

**CIFL Investment Adviser Private Limited**

(Formerly known as CIFL Investment Manager Private Limited)

**Balance Sheet as at 31st March 2021**

(Currency: Indian Rupee in thousands)

	Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
<b>1</b>	<b>ASSETS</b>			
(a)	Financial Assets			
	Cash & cash equivalents	3	69.93	125.51
<b>2</b>	<b>Non-financial Assets</b>			
(a)	Other non-financial assets	4	-	9.00
	<b>Total Assets</b>		<b>69.93</b>	<b>134.51</b>
	<b>LIABILITIES AND EQUITY</b>			
<b>1</b>	<b>LIABILITIES</b>			
(a)	Financial Liabilities			
	Payables			
	Trade payables	5		
	total outstanding dues of micro enterprises and small enterprises		-	-
	total outstanding dues of creditors other than micro enterprises and small enterprises		42.14	34.12
<b>2</b>	<b>EQUITY</b>			
(a)	Equity share capital	6	300.00	300.00
(b)	Other equity	7	(272.21)	(199.61)
	<b>Total Liabilities and Equity</b>		<b>69.93</b>	<b>134.51</b>

Notes 1 to 12 forms part of the Financial statements

In terms of our report attached

For Nagar Goel &amp; Chawla

Chartered Accountants

ICAI Firm Registration No. : 009933N



Karan Sabberwal

Partner

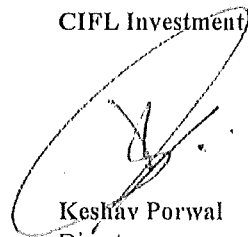
Membership No. : 523373

Place: New Delhi

Date: 20th May 2021

For and on behalf of the board

CIFL Investment Adviser Private Limited



Keshav Porwal

Director

DIN : 06706341

Place: Mumbai

Date: 20th May 2021



Deepak Vaswan

Director

DIN : 07814811

Place: Mumbai

Date: 20th May 2021

**CIFL Investment Adviser Private Limited**  
(Formerly known as CIFL Investment Manager Private Limited)  
**Statement of Profit and Loss for the year ended 31st March 2021**  
(Currency: Indian Rupee in thousands)

	Particulars	Note	For the year ended 31st March 2021	For the year ended 31st March 2020
(I)	Revenue from operations		-	-
(II)	Other income		-	-
(III)	Total income (I+II)		-	-
	Expenses			
	Others expenses		72.60	63.65
(IV)	Total expenses (IV)	8	72.60	63.65
(V)	(Loss) before tax (III -IV)		(72.60)	(63.65)
(VI)	Tax expense			
	Current tax		-	-
	Deferred tax		-	-
(VII)	(Loss) after tax (V-IV)		(72.60)	(63.65)
(VIII)	Other comprehensive income		-	-
(IX)	Total comprehensive (loss) for the year (VII+VIII)		(72.60)	(63.65)
(X)	Earnings per share (in Rs.) [face value Rs. 10 each]	9		
	Basic		(2.42)	(3.16)
	Diluted		(2.42)	(3.16)

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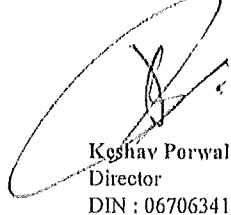
For Nagar Goel & Chawla  
Chartered Accountants  
ICAI Firm Registration No. : 009933N



Karan Sabherwal  
Partner  
Membership No. : 523373

Place: New Delhi  
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Place: Mumbai  
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**CIFL Investment Adviser Private Limited**  
(Formerly known as CIFL Investment Manager Private Limited)  
**Statement of Cash Flows for the year ended 31st March 2021**  
(Currency: Indian Rupee in thousands)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net (loss) before tax	(72.60)	(63.65)
Operating (loss) before working capital changes	(72.60)	(63.65)
Adjustments for changes in working capital :		
Decrease in other non-financial assets	9.00	9.00
Increase in trade payables	8.02	24.12
Cash used in operations	(55.58)	(30.53)
Income tax paid	-	-
Net cash used in operating activities	(55.58)	(30.53)
<b>B) CASH FLOW FROM INVESTING ACTIVITIES:</b>	-	-
<b>C) CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from issue of equity shares	-	100.00
Net cash generated from financing activities	-	100.00
<b>D) Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	(55.58)	69.47
<b>E) Cash and cash equivalents as at the beginning of the year</b>	125.51	56.04
<b>F) Cash and cash equivalents as at the end of the year</b>	69.93	125.51

