as below :

Names of equity shareholders	As at 31 March 2021		As at 31 March 2020	
	Number of equity shares held	% of holding	Number of equity shares held	% of holding
Quiet Enterprises LLP	40,29,447	31.35%	38,44,447	29.91%
Sonu Portfolio Services Private Limited	16,43,350	12.79%	16,43,350	12.79%
Edelweiss Custodial Services Limited	8,51,259	6.62%	8,51,259	6.62%
Nabhshika Financial Advisory Private Limited	6,85,002	5.33%	6,85,002	5.33%

Note 21 : Other equity

(Amount in ₹)

Particulars		As at 31 March 2021	As at 31 March 2020
(i)	Capital reserve		
	Opening balance	3,18,230	3,18,230
	Closing balance	3,18,230	3,18,230
(ii)	Securities premium reserve		
	Opening balance	13,85,00,000	13,85,00,000
	Closing balance	13,85,00,000	13,85,00,000
(iii)	General reserve		
	Opening balance	1,01,66,752	1,01,66,752
	Closing balance	1,01,66,752	1,01,66,752
(iv)	Statutory reserve pursuant to Section 45-IC of The RBI Act, 1934		
	Opening balance	6,85,25,603	6,85,25,603
	Transferred from retained earnings	—	—
	Closing balance	6,85,25,603	6,85,25,603
(v)	Capital reserve on account of merger	(10,80,35,047)	(10,80,35,047)
(vi)	Capital redemption reserve on account of merger	2,00,003	2,00,003
(vii)	Retained earnings		
	Opening balance	34,91,37,267	34,87,42,824
	Profit for the year	59,88,445	16,31,783
	Transition adjustment on adoption of Ind AS 116	—	(12,37,340)
	Adjustment on lease modification	6,13,356	—
	Closing balance	35,57,39,067	34,91,37,267
(viii)	Other comprehensive income/(loss)		
	Opening balance	(2,32,72,170)	9,22,81,740
	Add : Items that will not be reclassified subsequently to profit or loss	2,15,43,345	(11,55,53,910)
	Closing balance	(17,28,825)	(2,32,72,170)
(ix)	Equity component of OCPS		
	Opening balance	2,44,64,067	2,44,64,067
	Add : Equity component of OCPS	61,16,186	—
	Closing balance	3,05,80,253	2,44,64,067
	Total other equity	49,42,66,035	46,00,04,703

Notes forming part of the consolidated financial statements

Nature & purpose of reserve:

Capital reserve

The Group recognises profit and loss on purchase, sale, issue or cancellation of the its own equity instruments to capital reserve.

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the statement of profit and loss.

Capital redemption reserve

This reserve is created during buy back of equity shares and is not a free reserve.

Statutory reserve

No amount is transferred to statutory reserve fund pursuant to sec 45-IC of the Reserve Bank of India Act, 1934, as company has incurred loss during the current year.

Note 22 : Interest Income

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
On financial assets measured at amortised cost		
Interest on loans	1,09,79,865	1,65,64,511
Interest income from investments	—	1,21,060
Interest on deposits with banks	31,772	22,429
Total interest income	1,10,11,637	1,67,08,000

Note 23 : Dividend Income

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Dividend income from investment	3,83,223	14,73,118
Total dividend income	3,83,223	14,73,118

Note 24 : Fees and commission Income

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Brokerage & commission and investment advisory services	5,69,37,909	5,31,19,712
Total fees and commission income	5,69,37,909	5,31,19,712

Note 25 : Sale of products

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Sale of products	8,71,96,374	26,56,37,786
Total sale of products (refer note 48)	8,71,96,374	26,56,37,786

Notes forming part of the consolidated financial statements

Note 26 : Other operating income

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Loan processing fees	1,26,636	7,83,458
Total other operating income	1,26,636	7,83,458

Note 27 : Other Income

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Interest income	77,150	3,44,460
Interest income from investments	2,35,321	—
Gain on bond transaction	12,54,433	—
Reversal of provision for expected credit loss	1,15,04,88	—
Other non-operating income	33,311	1,70,474
Business promotion	1,14,639	—
Fair value of investments through P&L	3,89,051	—
Short term capital gain on mutual fund	2,86,511	7,246
Duty drawback claim received	—	16,93,246
Insurance claim received	—	5,77,572
Turnover discount received	—	5,21,740
Net gain on sale of investments	—	4,09,306
Commission received	—	13,076
Profit on the sale of property, plant & equipment	—	1,62,562
Exchange fluctuation on imports/ exports transactions	1,65,388	25,67,974
Total other income	37,06,292	64,67,656

Note 28 : Finance costs

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
On financial liabilities measured at amortised cost		
Bank charges	10,028	10,433
Interest on borrowings	54,99,072	3,72,42,083
Finance cost on lease obligation	5,14,572	8,56,014
Total finance costs	60,23,672	3,81,08,530

Notes forming part of the consolidated financial statements

Note 29 : Net (gain) / loss on fair value changes of financial assets

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
(A) Net (gain) / loss on financial instruments at fair value through profit or loss		
(i) On trading portfolio	—	
(ii) On financial instruments designated at fair value through profit or loss	(56,66,551)	23,59,747
(B) Others	—	—
Total net (gain)/loss on fair value changes (C)	(56,66,551)	23,59,747
Fair value changes:		
-Realised	2,54,912	23,73,463
-Unrealised	54,11,639	(13,716)
Total net (gain)/loss on fair value changes (D) to tally with (C)	(56,66,551)	23,59,747

Note 30 : Cost of materials consumed

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Raw material		
Opening stock	1,42,17,021	88,74,007
Add : Purchases of raw materials	4,10,04,641	13,31,16,064
Less : Closing stock	(72,10,057)	(1,42,17,021)
	4,80,11,605	12,77,73,050
Packing material		
Opening stock	3,38,160	1,97,334
Add : Purchases of packing materials	19,30,361	51,22,884
Less : Closing stock	(3,67,078)	(3,38,160)
	19,01,443	49,82,058
Total cost of materials consumed (refer note 48)	4,99,13,048	13,27,55,107