Cash and cash equivalents comprises:

Particulars	As at 31st March 2021	As at 31st March 2020
Balances with banks in current accounts	69.93	125.51
	69.93	125.51

Note : The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

Notes 1 to 12 forms part of the Financial statements  
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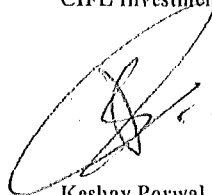
For Nagar Goel & Chawla  
Chartered Accountants  
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Karan Sabberwal  
Partner  
Membership No. : 523373

Place: New Delhi  
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For and on behalf of the board  
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Deepak Vaswan  
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Place: Mumbai  
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**CIFL Investment Adviser Private Limited**  
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**Statement of Changes in Equity for the year ended 31st March 2021**  
(Currency: Indian Rupee in thousands)

**A. Equity share capital**

Particulars	Amount
Balance at 1st April 2019	200.00
Changes in equity share capital during the year	100.00
Balance at 31st March 2020	300.00
Changes in equity share capital during the year	-
Balance at 31st March 2021	300.00

**B. Other equity**

Particulars	Reserves and Surplus			Total
	Securities Premium	General Reserves	Retained Earnings	
Balance as at 1st April 2019	-	-	(135.96)	(135.96)
Restated balance at the beginning of the reporting year	-	-	(135.96)	(135.96)
(Loss) for the year after income tax	-	-	(63.65)	(63.65)
Other comprehensive income for the year before income tax	-	-	-	-
Less: Income tax on other comprehensive income	-	-	-	-
Total comprehensive (loss) for the year	-	-	(63.65)	(63.65)
Balance at 31st March 2020	-	-	(199.61)	(199.61)
(Loss) for the year after income tax	-	-	(72.60)	(72.60)
Other comprehensive income for the year before income tax	-	-	-	-
Less: Income tax on other comprehensive income	-	-	-	-
Total comprehensive (loss) for the year	-	-	(72.60)	(72.60)
Balance at 31st March 2021	-	-	(272.21)	(272.21)

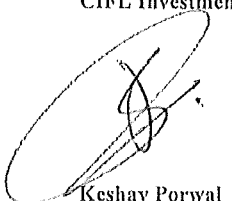
In terms of our report attached

For Nagar Goel & Chawla  
Chartered Accountants  
ICAI Firm Registration No. : 009933N

For and on behalf of the board  
CIFL Investment Adviser Private Limited



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Partner  
Membership No. : 523373



Keshav Porwal  
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Deepak Vaswan  
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Place: New Delhi  
Date: 20th May 2021

Place: Mumbai  
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**CIFL Investment Adviser Private Limited**  
(Formerly known as CIFL Investment Manager Private Limited)  
**Notes to Ind AS Financial Statements for the year ended 31st March 2021**  
(Currency: Indian Rupee in thousands)

**1 Corporate Information**

CIFL Investment Adviser Private Limited ('the Company') [Formerly known as CIFL Investment Manager Private Limited] was incorporated on 14<sup>th</sup> September 2017 as a private limited Company under the Companies Act, 2013 ('the Act').

The Company is a wholly owned subsidiary of Capital India Finance Limited and formed with the main objective of carrying out the business of providing business advisory services on all areas of financial management.

The Company has not yet commenced its business activities during the period. The Company's holding Company viz., Capital India Finance Limited has informed the Company of its intention of providing operational and financial support to the Company as and when they fall due atleast for a period of 12 months from the reporting date. Accordingly, the financial statements have been prepared on a going concern basis.

**2 Significant accounting Policies**

**2.1 Basis of Preparation of financial statements**

**A) Statement of Compliance**

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

**B) Functional and presentation currency**

The Company's presentation and functional currency is Indian Rupees ("INR" or "Rs."). All figures appearing in the financial statements are in Indian rupees rounded to the nearest thousands (up to two decimals), unless otherwise indicated.

**C) Basis of preparation, presentation and disclosure of financial statements**

The financial statements have been prepared under historical cost convention on accrual basis, modified to include the fair valuation of certain financial instruments, to the extent required or permitted under Ind AS as set out in the relevant accounting policies. All Assets and liabilities are presented in order of liquidity of line items on the face of financial statements. Further, Assets and liabilities are classified as per the normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act.

**D) Use of judgment and Estimates**

The preparation of the financial statements requires the management to make judgments, estimates and assumptions in the application of accounting policies that affects the reported amount of assets, liabilities and the accompanying disclosures along with contingent liabilities as at the date of financial statements and revenue & expenses for the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes different from the estimates. Difference between actual results and estimates are recognised in the period in which the results are known or materialise i.e. prospectively.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**CIFL Investment Adviser Private Limited**  
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**Notes to Ind AS Financial Statements for the year ended 31st March 2021**  
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**E) Fair value measurement**

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in statement of profit and loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

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

- **Level 1 - Valuation using quoted market price in active markets:** The fair value for financial instruments traded in active markets at the reporting date is based on their quoted market price, without any deduction for transaction costs. A market is regarded as active, if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.
- **Level 2 - Valuation using observable inputs:** If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates most of the factors that market participants would take into account in pricing a transaction.
- **Level 3 - Valuation with significant unobservable inputs:** The valuation techniques are used only when fair value cannot be determined by using observable inputs. The Company regularly reviews significant unobservable inputs and valuation adjustments. Level 3 assets are typically very illiquid, and fair values can only be calculated using estimates.

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

**F) Effective interest Rate (EIR) method**

Effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees or other income received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Interest Income is recognised on EIR basis for debt instruments other than those classified as at FVTPL and credit impaired assets.

**2.2 Financial Instruments**

**a) Recognition and initial measurement –**

**CIFL Investment Adviser Private Limited**  
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**Notes to Ind AS Financial Statements for the year ended 31st March 2021**  
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Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provision of the instruments.

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

**b) Classification and Subsequent measurement of financial assets –**

On initial recognition, a financial asset is classified as measured at

- Amortised cost
- FVOCI – debt instruments
- FVOCI – equity instruments
- FVTPL

**Amortised cost** - The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios being the level at which they are managed. The financial asset is held with the objective to hold financial asset in order to collect contractual cash flows as per the contractual terms that give rise on specified dates to cash flows that are solely payment of principal and interest (SPPI) on the principal amount outstanding. Accordingly, the Company measures Bank balances, Loans, Trade receivables and other financial instruments at amortised cost.

**FVOCI - debt instruments** - The Company measures its debt instruments at FVOCI when the instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and the contractual terms of the financial asset meet the SPPI test.

**FVOCI - equity instruments** - The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments and are not held for trading.

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

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. This includes all derivative financial assets.

**Subsequent measurement of financial assets**

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of profit and loss. Any gain and loss on derecognition is recognised in Statement of profit and loss.

Debt investment at FVOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in Statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of profit and loss.

**CIFL Investment Adviser Private Limited**  
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**Notes to Ind AS Financial Statements for the year ended 31st March 2021**  
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For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVOCI.

These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Statement of profit and loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for strategic purpose. Dividend income received on such equity investments are recognised in Statement of profit and loss.

Equity investments that are not designated as measured at FVOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in Statement of profit and loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of profit and loss.