Note 31 : Employee benefits expenses

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Salaries, bonus and incentives	2,74,44,914	6,28,05,962
Contribution to provident and other funds	9,03,266	16,48,179
Staff welfare expenses	3,87,190	11,16,370
Total employee benefits expenses	4,87,93,940	6,55,70,511

Note 32 : Purchases of stock-in-trade

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Purchase of stock-in-trade	48,472	38,68,957
Total purchases of stock-in-trade (refer note 48)	48,472	38,68,957

Notes forming part of the consolidated financial statements

Note 33 : Changes in Inventories of finished goods, stock-in-trade and work-in-progress

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Opening Stock		
Work-in-progress	—	16,80,245
Finished goods	56,14,173	72,44,978
Stock in trade	8,08,042	7,33,078
	64,22,215	96,58,301
Less : Closing stock		
Work-in-progress	41,26,285	—
Finished goods	1,16,52,535	56,14,173
Stock in trade	1,54,993	8,08,042
	1,59,33,813	64,22,215
Total changes in inventories of finished goods, stock-in-trade and work-in-progress (refer note 48)	(95,11,598)	32,36,086

Note 34 : Depreciation, amortization and impairment

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Depreciation on tangible assets	19,93,577	17,39,849
Amortization on right to use assets	6,17,310	34,65,076
Amortization on intangible assets	17,12,222	(1,746)
Total depreciation, amortization and impairment	43,23,109	52,03,179

Note 35 : Other expenses

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Advertising and business promotion	—	19,53,098
Cash discount	8,73,110	28,07,156
Communication costs	5,25,735	4,91,422
ECL provision	—	(16,56,794)
Consumption of stores and spare parts	4,43,244	15,90,681
CSR expenses	2,05,250	28,00,000
Director sitting fees	4,75,000	3,40,000
Electricity	1,23,842	3,70,388
Insurance	3,12,095	3,77,259
Listing fees	3,00,000	3,54,000
Office expenses	6,70,429	14,21,546
Payment to auditors (refer note 35(a))	3,00,000	4,57,593
Printing & stationery	51,006	2,18,977
Power and fuel	44,64,880	1,20,24,570
Professional fees	40,97,761	32,23,532
Legal & professional expenses	28,97,005	11,19,292
Processing charges	50,40,279	84,08,391

Notes forming part of the consolidated financial statements

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Rates and taxes, excluding taxes on income	—	2,27,227
Rent	13,04,516	20,88,000
Repairs	4,76,293	16,05,197
Selling & distribution expenses	—	52,65,883
Stipend	2,71,717	4,92,001
Sub-commission & brokerage	23,50,709	12,64,764
Travelling & conveyance	15,25,587	31,53,556
Turnover discount	9,93,163	30,60,075
Vehicle maintenance	6,48,485	6,68,897
Miscellaneous expenses	83,90,416	1,06,05,841
Total other expenses	3,67,40,522	6,47,32,552

Note 35(a) : Payment to auditors

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
-Statutory audit	2,60,000	3,60,000
-Tax audit fees	40,000	90,000
-Reimbursement of out of pocket expenses	—	7,593
	3,00,000	4,57,593

Note 36 : Earnings per equity share

A reconciliation of profit for the year and equity shares used in the computation of basic and diluted earnings per equity share is set out below:

Basic: Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the group by the weighted average number of equity shares outstanding during the year, excluding equity shares purchased by the group and held as treasury shares.

Diluted: Diluted earnings per share is calculated by adjusting the weighted average number of equity shares outstanding during the year for assumed conversion of all dilutive potential equity shares. Employee share options are dilutive potential equity shares for the company.

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Weighted average number of equity shares of ₹ 10 each		
Number of shares at the beginning and end of the year	1,28,52,600	1,28,52,600
Weighted average number of shares outstanding during the year	1,28,52,600	1,28,52,600
Weighted average number of potential equity shares outstanding during the year	—	—
Total number of potential equity share for calculating diluted earning per share	1,28,52,600	1,28,52,600
Net profit after tax available for equity shareholders	59,88,445	16,31,783
Basic earning per share (in ₹)	0.47	0.13
Diluted earning per share (in ₹)	0.47	0.13

Notes forming part of the consolidated financial statements

Note 37 : Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'

Defined benefit obligation

Gratuity

The Group provides for the gratuity, a defined benefit retirement plan covering qualifying employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated period mentioned under The Payment of Gratuity Act, 1972.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Details of defined benefit plans as per actuarial valuation are as follows:

(Amount in ₹)

Particulars	Unfunded plan	
	31 March 2021	31 March 2020
Expenses recognized in the statement of profit and loss		
Current service cost	6,65,833	5,29,359
Net interest cost	2,24,803	1,80,768
Components of defined benefit costs recognized in profit or loss	8,90,636	7,10,127

(Amount in ₹)

Included in other comprehensive income	31 March 2021	31 March 2020
Components of actuarial gain/losses on obligations:		
- financial assumptions	14,126	2,37,357
- demographic assumptions	—	(3,777)
- experience adjustments	(3,65,312)	95,770
Actuarial (gain) / loss recognized in OCI	(3,51,186)	3,29,350

(Amount in ₹)

Changes in the defined benefit obligation	31 March 2021	31 March 2020
Opening defined benefit obligation	34,49,805	24,41,810
Transfer in/(out) obligation		
Current service cost	6,65,833	5,29,359
Interest expense	2,24,803	1,80,768
Components of actuarial gain/losses on obligations:		
- financial assumptions	14,126	2,37,357
- demographic assumptions	—	(3,777)
- experience adjustments	(3,65,312)	95,770
Benefits paid	(1,10,560)	(31,482)
Present value of obligation as at the end of the year	38,78,695	34,49,805

(Amount in ₹)

Recognized in balance sheet	31 March 2021	31 March 2020
Present value of obligation as at the end of the year	38,78,695	34,49,805
Net liability/(asset)	38,78,695	34,49,805

Notes forming part of the consolidated financial statements

(Amount in ₹)

Reconciliation of net defined benefit liability	31 March 2021	31 March 2020
Net opening provision in books of accounts	34,49,805	24,41,810
Expense charged to statement of Profit and Loss	8,90,636	7,10,127
Amount recognised in other comprehensive income	(3,51,186)	3,29,350
Benefits paid	(1,10,560)	(31,482)
Closing provision in books of accounts	38,78,695	34,49,805

(Amount in ₹)

Bifurcation of liability as per schedule III	31 March 2021	31 March 2020
Current liability*	5,00,013	2,20,188
Non-current liability	33,78,682	33,26,940
Net liability	38,78,695	35,47,128

* The current liability is calculated as expected benefits for the next 12 months.

Maturity analysis of defined benefit obligation

(Amount in ₹)

Particulars	31 March 2021	31 March 2020
Expected benefits for year 1	5,00,013	2,94,300
Expected benefits for year 2	1,24,459	5,48,639
Expected benefits for year 3	1,32,361	2,15,010
Expected benefits for year 4	14,93,536	12,71,308
Expected benefits for year 5	95,455	16,48,812
Sum of year 6 to 10 Year	18,28,831	28,86,683

Expected contribution to fund in the next year

Amount in ₹

Particulars	31 March 2021	31 March 2020
Expected contribution to fund in the next year	5,00,013	1,22,865

The following table summarizes the principal assumptions used for defined benefit obligation :

Particulars	31 March 2021	31 March 2020
Actuarial assumptions		
Discount rate (p.a.) #	6.05%	6.25%
Withdrawal rates	5.00% p.a at younger ages reducing to 1.00% p.a % at older ages	5.00% p.a at younger ages reducing to 1.00% p.a % at older ages
Rate of salary increase (p.a.)	6.00%	6.00%

Ladderup Wealth Management Private Limited discount rate 6.85% for FY 2020-21

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes forming part of the consolidated financial statements

Sensitivity to key assumptions

(Amount in ₹)

Particulars	31 March 2021	31 March 2020
	0.5% increase	
i. Discount rate	37,33,212	67,51,326
ii. Salary escalation rate - over a long-term	39,37,682	72,54,037
	10% increase	
iii. Withdrawal rate (W.R.)	39,04,800	70,70,541
	0.5% decrease	
i. Discount rate	40,35,720	73,50,284
ii. Salary escalation rate - over a long-term	38,24,982	67,17,035
	10% decrease	
iii. Withdrawal rate (W.R.)	38,51,501	70,07,812

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant.

Compensated absences

(Amount in ₹)

Bifurcation of liability as per schedule III	31 March 2021	31 March 2020
Current liability	—	1,84,827
Non-current liability	—	10,97,431
Net liability	—	12,82,258

Note 38 : Contingent liabilities disclosures as required under Ind AS 37, “provisions, contingent liabilities and contingent assets” are given below:

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Claims not acknowledged as debts :		
Disputed liability in respect of income-tax	17,04,543	5,48,097

Note 39 : Leases

The Group has entered into long term lease agreements for premises. The Group does not have an option to purchase the leased asset at the expiry of the lease period. These are generally cancellable and are renewable by mutual consent on mutually agreed terms. Future lease rentals are determined on the basis of agreed terms. There are no restrictions imposed by lease arrangements. There are no subleases.

Following are the changes in the carrying value of right of use assets for the year ended 31 March 2021:

(Amount in ₹)

Particulars	31 March 2021	31 March 2020
Balance as at 1 April 2020	34,65,076	—
Transition impact on account of adoption of Ind As 116 - Leases	—	69,30,152
Deletion / adjustments	11,77,705	—
Depreciation	30,95,188	34,65,076
Balance as at 31 March, 2021	15,47,593	34,65,076

Notes forming part of the consolidated financial statements

The following is the break-up of current and non-current lease liabilities as at 31 March 2021 :

(Amount in ₹)

Particulars	31 March 2021	31 March 2020
Current lease liabilities	22,18,898	54,89,441
Non-current lease liabilities	—	—
	22,18,898	54,89,441

The following is the movement in lease liabilities during the year ended 31 March 2021:

(Amount in ₹)

Particulars	31 March 2021	31 March 2020
Balance as at 1 April, 2020	54,89,441	—
Transition impact on account of adoption of Ind As 116 - Leases	—	1,82,28,449
Finance cost accrued during the period	5,14,573	8,56,014
Deletion / adjustment	5,64,349	—
Payment of lease liabilities	43,49,465	1,35,95,022
Balance as at 31 March, 2021	22,18,898	54,89,441

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2021 on an undiscounted basis :

(Amount in ₹)

Particulars	31 March 2021	31 March 2020
- Less than one year	23,10,864	49,14,211
- Later than one year but not later than five years	—	23,10,864
- Later than five years	—	—
	23,10,864	72,25,075

Note 40: Related party disclosures as required under Ind AS 24, “Related party disclosures” are given below :

- a) **Names of related parties and nature of relationship (to the extent of transactions entered into during the year except for control relationships where all parties are disclosed)**

For the year ended 31 March, 2021

Nature of relationship party	Nature of the party
Key managerial personnel	
Mr. Sunil Goyal	Managing director
Mr. T V Rao	Independent director
Mr. Mohan Tanksale	
Mr. Harsha Saxena	
Mr. K.V.S. Shyamsunder (upto 15/01/2021)	
Mrs. Mangala Radhakrishna Prabhu	Non - executive director
Mr. Manoj Singrodia	
Mr. Saurabh Sarayan	
Mr. Suresh Kumawat	Chief financial officer
Mr. Dhiraj Gupta (from 20/07/2020)	Company secretary
Mr. Paresb Patil (upto 18/07/2020)	