**c) Financial liabilities and equity instruments:**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements 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 an entity after deducting all of its liabilities.

*Financial liabilities*

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

**d) Derecognition of financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all of the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amount it may have to pay.

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

**e) Offsetting.**

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

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**Notes to Ind AS Financial Statements for the year ended 31st March 2021**  
(Currency: Indian Rupee in thousands)

**f) Impairment of financial instruments**

The Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets measured at amortised cost or FVTOCI, except for investments in equity instruments. Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition.

**Stage 1 (Performing Assets)** – includes financial assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. For these assets, 12-month ECL is recognised and interest income is calculated on the gross carrying amount of the assets (that is, without deduction for credit allowance). 12-month ECL are the portion of ECL that results from default events on a financial instrument that are possible within 12 months after the reporting date, if the credit risk has not significantly increased since initial recognition.

**Stage 2 (Underperforming Assets with significant increase in credit risk since initial recognition)** – includes financial instruments that have had a significant increase in credit risk since initial recognition (unless they have low credit risk at the reporting date) but that do not have objective evidence of impairment. For these assets, lifetime ECL are recognised, but interest income is calculated on the gross carrying amount of the assets. Lifetime ECL are the expected credit losses that result from all possible default events over the expected life of the instrument.

**Stage 3 (Non-performing or Credit-impaired assets)** – includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime ECL is recognised and interest income is recognised on Net exposure (that is Gross carrying amount less Provision for Expected credit losses).

**Criteria used for determination of movement from Stage 1 (12 month ECL) to Stage 2 and Stage 3 (lifetime ECL).**

The Company monitors the Days Past Due (DPD) status of each asset which is used as the indicator to determine the assets in various stages. Criteria used for classification of assets are detailed below:

Stage 1 (12 month ECL)	DPD status is less than or equal to 30 DPD
Stage 2 (lifetime ECL)	DPD status greater than 30 and less than or equal to 90 DPD
Stage 3 (lifetime ECL)	DPD status greater than 90 days

**Measurement of Expected Credit Loss**

Expected Credit Losses (ECL) on financial assets is an unbiased probability weighted amount based out of possible outcomes after considering risk of credit loss even if probability is low and incorporate all available information which is relevant to the assessment including information about past events, current conditions and reasonable and supportable forecasts of future events and economic conditions at the reporting date. Measurement of expected credit losses are based on 3 main parameters.

- **Probability of default (PD):** It is defined as the probability of whether borrowers will default on their obligations in future. Since the company don't have any history of past losses therefore it was not adequate enough to create our own internal model through which actual defaults for each grade could be estimated. Hence, the default study published by one of the recognised rating agency is used for estimating the PDs for each range grade.

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**Notes to Ind AS Financial Statements for the year ended 31st March 2021**

(Currency: Indian Rupee in thousands)

- **Loss given default (LGD):** It is the magnitude of the likely loss, if there is a default. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value.

The default study published by one of the recognised rating agency is used for estimating the LGD for secured and unsecured loans.

- **Exposure at default (EAD):** EAD represents the expected exposure in the event of a default, and is the gross carrying amount in case of the financial assets held by the company.
- g) **Write offs –** The gross carrying amount of a financial asset is written-off (either partially or in full) to the extent that there is no reasonable expectation of recovering the asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off and when there is no reasonable expectation of recovery from the collaterals held. However, financial assets that are written-off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.
- h) **Presentation of allowance for ECL in the balance sheet –** Loss allowances for ECL are deducted from the gross carrying amount of financial assets measured at amortised cost.

**2.3 Cash and Cash equivalents**

Cash and cash equivalents consist of cash in hand, bank balances, demand deposits with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have original maturities of less than or equal to three months. These balances with banks are unrestricted for withdrawal and usage.

Other bank balances includes balances and deposits with banks that are restricted for withdrawal and usage.