Notes forming part of the consolidated financial statements

Nature of relationship party	Nature of the party
Others	
Annapurna Pet Private Limited	Associate company
Water Proof Corporation Private Limited (from 12/10/2020)	Joint venture
Ladderup Foundation	A trust in which directors of Company are trustees
Mrs. Usha Goyal	Relative of key managerial personnel
Mrs. Santosh Singrodia	
Ladderup Corporate Advisory Private Limited	Enterprises over which key managerial personnel or their relatives are able to exercise significant influence
Ladderup Venture LLP	
SGCO & Co. LLP	
K.L. Venture & Enterprises	

b) Transactions carried out with related parties referred to above, in ordinary course of business and balances outstanding:
(Amount in ₹)

Name of Party	Relationship	Nature of Transaction	Transactions during the year with Related Parties	
			Year ended 31 March 2021	Year ended 31 March 2020
Ladderup Corporate Advisory Private Limited	Enterprises over which key managerial personnel or their relatives are able to exercise significant influence	Loan granted	3,50,000	96,00,000
		Repayment of loan given	49,86,575	70,36,449
		Interest income	11,54,328	16,70,682
		Allocation of expenses	4,32,621	6,29,807
Mr. Sunil Goyal	Managing director	Director remuneration	78,00,000	96,00,000
Mr. T V Rao	Independent director	Director sitting fees	1,00,000	70,000
Mr. Mohan Tanksale	Independent director	Director sitting fees	1,00,000	80,000
Mr. Harsha Saxena	Independent director	Director sitting fees	1,00,000	45,000
Mr. K.V.S. Shyamsunder (upto 15/01/2021)	Independent director	Director sitting fees	75,000	90,000
Mrs. Mangala Radhakrishna Prabhu	Non - executive director	Director sitting fees	1,00,000	55,000
Mr. Suresh Kumawat	Chief financial officer	Salary paid	11,00,832	12,00,000
Mr. Dhiraj Gupta (from 20/07/2020)	Company secretary	Salary paid	5,43,633	—
Mr. Paresb Patil (upto 18/07/2020)	Company secretary	Salary paid	1,07,265	28,7,587
Ladderup Foundation	A trust in which directors of company are trustees	Donation (CSR expenses)	2,00,000	3,00,000
Annapurna Pet Private Limited	Associate company	Repayment of loan given	—	8,76,213
SGCO & Co. LLP	Enterprises over which key managerial personnel or their relatives are able to exercise significant influence	Loan taken	62,00,000	—
		Repayment of loan	62,14,230	—
		Interest expenses	14,230	—

Notes forming part of the consolidated financial statements

Name of Party	Relationship	Receivable/ payable	Year end balances	
			As at 31 March 2021	As at 31 March 2020
Ladderup Corporate Advisory Private Limited	Enterprises over which key managerial personnel or their relatives are able to exercise significant influence	Receivable	80,82,108	1,19,96,977
Mr. Sunil Goyal	Managing director	Payable	63,07,684	52,32,416
Mr. Harsha Saxena	Independent director	Payable	—	22,500
Mr. K.V.S. Shyamsunder	Independent director	Payable	—	15,500
Mr. Mohan Tanksale	Independent director	Payable	—	15,500
Mr. T V Rao	Independent director	Payable	—	15,500
Mr. Suresh Kumawat	Chief financial officer	Payable	78,590	81,097
Mr. Dhiraj Gupta (from 20/07/2020)	Company secretary	Payable	64,868	—
Mr. Paresh Patil (upto 18/07/2020)	Company secretary	Payable	—	27,857

Note: Related Parties as disclosed by Management and relied upon by auditors.

Note 41 : Segment Reporting

The Group is primarily engaged in the business of financing. All the activities of the Group revolve around the main business. Further, the company does not have any separate geographic segments other than India.

During year ending 31 March 2021, for management purposes, the Group has been organised into two operating segments based on products and services.

In computing the segment information, certain estimates and assumptions have been made by the management, which have been relied upon.

The Chief Operating Decision Maker (CODM) monitors the operating results of its business units separately for making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profits or losses and is measured consistently with operating profits or losses in the financial statements. However, income taxes are managed on a entity as whole basis and are not allocated to operating segments.

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Segment revenue:		
i) Investment activities	60,49,773	14,73,118
ii) Finance activities	1,11,38,273	1,74,91,458
iii) Investment advisory services	5,69,37,909	5,31,19,712
iv) Manufacturing activities	8,71,96,374	26,56,37,786
Total segment revenue	16,13,22,329	33,77,22,074
Less : Inter segment revenue	—	—
Net income from operations	16,13,22,329	33,77,22,074
Segment results :		
i) Investment activities	60,49,773	14,73,118
ii) Finance activities	1,03,71,857	44,18,516
iii) Investment advisory services	1,38,33,880	75,97,108
iv) Manufacturing activities	31,72,499	4,13,23,153
Total	6,19,83,009	5,48,11,895
Add : Unallocable income	37,06,292	64,67,657
Less : Unallocable expenses	4,07,95,277	3,25,06,353
Total profit/(loss) before Tax	2,48,94,024	2,87,73,198

Notes forming part of the consolidated financial statements

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Other comprehensive income		
i) Investment activities	2,16,11,275	(11,57,67,756)
Capital employed		
(Segment assets - segment liabilities)		
i) Investment & finance activities*	55,01,95,841	52,70,12,539
ii) Investment advisory services	4,35,59,749	2,98,23,966
iii) Manufacturing activities	11,15,46,610	12,12,01,803
iv) Unallocable	(6,08,13,376)	(2,02,06,544)

Notes:

- * Fixed assets and other assets used in the company's operations or liabilities contracted have not been identified to the reportable segments, as the assets are used interchangeably between segments. Hence, it is not practicable to provide segment disclosures relating to total assets and liabilities for investment and finance activity.

Note 42 : Foreign currency transactions

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Expenditure in foreign currency		
- Purchase of raw material	2,96,16,376	9,51,51,537
- Membership fees	94,445	89,702
- Reimbursement of expenses	20,35,261	8,90,000
- Foreign travelling expenses	4,29,425	10,95,810
Earnings in foreign exchange		
- Sale of product	2,41,00,210	4,21,14,923

Note 43 : Tax Expense

(a) Amount recognized in statement of profit and loss

(Amount in ₹)

Particulars	2020-21	2019-20
Current tax expense (A)		
Current tax	67,32,389	1,22,79,276
Minimum alternative tax credit (entitlement)/ utilised	11,83,366	—
Short MAT credit entitlement relating to previous years	(11,83,366)	—
Reversal for current tax of earlier years	(12,49,630)	27,66,878
	54,82,759	1,50,46,154
Deferred tax expense (B)		
Origination and reversal of temporary differences	32,29,327	(22,80,683)
Tax expense recognized in the income statement (A+B)	87,12,085	1,27,65,471

Notes forming part of the consolidated financial statements

(b) Reconciliation of effective tax rate

(Amount in ₹)

Particulars	2020-21	2019-20
Profit before share of associate / joint venture and tax	2,86,97,457	2,83,55,061
Tax using the company domestic tax rate (current year 27.82% and previous year 27.82%)	79,83,633	78,88,378
Tax effect of:		
Others	19,78,083	21,10,215
Adjustment recognized in current year in relation to the current tax of prior years	(12,49,630)	27,66,878
Tax expense as per statement of the profit and loss	87,12,085	1,27,65,471
Effective tax rate	30.36%	45.02%

(Amount in ₹)

Particulars	Net balance as at April 01 2020	Recognized in profit or loss	Recognized in OCI	Other adjustments	Net balance as at March 31 2021	Deferred tax liability	Deferred tax asset
Deferred tax asset/(liabilities)							
Fixed assets : Impact of difference between Tax depreciation and depreciation charged for the financial reporting	4,71,436	1,57,638	—	(5,91,902)	37,173	—	37,173
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis.	13,27,042	1,04,373	—	(3,51,280)	10,80,136	—	10,80,136
On account of fair value of financial instruments	99,89,645	(22,59,645)	(74,09,158)	(13,02,016)	34,40,822	—	34,40,822
On account of amortisation of processing fees on loan given	24,350	—	—	—	24,350	—	24,350
Minimum alternative tax credit entitlement	5,04,88,051	(16,30,835)	—	(31,370)	4,88,25,847	—	4,88,25,847
On account of amortisation of processing fees on loan taken	(11,469)	1,53,878	—	(1,53,878)	(11,469)	(11,469)	—
On expected credit loss of financial assets	3,01,686	(2,99,127)	—	—	2,559	—	2,559
On land & building as per books of accounts and indexed cost for tax purposes	(3,33,42,306)	—	—	3,33,42,306	—	—	—
Adjustment on account of Ind AS 116 transition	329597	—	—	—	—	—	—
Adjustment on lease modification	—	(4,00,128)	—	(0)	34,923	—	34,923
Deferred tax asset/(liabilities)	2,95,78,033	(3,45,445)	(74,09,158)	3,09,11,862	5,35,31,635	(11,469)	5,35,43,104

Note 44: Capital Management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets in order to maintain or adjust the capital structure.

Notes forming part of the consolidated financial statements

The Group determines the amount of capital required on the basis of operations, capital expenditure and strategic investment plans. The capital structure is monitored on the basis of net debt to equity and maturity profile of overall debt portfolio.

(Amount in ₹)

Particulars	31 March 2021	31 March 2020
Total debts	90,00,000	19,49,16,961
Less : Cash and cash equivalents	21,09,50,80	2,61,82,960
Less : Bank balance other than cash and cash equivalents	81,957	8,94,721
Net debts	(1,21,77,037)	16,78,39,280
Total equity	62,27,92,035	58,85,30,703
Capital gearing ratio	(0.02)	0.29

As per RBI guidelines, the non-deposit-taking NBFCs (NBFCs-ND) shall maintain a Leverage Ratio. "Leverage Ratio" means the total outside liabilities/owned funds.

(Amount in ₹)

Particulars	31 March 2021	31 March 2020
Outside liabilities	3,43,81,405	2,39,13,2421
Owned Funds	62,27,92,035	58,85,30,703
Leverage ratio	0.06	0.41

"Owned fund" means paid up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any.

"Outside liabilities" means total liabilities as appearing on the liabilities side of the balance sheet excluding 'paid up capital' and 'reserves and surplus', instruments compulsorily convertible into equity shares within a period not exceeding 10 years from the date of issue but including all forms of debt and obligations having the characteristics of debt, whether created by issue of hybrid instruments or otherwise, and value of guarantees issued, whether appearing on the balance sheet or not.

Note 45 : Financial risk management framework

In the course of its business, the Group is exposed to certain financial risks namely credit risk, interest risk, currency risk & liquidity risk. The Group's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The financial risks are managed in accordance with the Group's risk management policy which has been approved by its Board of Directors.

Market risk

Market risk is the risk that the fair value of future cash flow of financial instruments will fluctuate due to changes in the market variables such as interest rates, foreign exchange rates and equity prices.

Interest rate risk

The Group uses a mix of cash and borrowings to manage the liquidity & fund requirements of its day-to-day operations. Further, certain interest bearing liabilities carry variable interest rates.

The Group's exposure to market risk for changes in interest rates relates to fixed deposits and borrowings from banks.

Interest rate sensitivity

The sensitivity analysis below have been determined based on exposure to interest rate for non-derivative instruments at the end of reporting period.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Notes forming part of the consolidated financial statements

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows:

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Fixed-rate instruments:		
Financial asset (Bank deposits)	—	8,07,679
Variable-rate instruments:		
Financial liabilities (Borrowings)	(90,00,000)	(19,49,16,961)

Fair value sensitivity analysis for fixed-rate instruments

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(Amount in ₹)

Particulars	As at 31 March 2021	As at 31 March 2020
Increase in basis points	50 basis points	
Effect on profit before tax, increase by	(45,000)	(9,74,585)
Decrease in basis points	50 basis points	
Effect on profit before tax, decrease by	45,000	9,74,585

Foreign currency risk

The Group is exposed to currency risk on account of its operating and financing activities. The functional currency of the Group is Indian Rupee. Our exposure are mainly denominated in U.S. dollars. The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Group's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Group has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks.