**Statement of Cash Flow**

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

**2.4 Impairment of non-financial assets**

The carrying values of assets at each balance sheet date are reviewed for impairment, if any indication of impairment exists. If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognised for such excess amount in statement of profit and loss. Recoverable amount is the greater of the net selling price and value in use. If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognized are reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognized initially.

**2.5 Provisions, contingent liabilities and contingent assets**

The Company recognises a provision when there is a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

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**Notes to Ind AS Financial Statements for the year ended 31st March 2021**

(Currency: Indian Rupee in thousands)

When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current market assessments of the time value of money and the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure is made in the financial statements.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that may arise from past events but probably will not require an outflow of resource to settle the obligation.

When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resource is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed in the financial statements.

**2.6 Foreign exchange transactions and translations**

- a) **Initial recognition:** Transactions in foreign currencies are recognised at the prevailing exchange rates between the reporting currency and a foreign currency on the transaction date.
- b) **Conversion:** Transactions in currencies other than Company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each balance sheet date, foreign currency monetary items are reported at the prevailing closing spot rate. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are generally recognised in Statement of profit and loss.

Non-monetary assets and liabilities are carried at historical cost using exchange rates as on the date of the respective transactions and are not retranslated at the reporting date.

**2.7 Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

**2.8 Income Tax**

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

**a) Current tax**

Current tax comprises of the expected tax payable on the taxable income for the year and any adjustment to the tax payable or receivable in respect of earlier years. The amount of current tax reflects the best estimate of the tax amount to be paid, measured in accordance with the tax rates and tax laws that have been enacted or substantively enacted by the end of reporting period. Current tax items are recognised in correlation to

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**Notes to Ind AS Financial Statements for the year ended 31st March 2021**

(Currency: Indian Rupee in thousands)

the underlying transaction either in the statement of profit and loss, other comprehensive income or directly in equity.

Income tax assets and liabilities are measured at the amount expected to be recovered from or payable to the taxation authorities.

**b) Deferred tax**

Deferred tax is recognised using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax items are recognised in correlation to the underlying transaction either in the statement of profit and loss, other comprehensive income or directly in equity.

Any change in the deferred taxes due to a change in tax rates is recognised in the statement of profit and loss in the period of enactment of the change.

Tax assets and tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off tax assets against tax liabilities.

**2.9 Earnings per share**

Basic earnings per share is computed by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

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

**2.10 Operating cycle for current and non-current classification**

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**CIFL Investment Adviser Private Limited**

(Formerly known as CIFL Investment Manager Private Limited)

**Notes to Ind AS Financial Statements for the year ended 31st March 2021**

(Currency: Indian Rupee in thousands)

**3 Cash and cash equivalents**

Particulars	As at 31st March 2021	As at 31st March 2020
Balances with Bank		
- in current accounts	69.93	125.51
	69.93	125.51

**4 Other non-financial assets**

Particulars	As at 31st March 2021	As at 31st March 2020
Prepaid expenses	-	9.00
	-	9.00

**5 Payables**

Particulars	As at 31st March 2021	As at 31st March 2020
Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	42.14	34.12
	42.14	34.12

**CIFL Investment Adviser Private Limited**

(Formerly known as CIFL Investment Manager Private Limited)

**Notes to Ind AS Financial Statements for the year ended 31st March 2021**

(Currency: Indian Rupee in thousands)

**6 Equity share capital**

Particulars	As at 31st March 2021		As at 31st March 2020	
	Number	Amount	Number	Amount
Authorized share capital				
Equity shares of Rs. 10 each	5,00,000	5,000.00	50,000	500.00
Issued, subscribed and fully paid up				
Equity shares of Rs. 10 each	30,000	300.00	30,000	300.00
Total issued, subscribed and fully paid up share capital	30,000	300.00	30,000	300.00

**a. Reconciliation of the shares and amount outstanding at the beginning and at the end of the reporting year:**

Particulars	As at 31st March 2021		As at 31st March 2020	
	Number	Amount	Number	Amount
At the beginning of the year	30,000	300.00	20,000	200.00
Add: Allotment during the year	-	-	10,000	100.00
Outstanding at the end of the year	30,000	300.00	30,000	300.00

**b. Terms and rights attached to fully paid up equity shares:**

The Company has only one type of equity shares having par value of Rs. 10 each. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their holdings.