Currently company does not have transaction in foreign currencies and hence the company is not exposed to currency risk.

Exposure to currency risk

Particulars	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	Amount in ₹	Amount in foreign currency	Amount in ₹	Amount in foreign currency
Trade payable				
- In USD	6,70,956	9,163	42,98,135	57,061

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalized to fixed assets, the impact indicated below may affect the Group's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

Notes forming part of the consolidated financial statements

Impact of movement on profit and (loss) before tax

Particulars	Year ended 31 March 2021		Year ended 31 March 2020	
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
	1% increase	1% increase	1% increase	1% increase
Trade payable				
- In USD	(6,710)	6,710	(42,981)	42,981

Price risk

The Group is exposed to equity price risk arising from investments held by the Group and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss. To manage its price risk arising from investment in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group. The majority of the Group's equity investments are listed on the Bombay Stock Exchange (BSE) or the National Stock Exchange (NSE) in India.

On investments- sensitivity analysis

As at 31 March 2021

(Amount in ₹)

Particulars	Carrying value	Fair value	Sensitivity to fair value	
			1% increase	1% decrease
Investment at FVTPL	3,23,49,641	3,23,49,641	3,26,73,137	3,20,26,145
Investment at FVOCI	18,10,93,229	18,10,93,229	18,29,04,161	17,92,82,296
	21,34,42,870	21,34,42,870	21,55,77,298	21,13,08,441

As at 31 March 2020

(Amount in ₹)

Particulars	Carrying value	Fair value	Sensitivity to fair value	
			1% increase	1% decrease
Investment at FVTPL	2,76,93,838	2,76,93,838	2,79,70,776	2,74,16,900
Investment at FVOCI	16,45,25,481	16,45,25,481	16,61,70,736	16,28,80,226
	19,22,19,319	19,22,19,319	19,41,41,512	19,02,97,126

Profit for the period would increase/decrease as a result of gains/losses on exchange traded funds equity securities classified as fair value through profit or loss, if any. Other components of equity would increase/decrease as a result of gain/losses on equity securities classified as fair value through other comprehensive income.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. The Group assesses the credit quality of all financial instruments that are subject to credit risk. The carrying amounts of financial assets represent the maximum credit exposure.

Classification of financial assets under various stages

The Group classifies its financial assets in three stages having the following characteristics:

Stage 1: unimpaired and without significant increase in credit risk since initial recognition on which a 12 month allowance for ECL is recognised;

Stage 2: a significant increase in credit risk since initial recognition on which a lifetime ECL is recognised;

Stage 3: objective evidence of impairment, and are therefore considered to be in default or otherwise credit impaired on which a lifetime ECL is recognised.

Notes forming part of the consolidated financial statements

Trade receivables

The Group extends credit to customers in normal course of business. The Group considers factors such as credit track record in the market and past dealings for extension of credit to customers. To manage credit risk, the Group periodically assesses the financial reliability of the customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivables. Outstanding customer receivables are regularly monitored to make an assessment of recoverability. Receivables are provided as doubtful / written off, when there is no reasonable expectation of recovery. Where receivables have been provided / written off, the Group continues regular follow up and any other remedies available with the objective of recovering these outstandings. The Group is not exposed to concentration of credit risk to any one single customer since services are provided to vast spectrum.

Exposure to credit risk

The movement in the allowance for impairment in respect of trade receivables during the year was as follows.

Particulars	Amount in ₹
Balance as at 31 March 2020	11,61,774
Impairment loss recognised	(11,51,933)
Balance as at 31 March 2021	9,841

Liquidity risk

Liquidity is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group's management is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity profile of non-derivative financial liabilities

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows

(Amount in ₹)

Particulars	Less than 1 year	1 years to 3 years	3 years to 5 years	5 years and above
Non-derivative financial liabilities				
31 March 2021				
Trade payables	24,65,573	—	—	—
Borrowings (other than debt securities)	90,00,000	—	—	—
Other financial liabilities	1,40,06,607	—	—	—
Total	2,54,72,180	—	—	—
1 April 2020				
Trade payables	1,02,26,142	—	—	—
Borrowings (Other than debt securities)	92,518	3,98,75,521	15,49,48,922	—
Other financial liabilities	2,36,88,160	—	—	—
Total	3,40,06,820	3,98,75,521	15,49,48,922	—

Notes forming part of the consolidated financial statements

The Group measures financial instruments at fair value at each balance sheet date. 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 Group. 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.

(i) Financial instruments by category

(Amount in ₹)

Particulars	Refer note	31 March 2021			31 March 2020		
		FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial assets:							
Cash and cash equivalents	2	—	—	2,10,95,080	—	—	2,61,82,960
Bank balance other than cash and cash equivalents	3	—	—	81,957	—	—	8,94,721
Trade receivables	4	—	—	1,97,61,611	—	—	3,14,76,782
Loans	5	—	—	7,50,80,527	—	—	9,17,75,812
Investments	6	3,23,49,641	18,10,93,229	5,49,750	2,76,93,838	16,45,25,481	—
Other financial assets	7	—	—	63,01,792	—	—	33,06,948
Total financial assets		3,23,49,641	18,10,93,229	12,28,70,717	2,76,93,838	16,45,25,481	15,36,37,223
Financial liabilities:							
Trade payables	14	—	—	24,65,573	—	—	1,02,26,142
Borrowings (other than debt securities)	15	—	—	90,00,000	—	—	19,49,16,961
Other financial liabilities	16	—	—	1,40,06,600	—	—	2,36,88,160
Total financial liabilities		—	—	2,54,72,173	—	—	22,88,31,263

The Group has not disclosed the fair values for financial instruments for other financial assets, loans, trade receivables, cash and cash equivalents, bank balances other than cash & cash equivalents, trade payables, borrowings and financial liabilities because their carrying amounts are reasonable approximation of their fair values.

(ii) Fair value hierarchy

Fair value hierarchy explains the judgement and estimates made in determining the fair values of the financial instruments that are -

- recognized and measured at fair value
- measured at amortized cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

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)

Notes forming part of the consolidated financial statements

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

Assets and liabilities that are disclosed at Fair values through other comprehensive income

(Amount in ₹)

Particulars	Refer note	31 March 2021		31 March 2020	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:					
Investments	6	18,10,93,229	18,10,93,229	16,45,25,481	16,45,25,481

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investments in equity shares	The fair values of investments in equity shares is based on the quotes of listed companies as stated on BSE/NSE website as at balance sheet date.	Not applicable	Not applicable

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)

Assets and liabilities that are disclosed at fair values through profit & loss

(Amount in ₹)

Particulars	Refer note	31 March 2021		31 March 2020	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:					
Investments	6	3,23,49,641	3,23,49,641	2,76,93,838	2,76,93,838

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investments in mutual funds	The fair values of investments in mutual fund units is based on the net asset value ("NAV") as stated by the issuer of these mutual fund units in the published statements as at balance sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which the issuers will redeem such units from the investor.	Not applicable	Not applicable

Assets and liabilities that are disclosed at amortized cost for which Fair values are disclosed are classified as Level 3.

If one or more of the significant inputs is not based on observable market data, the respective assets and liabilities are considered under Level 3.

Notes forming part of the consolidated financial statements

(iii) Financial assets and liabilities measured at amortized cost

(Amount in ₹)

Particulars	Refer note	31 March 2021		31 March 2020	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:					
Cash and cash equivalents	2	2,10,95,080	2,10,95,080	2,61,82,960	2,61,82,960
Bank balance other than cash and cash equivalents	3	81,957	81,957	8,94,721	8,94,721
Trade receivables	4	1,97,61,611	1,97,61,611	3,14,76,782	3,14,76,782
Loans	5	7,50,80,527	75,08,05,27	9,17,75,812	9,17,75,812
Investments	6	5,49,750	5,49,750	-	-
Other financial assets	7	63,01,792	63,01,792	33,06,948	33,06,948
Total financial assets		12,28,70,717	12,28,70,717	15,36,37,223	15,36,37,223
Financial liabilities:					
Trade payables	14	24,65,573	24,65,573	1,02,26,142	1,02,26,142
Borrowings (other than debt securities)	15	90,00,000	90,00,000	19,49,16,961	19,49,16,961
Other financial liabilities	16	14,00,660	1,40,06,600	2,36,88,160	2,36,88,160
Total financial liabilities		2,54,72,173	2,54,72,173	22,88,31,263	22,88,31,263

Note 46 : Additional Information pursuant to regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

a) Details of loans to associate

Name of the company	As at 31 March 2021		As at 31 March 2020	
	Amount in ₹	Maximum amount outstanding	Amount in ₹	Maximum amount outstanding
Annapurna Pet Private Limited	—	—	—	8,76,213

b) Details of investments in subsidiaries

Name of the company	As at 31 March 2021		As at 31 March 2020	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹
Ladderup Wealth Management Private Limited	1,02,000.00	40,80,000	1,02,000	40,80,000
Waterproof Corporation Private Limited - Equity Shares (refer note 48)	—	—	75,001	2,73,00,364

Optional convertible preference shares :

Name of the company	As at 31 March 2021		As at 31 March 2020	
	No. of shares	Amount in ₹	No. of Shares	Amount in ₹
Waterproof Corporation Private Limited - OCPS (refer note 48)	—	—	54,947	2,00,00,708

Notes forming part of the consolidated financial statements

c) Details of investments in associate

Name of the company	As at 31 March 2021		As at 31 March 2020	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹
Annapurna Pet Private Limited	30,95,650	8,96,88,250	30,95,650	8,96,88,250

d) Details of investments in joint venture

Name of the company	As at 31 March 2021		As at 31 March 2020	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹
Waterproof Corporation Private Limited -Equity (refer note 48)	75,000	2,73,00,000	—	—
Waterproof Corporation Private Limited -OCPS (refer note 48)	54,947	2,00,00,708	—	—

Note 47 : Corporate Social Responsibility

As per provisions of section 135 of the Companies Act, 2013, the Group has to incur at least 2% of average net profits of the immediately preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013.

Details of CSR expenditure

(Amount in ₹)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Amount required to be spent as per section 135 of the Act.	3,06,940	25,47,411
Amount spent during the year on:		
i) Construction / acquisition of any asset	—	—
ii) On purpose other than (i) above	2,00,000	28,00,000

Note 48

During the current year the company has sold stake in Waterproof Corporation Private Limited (WACO) pursuant to which WACO ceases to be a subsidiary on 12 October 2020 and it has been considered as a joint venture by virtue of joint control thereafter, the impact has been given as per Ind AS 111- Joint Arrangements in the Consolidated financial statements.

Note 49

The novel coronavirus (COVID-19) pandemic continues to spread across the globe including India. COVID-19 has taken its toll on not just human life, but business and financial markets too. With substantial increase in COVID-19 cases across different parts of country, government have introduced a various measures to contain the spread of virus, including lockdown and restrictions on movement of people and goods across different geographies. The Company's operations, revenue and consequently profit during the current quarter were not materially impacted due to COVID-19. Based on the current assessment of the potential impact of the COVID-19 on the Group, management is of the view that the balance sheet of the Group has adequate liquidity to service its obligations and sustain its operations. The Management and Directors are actively engaged and will continue to closely monitor the future developments during this pandemic.