**c. Shares in the Company held by holding company and shareholders holding more than 5% shares:**

Particulars	As at 31st March 2021		As at 31st March 2020	
	Number	%	Number	%
Capital India Finance Limited & its nominees	30,000	100%	30,000	100%
Total	30,000	100%	30,000	100%

**7 Other equity**

Particulars	As at 31st March 2021	As at 31st March 2020
<b>Retained earnings</b>		
Opening balance		
(Loss) for the year after income tax	(199.61)	(135.96)
Other comprehensive income for the year before income tax	(72.60)	(63.65)
Less: Income tax on other comprehensive income	-	-
Total comprehensive (loss) for the year	(72.60)	(63.65)
Closing balance	(272.21)	(199.61)

**CIFL Investment Adviser Private Limited**

(Formerly known as CIFL Investment Manager Private Limited)

**Notes to Ind AS Financial Statements for the year ended 31st March 2021**

(Currency: Indian Rupee in thousands)

**8 Other expenses**

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Audit fees	15.00	10.00
Legal & professional charges	49.60	49.14
Rates & taxes	8.00	4.51
	72.60	63.65

**9 Basic and Diluted Earnings per share computed in accordance with Indian Accounting Standard (Ind AS) 33 "Earnings per Share"**

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
(Loss) attributable to equity shareholders	(72.60)	(63.65)
Weighted average number of equity shares	30,000	20,137
Nominal value of an equity share (Rs.)	10	10
Basic and diluted earnings per share (in Rs.)	(2.42)	(3.16)

CIFL Investment Adviser Private Limited  
(Formerly known as CIFL Investment Manager Private Limited)  
Notes to Ind AS Financial Statements for the year ended 31st March 2021  
(Currency: Indian Rupee in thousands)

10 Information in accordance with the requirements of the Indian Accounting Standard (Ind AS) 24 on "Related Party Disclosures"

- (i) Name of Holding Company :- Capital India Finance Limited  
(ii) Details of transaction with related parties mentioned in (i) above are as follows:

Particulars	Holding Company	
	As at 31st March 2021	As at 31st March 2020
Transactions during the year:		
Issue of equity shares (including nominees)	-	100.00
Balances outstanding at the end of the year	-	-

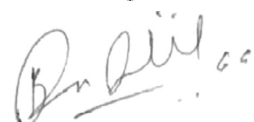
11 Dues to Micro and Small Enterprises

There are no amounts that need to be disclosed pertaining to Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') as at 31st March 2021 & 31st March 2020, no supplier has intimated the Company about its status as Micro or Small Enterprises or its registration with the appropriate authority under the MSMED.

- 12 As the Company has not yet commenced its business activities, hence there are no timing differences between accounting income and taxable income reflecting deferred tax charge or credit and corresponding deferred tax liabilities or assets. Accordingly, no disclosure for deferred tax has been made in the financial statements as envisaged under Ind AS 12 "Income Taxes".

In terms of our report attached

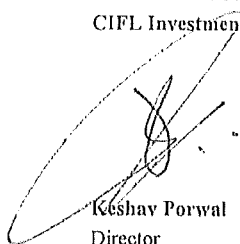
For Nagar Goel & Chawla  
Chartered Accountants  
ICAI Firm Registration No. : 009933N



Karan Sabberwal  
Partner  
Membership No. : 523373

Place: New Delhi  
Date: 20th May 2021

For and on behalf of the board  
CIFL Investment Adviser Private Limited



Keshav Porwal  
Director  
DIN : 06706341

Place: Mumbai  
Date: 20th May 2021



Deepak Vaswan  
Director  
DIN : 07814811

Place: Mumbai  
Date: 20th May 2021