Notes forming part of the consolidated financial statements

Note 50 : Additional information as required under schedule III of Companies Act, 2013, of enterprises consolidated as subsidiary

Name of the enterprises	As at 31 March, 2021		Year ended 31 March, 2021	
	Net assets i.e. Total assets minus total liabilities		Share of profit or loss including other comprehensive income	
	As % of consolidated net assets	Amount in ₹	As % of consolidated profit or loss	Amount in ₹
Parent				
Ladderup Finance Limited	85.37	55,01,95,841	72.85	2,75,31,790
Subsidiaries				
Ladderup Wealth Management Private Limited	6.76	4,35,59,749	36.35	1,37,35,784
Minority interest in subsidiaries	3.37	2,16,96,789	27.15	1,02,60,423
Associates (investment as per the equity method):				
Annapurna Pet Private Limited	14.43	9,30,28,950	(40.63)	(1,53,54,491)
Joint venture (investment as per the equity method):				
Waterproof Corporation Private Limited	12.21	7,86,76,035	30.56	1,15,50,058
Elimination entries	(22.14)	(14,26,68,539)	(26.28)	(99,31,351)
Total	100	64,44,88,824	100	3,77,92,213

Name of the enterprises	As at 31 March 2021		Year ended 31 March 2020	
	Net Assets i.e. Total assets minus total liabilities		Share of profit or loss including other comprehensive income	
	As % of consolidated net assets	Amount in ₹	As % of consolidated profit or loss	Amount in ₹
Parent				
Ladderup Finance Limited	80.39	52,88,18,818	84.80	(11,39,22,127)
Subsidiaries				
Ladderup Wealth Management Private Limited	4.53	2,98,23,966	(5.01)	67,28,056
Waterproof Corporation Private Limited	18.42	12,12,01,808	(15.86)	2,13,12,832
Minority Interest in all subsidiaries	10.53	6,93,01,061	(10.54)	1,41,62,098
Associates (investment as per the equity method):				
Annapurna Pet Private Limited	16.48	10,83,83,441	(0.31)	4,18,136
Elimination entries	(30.36)	(19,96,97,330)	46.93	(6,30,46,073)
Total	100	65,78,31,764	100	(13,43,47,078)

Notes forming part of the consolidated financial statements

Note 51

The Code on Social Security, 2020 (Code) relating to employee benefits during employment and post-employment benefits has received Presidential assent on 9 September 2020. The Code has been published in the Gazette of India. However, the date on which the Code comes into effect has not been notified. The company will assess the impact of the Code when it comes into effect and will record any related impact in the period of the Code becomes effective.

Note 52

Other additional information's as per Schedule III part II is either nil or not applicable to the company.

Note 53

Previous year's figures have been regrouped where necessary to confirm to this year's classification.

Note 54

The Financial Statements were approved by the Audit Committee and Board of Directors on 23 June 2021.

In terms of our Report of even date attached

For Shah Gupta & Co.

Chartered Accountants

Firm Registration No. : 109574W

Sd/-

Vedula Prabhakar Sharma

Partner

Membership Number: 123088

Place : Mumbai

Date : June 23, 2021

For and on behalf of the Board of Directors

Sd/-

Sunil Goyal

Managing Director

DIN:00503570

Sd/-

Dhiraj Gupta

Company Secretary

Membership No.: A47161

Place : Mumbai

Date : June 23, 2021

Sd/-

Manoj Singrodia

Director

DIN : 01501529

Sd/-

Suresh Kumawat

Chief Financial Officer

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

I) Salient features of financial statements of subsidiaries & associate as per Companies Act, 2013

PART- A - Subsidiaries

(Amount in ₹)

S. No.	Subsidiary company	Reporting currency	Exchange rate	Capital	Reserves	Total assets	Total liabilities	Investments	Turnover (including other income)	Profit / (loss) before taxation	Tax expense	Profit / (loss) after taxation	Proposed dividend	% of shareholding
1.	Ladderup Wealth Management Private Limited	INR	—	20,00,000	4,15,59,749	5,90,82,480	1,55,22,731	59,18,266	6,07,94,545	1,76,90,516	40,93,363	1,35,97,153	—	51.00

PART- B - Associate

S. No.	Name of the company	Reporting currency	Share of the associate held by the company on the year end No. of shares	Amount invested	Extent of holding %	Networth attributable to shareholding as per last audited balance sheet	Loss for the year Considered in consolidation	Not considered in consolidation	Description of how there is significant influence
1	Ammapurna Pet Private Limited *	INR	30,95,650	8,96,88,250	49.18%	20,31,52,992	(1,53,54,491)	—	Note 1

* Based on unaudited financial statements.

PART- C - Joint venture

S. No.	Name of the company	Reporting currency	Share of the joint ventures held by the company on the year end No. of shares	Amount invested	Extent of holding %	Networth attributable to shareholding as per last audited balance sheet	Profit for the year Considered in consolidation	Not considered in consolidation	Description of how there is significant influence
1	Waterproof Corporation Private Limited	INR	75,000	27,300,000	50.00%	15,09,38,663	1,15,50,058	—	Note 1

Notes

- 1 There is significant influence due to percentage (%) of shareholding.

For and on behalf of the Board of Directors

Sd/-
Sunil Goyal
Managing Director
DIN : 00503570

Sd/-
Manoj Singrodia
Director
DIN : 01501529

Place : Mumbai
Date : June 23, 2021

Sd/-
Dhiraj Gupta
Company Secretary
Membership No.: A47161

Sd/-
Suresh Kumawat
Chief Financial Officer



Ladderup

Engineering Growth

REGISTERED OFFICE

A-102, Hallmark Business Plaza, Sant Dyaneshwar Marg, Opp. Gurunanak Hospital,
Bandra (East), Mumbai – 400 051

Website: www.ladderup.com | E-mail: info@ladderup.com

Tel.: +91-22-42466363 | Fax: +91-22-42466364

CIN: L67120MH1993PLC074278